The Value of Visitor Centres in Western Australia

12 June 2024

Presentation

ACKNOWLEDGEMENT OF COUNTRY

Tourism Western Australia acknowledges Aboriginal peoples as the traditional custodians of Western Australia and pay our respects to Elders past and present. We celebrate the diversity of Aboriginal West Australians and honour their continuing connection to Country, culture and community. We recognise and appreciate the invaluable contributions made by First Nations peoples across many generations in shaping Western Australia as a premier destination.

Remember what we told you last year….

What we know….

- Visitor Information Centers (VICs) play a vital role in local tourism economies
- VICs earned commissions tell only a fraction of the story
- Many VIC referrals are not captured / measured
- The vast majority of services provided by VICs are free
- Many LGAs do not understand/appreciate the full value that VICs provide.

In 2015 …

- **Tourism Research Australia** (TRA), in conjunction with **Tourism WA** and **TCWA**, completed a study to understand the importance and value of Visitor Centers in WA.
- The study involved over 700 face-to-face interviews, and over 300 on-line surveys
- It found that WA VICs contribute **$116 million** to the WA economy annually
- It confirmed the value that VICs provide to the visitor experience, and the local economy

Its time for an update…..

- Discussions began with Evan last year
- A national approach was explored….
- The WA approach will include:-
  - An update of the research carried out in 2015
  - VIC Manager survey / operator survey through TCWA
  - WA Residents survey (general population)
  - Economic modelling to estimate GSP / Jobs impact etc

The Research – the scope

The primary aim of this research is to measure the **benefits of VICs in WA** by **comparing** the **travel behaviour** and spending habits of **user and non-users** of VICs during their trip, to help determine what differences can be attributed to the influence of VICs

Requirements

Profile of VIC users v non-users	Visitor satisfaction	Reasons for use (and non-use)	How visitor centres influence visitor behaviour	Influence on visitor spend

Methodology

- **Face to face interviews** with visitor centre users and non-users at multiple destinations across WA (suggested 8-10 locations, at least 1 in each Tourism Region, mix of metro and regional destinations);
- Opt-in **online survey** to be distributed by VIC staff to VIC users providing the opportunity for all accredited VICs to participate in the research;
- **Online survey of WA residents** (general population) to quantify WA resident awareness and usage of VICs, and key motivations / barriers to usage .

So this is what we did…….

- ReviewPro through TCWA
- Quarterly business survey through TCWA
- Visitor Centre manager survey through TCWA
- Consumer Research

REVIEWPRO

… aggregates all online reviews into one easy-to-use platform, including reviews from TripAdvisor, Google and Online Travel Agents. The platform provides a real-time, all-in-one dashboard to track, measure and respond to online guest reviews from more than 200 review sites

REVIEWPRO

1. Visitor Centres Overview

Global Review Index™	Reviews	Semantic Analysis	Management Response
89.0%	1,641	90.7%	30.3%
-4.2	+171	+0.3	-0.6

2. Categories of Reviews

Categories	Mentions		Pos.Vol.	Pos. %
All Categories	2,182	+226	1,810	83.0%
Location	80	+13	76	95.0%
Staff	66	+13	63	95.5%
Experience	44	+17	39	88.6%
Food and Drinks	30	+14	29	96.7%
Facilities	26	+10	24	92.3%
Value	18	+8	14	77.8%
Service	18	-7	16	88.9%
Cleanliness	16	+8	11	68.8%
Bathroom	11	+1	9	81.8%
Entertainment	10	+2	8	80.0%

76% of responses, 84% positive

11% of responses, 67% positive

8% of responses, 71% positive

6% of responses, 45% positive

3% of responses, 50% positive

72% of responses, 93% positive

24% of responses, 86% positive

3% of responses, 73% positive

TCWA Quarterly Business Survey

Tourism Council WA conducted a special survey on tourism business bookings as part of the Quarterly Business Activity Survey for the September Quarter 2023. The special bookings survey was conducted 3-12 Oct 2023 and received 239 responses

TCWA Quarterly Business Survey

The survey found

Over **90%** of tourism businesses take advance direct bookings

An estimated **82%** of all bookings are in advance (not walk-ins)

