This plan outlines Tourism Australia’s strategic direction and goals for the period 2017-21. It has been prepared in accordance with the Tourism Australia Act 2004 (Cth) and the Public Governance Performance and Accountability Act 2013 (Cth).
In many respects, our 2017-21 Corporate Plan builds on our 2016-20 corporate plan, reflecting the positive state of our industry and the solid progress we are making towards reaching our long-term Tourism 2020 goals. We have a clear strategic direction, the industry is more unified than ever before, all our target markets grew last year and our global marketing activities are delivering strong results.

In 2016, overseas arrivals rose 11 per cent, with 8.3 million international visitors spending a record $39.1 billion. As an industry, we are tracking around $10 billion ahead of the $115 billion lower range of our Tourism 2020 targets. Last year we closed the gap considerably on our $140 billion stretch target.

Planning for 2020 and beyond begins in earnest in 2017/18, as we identify opportunities for Australian tourism and Tourism Australia. Don’t expect to see significant changes in our target markets, nor our targeting of high value leisure and business events consumers. But you will see improvements in our ability to identify and reach our target customers. In the past, we have relied on traditional demographics. But now, thanks to advances in technology, we can use data and analytics to identify and better target consumers, based on their behaviours, attitudes and preferences in the areas of travel, destinations, products and experiences. This targeting and personalisation will significantly improve the efficiency and effectiveness of our marketing.

Tourism Australia’s mission is to market Australia to be “the most desirable and memorable destination on earth”. We’ve been fortunate this year in having actor Chris Hemsworth as our ambassador, providing the voice for our global campaign. There’s nothing like Australia remains our campaign umbrella which in 2017/18 continues to focus on Australia’s aquatic and coastal, food and wine and nature and wildlife experiences. We will continue to promote Indigenous tourism experiences in select markets.

At the end of 2016, Tourism Australia used tactical campaign activity to promote Australia’s Working Holiday Maker Program. We plan to step up those efforts in 2017/18, using a deeper and broader focus on youth. People sometimes forget just how important youth travellers are to our industry. They contribute around $17 billion annually in tourism spending and represent one quarter of Australia’s international arrivals, staying longer and travelling more widely in regional areas.

In recent years, speaking with one voice has been a guiding principle for Tourism Australia and will continue to be the case in 2017/18. Wherever we can, we will work with state and Australian Government partners to enhance our marketing activities. This will include continuing to collaborate and align on our marketing campaigns, combining market resources, sharing international consumer research and consolidating distribution activities. This approach can be seen in the China-Australia Year of Tourism in which we are working with government and industry partners in China, maximising the benefits of our ‘one voice’ activities. For example, in February 2017, a tourism delegation to Shanghai and Beijing, led by the Hon. Steven Ciobo, MP, Minister for Trade, Tourism and Investment, marked the start of year-long celebrations.

We will extend this same spirit of close collaboration to our commercial partnerships, which are so important in extending the reach and impact of Tourism Australia’s campaigns through their marketing and booking channels.

The internal discipline which has allowed us to direct additional marketing funds towards customers by cutting back on our own office costs will continue in 2017/18. At 8 per cent, our back-office costs are amongst the lowest of any Australian Government agency and it’s important we maintain this commercial imperative in all we do. It is equally important that we have robust corporate governance and strong risk management. The Executive and the Board continue to drive this crucial element of our business, ensuring our processes and procedures are maintained to the highest of standards.

Who we are, our culture, what we stand for and how we operate at all levels as a business is important. We have made significant progress in the last 12 months embedding our values – united, commercial, genuine, positive and innovative – in the business. That focus remains. This is a time of genuine opportunity for Australian tourism, and I believe this corporate plan can help us deliver towards 2020 and beyond.

On behalf of my leadership team and staff, thank you for your continued support.

John O’Sullivan, Managing Director
ABOUT US

Tourism Australia is an Australian Government Commonwealth corporate entity formed under the Tourism Australia Act 2004. It is governed by a Board of Directors that is appointed by the Minister responsible for tourism under the Tourism Australia Act 2004 and the Public Governance Performance and Accountability Act 2013.

OUR PURPOSE

Tourism Australia’s purpose is to grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets. This purpose is synonymous with our Australian Government outcome.¹

OUR GOAL

Tourism Australia’s goal – which is shared by the Australian tourism industry and federal, state and territory governments – is to maximise tourism’s contribution to the Australian people. It aims to achieve more than $115 billion in annual overnight tourism expenditure by 2020 (up from $70 billion² in 2009).

OUR VALUES

United | we are one team
Positive | we are optimistic
Genuine | we are authentic
Commercial | we deliver results
Innovative | we are creative thinkers

OUR VISION

For Australia to be the most desirable and memorable destination on earth

OUR LEGISLATIVE FUNCTIONS AND DELIVERABLES

Under the Tourism Australia Act 2004, Tourism Australia’s main functions are to:

» Increase potential travellers’ awareness of Australia as a destination
» Increase potential domestic travellers’ awareness of Australia as a place to travel
» Increase both international and domestic potential travellers’ knowledge of Australia
» Increase both international and domestic potential travellers’ desire to travel to and throughout Australia
» Conduct research into, and analyse international and domestic travel
» Communicate effectively with the Australian tourism industry on matters that may affect it
» Increase awareness among Australians of the contribution tourism makes to the economy, society and environment throughout the country
» Report on trends in international and domestic travel.

¹ Government outcomes are the desired results, impacts or consequences that an agency is aiming to achieve for the Australian community as influenced by actions of the Australian Government. Tourism Australia has one Government outcome: “To grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets”, Portfolio Budget Statements 2016/17, Foreign Affairs and Trade Portfolio, page 159

² The 2009 benchmark under the 2020 Tourism Industry Potential – the latter preceded the Tourism 2020 strategy
**TOURISM 2020**

Tourism 2020 is a whole-of-government and industry strategy to build the resilience and competitiveness of Australia’s tourism industry and increase its contribution to Australia’s economy.

