

# Prom Country Tourism Market Research Report

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## Phase 3: Profiling the Potential Intrastate Visitor Market

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Country Regional Tourism  
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## **EXECUTIVE SUMMARY**

Monash University researchers were appointed to undertake a study for Prom Country Regional Tourism and South Gippsland Shire Council that investigated the awareness, perceptions, travel preferences and demographic profile of their potential visitor market. This research report has been specifically prepared for those responsible for the management and marketing of the Prom Country tourism region, located in South Gippsland.

The objectives of this study were:

1. Determine the media source most likely to generate awareness of Prom Country?
2. Determine the potential visitor market's current level of awareness of Prom Country and its existing natural attractions.
3. Identify the potential market's perceptions of Prom Country and the activities they associate with the region.
4. Reveal the experiences that the potential market seek and what is important to them when choosing a holiday destination.
5. Reveal the potential market's preferred accommodation type and the amount they would be willing to pay for accommodation when travelling intrastate
6. Reveal the amount the potential visitor would pay for two of Prom Country's existing accommodation options
7. Identify the potential visitors' preferred leisure activities
8. Assess the likelihood that Prom Country's potential visitor market will visit the region and when they would be most likely to come
9. Reveal the demographic profile of the potential visitor
10. Identify viable market segments for Prom Country Regional Tourism and analyse the similarities and differences that exist between their current and potential visitor market.

### **Findings**

The sample population for this study comprised Melbourne residents over the age of 40 years (a primary market segment indicated in the previous phase). The sampling frame comprising 6000 email addresses was purchased from a commercial data base company

known as the Prospect Shop and respondents were contacted by PCRT via an email broadcast and directed to the website that contained the electronic survey. The 583 usable responses obtained from this wave were combined with the responses collected from respondents who had not visited in phase two – resulting in a sample size of 870. Key findings pertaining to Prom Country's potential visitor include:

- The internet plays a significant role in attracting attention and creating initial awareness of Prom Country, followed by newspaper advertising.
- Prom Country is perceived as a destination that offers natural scenery, a great place to relax and a variety of nature based attractions.
- The primary activities the potential market associate with Prom Country include experiencing nature, hiking and bushwalking and sightseeing.
- Only 23% of the potential market noted they were very familiar with the region, the remainder were either reasonably (46%) or vaguely familiar (31%).
- The potential market has little awareness of some of the regions 'other' natural attractions, particularly Walkerville Lime Kiln and Mount Worth.
- The top three experiences sought by the current market were; escape from the everyday, rest and relaxation and one that offers variety.
- Of great importance to the potential market when selecting their holiday destination are; value for money, the opportunity to relax and ease.
- The potential market's most preferred leisure activities were dining out, reading and visiting historical sites and museums
- While 30% of potential visitors prefer self catering style accommodation there is still significant demand (60%) for serviced accommodation
- In consistency with the current visitor market, the majority of potential visitors would be willing to spend no more than \$150 per night on accommodation when holidaying in Victoria.
- While 34% of potential visitors would prefer to make their own travel plans as opposed to a package deal, equal number would like to option of booking further activities whilst visiting the destination through their accommodation provider
- 81% of respondents noted they would be likely to visit Prom Country in the next five years with Spring being the most likely season in which they would visit, closely followed by Summer.

- There are three age related segments among the over 40's age segment targeted in this phase, the most common being those aged 51-60. The data also illustrated that 74 % of respondents were in a partnership and 67% of respondents were 'empty nesters'.
- The majority (82%) of potential visitors declared a combined household income of less than \$100,000.
- Three segments were identified in the study based on the potential market's preferred leisure activities, sought after holiday experiences and the importance they place on various destination attributes. Two of the segments, 'relaxed nature seekers' and 'I want it all' aligned closely with the 'relax with nature' and 'the works' segments identified in study one and it was therefore recommended that these two segments be pursued. The third segment, 'relaxation seeking gourmets' were deemed unlikely to rate Prom Country high on their list of holiday / short break options.

## **Recommendations**

This research presented PCRT and SGSC with a comprehensive analysis of both their potential and current visitor market. The post code analysis suggests that these two markets combined represent Prom Country's intrastate visitor market and the recommendations put forward in this final phase draw on the similarities revealed between the region's current and potential visitor markets in an attempt to synchronise all three phases of the research. The recommendations focused on four key marketing elements; positioning, product development, pricing and promotion, a summary of which is as follows:

### Positioning

- The results revealed that Prom Country is perceived by their intrastate market as a destination that offers nature based experiences and the opportunity to rest and relax. It is also renowned for its natural attractions, hiking and bushwalking trails and scenery. It is recommended that the region continue to promote these attributes or 'pull factors' particularly the rest and relaxation component as this represents the market's number one motivation and experience sought when taking a holiday.
- It is recommended that Prom Country's positioning strategies attempt to portray their destination as one that offers an 'easy' escape from the city, the hustle and bustle and the daily routine.
- PCRT needs to endorse the region's originality and differentiate their product / attractions from standard regional experiences offered by competing destinations.

- It is important that the visitor perceives the destination as offering an experience that offers value for money
- Food and Wine should not be the focal point of the region's positioning strategy, although it is important that the intrastate market are aware of the 'dining out' options available to them.

#### Product Development

- While self catering style accommodation remains a preferred accommodation choice, there is still considerable demand among the intrastate market for serviced accommodation, hence there needs to be a balance between the two.
- The market will be tempted by a destination that is considered easy and hassle free, therefore the need for adequate signage, accessible roads and facilities remains to be of great importance.

#### Pricing

- Pricing is an extremely important component of the marketing mix should the region wish to be successful in attracting the intrastate visitor
- A high turnover – low profit pricing strategy is recommended for Prom Country, suggesting the region should focus on attracting high numbers as opposed to high yield.
- It is recommended that accommodation providers observe the fact that the intrastate market's average likely spend on accommodation within Victoria is \$150 per night.
- Packages are not recommended, however, accommodation providers should offer the value added service of booking and arranging additional activities for their guests.

#### Promotion

- As recommended in phase two, promotional campaigns should again utilise words and phrases that support the positioning strategy discussed above- for example, 'escape' 'unique' 'natural/ nature', and 'relax'.
- The Internet and Newspaper should be employed as the primary media vehicles to promote and generate awareness of Prom Country.

- Television advertising, preferably that derived through public relations style media, should also be employed to enhance the intrastate visitor market's knowledge base and level of familiarity.
- Value for money was of great importance to the visitor, as such, promotional deals offering discounted accommodation and or food and beverage should be employed to attract visitors in during low season.
- Again it is recommended that Prom Country continue to engage in cooperative online promotional activities ensuring the provision of online material is informative, regularly updated and user friendly.
- The region needs to positively promote WOM activity and utilise the available online social networking sites such as face book and twitter to stimulate discussion about the region. A blog site should also be created for current visitors to share their experiences which would also offer a means of feedback for the region.
- The region should invest their marketing dollars into the Spring and Summer Marketing Campaigns as this is when the intrastate visitor is most likely to be persuaded to visit. Winter promotions should target those who are seeking a 'relaxing escape' as opposed to a 'nature based' experience.

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## 1.0 INTRODUCTION

Prom Country Regional Tourism (PCRT) in association with South Gippsland Shire Council (SGSC) has recognised a need for knowledge regarding their potential visitor market. In particular PCRT wished to attain a detailed understanding of their intrastate market's awareness, perceptions, motivations, travel behaviour and demographic profile. Information was also sought with regards to their potential market's attitudes towards the various accommodation pricing structures offered throughout the region.