Over half (**55%**) of bookings are via own channels

The contribution of Visitor Centres

4.0% of all bookings are made by VCs (not through own channels)

+

3.7% of all bookings are referred by VCs

=

VCs drive **7.7%** of all bookings

Own Marketing (Social, Direct, repeat etc)	**55.3%**
Trade (OTAs, Wholesalers etc)	31.7%
Other tourism website referrals	5.4%

That's 1 in 13 bookings directly or indirectly from Visitor Centres

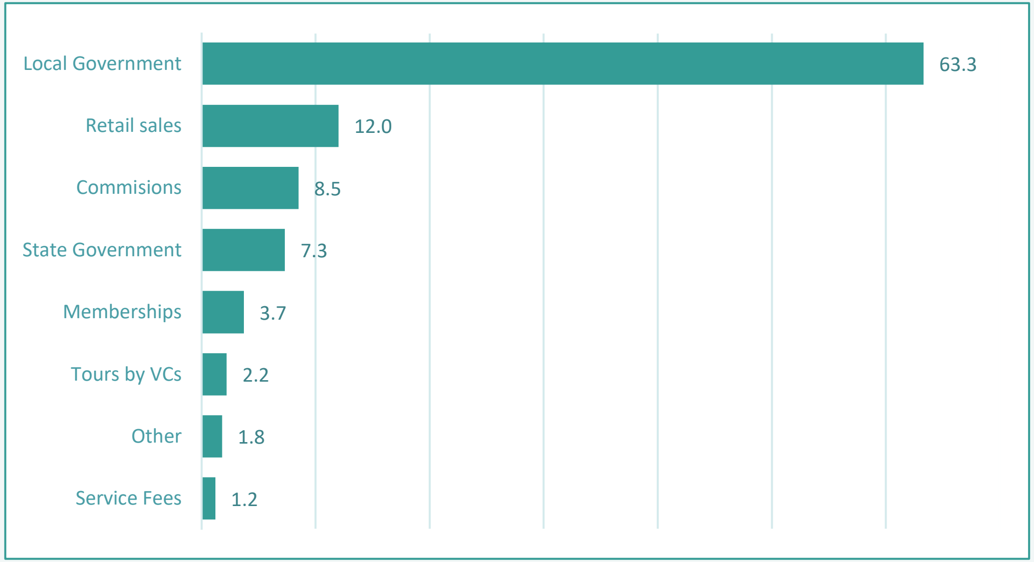
Visitor Centre Manager Survey (TCWA)

Tourism Council WA conducted a survey of ALL visitor centres at the start of 2024; 153 in total consisting of 64 Accredited Visitor Centres (Golden I Accreditation). 45 Accredited VCs responded to the survey, but not to all questions.

TCWA Visitor Centre Survey

Funding

On average 63% of VC funding comes from Local Government



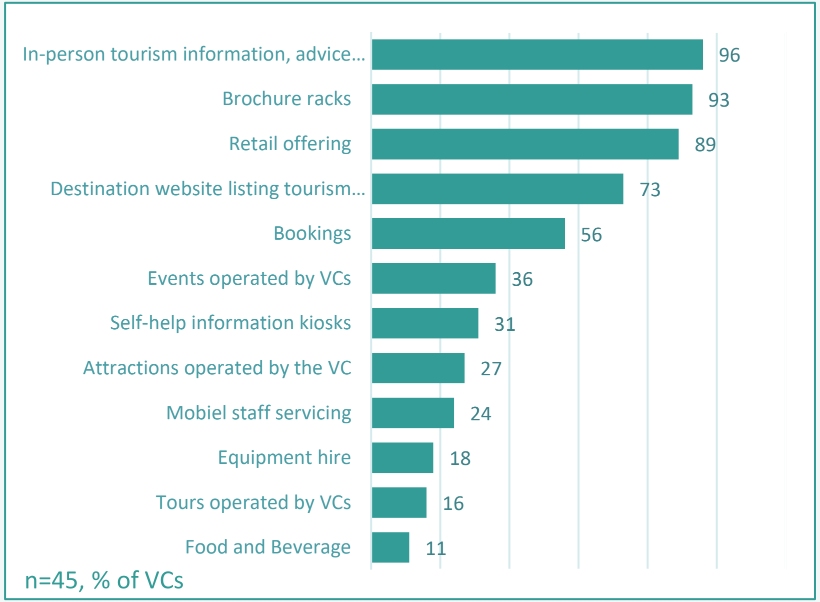
9 out of 10 VCs have some funding from their LGA