The Tourism 2020 goal is to double overnight expenditure to more than $115 billion by 2020. When it was introduced, the target ranged from $115 billion to $140 billion in overnight visitor expenditure, reflecting a range of scenarios from holding to increasing market share across key markets.

Tourism 2020 focuses on improving the industry’s performance by pursuing opportunities to increase consumer spending and address supply-side factors. The strategy has been implemented using a three-phase approach. We are nearing the end of the ‘Seeing the results’ phase and moving into the ‘Looking beyond 2020’ phase as shown in Figure 1.

As part of Tourism 2020, we also set supply-side targets for aviation capacity and accommodation investment to ensure the industry can deliver on the needs of target consumers.

*Figure 1: Tourism 2020 implementation phases*
PERFORMANCE AGAINST TOURISM 2020 GOALS

The industry is on track to achieve the Tourism 2020 goal of more than $115 billion in overnight visitor expenditure by 2020.

At 31 December 2016, the total expenditure reached $100.1 billion, up 6 per cent year on year. Major contributors to growth have been visitors from China who now spend more than double that of visitors from the next biggest market, the UK. Expenditure by visitors from the USA, Singapore, South Korea, India and Hong Kong has also been high.

Growth in international aviation capacity underpins achievement of Tourism 2020 goals. Over the past six years there has been solid growth, and by September 2016, an additional 6.9 million seats had been added, representing 80 per cent of the total seats targeted when goals were set in 2009.

An increase in the amount of quality accommodation is also needed to achieve Tourism 2020 goals. There has been solid progress, and the industry is on track to achieve the target of an additional 6,000 to 20,000 new rooms. There are around 40,000 new short-term accommodation rooms in the pipeline, valued at $42.7 billion.

Figure 2: Progress against Tourism 2020 goals
OPERATING CONTEXT AND TRENDS

The table below outlines the trends that will impact Tourism Australia’s activities and operating model through to 2020/21. These include global economic factors, consumer behaviour changes, shifts in the media landscape and the composition of the travel industry. These shifts have been taken into consideration when planning Tourism Australia’s budgeting and resourcing, marketing activities and operating model.

<table>
<thead>
<tr>
<th>GLOBAL CHANGES IMPACTING AUSTRALIAN TOURISM</th>
<th>IMPLICATIONS FOR TOURISM AUSTRALIA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic</strong></td>
<td></td>
</tr>
<tr>
<td>• The outlook remains mixed, with Asian economies continuing to grow, led by China; there are concerns around the impact of Brexit on the UK and elections in Germany, France and Italy; and there are potential upsides from the pro-growth agenda in the USA</td>
<td>Positive overall, driven by growth from Asia Important to maintain a balanced market portfolio</td>
</tr>
<tr>
<td>• Tourism is becoming increasing competitive as countries identify it as a source of economic growth</td>
<td></td>
</tr>
<tr>
<td><strong>Marketing channels</strong></td>
<td></td>
</tr>
<tr>
<td>• The use of programmatic advertising to target consumers is increasing</td>
<td>Increasing marketing costs and noise are hampering the ability to achieve exposure</td>
</tr>
<tr>
<td>• The high cost of mass media is challenging our ability to achieve cut-through in a cluttered media environment</td>
<td></td>
</tr>
<tr>
<td>• The use of digital, video and content marketing is increasing</td>
<td></td>
</tr>
<tr>
<td><strong>Consumer</strong></td>
<td></td>
</tr>
<tr>
<td>• Demand is rising for experiential and personalised travel experiences</td>
<td>Opportunities to capitalise on consumer and technology trends</td>
</tr>
<tr>
<td>• There is increasing use of mobile and direct transactions between consumers and tourism operators</td>
<td></td>
</tr>
<tr>
<td>• Digital disruption will continue to impact how we develop our business model and communicate with target consumers – including increasing our use of video; and moving from bundled to fragmented media and content</td>
<td></td>
</tr>
<tr>
<td><strong>Travel industry</strong></td>
<td></td>
</tr>
<tr>
<td>• The sharing economy is continuing to grow in popularity</td>
<td>Continue to closely monitor industry developments that impact demand for Australia as a tourism destination</td>
</tr>
<tr>
<td>• The number of online travel agencies is continuing to grow</td>
<td></td>
</tr>
<tr>
<td>• Australia’s ‘open skies’ agreement with China is giving Chinese airlines unrestricted capacity into Australia</td>
<td></td>
</tr>
<tr>
<td>• The number of low-cost carriers is increasing and changing the configuration of the global airline industry</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Operating environment changes and implications for Tourism Australia
OUR STRATEGY 2017–21

OUR GOAL
To increase overnight expenditure to more than $115 billion by the year 2020

OUR PURPOSE
To grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets

CUSTOMERS
Target high-value leisure and business events customers

MARKETS
Invest effort and resources in a balanced portfolio of markets that present the greatest potential sources of high-spending travellers to 2020

LEISURE & BUSINESS EVENTS MARKETING
Invite the world to experience the Australian way of life through global campaigns and marketing activities that reinforce why There’s nothing like Australia

DISTRIBUTION
Drive greater conversion from intention to visitation

PARTNERSHIPS
Select partners that extend our ability to grow market share, target customers, enable conversion to booking and facilitate industry development

ENABLERS
Our activity is underpinned by a committed, high-performing workforce, government and industry engagement and collaboration, and effective systems and processes that support delivery of robust corporate governance

Figure 3: Tourism Australia Strategy Summary 2017-21

Noosa National Park, Queensland
CUSTOMER STRATEGY
Tourism Australia targets two types of consumers: leisure customers and business events customers.

