



*City of Fremantle /
Economic development & marketing*

***Destination
marketing
plan -
Fremantle***

2011 to 2015

“Tourism is not a community service; it is a commercial industry, the intent being to attract visitors so that they spend their money with destination services and businesses. It is also highly competitive locally, regionally and internationally due to the huge benefit potential from successful tourism marketing. Public support of tourism is about economic development rather than community service.

Tourism is about customers. Customers are the economic lifeblood of the industry; they have to be attracted, encouraged to stay and to spend their money locally.

The primary role for tourism organisations, then, is destination marketing and networking. Differentiated destination marketing supporting quality product development is the primary driver of successful tourism.

Product development needs to follow successful destination marketing whereby demand produces product development.”

Making Tourism Development Work – Local Leadership, A Discussion Paper, Local Government Association of South Australia, December 2002

Current situation

RELEVANT HISTORY OF PRODUCT

Fremantle, located within the Experience Perth region is deemed by Tourism Western Australia to be a popular tourist destination attracting domestic and international visitors.

On 1 July 2008 the City took over management of the Fremantle First brand and introduced a differential rate to fund the management, administration and delivery of marketing activities to enhance central Fremantle's economic and social viability. After successfully implementing the marketing program for the past two years, the City is now shifting the focus to economic development activities that build the strength and sustainability of the economy of Fremantle.

The branding '*find yourself in fremantle*' was developed for destination marketing in 2008 and is now used in all advertising and promotions.

Fremantle is home to several iconic and well established tourism attractions including the Fremantle Prison, Maritime Museum, Shipwreck Galleries, Fishing Boat Harbour, cappuccino strip and the Round House.

A number of major festivals and events are held in Fremantle each year and are a major drawcard for domestic visitors. They include Fremantle Festival, Street Arts Festival and the West Coast Blues and Roots Festival.

INTERNATIONAL MARKET OVERVIEW

After bucking the global downward trend in 2009, where international visitors to Western Australia continued to grow, the first half of 2010 has seen a drop compared to the first half of 2009 – giving Western Australia a flat international visitation rate for year ended June 2010 (-0.1%, which is equivalent to 700 fewer visitors than the previous year).

Spend from international visitors increased however by 4.3% year on year, with international visitors now injecting \$1.78 billion directly into the Western Australian economy. This is above the national average growth rate for spend.

Growth in visitor numbers to Western Australia has come predominantly from the VFR (visiting friends and relatives) and the business markets, at 7.0% and 6.8% respectively, and from short haul markets such as Malaysia, by 8.2%, and Singapore, by 6.9%. The holiday/leisure market declined by 3.6% for year ended June 2010.

Perth Airport also saw year on year growth in foreign national arrival numbers for year ended June 2010 of 2.8%. These figures include both visitors to WA and WA residents who travel on foreign passports. Overall the foreign national arrivals data (which is used in the Health of the Industry Scorecards published monthly on the Tourism WA website) is a good indicator of what is going to be published by the International Visitor Survey (IVS). The differences tend to come from those countries with significant populations living in WA and who may travel on foreign passports, such as the UK, New Zealand and China. In addition, the IVS estimates from some countries, such as China and Korea can be volatile due to small sample sizes. For the year ended December 2009, international tourism worldwide declined 4.3% compared to the same period in 2008.¹

By visitor spend the top source markets to Western Australia are United Kingdom, Singapore and Malaysia. Significant areas of growth in the previous twelve months include Malaysia, China and Indonesia.¹

By number of visitors the top source markets to Western Australia are United Kingdom, Singapore and New Zealand. Significant areas of growth over the previous twelve months include Malaysia and South Africa.¹

¹ *Quarterly Tourism Snapshot – Year Ending June 2010, published October 2010, Tourism WA*

The growth in international visitors to WA has come from the visiting friends and relatives market (an additional 18,100 visitors), followed by business (an additional 6,400 visitors).¹

Tourism WA's Visitor Fact Sheet for the City of Fremantle (years ended December 2007/08/09) shows the purpose of visit for international visitors, 60% for holiday or leisure, 21% for visiting friends or relatives and 15% for business. Visitors stayed an average of 12 nights in Fremantle. The majority of visitors were aged from 25 to 44 years (41%) and 45 to 64 years (38%). 47% were travelling alone and 34% as adult couples.²

Fremantle as a local government area does not rate on many of the Tourism WA's Visitor Profiles with the exception of the UK profile which shows 11,900 visitors to Fremantle stayed an average of 10.9 nights. This may reflect that many visitors would regard Fremantle as part of Perth.³

DOMESTIC MARKET OVERVIEW

The decline in intrastate tourism in WA and increase in overseas travel has continued this quarter (year ended March 2010), mainly due to the strong Australian dollar and the difficult worldwide tourism market that is driving airlines to slash prices.