4 out of 10 VCs are 100% funded by their LGA

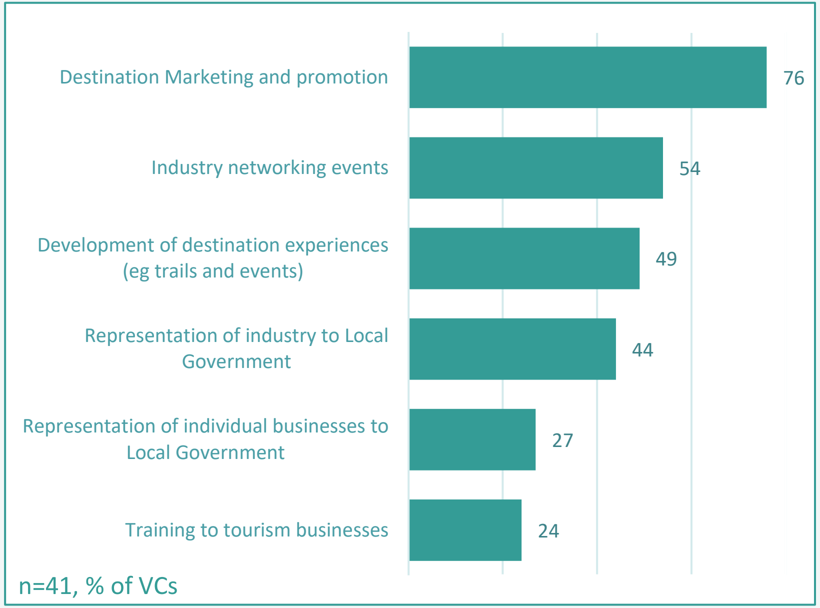
Two thirds of VCs are confident or extremely confident that they will continue to receive funding in the long term (5-10 years)

TCWA Visitor Centre Survey

Services to visitors



Services to industry



‘Typically,’ **73%** of VCs are open 7 days/week

63% of VCs operate with volunteers

TCWA Visitor Centre Survey

Tourism Council WA conducted a survey of ALL visitor centres at the start of 2024; 153 in total consisting of 64 Accredited Visitor Centres (Golden I Accreditation). 45 Accredited VCs responded to the survey, but not to all questions, and the headline results for these centres are shown below.

Self reported traffic

Over 25% of contact with VCs remains direct despite the importance of on-line content

metric	response	volume	Average/VC	% of total
Door counts*	40	1,451,951	36,299	22%
Phone calls	27	78,321	2,901	2%
Emails	24	81,807	3,413	2%
Web visits	19	2,337,019	123,001	74%

*NVS/IVS reports almost 2 million visitors to all Visitor Centres in 2023

Sales $s

17 VCs reported $4.9M in bookings (an average of **$288k** per VC)

26 VCs reported $2.3M in retail sales (an average of **$89k** per VC)

Consumer Research

Painted Dog Research

The objectives

- Update the profile of visitors to/within WA who use VCs during their trip (users), including demographics, attitudes, values and behaviours
- Compare users with visitors to/within WA who do not use VCs during their trip (non-users)
- Determine reasons for use (and non-use) of visitor centres when travelling and evaluate visitor expectations of visitor centres including the services they should provide