LEISURE
Tourism Australia will target high-value, out-of-region travellers who want to come to Australia and whose travel interests align with our strengths in aquatic and coastal, food and wine and nature and wildlife experiences.

From 2017/18, Tourism Australia will transition from targeting a demographically defined leisure target customer to a behaviourally and attitudinally defined customer. These consumers are predisposed to long-haul travel; are considering visiting or intend to visit Australia; are interested in Australia’s strengths as a destination; and are more likely to spend more, stay longer and travel more widely throughout the country.

The move to a consolidated global target customer will enable us to improve the targeting of our marketing activities – at the right time, with the right message.

BUSINESS EVENTS
Tourism Australia’s business events customers are in two sectors – international associations and incentive trips – and we use a differentiated marketing approach for each.

Tourism Australia has conducted extensive research across our key international markets to better understand what motivates potential business events consumers to travel and to test the appeal of Australian experiences. The insights from this research have helped inform our thinking about our key markets and shaped our business events marketing strategy.

<table>
<thead>
<tr>
<th>LEISURE TARGET CUSTOMER CRITERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Out of region travellers</td>
</tr>
<tr>
<td>Travel behaviour</td>
</tr>
<tr>
<td>Considering or intending to</td>
</tr>
<tr>
<td>travel to Australia</td>
</tr>
<tr>
<td>Destination propensity</td>
</tr>
<tr>
<td>One or more of Australia’s</td>
</tr>
<tr>
<td>experience strengths are on</td>
</tr>
<tr>
<td>their list when selecting a</td>
</tr>
<tr>
<td>destination</td>
</tr>
<tr>
<td>High value</td>
</tr>
<tr>
<td>Aquatic and coastal</td>
</tr>
<tr>
<td>Food and wine</td>
</tr>
<tr>
<td>Nature</td>
</tr>
<tr>
<td>Wildlife</td>
</tr>
<tr>
<td>Trip expenditure</td>
</tr>
<tr>
<td>Length of stay</td>
</tr>
<tr>
<td>Dispersal</td>
</tr>
</tbody>
</table>

Figure 4: Leisure target customer criteria
MARKETS STRATEGY

Tourism Australia invests most of its resources in a balanced portfolio of priority markets that combines mature, high yielding regions and high potential developing source markets.

MARKETS

These markets represent the greatest growth opportunity through to 2020. Potential visitor expenditure and growth from these source markets are key inputs in annual budgeting and market resource allocation.

Our role in international markets is to work with partners to promote Australia as a compelling tourism destination and encourage more people to visit, increasing spend and the numbers of long-haul visitors.

The map below shows the countries where Tourism Australia is active.

Figure 5: Source countries and their value by 2020
Tourism Australia has developed a market portfolio framework that reflects growth potential, market maturity and Australia’s competitive position to inform our view of individual source markets. This portfolio was implemented in 2016/17 and will continue to be used over the next four years.

Based on their position within the framework, markets fall within one of four categories, each with a specific emphasis and targeted mix of activities to maximise their respective market opportunity. The table below outlines the framework.

### MARKET PORTFOLIO FRAMEWORK

<table>
<thead>
<tr>
<th>Category</th>
<th>Build access and distribution</th>
<th>Full build</th>
<th>Partnership-led conversion</th>
<th>Maintain access and distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic objective</td>
<td>Establish access and distribution</td>
<td>Build joint marketing, distribution and partnership</td>
<td>Build partnerships to drive conversion and develop distribution</td>
<td>Ongoing distribution and partnership focus</td>
</tr>
<tr>
<td>Leisure markets</td>
<td>Indonesia</td>
<td>China, India, USA</td>
<td>Hong Kong, Japan, Malaysia, Singapore, South Korea, UK</td>
<td>Germany, France, Italy</td>
</tr>
<tr>
<td>Business Events markets</td>
<td>China, New Zealand, UK, USA</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Target countries by category

**Rest of the world**

Tourism Australia supports markets outside those listed above through its distribution development programs including the Aussie Specialist Program, Australian Tourism Exchange, Dreamtime and offshore trade initiatives, and its consumer marketing platforms, such as australia.com and social media, public relations and media hosting activities.
MARKETING STRATEGY

Our marketing purpose is to invite the world to experience the Australian way of life.

Tourism Australia will continue to create global campaigns that position Australia as the most desirable and memorable destination on earth. It will also use partnerships to boost customer reach, reinforce destination messaging and convert awareness into travel bookings. Messaging will emphasise the most important motivations for travelling to Australia, informed by research and insights into the needs and aspirations of the target customer. It will focus on aquatic and coastal, food and wine, and nature and wildlife experiences. Support programs will promote areas of competitive advantage and special interest, including raising awareness of and participation in Indigenous and premium tourism experiences. Investment in australia.com, australia.cn and social media channels will heighten user experiences and stimulate conversations about Australia. We will further evolve media buying and planning, taking advantage of technology and data-sharing opportunities.

THERE’S NOTHING LIKE AUSTRALIA

Tourism Australia has built strong brand recognition through its There’s nothing like Australia campaign, which was launched in 2010. It will remain as our campaign umbrella, encouraging prospective visitors to experience Australia by increasing their knowledge and building a positive perception of Australia’s tourism offerings. The campaign was designed to be enduring, flexible and relevant for consumers in a highly competitive and fast-changing global environment like tourism. Our research shows that it remains as relevant and inspiring today, as when it was launched.
CORE PILLARS

Tourism Australia undertakes dedicated research to better understand what influences consumers considering a holiday in Australia and to identify opportunities for better positioning Australian tourism. We have been conducting this research – involving 90,000 consumers from 17 countries – gaining an understanding of the needs of our target consumers since 2012.

Findings from this research have been vital to developing Tourism Australia’s marketing activities. A key insight gained was Australia’s strong competitive differentiation in three areas: aquatic and coastal; food and wine; and nature and wildlife.