High consumer confidence in WA, which continued to grow economically throughout the world economic downturn (2008/09), is a further driver of leisure travel. This growth in outbound travel has had a negative impact on tourism in regional WA in particular, which relies heavily on Perth residents travelling within the State.

On the other hand, Perth residents' intention to travel in WA remains high, at around 7 in 10 people (see Health of the Industry Scorecards on the Tourism WA website).

To translate this intention into behaviour, Tourism WA is boosting the profile of regional events and destinations by including them in the domestic

² *City of Fremantle Overnight Visitor Fact Sheet, Years ending December 2007/08/09, Tourism WA*

³ *United Kingdom Visitor Profile Overnight Visitor Fact Sheet, years ending December 2007/08/09, Tourism WA*

marketing plans for 2010/11. Research shows regional events are a trigger for intrastate travel that is less likely to be interrupted by cheap overseas deals.

Interstate passenger numbers through Perth Airport has continued to grow for year ended June 2010, at 1.8% over the previous year. This compares to the reported growth in interstate visitor numbers of 10.2% from the National Visitor Survey (NVS). With both measures showing an increase, Tourism WA does believe interstate visitation is growing. However the volatility of the NVS interstate estimates remains a concern, and we continue to monitor both the Perth Airport statistics and the NVS estimates.⁴

Tourism WA's Visitor Fact Sheet for the City of Fremantle (years ended December 2007/08/09) shows that purpose of visit for domestic visitors was 43% for holiday or leisure, 26% for visiting friends or relatives and 23% for business. Intrastate visitors stayed an average of 2.7 nights and interstate visitors stayed an average of 4.9 nights in Fremantle. The majority of visitors were aged from 25 to 44 years (35%) and 45 to 64 (44%) and were an adult couple (34%), travelling alone (23%) or a family group – parents and children (20%).⁵

INTRASTATE

The intrastate estimates are showing the expected pattern of downturn, given the significant growth in outbound travel by Western Australians and the increasing number of 'deals' being offered for international travel. In the last 12 months the number of intrastate trips and the spend associated with local tourism in WA has declined at a faster rate than the national average. This pattern of decline has been evident over the last three years.⁴

⁴ *Quarterly Tourism Snapshot – Year Ending June 2010, published October 2010, Tourism WA*

⁵ *City of Fremantle Overnight Visitor Fact Sheet, Years ending December 2007/08/09, Tourism WA*

Current environment

Tourism WA has launched a new business model refocusing on the 'big ticket items' – marketing, events and major tourism developments to drive significant growth of tourism in Western Australia.⁶

The City of Fremantle festival team has repositioned the Fremantle Festival as Perth's second festival and a premier arts and cultural festival.

The cruise ship industry is a significant segment of tourism world-wide and a market that Fremantle has been able to capitalise on. Twenty three visiting cruise ships are scheduled to port in Fremantle in the 2010/2011 financial year (excludes visits by the Sun Princess - Fremantle is this ships home port).

Fremantle's tourism sector

Whilst Fremantle is a popular tourism destination, the tourism sector in Fremantle is small in terms of both the number and the scale of businesses.

Only a few businesses have the marketing budget to fund substantial intrastate and interstate advertising and promotional activities in a sustained and systematic fashion.

⁶ *New Business Model – Refocusing on the 'big ticket items', 11 August 2010*

Co-operative advertising and promotion

Co-operative advertising and promotion is a powerful method of increasing the exposure of tourism businesses by bringing together the marketing power of Fremantle and the City's tourism businesses to achieve a much greater impact and return from advertising and promotion budgets.

By pooling resources, individual businesses advertisements can be placed in more and / or better publications and media, including radio and television, and can have a stronger visual impact through location branding. Advertisements can also make a destination more appealing by packaging together a range of tourism product and experiences. Promotional activities can likewise have a stronger impact.

While individual advertisements are often lost in the advertising clutter, a well-designed co-operative advertisement significantly increases the likelihood of the consumer seeing a business advertisement. As well as being larger and more likely to attract consumer attention, a co-operative advertisement has the benefit of combining the branding that attracts people to Fremantle, alongside individual tourism businesses.