Users and usage

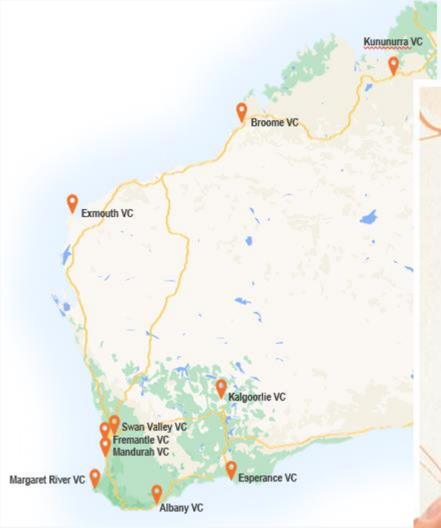
- Determine visitor satisfaction with visitor centres and identified any areas where they excel and/or need to improve
- Measure the degree to which visitor centres influence visitor behaviour in terms of spend, length of stay, participation in activities, attractions/locations visited, intention for repeat visitation and perception of the region and WA;

User experience

- Determine the influence that VCs have on visitor spend in the region.
- Compare the above results between Tourism Regions

Value of Visitor Centres

Methodology



- **2,307** Intercepts in region
- **182** on-line surveys from VC contact lists
- **376** on-line surveys through QR codes displayed in VCs
- **1,083** general population on-line surveys interstate and intrastate

*Almost **4,000** people contributed to the research*

1,472 VC users, 1,393 non-users, 1,083 general population

Users and usage

Painted Dog Research

Visitor Centre Users (v non-users) - Profile

Demographically, visitor centre users and non-users are not hugely different, however users are more likely to be in the age bracket 35-54 years, be travelling with family (young or maturing), and in higher income brackets.

In terms of travel behavior, users are significantly more likely to be on holiday (rather than VFR), visiting a location for the first time, staying overnight in location and staying in rented apartments or caravan sites

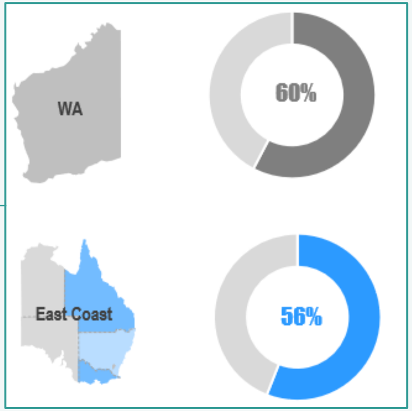
Users prefer to plan their trips independently, utilizing travel sites including visitor centre websites, and are more likely to contact operators directly.

Compared to non-users, VC users stay longer (+0.8 days), take part in more activities (+25%), and spend more (+30%).

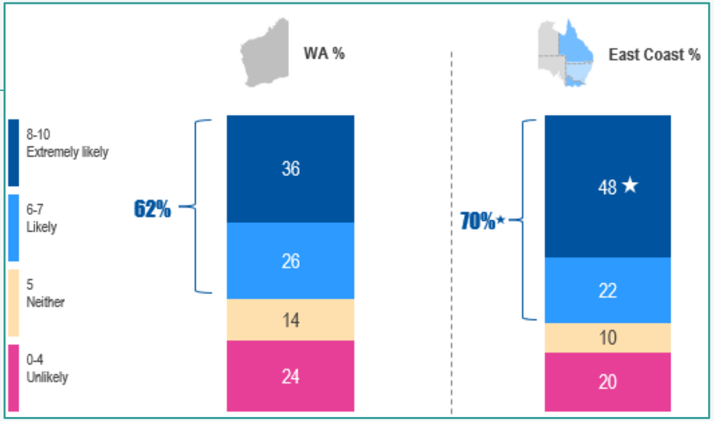
VC users are greater advocates for a destination, with 66% saying their trip was better than expected, versus 41% of non-users.