Over the past five years, Tourism Australia’s marketing activities have focused on building Australian tourism’s credentials in each of these areas and each will remain a key pillar of marketing activity through to 2020/21. That activity will include continuing to highlight the best attractions and experiences Australia offers in cities and regional areas in our states and territories.

Aquatic and coastal

» A key reason consumers travel overseas, particularly to Australia, is to experience aquatic and coastal attractions. Seventy per cent of international visitors undertake an aquatic experience during their Australian holiday, and six out of 10 of Australia’s most appealing experiences are related to our aquatic offerings.

» While our aquatic and coastal experiences are a key competitive advantage, Australia is losing ground to international competitors such as South Africa, Hawaii and the USA. In today’s competitive tourism marketplace, it is important to reaffirm our leadership and renew consumer perceptions and knowledge of these experiences.

» Tourism Australia has developed a large, dynamic range of aquatic and coastal images and digital assets, enabling us to share and promote these experiences with industry operators and our partners. This includes the development of 17 virtual reality and 360 degree experiences using innovative technology.

Food and wine

» Being able to enjoy good food and wine is a key driver for consumers when choosing a destination, accounting for one in every five dollars spent by international tourists in Australia. Australia’s fresh produce, seafood, quality meat, award-winning wines and unique outdoor dining experiences appeal to international travellers. However, our research found a gap between perceptions and what consumers experience when they visit Australia. Tourism Australia launched the Restaurant Australia campaign in 2014 to close this gap.

» Over the past three years, the Restaurant Australia campaign has been showcasing the diversity of Australia’s culinary experiences to consumers around the world. This has improved perceptions of Australia’s food and wine offerings, and contributed to an increase in spending on food and wine across Australia. Tourism Australia will continue to consolidate this positioning, with food and wine remaining a key pillar of our marketing activity through to 2020/21.

Youth

» Youth3 travellers and working holiday makers4 are important to Australia’s tourism industry. Visits by working holiday makers have been falling since 2012/13. This has been due to issues including exchange rate variations and changes in economic conditions in source countries. Recognising their contribution, particularly as youth and working holiday visitors stay longer and disperse more widely than other travellers, Tourism Australia was allocated $10 million over three years to promote Australia to potential working holiday makers through a targeted global youth campaign. This campaign was launched in October 2016 and will have run in 14 countries by June 2017.

» Tourism Australia’s youth story will continue to evolve globally, as we expand messaging to more markets and continue to position Australia as a memorable and desirable destination for all youth travellers.

3 Youth travellers are aged 18 to 30 years
4 Working holiday makers are visitors who live, work and travel in Australia under Working Holiday Visas (subclasses 417 and 462).
Figure 6: Core messaging pillars 2017/18

**AQUATIC AND COASTAL**

Standalone and partnership campaigns with state and territory tourism organisations, airlines and Key Distribution Partners to provide easy access for consumers to book their trip to Australia.

**FOOD AND WINE**

Integrated campaigns in partnership with airlines, Key Distribution Partners, and state territory tourism organisations. Support of World’s 50 Best Restaurants event in 2017.

**YOUTH**

Dedicated global campaign focusing on increased visitation and expenditure by youth travellers from around the world, including working holiday makers.
SUPPORT PILLARS

Our competitive positioning will be further strengthened by a range of support activities to promote Indigenous tourism, nature and wildlife, and premium and special interest tourism experiences.

Indigenous tourism experiences are a point of differentiation for Australia in today’s competitive global landscape. They have been identified as an important value-add alongside Australia’s core strengths in aquatic and coastal, food and wine, and nature and wildlife experiences. Tourism Australia will continue marketing export-ready Indigenous tourism products and experiences as part of its suite of experiences. We will also continue to build on the Aboriginal Australia: Our country is waiting for you short film that was launched in 2015/16, with deeper story-telling through social media channels, australia.com, targeted public relations and media hosting and trade opportunities.

Nature and wildlife is a significant strength in the marketing of Australia as a tourism destination, and is highly regarded by our target customers. Positive perceptions of Australia’s nature and wildlife outrank competitor destinations including Hawaii, New Zealand and Canada. Almost 70 per cent of international visitors engage in some form of nature-based activity during their stay, making it significant to Australia’s visitor economy. In 2017/18, Tourism Australia will begin planning a new nature and wildlife chapter of the There’s nothing like Australia campaign, with implementation in 2018/19.

Tourism Australia’s marketing of premium tourism experiences will aim to increase visitation by high-yielding tourists who will travel to follow their passions. This involves collaborating with operators from a range of special interest industry sectors to bundle high-quality product and create compelling marketing propositions that generate cut-through in the competitive tourism marketplace. We will undertake these activities through our Best of Australia program, which promotes walking, golf, luxury accommodation, wine tourism and fishing. From 2017/18, Tourism Australia will explore areas including superyachts, glamping, wellness and culture.

KEY CHANNELS

Tourism Australia’s campaigns will be delivered through social media, content, our websites (australia.com and australia.cn), targeted global media buying and personalisation – a combination which reflects changing consumer travel buying behaviours. Marketing channels will continue to include traditional channels with increasing resources and effort dedicated to digital and content marketing initiatives.

An overarching objective is to provide a world-class user experience via our digital platforms. Our program will include implementing our Customer Relationship Management Strategy and identifying and analysing the right target audience based on data and data sharing with partners.

Our campaigns aim to build a strong image of what Australia offers global travellers and increase urgency to visit.Inspiring the customer to take the next step in planning their trip is the main aim of our marketing communications. Leisure marketing activities will connect with distributors of Australian tourism products. In short, Tourism Australia’s marketing will inspire the customer and a trade distribution partner will ‘close the sale’.

Digital and social

Tourism Australia’s two leisure consumer-facing websites, australia.com and australia.cn, were relaunched on the Adobe platform in 2015/16. These, together with improvements in the user experience and the launch of aquatic and coastal content, have led to users increasing their time on sites and improved leads to partners. Continuing refinement of both websites aims to offer international travellers more personalised and relevant content, depending on their home country and interests.