This research report presents the quantitative findings of the third phase of the research project undertaken for PCRT and SGSC. This phase was specifically designed to investigate the market profile of those who *have not* previously visited Prom Country. The report will reveal statistically supported findings that address the following research questions:

1. Via which media source did the potential visitor first become aware of Prom Country?
2. What is the potential visitor market's current level of awareness of Prom Country and its natural attractions?
3. How does the potential visitor perceive Prom Country and what activities do they associate with the region?
4. What experiences does the potential market seek and what is important to them when choosing a holiday destination?
5. What is the potential market's preferred accommodation type and how much they would be willing to pay for accommodation when travelling intrastate?
6. What would the potential visitor pay for existing accommodation options?
7. What are the potential visitors' preferred leisure activities?
8. What is the likelihood that Prom Country's potential visitor market will visit the region and when are they most likely to come?
9. What is the demographic profile of the potential visitor?
10. What viable market segments exist among Prom Country's potential visitor market and how do these segments align with those that exist within their current visitor market.

Prior to the presentation of the results, the method via which this information was obtained will be discussed. The report will conclude with a number of recommendations for consideration by PCRT and South Gippsland Shire Council.

## 2.0 METHOD

### 2.1 The Survey

For consistency and comparative purposes, the items in the survey instrument employed for study two comprised many of those used in study one. However, some adjustments were made in accordance with the recommendations made by PCRT. For example, in study two, potential visitors were asked to state their level of awareness of the Prom Country region as well as a number of nature based tourism attractions located in the area. They were also asked to rate their likelihood of visiting the region in the near future and the time of year they would most likely come. In all, a total of 22 questions were included in the questionnaire, some of which included multiple item responses designed to provide the researchers with high level measurement scales which in turn allowed for sophisticated statistical analysis. See Appendix A for a copy of the questionnaire.

### 2.2. Procedure

The sample population for this phase comprised Melbourne residents over the age of 40 years (a primary market segment indicated in phase two). The sampling frame was purchased from a commercial data base company known as The Prospect Shop. Six thousand email addresses were randomly generated from Great Australian Life Style Survey master file - a file that contains names and contact details of Australian residents who have opted to participate in market research studies. The respondents were contacted by PCRT via an email broadcast and directed to the website that contained the electronic survey. In return for their participation, respondents were offered the chance to win a Prom Country accommodation package. The 583 usable responses obtained from this wave were combined with the responses collected from those who had not visited in phase two – resulting in sample size of 870.

The data were entered into a statistical software program (SPSS) and subjected to a number of systematic quality and validity checks prior to analysis. The results from the quantitative analysis are presented in the following section.

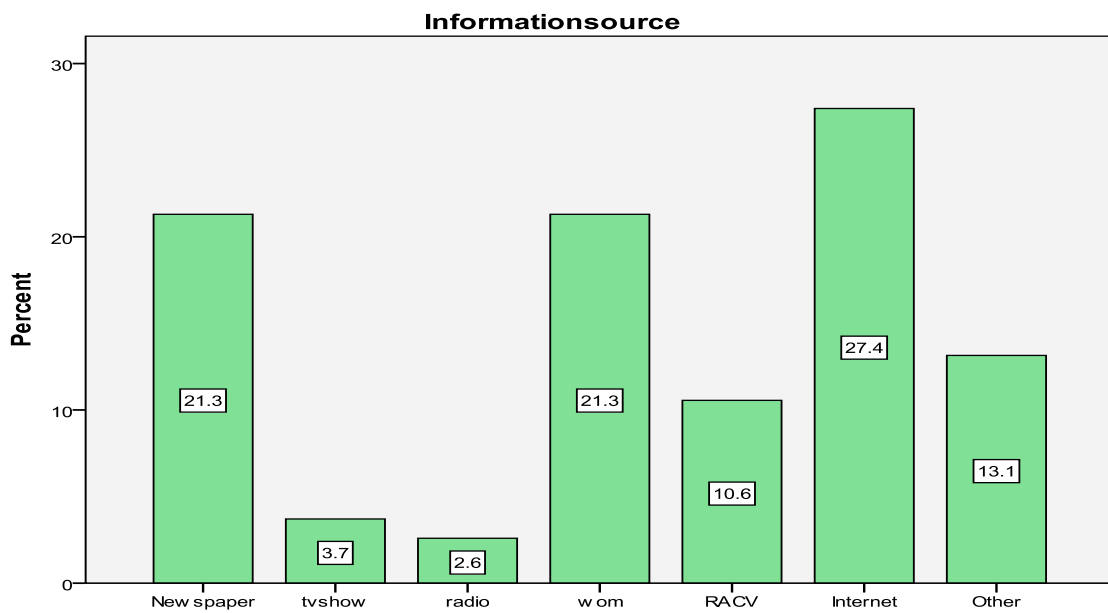
### 3.0 RESULTS

#### 3.1 Awareness and Familiarity

##### 3.1.1 What triggered the potential market’s initial awareness of Prom Country?

Respondents were asked to reveal the information sources that triggered their awareness of the region. As illustrated in Figure 1, the Internet plays a significant role in attracting attention and creating initial awareness about Prom Country, closely followed by Newspaper advertising and word of mouth.

**Figure 1 What Triggered Initial Awareness?**



This result is somewhat different to that revealed in relation to the regions current market, where television was the primary source of initial information. However, word of mouth (WOM) is evidently an important promotional tool for both the current and potential market base, suggesting that social marketing could serve as an effective promotional tool when attempting to reach the intrastate market. Bearing in mind that 78% of the respondents were aged over 40 years, it is not surprising that newspaper advertising was also relatively successful in generative awareness. Postcards, Coxy’s Big Break and Get Away were listed as the specific television programs that drew the respondents attention to the destination, while The Age and The Herald Sun were the most likely newspaper Sources.

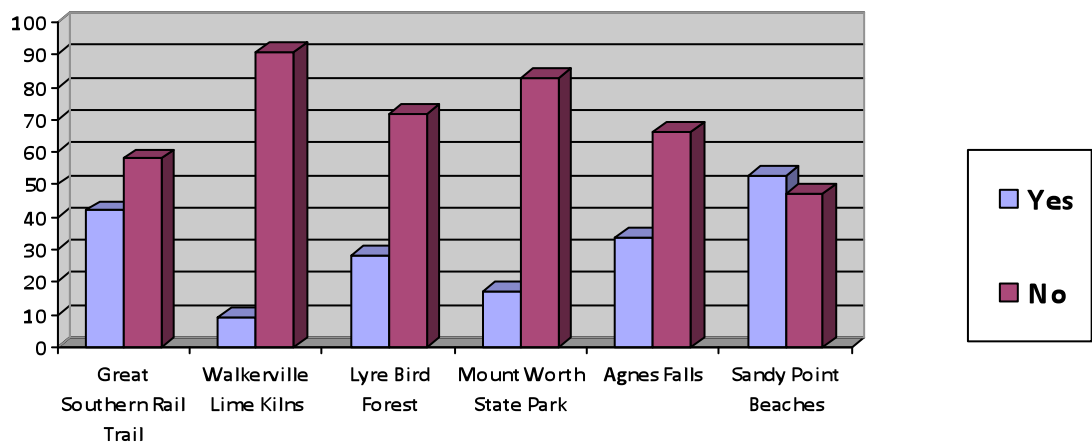
### 3.1.2 How familiar is the potential market with Prom Country?

Respondents were asked to rate their level of familiarity with the region on a scale of one to 10, one being very unfamiliar (i.e. never heard of it) and 10 being very familiar. This information will provide insight into the potential market’s level of awareness of the region as well as their current knowledge base. For ease of interpretation, the responses were divided into three categories, those who are vaguely familiar (31%) those who are reasonably familiar (46%) and those who are very familiar (23%). It appears that the majority of the potential market may be in need of more comprehensive information when it comes to their level of knowledge as over 70% of those who have yet to visit the region claim they know little about it.

### 3.1.3 Awareness of Prom Country’s ‘other’ Natural Sites

Prom Country’s tourism industry acknowledges the distinction of their number one natural tourism attraction, Wilson’s Promontory. However, the region also plays host to a variety of other nature based tourism attractions that are capable of offering a quality nature based experience. Figure 2 presents an illustrative summary of just how aware those belonging to Prom Country’s potential market are of these attractions.