Visitor Centre Users

Around **58%** of ‘travellers’ have visited a visitor centre

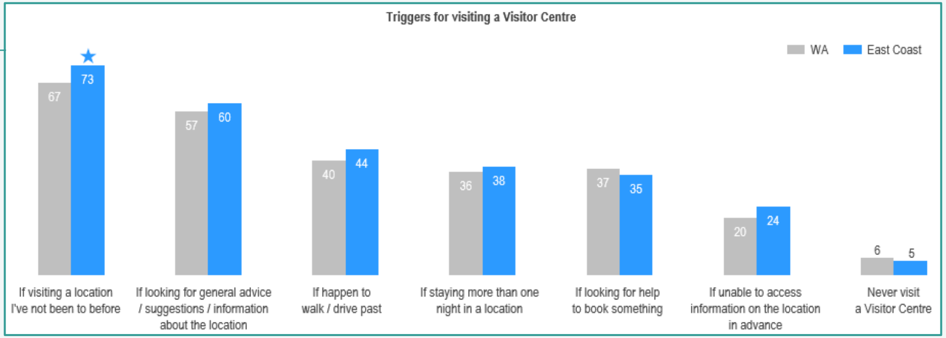


Over **60%** say they are likely to visit a visitor centre when on holiday in WA

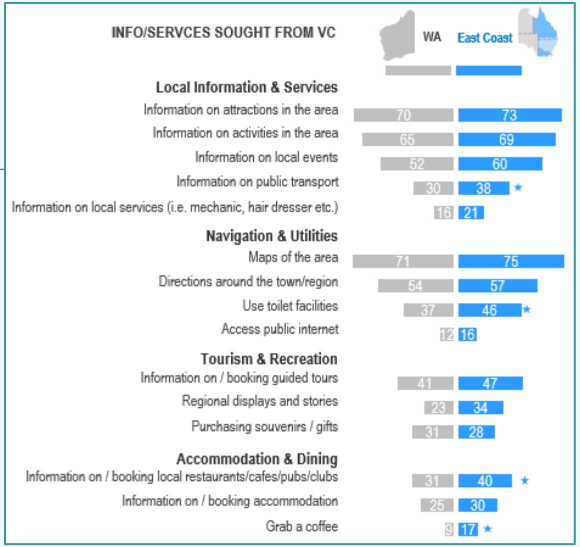


Visitor Centre Users – reason for use

Top Triggers for visiting a VC are visiting a new location and seeking general advice



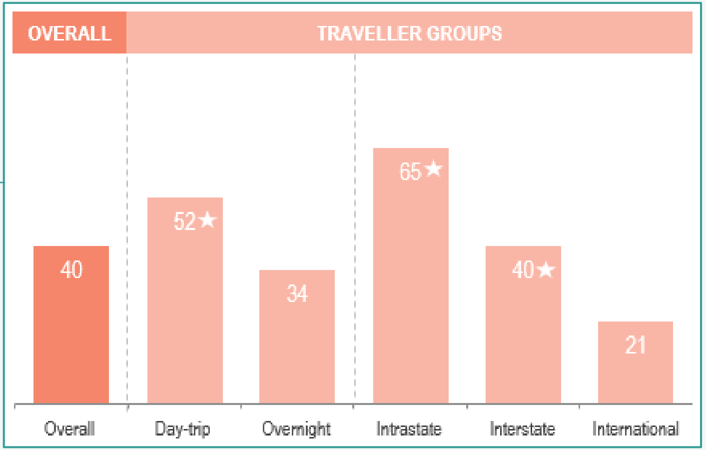
Maps and information on attractions / activities are the main services travellers seek from a visitor centre.

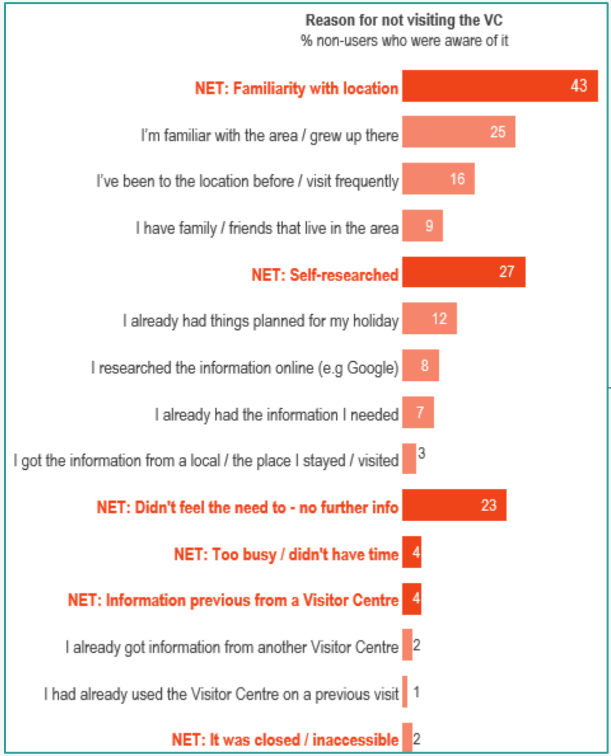


However, around **50%** of respondents said they prefer using on-line sources of information about a destination