Consumers can be inspired, find information, plan their travel experiences, connect with tourism operators and share their travel stories. Australia.com is available in 11 languages, works across all devices and features content and conversations from Tourism Australia’s popular social media channels. Tourism Australia will continue to focus on delivering enhanced digital experiences for mobile devices.

In 2017/18, Tourism Australia will launch a new version of our business events site as well as a new tourism investment site.

Social media

Tourism Australia’s social media platforms play an increasingly important role in encouraging people to visit Australia. Our social media team curates images that are posted on these platforms, providing a stage for Australian tourism businesses to showcase their products and experiences to a global audience. Digital and social media channels provide Australian tourism with a significant competitive advantage, particularly as consumers’ use of these channels to research, plan, book and share holiday experiences continues to grow.

Tourism Australia will continue to maintain this leadership position through our Social Media Program, focusing on stimulating conversations about Australia through Facebook, Instagram, Twitter and Google+ as well as Weibo, WeChat and other emerging social media platforms. Showcasing content produced by tourism businesses, international visitors and Australians on our social and digital channels helps forge a network of global ambassadors who will share their authentic Australian stories with their own networks.
MARKETING CHANNELS – AREAS OF FOCUS

**DIGITAL AND ONLINE**
- Upgrades to trip planning and mobile experience
- Site search improvements
- Increased user generated content and video integration across sites
- Implementation of a personalisation strategy
- Development of data-sharing framework with partners
- Establishment of an agency trading desk for programmatic media buying

**PRINT, OUTDOOR, TV**
- TV media buy will be undertaken in select markets only and will be supported by branded content initiatives to support brand awareness
- Print, in-store retail and outdoor advertising will be core to campaign activity in partnership with state and territory tourism organisations, Key Distribution Partners, travel agents and distributors

**PUBLIC RELATIONS, BROADCAST, MEDIA HOSTING**
- Public relations, media hosting and the Friends of Australia program will remain integral to marketing activity across all markets
- Development of a model to republish and repurpose International Media Hosting Program-generated content across Tourism Australia’s digital platforms
- Delivery of online documentaries and story-telling will continue

**SOCIAL**
- Social media programs will focus on stimulating conversations about Australia through Facebook, Twitter, Google+, Instagram, Weibo and WeChat
- A global partnership with Facebook will be undertaken from 2017/18

Table 3: Tourism Australia’s marketing channels 2017-21
BUSINESS EVENTS MARKETING STRATEGY

Deliver marketing communications and trade programs to grow international demand for Australian business events products, destinations and experiences.

Business Events Australia will deliver differentiated marketing for the association and incentive sectors, focusing on the decision-maker and the end-user. We will drive activity in key markets to increase awareness and consideration of Australia as a destination for business events working in partnership with the Australian business events industry including convention bureaux, convention centres and event agencies. This will increase consideration of Australia among both association and incentive customers.

Tourism Australia’s specialist unit, Business Events Australia (BEA), delivers marketing communications and trade programs in the international business events marketplace, targeting incentive and association events as well as potential association conference delegates.

This focus drives activity in key markets that have the greatest potential for conversion and increased expenditure in Australia. These markets are: Greater China (incentive sector), the UK and Europe (association sector), North America (incentive and association sectors) and New Zealand (incentive sector). BEA works with the Australian business events industry on specific initiatives for each sector, including on delegate acquisition for events held in Australia.

MARKETING COMMUNICATIONS PROGRAM

BEA’s marketing communications program focusses on raising awareness and consideration of Australia as a business events destination.

A targeted and differentiated content and brand strategy reaches key international media and target business events customers through a mix of print, online and face-to-face engagement, using There’s nothing like Australia as its platform. Brand assets tailored to the business events audience are used to drive awareness, while bespoke content delivers depth of messaging and engagement with the target customer. BEA communicates Australia’s business events offering through a mix of channels and media to ensure the right message is delivered to the right customer at the right time.

BEA also works with the Australian business events industry to develop and deliver marketing initiatives that increase awareness and consideration of Australia in key markets, including through content and events. BEA’s online channel for communication with the target customer is australia.com/business/events.

TRADE DISTRIBUTION PROGRAM

BEA has a trade distribution program that targets qualified international business events trade, corporate and association decision-makers. The program delivers information and enhances access to Australia’s business events and experiences. BEA works with the Australian business events industry and its activities include training and trade events as well as educational visits to increase awareness and knowledge of Australia’s offerings.

The unit also supports and represents Australia’s business events industry at international business events trade shows, such as IMEX Frankfurt and IBTM World. Participation in these events gives the Australian industry a solid platform for engaging with key international buyers. Another example is the Greater China Showcase, an incentive trade distribution event BEA delivers in China each year, providing opportunities for Australia’s business events companies to engage with and meet Chinese incentive buyers.

Throughout each year, a schedule of workshops, networking and training events provides information on Australia’s products and experiences, while the educational program offers qualified business events buyers an opportunity to experience Australia’s offerings firsthand.
PARTNERSHIP STRATEGY

Select partners that extend our ability to target customers, enable conversion to booking and facilitate industry development.

Tourism Australia will develop commercial partnerships that extend our reach and target customer engagement, making it easy to buy Australian tourism products and experiences. Partnerships with state and territory tourism organisations will deliver engaging campaigns with commercial partners and build distribution channels.

A healthy aviation environment will remain integral to achieving our goals. Collaboration with airlines, airports and state and territory tourism organisations will strengthen aviation access through developing new routes and sustaining existing aviation capacity.

COMMERCIAL PARTNERSHIPS

Commercial partnerships allow Tourism Australia to extend the reach of campaigns through bought media and our partners’ own marketing channels. Importantly, commercial partners link consumers to booking channels, driving people who intend to visit to take the next step to book their Australian holiday or business event.