Target markets/segments

<i>DOMESTIC</i>	Visiting friends or relatives
	Big tour (8-14 days +)
	Short tour (3-7 days) - interstate
	Short break (1-3 days)
	Events (eg Perth 2011)
	Day trippers
	Conferences
	Business events Fremantle
<i>INTERNATIONAL</i>	Visiting friends or relatives
	Big tour
	Cruise ships
	Events (eg Perth 2011)
	Visiting friends or relatives
	Big tour
	Conferences
	Trade

- **Day trippers** are defined as those visitors who travel a round trip distance of at least 50 kilometres, are away from home for at least four hours, and who do not spend a night away from home as part of their travel.
- **Visiting friends and/or relatives (VFR)** are those visitors with the primary reason for travel to Fremantle or Western Australia being to visit friends and/or relatives (includes interstate or international visitors).
- **Interstate visitors** are defined as visitors coming to Fremantle or Western Australia from another a state or territory within Australia.
- **Intrastate visitors** are defined as visitors coming to Fremantle from another location within Western Australia. Day trippers make a high proportion of this segment.
- **International visitors** are defined as those visitors coming to Western Australia from their usual place of residence outside of Australia.
- **Cruise ship passengers** are defined as those tourists (interstate/intrastate/international) visiting Fremantle as part of a cruise ship experience.

Competitors ⁷

<i>COMPETITIVE LEVEL</i>	<i>SPECIFIC COMPETITOR</i>	<i>MARKET SEGMENT</i>	<i>ISSUE</i>	<i>IMPLICATIONS FOR FREMANTLE</i>
International	China, India, Korea	International visitors	These competitors are making investments in tourism infrastructure making them competitive and attractive travel alternatives.	Infrastructure development. Visitor servicing. Visitor security and safety. Shopping and activities. Attractiveness of offering
International	Thailand, Bali, Vietnam	Domestic	Short haul destinations offering cheap airfares and cheap accommodation are attractive alternatives for domestic visitors.	Focus on what makes Fremantle different and attractive holiday destination: heritage and bohemian lifestyle, supply of accommodation, value for money, café and lifestyle, coastal position.
National	Sydney Melbourne, Brisbane etc	Domestic and international, MICE market	Whilst not having the profile of a capital city, Fremantle offers a viable travel alternative for all visitors, due to the wholeness of Fremantle's offering. Fremantle can differentiate itself in relation to these competitors due to its unique character and gateway position to Perth and WA.	Fremantle attractive MICE* destination- need to focus on heritage and bohemian distinctive quality, shopping/retail opening hours, restaurant service, incentives for MICE such as official Mayoral welcome and parking incentives.
National	Perth, Hillary's, Sunset Coast, Swan Valley	Intrastate and international, cruise ship passengers, MICE market	Well established tourism destinations which attract visitors away from Fremantle to stay and for day visits.	Packages to attract cruise visitors, tourist guides and improved visitor servicing, visitor amenity including beaches, toilets, trails, access, unique character.
Intrastate	Southern region coastal developments	Day trip visits for shopping, recreation or family activities, MICE market	Focused development, ease of access, new transport options make these attractive day trip alternatives for shopping or family activities.	Focus on ensuring Fremantle is distinct and accessible- parking, public transport, enhance shopping offer and shopping hours, café strip.

*MICE - meetings, incentives, conferences and exhibitions

Interstate visitors

Research from Tourism Research Australia shows that the strongest competition for visitors to Western Australia comes from eastern seaboard states of New South Wales, Victoria and Queensland.

*OVERNIGHT VISITORS: STATE/ TERRITORY VISITED BY STATE/ TERRITORY OF ORIGIN*⁸

<i>VISITORS TO</i>	<i>STATE/TERRITORY OF ORIGIN (YEAR ENDED 30 JUNE 2010)</i>								<i>TOTAL</i>
	<i>NSW</i>	<i>VIC</i>	<i>QLD</i>	<i>SA</i>	<i>WA</i>	<i>TAS(A)</i>	<i>NT</i>	<i>ACT</i>	
	<i>'000</i>								
NSW	15,799	2,556	2,534	527	255	142	57	1026	22,896
VIC	2,552	10,713	886	862	278	357	72	223	15,942
QLD	2,937	1,482	10,475	309	166	113	81	164	15,726
SA	468	906	183	2,942	99	40	64	32	4,735
WA	344	294	185	152	3,742	31	44	23	4,814
TAS(a)	265	378	106	56	34	1,005	12	35	1,891
NT	169	178	106	107	50	16	350	21	997
ACT	1,300	361	170	68	47	29	10	0	19,83
TOTAL (b)	23,834	16,867	14,646	5,022	4,673	1,731	690	1,524	66,404