Non-users

Only **40%** of non-users were aware of the Visitor Centre in the town they were visiting

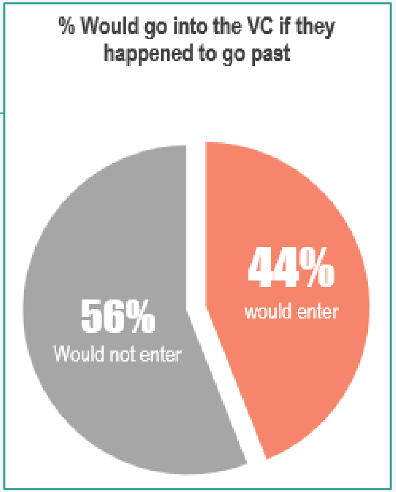


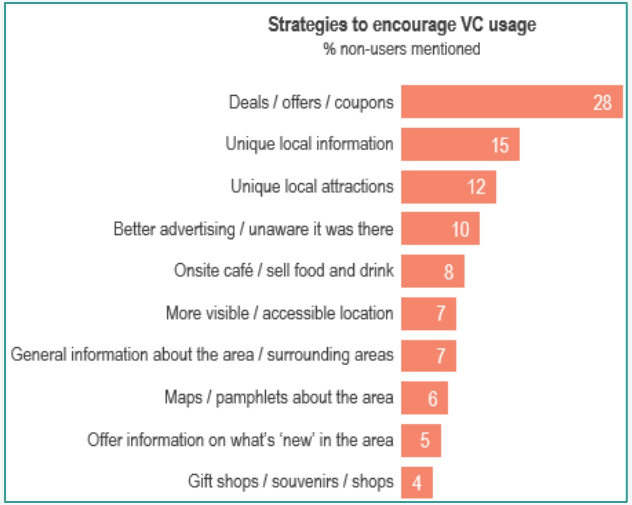


Aside from a lack of awareness, prior familiarity with the location and already being well-researched were key reasons for not using the VC

Non-users

Almost **half** of non-users would be likely to enter a visitor centre if they happened to go past it





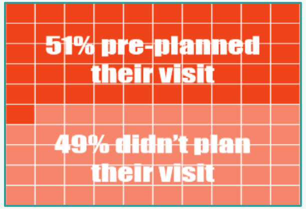
Coupons or deals would be the best way to attract non-users