Tourism Australia works with more than 200 tourism industry and other partners, including airlines, tour operators, distribution partners (both offline and online) and non-travel (affinity) partners. A Key Distribution Partner program in international markets delivers both campaign and distribution development activities in international markets.

STATE AND TERRITORY TOURISM ORGANISATION PARTNERSHIPS – ‘ONE VOICE’

Tourism Australia’s ‘one voice’ initiatives with state and territory tourism organisations (STOs) drive aligned investment in marketing campaigns in key markets. They also provide support for international media hosting and broadcast content opportunities and trade events, both in Australia and offshore.

These partnerships have also supported the development of the Aussie Specialist Program, helping build the capacity of the travel industry to confidently sell Australia. A similar joint initiative is also in place for conducting international consumer research. This alliance uses Tourism Australia’s Consumer Demand Project, aligning understanding of the consumer and subsequent marketing activities to build the value of Australian tourism.

Tourism Australia also partners with Australian airports and STOs to target aviation development and increased air capacity from key markets.
DISTRIBUTION DEVELOPMENT STRATEGY

Our distribution efforts aim to drive greater conversion from intention to visitation.

Tourism Australia will provide platforms to enable international distributors to connect with the Australian tourism industry, including events, missions and familiarisation visits. Education of frontline travel sellers on how to best sell Australia will continue through the Aussie Specialist Program.

Our distribution strategy focuses on ensuring the target customer has the right information and can easily access and book quality Australian tourism products. This is achieved by increasing the visibility of Australia in the programs of international distributors; educating front-line travel sellers on how to sell Australia and improving their knowledge of the destination; and increasing the focus on partnerships that promote travel bookings and drive yield across distribution initiatives.

Continuing to work closely with STOs and the Australian tourism industry will be integral to success. These initiatives will make it easier for consumers to plan, book and buy quality Australian tourism products and services.

These priorities will be achieved through:

» Connecting buyers of Australian tourism products with sellers through onshore trade events such as the Australian Tourism Exchange and offshore events

» Supporting sales and destination training through the Aussie Specialist Program which is backed by dedicated trainers in our key markets

» Enabling decision makers and frontline travel sellers to experience Australia firsthand through trade familiarisation events such as Corroboree Europe and Corroboree Asia

» Facilitating product development through industry events, new product missions and engagement with inbound tour operators

» Partnering with Key Distribution Partners and providing leads to Aussie Specialist agents through australia.com and australia.cn.
ENABLING STRATEGY
GOVERNMENT COLLABORATION

Committed to a whole-of-government approach.

Tourism Australia will collaborate across Australian, state and territory governments on tourism marketing and policy to ensure an efficient and effective tourism industry. We will continue to support the objectives of the national strategy, Tourism 2020, as well as tourism elements of the Australian Government’s economic and public diplomacy agendas.

To help the Australian tourism industry achieve its Tourism 2020 goals, Tourism Australia works with Australian, state and territory governments to drive strategic alignment in policy, research, distribution and business events marketing in Australia and overseas. Tourism Australia also partners with state and territory tourism organisations to develop marketing platforms and international destination marketing and promotional campaigns.

Tourism Australia works with Austrade, the Department of Foreign Affairs and Trade, the Department of Immigration and Border Protection, and the Department of Infrastructure and Regional Development, in a whole-of-government approach to deliver the policy reforms needed to achieve the Tourism 2020 goals. This includes supporting Australian Business Weeks in key markets, providing tourism businesses with a platform to build their international networks and identify new opportunities.

INDUSTRY ENGAGEMENT

Connect industry to Tourism Australia’s activities and consumer and trade platforms.

Tourism Australia will engage with key state, regional and local tourism organisations, operators and industry councils and associations. It will also use a range of communications platforms and tools to keep the tourism industry informed on key developments. These will include hosting regular industry briefings and delivering an annual industry conference.

Tourism Australia engages directly with state, regional and local tourism organisations, industry operators and industry councils and associations. We aim to ensure that the industry connects with Tourism Australia, its activities, and its consumer and distribution platforms.

We participate in briefings, forums and workshops in destinations across the country to stay abreast of developments and ensure our work reflects the needs of industry. Industry partners are also invited to talk with Tourism Australia’s senior management team and staff, providing valuable intelligence, updates and insights into their businesses and activities.

Tourism Australia hosts a series of annual industry briefings across every state and territory to build awareness and understanding of our strategic direction and marketing initiatives, and to highlight partnership opportunities.

Tourism Australia also holds an annual industry conference – Destination Australia – which focuses on the industry’s future growth and how Australia can continue to attract more high-spending international visitors to grow the tourism industry and boost business.

We use a range of communication platforms and tools to keep industry updated and to allow us to share news, research, insights, industry developments and other useful tourism data. These include a corporate website, weekly e-newsletter, social media channels, regular videos and infographics and webinars.
PEOPLE AND WORKFORCE

The right people and strong workforce capability will build a high-performing culture.

Tourism Australia will develop its organisational capabilities and structure to meet the changing demands of a digital and content-driven tourism industry that is increasingly competitive. Core to success will be embedding a positive culture as every staff member plays a part in what we are trying to achieve. The TAway will guide staff values and behaviours.

Tourism Australia is also committed to improving the prospects for Indigenous Australians through our Reconciliation Action Plan.

Tourism Australia will recruit, develop, promote and reward employees who have the skills and values needed to support our strategy, processes and culture. To achieve this and be globally competitive, we will continue to grow our workforce capability by staying abreast of trends and developments in marketing and business.

We will continue to implement training and development, strategic talent management, targeted recruitment and robust performance and development plans. These activities will create a globally oriented workforce with strong capabilities in Asia.