⁸ *Travel by Australians, June 2010, Quarterly Results of the National Visitor Survey, Department of Resources, Energy and Tourism, Tourism Research Australia*

Major opportunities and threats

SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strong interest, ownership and love of Fremantle across many target markets • Variety and range of unique attractions in Fremantle • Well established and experienced professional operators already taking a targeted approach to destination marketing • Strong advertising presence from major operators • Existing festivals and events • Sun Princess – Fremantle home port (to 2011) 	<ul style="list-style-type: none"> • Perception that customers know what Fremantle has to offer – eg Fremantle is limited to the cappuccino strip • Limited number and small size of operators • Limited cross promotion between business • Lack of detailed data about visitors to Fremantle – why, how, where • Lack of cohesive marketing and digital/online campaigns • Timed, paid parking culture (day trippers)
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • New targeted approach to marketing and promotion • Cooperative advertising approach • Cruise ship visits • Rich environment for developing new product • Experience Perth and Tourism WA campaigns • Potential to develop online marketing • Proximity to Asia region • Low cost airlines operating in Asia • High international student population in Perth (5 universities) • Tourism WA refining target market focus • Perth 2011 (December 2011) 	<ul style="list-style-type: none"> • Low cost deals attracting domestic and intrastate visitors out of the country • Growth of other tourism areas including Mandurah, South West and opening of Indian Ocean Tourist Drive, Hillary's Boat Harbour, Hills, Armadale etc • Limited financial resources available • Safety and security • Infrastructure renewal

Marketing objectives

1. Move to a cooperative advertising approach to increase Fremantle's representation in major tourism campaigns and publications eg Experience Perth Holiday Planner.
2. Increase across the selected target markets, the;
 - a. number of visitors to Fremantle by 10% over two years
 - b. dollar spend by visitors to Fremantle by 10% over two years (CPI adjusted)
 - c. number of overnight stays in Fremantle by 10% over two years
3. Increase the number of visitors that come to Fremantle during off peak periods (winter months) of the year.

Marketing strategy

1. Work to complement and leverage Experience Perth and Tourism Western Australia's marketing campaigns and promotions.
2. Encourage advertising by Fremantle tourism businesses in premium private sector publications under the 'find yourself in fremantle' brand.
3. Develop a series of campaigns over the financial year to supplement campaigns run by Experience Perth and Tourism Western Australia.
4. Publish campaigns in an annual prospectus.
5. Sell buy-in to the tourism businesses in Fremantle.
5. Conduct the campaigns that achieved sufficient buy-in; and provide feedback to participating businesses and to the industry on the result of each campaign.

The City of Fremantle's advertising and promotional activities program will focus on facilitating co-operative advertising and promotion of Fremantle's product and brand strengths, using the 'find yourself in fremantle' brand.

The approach will take quality tourism products that are recognised as Fremantle's strengths, to proven markets under the umbrella of a well branded campaign that targets specific market segments.

The City of Fremantle's advertising and promotional effort will package together a range of compatible tourism products as distinct tourism 'experiences' which will have high levels of appeal and more effectively come to the attention of the market segment being targeted.

In developing these packages, existing and newly developed distribution channels, including the Fremantle Visitor Centre's tourism website (www.fremantlewa.com.au), which includes an online booking system, will be utilised, and the advertising and promotional campaigns will complement and leverage off Experience Perth and Tourism Western Australia's marketing campaigns.

These tourism experience packages will be developed, branded and then promoted to appropriate market segments by a range of means. The co-operative advertising and promotional activities campaigns developed by the City of Fremantle's economic development and marketing unit will be described in detail in an annual prospectus, distributed at least three months prior to the commencement of the ensuing financial year.

POSITIONING STRATEGY

- *find yourself in Fremantle - entertainment city*
- *find yourself in Fremantle - festival city*
- *find yourself in Fremantle - heritage city*
- *find yourself in Fremantle - maritime city*
- *find yourself in Fremantle - fashion city*
(CBD marketing)
- *find yourself in Fremantle - shopping city*
(CBD marketing)

Target markets

The City of Fremantle will work in partnership with Fremantle Port, Tourism WA, Experience Perth, Perth 2011, Perth Convention Bureau and Fremantle businesses to access specific target markets and segments. The table below summarises these markets.