User Experience

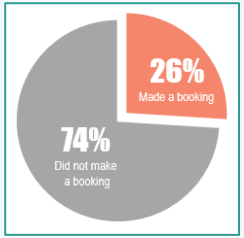
Painted Dog Research

VISITOR CENTRE

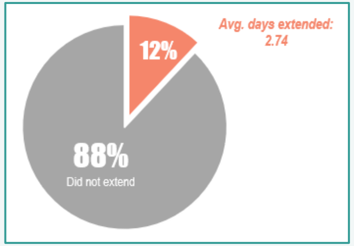
Round half plan their visit



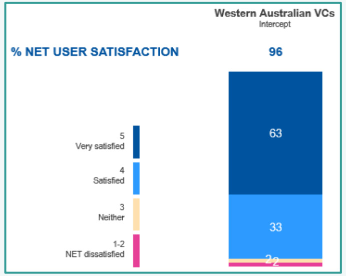
Around a quarter make a booking



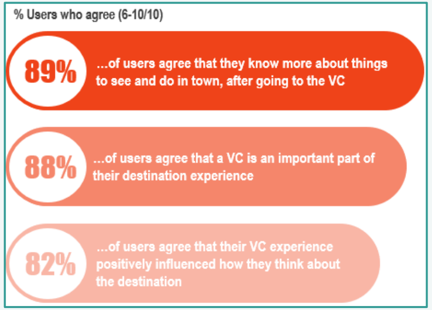
1 in 8 extend their stay



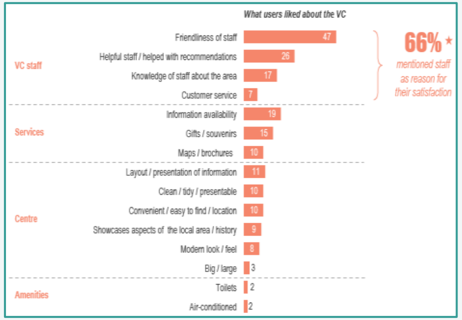
96% of visitors are satisfied



Over 80% agree that VCs are important, influence perception and provide knowledge

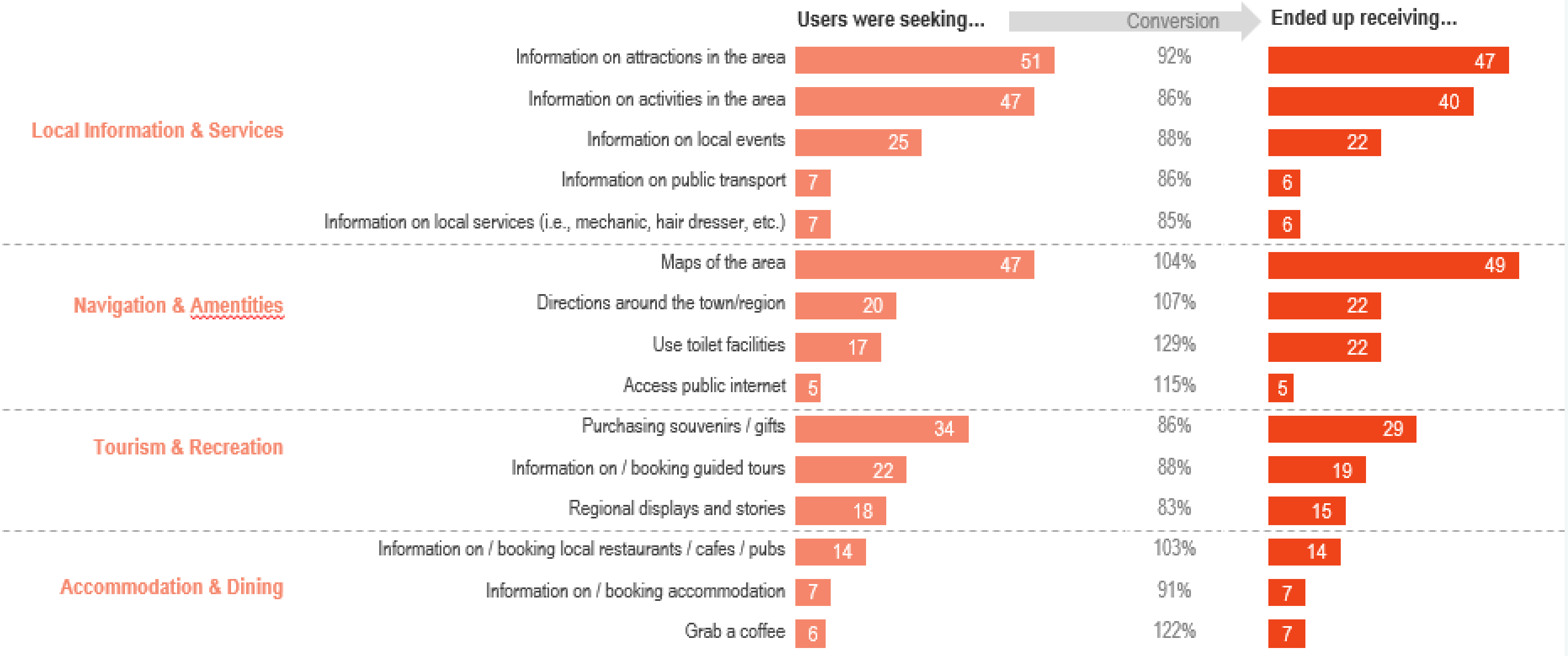


66% of visitors attribute their satisfaction to staff



Activity → Impact

Users got what they came for….