Over the next four years, we will also focus on using our values to embed and enhance our high-performance culture. Internal taskforces will deliver initiatives to enhance Tourism Australia’s values of being positive, united, genuine, commercial and innovative. Through these initiatives, staff will be empowered to live Tourism Australia’s values in day to day operations.
LEVERAGE TECHNOLOGY

Streamline, digitise, increase productivity and reduce red tape.

Tourism Australia will improve business performance through a dedicated digital transformation and innovation program. The program enhances the delivery of marketing and business activities globally and builds capability and digital know-how, improving productivity. This will be supported by enhanced data reporting, which will provide insights into consumer behaviour that can be used to refine digital marketing activity.

Tourism Australia’s systems and processes will be key enablers in maximising business performance. Tools, technology and mobile capabilities will be used to enable collaboration and innovation among teams.

A digital transformation program will drive this initiative and is central to improving systems and technology. Investment in digital platforms will enable the evolution of Tourism Australia’s marketing activities to keep pace with consumer mobile experiences and data consumption trends. Enhanced data reporting will allow greater insight into, and real-time tracking of, consumer behaviour to deliver more targeted digital marketing.

Tourism Australia will continue to reduce ‘red tape’, increase productivity and fine-tune internal processes. We will achieve this through initiatives such as enhancing our business systems, using smarter digital work practices, consolidating digital assets and integrating operational data into one warehouse.

Tourism Australia will strive to continue minimising corporate costs as a percentage of total costs, thereby increasing the budget available for front-line marketing.

FINANCIAL MANAGEMENT AND REPORTING

Provide sound financial control and performance monitoring.

Strong financial control and adherence to corporate Commonwealth Procurement Rules will minimise risk and deliver value-for-money. Consistent measuring of campaign performance and use of business analytics will aid management decision-making.

We will manage our financial resources to drive savings and efficiencies with the aim of maximising investment in our marketing activities which drive Tourism Australia’s outcomes. Tourism Australia will achieve this through regular monitoring of operational finances as well as ongoing evaluation and planning.

Measuring performance is important to Tourism Australia’s management practices, helping us to understand our progress against goals and gain insights to aid management decision-making. We will measure performance by reporting on activities against target and against our corporate goals. Continuously improving performance measurement will ensure our marketing investment is monitored and implemented to deliver value for money, in accordance with Commonwealth Procurement Rules and best-practice.
CORPORATE GOVERNANCE

Effective systems and processes deliver robust corporate governance.

Tourism Australia will deliver on the Minister’s Statement of Expectations and the policies of the Australian Government. It will also adhere to statutory and legislative requirements under the Tourism Australia Act 2004 and the Public Governance, Performance and Accountability Act 2013 (PGPA Act). We will continue to implement Australian Government Public Management Reform Agenda principles, ensuring Tourism Australia’s financial management, accountability, risk and audit obligations are met.

Tourism Australia will continue to enforce the highest standards of accountability and governance, while enabling strong commercial performance.

We are governed by a nine-person Board of Directors. The Board reports to the Australian Minister for Trade, Tourism and Investment. Under the PGPA Act, the Board must govern Tourism Australia in a way that promotes the proper use and management of public resources and achievement of our purposes, and ensures our financial sustainability.

Tourism Australia will deliver robust corporate governance across all business activities. We will achieve this through planning and monitoring performance of major projects and contracts; open communication with the Australian Government, the Minister for Trade, Tourism and Investment and regulatory bodies; adherence to legislative, internal compliance and procurement procedures; quarterly business evaluations by the Executive; a strong internal audit program; regular review of key governance documents; staff training in governance matters; and regular review of strategies and policies to ensure Tourism Australia is delivering on the Minister’s Statement of Expectations and policies of the Australian Government.

Tourism Australia’s risk management framework will address strategic, operational and project risks.

Strategically this will include annual Strategic Risk Workshops undertaken by the Executive and discussed in detail at Board and Audit Committee meetings, which are then reviewed on a regular basis by the Executive.

From an operational and project perspective, risk assessments and reviews will be performed as part of developing the annual operating plan; for procurements and insurances as required under Tourism Australia policies; and for health and safety assessments to identify and eliminate workplace hazards. The Executive and staff will also undertake crisis management workshops.
IMPLEMENTATION: DELIVERY BY PROGRAM COMPONENT

Tourism Australia delivers on our purpose through two main areas – growing demand and industry development.

<table>
<thead>
<tr>
<th>OUR PURPOSE: TO GROW DEMAND AND FOSTER A COMPETITIVE AND SUSTAINABLE AUSTRALIAN TOURISM INDUSTRY THROUGH PARTNERSHIP MARKETING TO TARGETED GLOBAL CONSUMERS IN KEY MARKETS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program component 1: Grow demand</strong></td>
</tr>
<tr>
<td><strong>Objective:</strong> Identify and target best prospect consumers, inspire them to travel to Australia and to spend more and travel widely throughout Australia.</td>
</tr>
<tr>
<td><strong>Objective:</strong> An Australian tourism industry that is competitive and sustainable and delivers on the needs of the target customer.</td>
</tr>
</tbody>
</table>

**ACTIVITIES 2017-2021**

### Target leisure customers
- Identify high-value, out-of-region travellers who want to come to Australia and whose travel interests align with Australia’s destination strengths.
- Deliver international consumer research in partnership with STOs, building a common foundation based on what motivates the target customer when choosing a travel destination.
- Deliver campaigns in partnership with commercial partners and STOs in key markets.
- Deliver marketing activities to stimulate target markets, including brand advertising and promotions, broadcasts, public relations campaigns, international media hosting programs and content development and social media activities.
- Collaborate with government and industry to align efforts and activities increasing Australia’s collective share of voice in the global marketplace to ensure efficiency and effectiveness.
- Evaluate campaign and project performance through a range of tracking and direct consumer response channels.