**Figure 2 Awareness of 'Other' Natural Sites**



As illustrated above, there appears to be a general lack of awareness among the potential market in relation to a number of Prom Country’s nature based attractions. Whilst over 50% of respondents had some recollection of Sandy Point Beaches and the Great Southern Rail Trail, the majority (90%) had never heard of Walkerville Lime Kilns and less than 20% had heard of Mount Worth State Park. Less than 30% of respondents were aware of Lyre Bird Forest and approximately one third of respondents had heard of Agnes Falls.

## 3.2 Perceptions

### 3.2.1 How does the potential market perceive Prom Country?

Respondents were asked to reveal what they believe Prom Country is able to offer them in terms of a holiday experience. The responses to this question will provide the region with an idea of how they are currently positioned in the minds of their potential visitor. Table 1 presents the mean scores for each attribute that were rated on a scale of 1 to 7 - with 7 representing the highest level of agreement.

**Table 1 Potential Visitor Perceptions**

<b>Destination Attribute</b>	<b>Mean</b>
Natural Scenery to enjoy	6.36
Great Place to Relax	6.20
Offers a variety of Natural Attractions	6.18
Has beautiful Beaches	5.85
More than just Wilsons Promontory National Park	5.80
A great family destination	5.71
Great selection of food	5.39
A great variety of children's Activities	5.18
Great selection of wineries	5.10
Close to home	4.73

The results revealed that Prom Country is perceived by those who are yet to visit the region as a destination that offers natural scenery, relaxation and variety of nature based attractions. The respondents are also agreeable to the fact that there is more to Prom Country than just Wilson's Promontory. The region doesn't appear to be well renowned for its Food and Wine produce, nor is it perceived by the potential market as a number one choice for families and children. There was low to moderate agreement that Prom Country is a destination close to home and this is certainly an attribute that needs to be reinforced when targeting the 'short break' Melbourne market.

### 3.2.2 What specific activities does the potential market associate with Prom Country?

Similar to that in phase two, this question more or less aligns with the leading question used in Tourism Victoria's Biannual Regional Attitudes, Perceptions and Satisfaction Survey (RAPS). However, by including this question in this study, we are able to obtain 'specific' information regarding Prom Country as opposed to the entire Gippsland region.

Interestingly, the results (see Table 2) of the present study, when compared with those of the phase two, indicated that there is little difference between those that have visited Prom

Country and those who have not in terms of types of activities they associate with the region. Camping and relaxation were the only two activities that differed between the two studies in terms of the order in which they were ranked with those who are yet to experience the destination ranking camping slightly ahead of relaxation. Prom Country to its potential market is a region where one can experience nature, go hiking, bushwalking and sightseeing – all of which support the nature based experience that Prom Country actively promotes.

**Table 2 Activities Associated with Prom Country**

Activity	Mean
Experiencing Nature	6.26
Hiking and Bushwalking	6.17
Sight Seeing	6.15
Camping	6.08
Relaxation	6.03
Surfing and Beach Activities	5.94
Adventure	5.63
Fishing	5.57
Boating	5.10
Golfing	4.33

### 3.3 Holiday and Leisure Preferences

#### 3.3.1 What Experiences are they Seeking?

An understanding of the experiences the intrastate tourism market is seeking can advise PCRT as to how they should be positioning the region and the specific experiences they should be promoting when targeting the potential visitor. The data in this phase strongly resembled that from phase two, illustrating that the current and potential visitor market seek somewhat similar holiday experiences. For example, both markets first and foremost seek an escape from the everyday and rest and relaxation. This is closely followed by a holiday that offers variety and something new, although the potentials placed slightly more emphasis on variety. Nature based experiences shared the same position across the current and potential markets. This is good news for PCRT given their current position as a Nature Based destination. The main difference between the two markets was their preferences towards a social experience, it appears the potential market were less likely to seek opportunities to socialise with others. The quest for action and adventure however received a similar response to that in phase two, suggesting that the potential market are also seeking a passive nature based experience. Table 3 lists the experiences along with their mean scores based on a scale of 1 to 7.

**Table 3 Experiences Sought in a Holiday**

Experience Sought	Mean
An escape from the everyday routine	6.36
Rest and relaxation	6.18
Variety	5.93
Something unique	5.91
Nature Based	5.84
Quality Touring Routes	5.57
Quality Family Time	5.31
Sun Sand and Surf	5.30
Festivals and Events	5.17
Romance	5.04
Action and adventure	5.03
Socialising	4.87

### 3.3.2 What must a destination be / have before it will be considered?

Table 4 lists the attributes that the potential market view as most important when choosing a destination.

**Table 4 What a Destination Must Have to be Considered**

Attribute	Mean
Value for Money	6.39
Relaxing	6.20
Easy / hassle free	6.17
Variety of Accommodation	6.16
Peaceful	6.05
Restaurants and Cafes	5.98
Variety of Attractions	5.97
Unique Attractions	5.89
Natural Attractions	5.78
Good Beaches	5.63
Swimming and Hiking	5.29
Family Friendly	4.80
Good Wineries	4.54
Accessible	4.34
Children's Activities	4.05
Dog Friendly	3.53

These results are almost identical to those revealed in phase two with value for money, relaxation and easy / hassle being the three most important features according to both the current and potential market. The potential visitor also agrees that a destination must offer a variety of accommodation options. There were some slight differences between the two



markets in terms of their desire for peacefulness and demand for restaurants and cafes and it is apparent that the potential market may be more likely to have a preference for eating out. Variety, uniqueness and natural attractions were ranked as moderately important and the potential visitor is neither here nor there when it comes to good wineries, children's activities and accessibility. Dog facilities are of very little importance. The attributes listed at the bottom of the list again mirror the responses of the current market who share the view these destination attributes are relatively unimportant.

### 3.3.3 What does the potential visitor like to do in their spare time?

By having a general idea of the types of activities Prom Country's potential visitor market enjoy, PCRT can not only promote the availability of these activities should they exist, but such information can be used by researchers to identify similarities among respondents and identify visible market segments such as those presented in Section 3.4

**Table 5 Preferred Leisure Activities**

Activity	Mean
Dining Out	5.87
Reading	5.48
Visiting historical sites and museums	5.39
Wildlife Viewing	5.36
Visiting wineries and food trails	5.30
Shopping	5.04
Socialising	4.89
Swimming	4.69
Hiking and bushwalking	4.67
Gardening	4.42
Sunbathing	3.98
Cycling	3.61
Fishing	3.61
Four Wheel Driving	3.30
Sailing	3.23
Horseracing	2.85
Golf	2.50
Hunting	1.84

When compared with the results of phase two, it is the least favoured activities that share the most commonalities. The leisure activities highlighted in Table 5 are of very little interest to both the current and potential visitor. However, significant differences were found between the two markets in terms of their most preferred leisure activities. The potential market segment rated dining out as their most preferred leisure activity and this was followed by reading and visiting historical sites and museums. Although wildlife viewing

was ranked fourth on the list, the fact that hiking and bushwalking scored relatively low on the preference scale suggesting that the potential market may not share the same enthusiasm towards nature based activities. The respondents of phase three also revealed a higher preference for food and wines based activities than the previous, however, according to the information presented in Table 4 above, wineries are not considered essential.

### 3.4 Identifiable Market Segments

As per study two, via a computer software method called factor analysis, the potential market's preferences and interests identified in questions 5,6 & 7 were reduced to five smaller groups of related items in a bid to identify preference and interest driven market segments. These are presented in Table 6. These segmentation bases can be used as an informed means of inspiration behind creating targeted Prom Country advertising campaigns. Subsequent analysis also revealed that each of the various preferences and interests measured in this study could be categorised into tourism themes. These general themes are presented below in order of descending importance to respondents.