Q15. What were you seeking when you entered the Visitor Centre?

Q16. And what information or services did you end up using at the Visitor Centre? Base: Users (n=1472). *proportion of users who received information/services, relative to the proportion who sought them.

Value of Visitor Centres

Painted Dog Research

Spend questions in the surveys

Q3. How many other people [are/were] travelling with you on this trip?

Q5. What [is/was] the total length of your stay in [LOCATION]?

Q32. How much do you estimate that you [have] spent <u>on an average day</u> during your time in [LOCATION], on each of the following? And how many people did / will that cost cover?

Accommodation
Food and Drink
Transport
Souvenirs/gifts

Q33. Now thinking about <u>your entire stay</u> in [LOCATION], how much [have you spent or plan to spend/did you spend] on each of the following? And how many people did / will that cost cover?

Tours,
attraction entrance fees
other tourist activities

Total spend in destination

Q34. How much did you spend as a direct result of visiting the [LOCATION] Visitor Centre?

Bookings made at the VC
items bought at the VC
anything else you found out about at the VC

Spend as a result of visiting the Visitor Centre

Data Collected

	Users (n=1407)	Non-users (n=1376)
Total spend in destination	✓	✓
Spend as a result of visiting the Visitor Centre	✓	✗

Two potential methodologies to calculate spend

	Method	Advantages	Disadvantages
Total spend in destination	Take the average user spend minus the average non-user spend as the spend 'created' to VCs	• Doesn't rely on attribution • More holistic • Uses all the research data	• Can't compared to 2015 • Hard to attribute
Spend as a result of visiting the Visitor Centre	Assume the spend reported as a result of visiting the visitor centre is the spend 'created' by the VC	• Matches the 2015 methodology • Attributed by visitors	• Relies on visitor attribution • Doesn't utilize the non-user data • Assumes all is incremental

Total Spend

$226M

Spend by overnight visitors, directly attributable to a Visitor Centre visit

+

$35M

Spend by day-trip visitors, directly attributable to a Visitor Centre visit

=

$261M

Total visitor spend, directly attributable to a Visitor Centre visit

Total spend using 2015 method

Direct Comparison to 2015

$116M

$740M

Incremental total spend by Visitor Centre users versus non-users

Total visitor spend supported by Visitor Centres

Key Value metrics

Total additional user spend

VC Users	Count	Additional Spend
Day-trippers	699,000	$34.7M
Overnight visitors	1,277,000	$226.7M
Total	**1,976,000**	**$261.4M**

Weighted average additional spend per user

Region	Additional spend per user
Destination Perth	$126.22
Regional WA	$150.19

Economic Impact*

Direct Economic Impact	
Direct Gross Value Added (GVA)	$91.5M
Direct Gross State Product (GSP)	$100.5M
Direct Tourism Filled Jobs	1,026 jobs

Total State Economic Impact	
Total Gross Value Added (GVA)	$183.8M
Total Gross State Product (GSP)	$203.2M
Total Tourism Filled Jobs	1,705 jobs

*TCWA economic impact tool

To Summarise

- VCs play an important role in visitor experience
- Almost 2 million visitors used a VC in 2023
- Visitors are most likely to visit a VC if they are in a location for the first time
- Visitors are mainly looking for information on activities and attractions, and maps
- VC users are more likely to be High Yield Travellers (HYT)
- HYTs do more activities, stay longer and spend more spending – all influenced by a VC visit
- People are highly satisfied with their VC experience, citing friendly and helpful staff as the main driver of this
- Around half of non-users would still visit a VC if they walked past it
- A significant proportion of tourism operator business originates from VCs
- Total spend that can be attributed to VCs in 2023 was $261m (from $116m in 2015)
- An estimated incremental $126 per VC user in Destination Perth, and an incremental $150 per VC user in regional WA
- Total GSP attributable to VCs of $203M, supporting 1,705 tourism filled jobs.
- VCs supported an incremental $740m in visitor spend in 2023

Thank you