### Develop the distribution system
- Build the capacity of the travel industry to confidently sell Australia through the Aussie Specialist Program, including using dedicated agent training.
- Provide Australian destination and product content to the distribution system for tourism marketing and sales activities, providing a consistent approach for marketing Australia as a destination.
- Facilitate direct connections between travel agents and Australian tourism product through familiarisation visits and trade events.
- Use market and consumer insights to identify special interest experiences that have high potential to drive travel to Australia. Work with these sectors through the Best of Australia program to bundle and promote these experiences.

#### Provide platforms to do business
- Manage a range of trade events and industry missions in Australia and overseas – including the Australian Tourism Exchange, Dreamtime, Corroboree – promoting Australia to key markets as a destination for leisure and business events travel.

### Target Business Events decision makers
- Deliver research to build knowledge of the needs of corporate and association decision makers when choosing a destination for meetings, associations and incentives and to understand the needs and decision patterns of delegates.
- Deliver activities that promote Australia as a business events destination targeting the associations and incentives sectors in key markets, including trade events, buyer and agent familiarisation visits, direct marketing and public relations and marketing toolkits.
- Drive visitation through delegate boosting programs and visitation extension marketing initiatives to encourage pre-and-post travel.

#### Support supply-side industry goals
- Support access to Australia by helping to maintain existing routes and developing new routes.
- Work with government stakeholders to resolve issues that impede growth, including visitor visas.
- Work with Austrade to facilitate tourism investment and the development of quality tourism infrastructure.
- Disseminate tourism research and insights and engage with industry stakeholders.
- Share market and consumer insights and trends through our marketing channels and those of our partners.
- Deliver an annual conference, industry briefings and communications to build awareness and understanding of Tourism Australia’s strategies and initiatives.

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5 Tourism Australia’s purpose is the same as our Outcome, ensuring alignment of our deliverables
6 Portfolio Budget Statements 2016/17, Foreign Affairs and Trade Portfolio, page 163
7 Portfolio Budget Statements 2016/17, Foreign Affairs and Trade Portfolio, page 165
6. BUDGET BY PROGRAM COMPONENT

BUDGET BY PROGRAM COMPONENT

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow Demand</td>
<td>$133.6</td>
<td>$124.9</td>
<td>$123.5</td>
<td>$123.9</td>
<td>$134.3</td>
</tr>
<tr>
<td>Industry Development</td>
<td>$23.2</td>
<td>$21.4</td>
<td>$21.3</td>
<td>$21.9</td>
<td>$23.7</td>
</tr>
<tr>
<td><strong>TOTAL FUNDING</strong></td>
<td><strong>$156.8</strong></td>
<td><strong>$148.3</strong></td>
<td><strong>$144.8</strong></td>
<td><strong>$147.9</strong></td>
<td><strong>$158.0</strong></td>
</tr>
</tbody>
</table>

Table 5: Tourism Australia 2017-21 budget by component

The decrease in funding compared to 2016/17 is primarily due to foreign exchange fluctuations with the stronger Australian dollar having more purchasing power in local markets. Government efficiency dividends and wage cost index adjustments have also impacted 2017/18 funding.

Field of Light, Uluru, Bruce Munro 2016. Photo by: Mark Pickthall
MEASURING OUR PERFORMANCE

Tourism Australia tracks the effectiveness of its ‘Grow demand’ and ‘Industry development’ programs. The table below outlines the measures and associated goals. We have additional performance metrics that we use to aid understanding and provide context in relation to these performance indicators.

<table>
<thead>
<tr>
<th>DELIVERABLES</th>
<th>KEY PERFORMANCE INDICATORS</th>
<th>2016/17 Actual</th>
<th>2017/18 Goal</th>
<th>2020/21 Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism 2020</td>
<td>Overnight tourism expenditure</td>
<td>$103.2 bn</td>
<td>$108.8 bn</td>
<td>$128.0 bn</td>
</tr>
<tr>
<td></td>
<td>International tourism expenditure</td>
<td>$40.6 bn</td>
<td>$43.4 bn</td>
<td>$54.0 bn</td>
</tr>
<tr>
<td></td>
<td>International tourism visitors</td>
<td>8.5 m⁸</td>
<td>9.1 m</td>
<td>10.4 m</td>
</tr>
<tr>
<td>Grow Demand</td>
<td>Total expenditure from Tourism Australia target markets</td>
<td>$32.6 bn</td>
<td>$34.7 bn</td>
<td>$42.7 bn</td>
</tr>
<tr>
<td></td>
<td>Leisure expenditure from Tourism Australia target markets</td>
<td>$17.6 bn</td>
<td>$19.7 bn</td>
<td>$28.2 bn</td>
</tr>
<tr>
<td></td>
<td>Business Events expenditure from Tourism Australia target markets</td>
<td>$1.9 bn</td>
<td>$2.1 bn</td>
<td>$2.9 bn</td>
</tr>
<tr>
<td></td>
<td>Earned advertising value</td>
<td>$265 m</td>
<td>$300.0 m</td>
<td>$387.9 m</td>
</tr>
<tr>
<td></td>
<td>Total unique visitors to Tourism Australia websites</td>
<td>31.3 m</td>
<td>34.0 m</td>
<td>45.2 m</td>
</tr>
<tr>
<td>Industry Development</td>
<td>Stakeholders indicate that Tourism Australia adds value to their business</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>Corporate</td>
<td>Return on marketing investment</td>
<td>$16:1</td>
<td>$16:1</td>
<td>$16:1</td>
</tr>
<tr>
<td></td>
<td>Staff engagement</td>
<td>95%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td>Corporate costs as a percentage of overall budget</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Table 6: Tourism Australia 2017-21 KPIs by program component

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8 New measure for 2017/18. Target international arrivals for 2016/17 are based on Tourism Research Australia forecasts. (Tourism Research Australia, Tourism Forecasts 2016)
Schouten Island Freycinet Experience Walk, Tasmania