1. Relaxation and diversity. It combines a desire for a peaceful, relaxing experience with the desire for a variety of attractions and accommodation options.
2. Nature based enthusiasts. Rated nature based activities such as hiking and bushwalking, wildlife viewing and placed significant importance on nature based activities. Cultural and heritage attractions were also considered an important attribute.
3. Food and wine seekers. As the name suggests, expect quality dining experiences and therefore value gourmet trails and wineries.
4. Beach Dwellers. Seek out good beaches where they can swim, surf and sunbathe.
5. Family-fun. Obviously value activities that provide entertainment for the whole family.

Using the themes identified in the previous above, it was possible to identify 3 quite distinct groups amongst the potential visitor market. The means in the table below are scored out of 7.

**Table 6 Prom Country Market Segments**

<b>Themes</b>	<b>Group 1</b>	<b>Group 2</b>	<b>Group 3</b>
<i>Relaxation &amp; Diversity</i>	5.8	5.9	6.5
<i>Nature Based Enthusiasts</i>	5.4	4.5	6.2
<i>Food and Wine Seekers</i>	4.5	5.0	5.8
<i>Beach Dwellers</i>	3.8	4.8	5.6
<i>Family Fun</i>	3.1	4.6	5.5
<b>% of sample</b>	<b>30%</b>	<b>29%</b>	<b>41%</b>

### Group #1 – The Relaxed Nature Seekers

This group is characterised by the importance it assigns to a relaxing nature based holiday experience. They prefer a destination that is 'easy' peaceful and offers value for money. Many members of this group are best described as older empty-nesters. This may explain why the opportunity for relaxation is so important while child-based activities and more strenuous activities (e.g. swimming, surfing,) are not. This group seeks a diverse and unique holiday experience and variety is important. Almost a third of respondents (30%) fall into this group. There are certainly similarities between this segment and the "*Relax with Nature*" segment identified in the previous study.

### Group #2 – The Relaxation Seeking Gourmets

This group, like group one, are also seeking rest and relaxation, however their focus is on food and wine. This group love to eat out and enjoy socialising and variety is very important to them. There is less emphasis on nature based activities and this group places little importance on family facilities, suggesting that those belonging to this segment are again empty nesters. They are not too fussed towards beach style activities and would most likely view browsing through the shops and having a wine / coffee with friends as a form of relaxation. This does not reflect the ideal market for Prom Country given its nature based position and the region also faces fiercer competition in attracting this segment as they are more likely to swing towards regions such as West Gippsland and the Yarra Valley that are renowned for their food and wine produce. It is therefore fortunate that this segment only comprises 29% of potential visitors.

### Group #3 – I want it all

This group is the most demanding of the 3, assigning the greatest importance to each of the 5 themes. This naturally implies that in order to effectively appeal to this particular segment, Prom Country should try and position itself as offering as diverse a holiday experience as possible. One possible explanation for their demanding nature may be that many members of this group may represent the 33% of the sample who have dependent children (see section 3.7.2) and therefore seek out a wider range of nature based experiences in order to appeal to all members of the family unit (i.e. mum and dad relax while kids play etc). However, the mean scores suggest that mum and dad may put their needs first – suggesting that they may be persuaded initially be what the region has to offer them. This group accounts for 41% of potential visitors and closely aligns with 'the works' segment previously defined in phase two. This group's moderate emphasis on food and wine experiences is supported by the respondents' nominated preferred leisure activities where dining out was rated as number one – see Table 5.

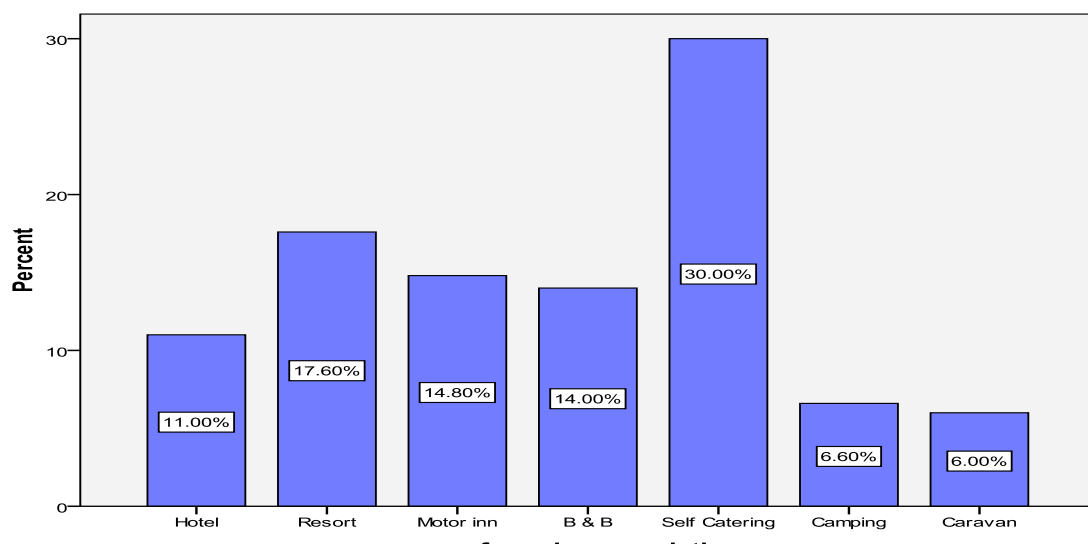
### 3.5 Accommodation Preferences

Specific information pertaining to the visitor's accommodation preferences was requested by PCRT to provide an assessment of the pricing structure and an indication of demand for the current accommodation on offer. The questionnaire therefore requested that respondents who took part in phases two and three reveal their preferred accommodation type, their average expenditure on accommodation and how much they would be prepared to pay for selected accommodation options currently available in the region. The results pertaining to phase three (the potential market) are as follows:

#### 3.5.1 What is the potential visitors preferred accommodation type?

There were notable differences in relation to the accommodation preferences of those who had previously visited Prom Country and those that had not. For example, whilst there is still a strong preference among the potential market for self catering accommodation, it equates to less than a third of respondents.

**Figure 3 Potential Market's Preferred Accommodation**

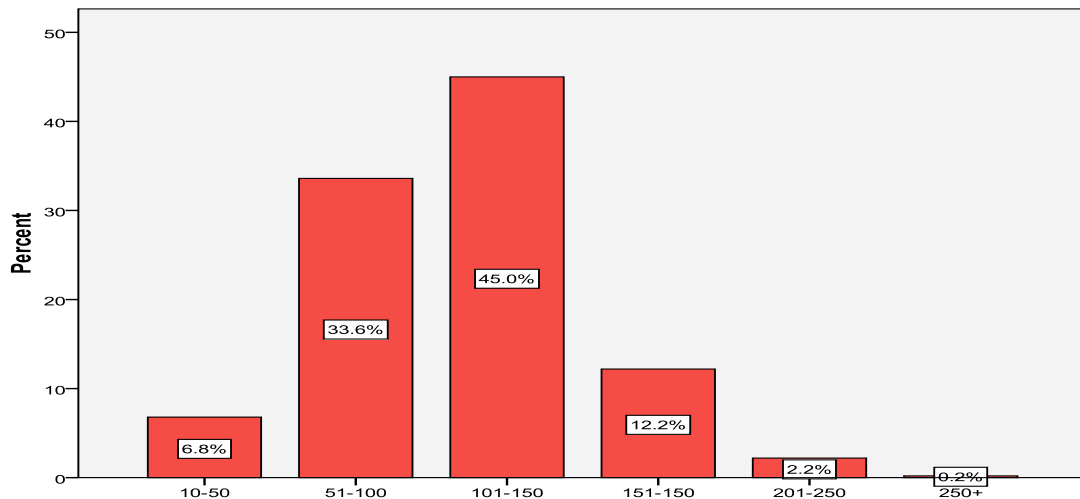


Close to 60% of the potential visitor market prefer serviced accommodation (hotels, resorts, motor inns and bed and breakfasts) compared with only 38% of the current market, reaffirming the need for this style of accommodation. Camping and caravanning together comprised only 12 % of the potential market's preferences compared with close to 20% of those belonging to the existing market.

#### 3.5.2 How much are they prepared to pay?

As revealed in Figure 4, in terms of the most common price bracket, the results were almost identical to those revealed in phase two with close to half of the respondents being prepared to spend between \$101 and \$150. This pattern is in fact indicative of the average accommodation spend of Prom Country’s intrastate market. The pattern revealed in the chart also supports the findings revealed in phase two, with the majority of potential visitors preferring to spend less than \$150 (86%).

**Figure 4 Accommodation Expenditure**



**3.5.3 How much would they pay for accommodation currently offered in Prom Country?**

Respondents were asked to review the same two examples of accommodation facilities currently operating in the region as those presented in phase two and reveal how much they would be prepared to pay per night to stay in the facility.

**Property A**

The potential visitor was prepared to pay a slightly lower average price for property A than the region’s current visitor claiming they would pay an average of \$96 per night. The minimum and maximum price range also differed between the two markets with the minimum amount being \$20 per night and the maximum \$250.

**Property B**

Property B attracted a slightly higher yield than Property A, however the average price of \$134 per night was \$10 less than that offered by the current market. The minimum for property B was \$20 (to be treated with caution) and the maximum amount revealed was \$420 per night, slightly higher than the maximum price considered by the current market.

The low yield offered by the potential market for both accommodation options may be explained by the fact that they are yet to visit the region and consequently have little

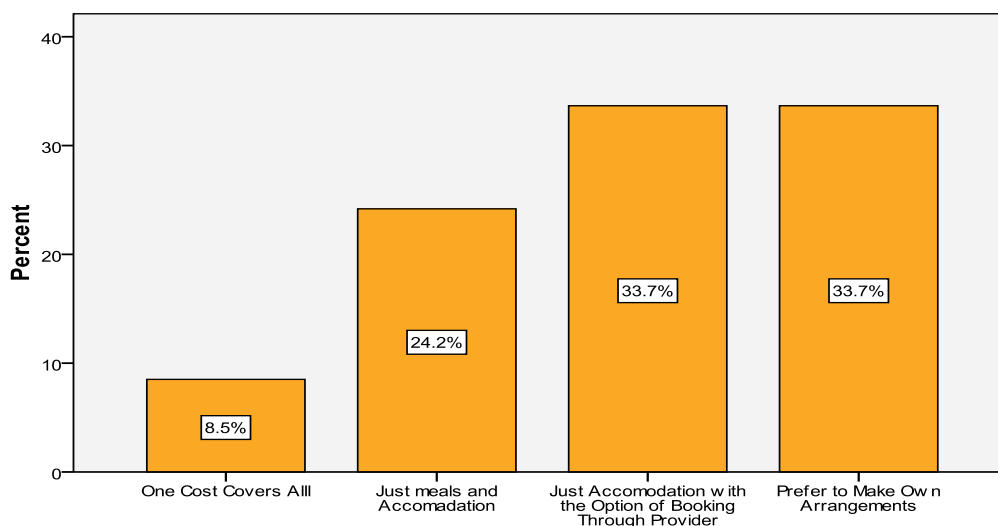
concept of what the region has to offer. They are also less likely to feel a sense of loyalty to the region and its operators. As such, one might assume that this latter finding is a more realistic evaluation of the actual ‘market value’ of the two properties.

### 3.5.4 Package versus Own Booking Arrangements

Almost a quarter of potential visitors revealed they would like a package that included meals and accommodation, (9% more than the current market) and less than 10% would opt for an all inclusive package option. Figure 5 illustrates this result.

The potential market appears to be a little less self sufficient when it comes to their holiday arrangements. Possible explanation for this again lies in the fact that they are yet to visit the destination or have not undertaken any information search activity. Nonetheless, while one third of respondents would prefer to make their own arrangements, a third also indicated they would like the option of booking additional activities via their accommodation providers. This latter result is consistent with that revealed in the phase two and therefore offers further support for the notion that the accommodation provider plays an integral role in the provision of tourist information and the promotion of local facilities and attractions.

**Figure 5 Package Preferences**



## 3.6 Future Visitation Plans

### 3.6.1 What is the likelihood that they will come?

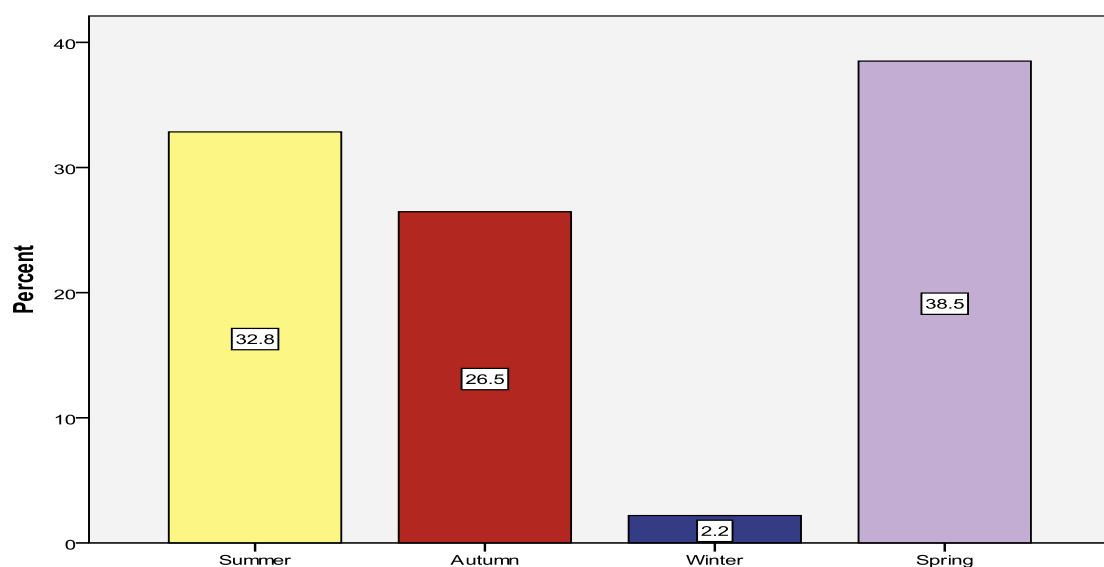
When the potential visitors were asked to rate the likelihood that they would visit Prom Country in the next five years, their response was reasonably positive. Eighty one percent of respondents revealed that they would be likely to visit the region with close to one third

agreeing their chances of visiting Prom Country are very likely. Less than 3% noted that they were not likely to visit the region in the near future and the remaining 16% were unsure.

### 3.6.2 When would they come?

To align with the 'Seasons' campaign schedule currently offered by the regions peak marketing organisation, respondents were asked to nominate the Season during which they would be most likely to visit Prom Country. The analysis revealed that Prom Country is viewed as a Spring time destination with close to 40% of respondents nominating this as their preferred season for visitation. Summer appealed to a third of respondents, followed closely by Autumn. As illustrated in the chart below, Prom Country has little to no appeal to the potential visitor market as a Winter destination.

**Figure 7 Preferred Seasons**



## 3.7 Demographic Profile

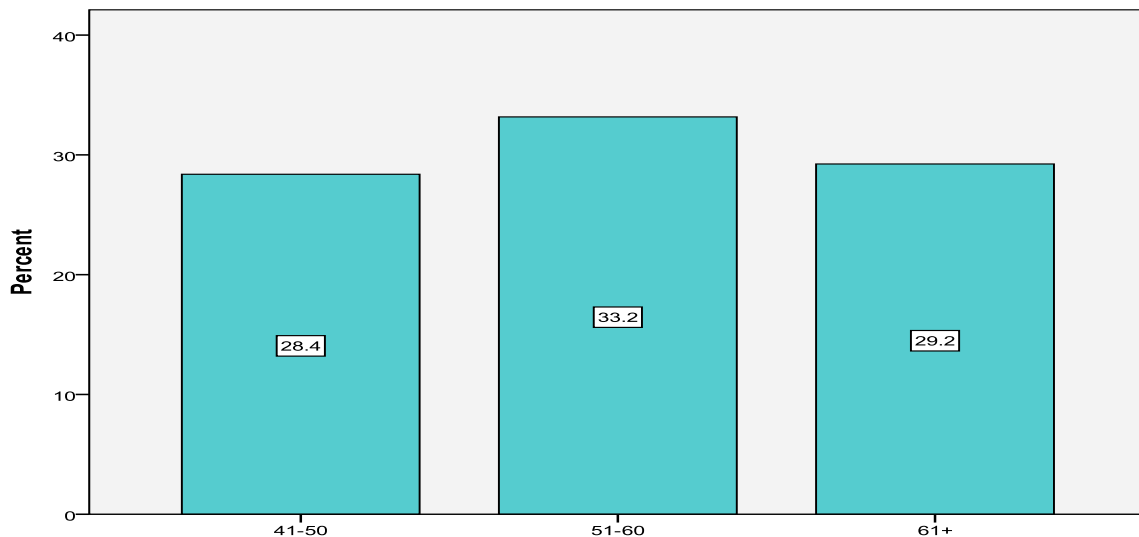
Demographic data was again collected in phase three to provide a detailed description of the sample and more importantly identify additional market segments. Potential visitors were asked to identify their age group, their family status and combined household income. The results are presented below.

### 3.7.1 Age Group

Phase two revealed that the majority of Prom Country visitors were aged over 40 years of age. As such, it was decided that the sample population for the current phase be representative of this age segment. As illustrated in Figure 8 three 40+ sub segments were

more or less equally represented among the sample with the 51 -50 age segment being slightly more prominent. This result is consistent with the findings presented earlier in the report, for example, the lack of preference for children’s activities and action and adventure. Given a significant number (62%) of the respondents represented in this sample are aged 51 and above, it is not surprising that there was a preference towards more passive nature based experiences.

**Figure 8 Age Segments**



**3.7.2 Family Status**

The respondents were requested to provide information regarding their marital status and the number of dependent children they have living at home. Such information again provides for a greater understanding and in some cases explanation of the choices made by the respondents when answering the questionnaire.

Seventy four percent of the respondents were either married or living together, however, only 33% of respondents had 1 or more dependent children. This pattern is somewhat consistent with that revealed in phase two, suggesting that a significant proportion of Prom Country’s current and potential visitors do not require family facilities. One would expect however that should this study be conducted throughout the summer months and directed to a younger age segment – this result would differ somewhat.

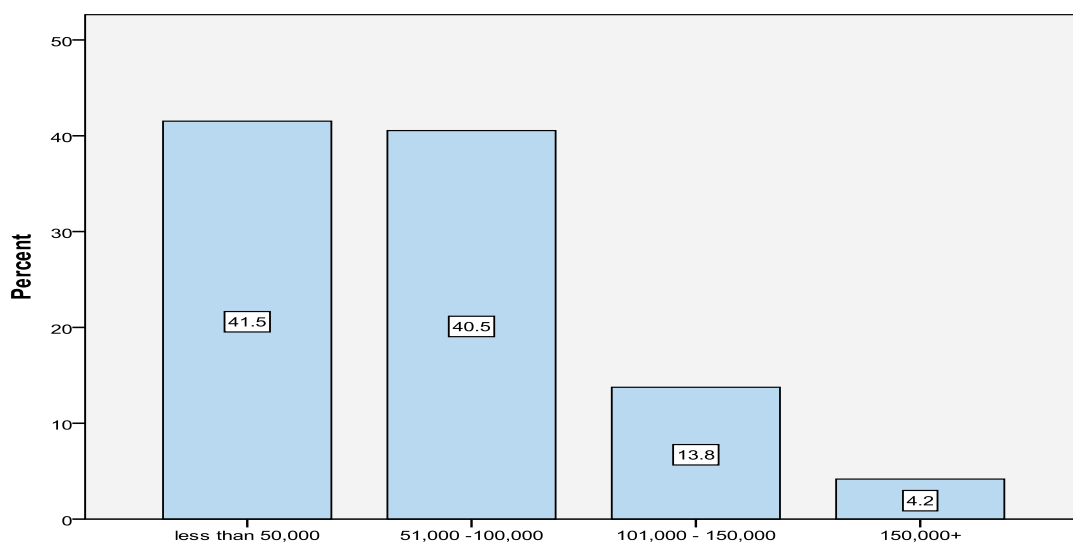
**3.7.3 Household Income**

Respondents were asked to select an income range that was most representative of their annual combined household income. As demonstrated in Figure 9, 41% of respondents recorded a household income less than \$50,000 with an almost equal amount of



respondents recording between \$51,000 and \$100,000. According to the data, the combined household income for over 80% of the potential market was less than \$100,000, and this pattern is consistent with that of phase two providing further support for the assumption that the Prom Country visitor market is dominated by low to middle income earners. Again this result reinforces the need for moderately priced accommodation options and value for money product offerings, the importance of which was expressed in sections 3.7 and 3.10.2. The highest income bracket of \$150,000+ was poorly represented among the sample, however, it should not be assumed that Prom Country does not appeal to this segment, hence the region should not overlook the needs and wants of the affluent tourism consumer.

**Figure 9 Combined Household Income**



### 3.8 Summary of Quantitative Results

In summary, this section has presented statistically supported results that reveal the perceptions, preferences, visitation likelihood and profile of Prom Country's potential visitor market. The results have also revealed three psychographically defined market segments, two of which prove to be viable target markets for the region. Key findings pertaining to Prom Country's current market include:

- The internet plays a significant role in attracting attention and creating initial awareness of Prom Country, followed by newspaper advertising.

- To the greater Melbourne tourism market, Prom Country is perceived as a destination that offers natural scenery, a great place to relax and a variety of nature based attractions.
- The specific primary activities the potential market associate with Prom Country include experiencing nature, hiking and bushwalking and sightseeing.
- Only 23% of the potential market noted they were very familiar with the region, the remainder were either vaguely or reasonably familiar.
- The potential market has little awareness of some of the regions 'other' natural attractions, particularly Walkerville Lime Kilne and Mount Worth.
- The top three experiences sought by the current market were; escape from the everyday, rest and relaxation and one that offers variety.
- Of great importance to the potential market when selecting their holiday destination are; value for money, opportunity to relax and ease.
- The potential market's most preferred leisure activities were dining out, reading and visiting historical sites and museums
- While 30% of potential visitors prefer self catering style accommodation there is still significant demand (60%) for serviced accommodation
- In consistency with the current visitor market, the majority of potential visitors would spend no more than \$150 per night on accommodation when holidaying in Victoria.
- While 34% of potential visitors would prefer to make their own travel plans as opposed to a package deal, equal number would like to option of booking further activities whilst visiting the destination through their accommodation provider
- 81% of respondents noted they would be likely to visit Prom Country in the next five years with Spring being the most likely season in which they would visit, closely followed by Summer.
- The demographic profiling data implies that there are three age related segments among the over 40's age segment targeted in this phase, the most common being those aged 51-60. The data also illustrated that 74 % of respondents were in a partnership and 67% of respondents were 'empty nesters'. Again a low yielding market was evident with the majority (82%) of potential visitors declaring a combined household income of less than \$100,000.

- Three segments were identified in the study based on the potential market's preferred leisure activities, sought after holiday experiences and the importance they place on various destination attributes. Two of the segments, 'relaxed nature seekers' and 'I want it all' aligned closely with the 'relax with nature' and 'the works' segments identified in study one and it is therefore recommended that these two segments be pursued. The third segment, 'relaxation seeking gourmets' were deemed unlikely to rate Prom Country high on their list of holiday / short break options.

## 4.0 RECOMMENDATIONS

As a result of this research, PCRT and SGSC now have a comprehensive understanding of both their potential and current visitor market. Based on the quantitative results presented in Section 3, the following recommendations have been put forward to inform the tourism development and promotion of Prom Country, South Gippsland. A concerted effort has been made to align the following recommendations with those put forward in phase two due to the similarities between the two markets.

The post code analysis suggests that these two markets combined represent Prom Country's intrastate visitor market and the following recommendations will refer to the respondents as such. Given the similarities between the four segments identified across the two studies (i.e. 'relaxed nature seekers' vs. 'relax with nature' and 'I want it all' vs. 'the works'), from here on in they will be represented as two primary segments 'relax with nature' and 'the works'. It is anticipated that this approach will enhance the audience's interpretation of these results in terms of their implications for the region's marketing efforts directed towards the intrastate market.

### 4.1 Positioning

The intrastate tourism market perceives Prom Country as a destination that offers an abundance of nature based experiences and attractions and the opportunity to rest and relax. The market associates Prom Country with activities such as hiking and bushwalking sightseeing. It is recommended that the region continue to promote these attributes or 'pull factors' particularly the rest and relaxation component as this represents an attribute commonly sought by the intrastate market. The intrastate market are not seeking action and adventure when considering their holiday choice, nor will they be tempted by 'romance', it is therefore recommended that the region avoid these positions when devising their advertising themes.

The intrastate market will be tempted by a destination that offers them an 'escape' from the everyday routine and it is therefore again recommended that Prom Country's positioning strategies integrate this theme, portraying their destination as one that offers an 'easy' escape from the city, the hustle and bustle and the daily routine. To capture the markets' quest for variety and something unique, PCRT should also endorse the region's originality and differentiate their product / attractions from standard regional experiences offered by competing destinations. There should also be a focus on the region's diversity and the number of attractions it offers. For example, more focus could be placed on promoting those attractions identified in the study as having a very low level of awareness (Walkerville Lime Kiln, Mount Worth State Park and Lyre Bird Forest).

Value for money was identified as the most important destination attribute across the intrastate visitor market, hence, it is important that the visitor perceives the destination as offering an affordable but nonetheless quality experience. Advertising campaigns need to communicate this in a subtle manner so not to dispel the higher yielding visitor or those who strongly associate price with quality.

The results of the current phase of the research reiterate the recommendation that Prom Country should not invest in marketing campaigns driven by food and wine as this is clearly not the region's specialty or point of differentiation. However, some attention should be given to the dining options available in the region in order to attract those who have not yet visited the region given that 'dining out' was noted as their number one leisure activity.

In order to attract the attention of the region's two primary target segments 'relax with nature' and 'the works' the region should be promoted as one that offers natural beauty and a diverse range of unique natural attractions suitable for young and old.

#### **4.2 Product Development**

Phase one identified the importance of self catering accommodation facilities, however, the current phase suggests that across the entire interstate market there is still considerable demand for fully serviced accommodation such as bed and breakfasts, hotel motels and resorts. A variety of accommodation options was also noted as an important destination attribute across the market, therefore it is recommended that the region not limit themselves to a particular category of accommodation. Those considering investing in accommodation facilities need to also consider the price visitors are willing to pay to ensure sufficient return.

This second stage of the research also confirmed the importance of adequate signage and roads as 'easy and hassle free' were recognised as the third most important destination attribute.

#### **4.3 Pricing**

It is important to recognise that according to this research, the Prom Country visitor market is predominantly made up of low to middle income earners – defined in this study as people with a combined household income of between \$50,000 and \$100,000. Therefore, pricing is an extremely important component of the marketing mix should the region wish to be successful in attracting intrastate visitors. As previously mentioned, accommodation providers need to evaluate their pricing structures in light of this information and ensure their pricing strategies not only align with what the market are prepared to pay but are also perceived as offering value for money.

Despite the fact that among those who have yet to visit the region less than 15% were willing to spend over \$150 per night on accommodation, there is still evidence of a high yielding market segment and they should not be forgotten. Again, it is recommended that those providers who offer or develop a superior accommodation product employ a targeted marketing strategy (integrating the positioning recommendations above) to attract those belonging to this segment.

Package tours are not recommended, however, it is vital that operators have a comprehensive knowledge of the attractions and dining facilities in the area. They should also be prepared to offer their clients assistance with booking and or organising various activities during their stay. The tourism association could organise regular famil trips with its members to ensure all operators remain up to date with what the region has to offer.

#### **4.4 Promotion**

The final phase of the research reinforces the promotional recommendations proposed in phase two. However, in order to appeal to the broader intrastate market and improve the reach of the marketing spend, some slight adjustments have been made. These are as follows:

Promotional campaigns targeting the intrastate market should still utilise words and phrases that support the positioning strategy discussed above- for example, 'escape' 'unique' 'natural/ nature', and 'relax'.

Pictorial images included in mass advertising campaigns should incorporate images of couples to appeal to 'empty nesters' and the region's natural attractions should provide the backdrop for all pictorial campaigns.

The internet plays an integral role in creating awareness of the destination and this along with newspaper advertising should be utilised to enhance the intrastate markets' familiarity with the region. Television advertising, preferably that derived through public relations style media, is also recommended. This style of media is effective in delivering vast amounts of information in an entertaining format which increases the potential tourist's knowledge base and enhances recall and recognition.

Again it is recommended that Prom Country continue to engage in cooperative online promotional activities ensuring the provision of online material is informative, regularly updated and user friendly. Remembering that the intrastate visitor market is all for an 'easy / hassle free' experience.

Accommodation providers need to be mindful of the preferred spend when promoting their facilities. It is recommended that should their facility fall into the optimal price bracket

(\$100 -\$150) that this be openly promoted to the consumer via the vehicles recommended above.

With regards to the seasonal campaign schedule, the region is likely to be more successful in attracting visitors in the Spring and Summer. Autumn however should not be ruled out. PCRT will struggle to attract visitors during the Winter season although promotional campaigns with a focus on relaxation and escape may succeed in attracting those who are not so interested in the outdoor nature based style activities during the Winter months.

Word of mouth appears to a very receptive form of promotion across the entire intrastate market with 28% percent of current and potential visitors initially hearing of Prom Country via a friend, relative or colleague. It is commonly known that social networking sites such as face book and twitter are extremely valuable and cost effective means of encouraging word of mouth (WOM) promotion and consequently it is recommended once again that PCRT engage in such promotional activity should they not already be doing so. A number of blog sites that reach out to different demographics should also be created for current visitors to share their experiences which would also offer a means of feedback for the region.

**End of Report**

# **Appendix A**

## **Electronic Survey**



## Prom Country Tourism Questionnaire

### SECTION A

Firstly, please tell us some information about what you know about Prom Country.

1. Have you previously visited Prom Country in South Gippsland?

€ Yes

€ No

2. Via which of the following information sources did you first learn of / become aware of Prom Country, South Gippsland?

- a. Newspaper, Magazine please specify which \_\_\_\_\_
- b. Television travel show, Please specify program \_\_\_\_\_
- c. Radio
- d. Friends, Family or Associates
- e. RACV Accommodation Guide
- f. Internet

The following two questions ask you to think about Prom Country. In particular we would like you to tell us the types of activities you associate with Prom Country. Using the key below, please indicate your level of agreement with the following options.

Strongly Disagree	1	2	3	4	5	6	7	Strongly Agree
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2. I believe Prom Country offers:							
A destination that is close to home	1	2	3	4	5	6	7
Beautiful beaches	1	2	3	4	5	6	7
Natural Scenery to enjoy	1	2	3	4	5	6	7
A place to relax	1	2	3	4	5	6	7
A variety of natural attractions	1	2	3	4	5	6	7
A great selection of food	1	2	3	4	5	6	7
A great selection of wineries	1	2	3	4	5	6	7

Plenty of activities for children	1	2	3	4	5	6	7
A great family holiday destination	1	2	3	4	5	6	7
More than just Wilson's Promontory National Park	1	2	3	4	5	6	7
<b>3. The specific activities that comes to mind when I think of Prom Country are:</b>							
Hiking/Bushwalking	1	2	3	4	5	6	7
Camping	1	2	3	4	5	6	7
Adventure	1	2	3	4	5	6	7
Relaxation	1	2	3	4	5	6	7
Sight Seeing	1	2	3	4	5	6	7
Fishing	1	2	3	4	5	6	7
Experiencing Nature	1	2	3	4	5	6	7
Golfing	1	2	3	4	5	6	7
Going to the beach/surfing	1	2	3	4	5	6	7

**4. Prom Country is more than just Wilsons Promontory. We have quite a variety of nature based attractions. For example, have you heard of the following sites?**

Walkerville Lime Kilns	Yes	No
Great Southern Rail Trail	Yes	No
Lyrebird Forest Walk	Yes	No
Mount Worth State Park	Yes	No
Agnes Falls	Yes	No
Sandy Point Beaches	Yes	No

## SECTION B

The following questions ask you to consider your holiday preferences such as the types of experiences you seek in a holiday or short break, what is important to you when choosing a destination and finally we would like you to tell us about your preferred leisure activities. This kind of information allows us to

**tailor our tourism experiences to meet the needs of our tourism market – so to provide an experience that you are certain to enjoy!**

**For questions 5, 6 and 7 please rate your response to each item using the key located above each question.**

Strongly Disagree	1	2	3	4	5	6	7	Strongly Agree
-------------------	---	---	---	---	---	---	---	----------------

**5. When choosing a holiday I generally choose something that will offer:**

Quality Family Time	1	2	3	4	5	6	7
Rest and Relaxation	1	2	3	4	5	6	7
Romance	1	2	3	4	5	6	7
The opportunity to socialise with my friends	1	2	3	4	5	6	7
Nature Based Experiences	1	2	3	4	5	6	7
Sun Sand and Surf type Experiences	1	2	3	4	5	6	7
Something unique	1	2	3	4	5	6	7
An escape from the everyday routine	1	2	3	4	5	6	7
Variety	1	2	3	4	5	6	7
Action and Adventure	1	2	3	4	5	6	7
Cultural Festivals and Events	1	2	3	4	5	6	7
Quality Touring Routes	1	2	3	4	5	6	7

Extremely Unimportant	1	2	3	4	5	6	7	Extremely Important
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**6. To be considered, a destination must:**

Be family friendly	1	2	3	4	5	6	7
Offer children’s activities	1	2	3	4	5	6	7

Have good wineries	1	2	3	4	5	6	7
Be dog friendly	1	2	3	4	5	6	7
Offer activities such as swimming and hiking	1	2	3	4	5	6	7
Have good beaches	1	2	3	4	5	6	7
Offer a variety of accommodation options	1	2	3	4	5	6	7
Have good restaurants/cafes	1	2	3	4	5	6	7
Have unique attractions	1	2	3	4	5	6	7
Be peaceful	1	2	3	4	5	6	7
Offer Value for Money	1	2	3	4	5	6	7
Be relaxing	1	2	3	4	5	6	7
Have a good variety of attractions	1	2	3	4	5	6	7
Be 'easy' / Hassle Free	1	2	3	4	5	6	7
Be accessible (For example; wheelchair access)	1	2	3	4	5	6	7
Have nature based attractions	1	2	3	4	5	6	7

Please tell us a little about what you enjoy doing in your spare time by rating your preference for the following activities using the key below:

Don't Enjoy	1	2	3	4	5	6	7	Enjoy very much
-------------	---	---	---	---	---	---	---	-----------------

### 7. In my spare time I enjoy:

Hiking/bushwalking	1	2	3	4	5	6	7
Wildlife Viewing	1	2	3	4	5	6	7
Visiting historical sites and Museums	1	2	3	4	5	6	7
Swimming	1	2	3	4	5	6	7
Meeting people / socialising	1	2	3	4	5	6	7

Cycling	1	2	3	4	5	6	7
Four Wheel Driving	1	2	3	4	5	6	7
Fishing	1	2	3	4	5	6	7
Shopping	1	2	3	4	5	6	7
Sailing	1	2	3	4	5	6	7
Sunbathing on the beach	1	2	3	4	5	6	7
Reading	1	2	3	4	5	6	7
Hunting	1	2	3	4	5	6	7
Gardening	1	2	3	4	5	6	7
Golfing	1	2	3	4	5	6	7
Dining Out	1	2	3	4	5	6	7
Visiting wineries and gourmet food trails	1	2	3	4	5	6	7
Horse Racing	1	2	3	4	5	6	7

## SECTION C

Prom Country Tourism is dedicated to offering a memorable and enjoyable experience to all of our visitors and we acknowledge that accommodation plays an important role when it comes to our tourism product offering. We are therefore interested in our potential visitor's accommodation preferences so we are able to monitor our performance in this area.

8. Generally, what is your preferred accommodation type? Please select one.

- a. Hotel
- b. Resort
- c. Motor Inn
- d. Bed and Breakfast
- e. Self Catering
- f. Camping
- g. Caravan / Motor home

9. Which of the following options best represents the amount you would spend on accommodation per night when travelling within Victoria? Please select one.

- a. \$10 -\$50    b. \$51 - \$100    c. \$101 - \$150    d. \$151- \$200    e. \$201 -\$250    f. \$250+

10. Featured below are details of two accommodation options for your perusal. Please spend some time evaluating these options and indicate in the space provided how much you would be prepared to pay per night.

**Option A \$\_\_\_\_\_ Per Night**

**Option B \$\_\_\_\_\_ Per Night**

11. Should you choose to visit Prom Country, would you prefer that your chosen travel plans be offered as:

- € A package where one cost covers accommodation, food and activities / tours
- € A package that includes just meals and accommodation
- € A package that includes just accommodation with the option of booking tours / activities through the accommodation provider
- € Neither, I would like to pay for each individual activity separately

13. Overall, how likely would you be to visit Prom Country in the next five years? (Please circle one)

Not likely at all 1	Unlikely 2	Not very Likely 3	Not sure 4	Somewhat Likely 5	Likely 6	Very Likely 7
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€

14. At what time of year would you be most likely to visit Prom Country?

- € Summer
- € Autumn
- € Winter
- € Spring

**15. On the scale below; 1 being very unfamiliar and 10 being very familiar, please tell us how familiar you are with Prom Country.**

**Very Unfamiliar 1    2    3    4    5    6    7    8    9    10    Very Familiar**

## SECTION D

Finally, please tell us a little about yourself.

1. What age group do you belong?

15 -20

21-30

31-40

41-50

51-60

61+

Q3. What is your relationship Status?

Single

Married

Couple / De-facto

Q4. How many children / dependants (if any) do you have living at home? \_\_\_\_\_

Q5. What is your current employment status?

Fulltime

Part time / casual

Home duties

Unemployed

Retired

Semi Retired

Q6. Where is your home?

Suburb \_\_\_\_\_ Post Code \_\_\_\_\_

Q7. Please circle the following income bracket that best represents your combined family income  
(Please let us remind you that the information collected in this study is collated in such a way that the identity of any one individual remains unknown to the both the researcher and interested parties)

Less than \$50,000

\$51,000 – \$100,000

\$101,000 – \$150,000

\$150,000+