<i>TARGET MARKETS AND SEGMENTS</i>		<i>CITY OF FREMANTLE IN PARTNERSHIP WITH</i>	
Domestic (intrastate* and interstate*)	Leisure	Visiting friends or relatives (intrastate and interstate)	Tourism WA, Experience Perth
		Big tour (8-14 days +) (interstate and international)	Tourism WA, Experience Perth
		Short tour (3-7 days) (intrastate and interstate)	Experience Perth
		Events (eg Perth 2011) (intrastate)	Perth 2011 - ISAF
		Day trippers (intrastate)	
		Cruise passengers (interstate and international)	Fremantle Ports
	Business	Conferences (interstate)	Perth Convention Bureau
	Conferences and meetings (intrastate)	Business Events Fremantle (tbe)	
International	Leisure	Visiting friends or relatives	
		Big tour	Tourism WA, Experience Perth
		Cruise passengers	Fremantle Ports
		Events (eg Perth 2011)	Perth 2011 - ISAF
	Business	Conferences	Perth Convention Bureau
	Trade		

tbe – to be established

Marketing actions

TARGET MARKETS AND SEGMENTS		PARTNERS	ACTIONS	
Domestic (intrastate and interstate)	Leisure	Visiting friends or relatives (interstate and international visitors)	CoF	<ol style="list-style-type: none"> 1. Motivational electronic itinerary based brochures 2. Promotions based around festivals & events. 3. Media – cooperative advertising in appropriate media. 4. Competitions – short break getaways
		Big tour (8-14 days +) (interstate and international visitors)	Tourism WA Experience Perth	<ol style="list-style-type: none"> 1. Advertisements in touring maps and guides 2. Motivational electronic itinerary-based brochures. 3. Consumer shows (partner with Experience Perth) 4. Visiting journalist program and industry famils
		Short tour (3-7 days) (intrastate visitors)	Tourism WA Experience Perth	<ol style="list-style-type: none"> 1. Promotions based around festivals & events 2. Media – cooperative advertising in appropriate media 3. Competitions – short break getaways
		Events (eg Perth 2011) (intrastate visitors)	Perth 2011 - ISAF, other events as appropriate	<ol style="list-style-type: none"> 1. Media – cooperative advertising in appropriate media
		Day trippers * (intrastate visitors)	CoF	<i>As per VFR markets campaigns</i>
		Cruise ship passengers (interstate and international)	Fremantle Ports	<ol style="list-style-type: none"> 1. Target passengers who have not committed to pre-booked tours prior to departure or onboard 2. Provide visitor servicing that will enable visitors to plan, book & make the most of their time in the City 3. Develop tour packages
Business		Conferences (interstate visitors)	Perth Convention Bureau	
		Conferences and meetings (intrastate visitors)	Business Events Fremantle	<i>tbe</i>

SEGMENTS		PARTNERS		ACTIONS
International	Leisure	Visiting friends or relatives	CoF	<i>As per domestic day trippers and VFR markets, Same campaign</i>
		Big tour	Tourism WA, Experience Perth	1. Partner with Tourism Western Australia and Experience Perth campaigns to highlight Fremantle as must see destination.
		Cruise ship passengers	Fremantle Ports	1. Target passengers who have not committed to pre-booked tours prior to departure or onboard. 2. Provide visitor servicing that will enable visitors to plan, book & make the most of their time in the City. 3. Develop tour packages.
		Events (eg Perth 2011)		
	Business	Conferences		
		Trade		

Additional initiatives

In addition to these marketing actions and in order to assist growth of the Fremantle tourism industry the City will facilitate or establish the following initiatives:

1. Strengthen relationships with Tourism Western Australia's visiting journalist program.
2. Establish an image library that is accessible to Fremantle tourism businesses.
3. Develop DVD footage supporting each of the positioning tag lines.
4. Explore, in association with Fremantle Chamber of Commerce, the opportunity to incorporate tourism categories in the annual Fremantle business awards initiative.
5. Host and facilitate regular forums on topics relevant to the tourism sector.
6. Establish a Fremantle festival and events strategy.
7. Work collaboratively with Fremantle Visitor Centre to maximise traffic to www.fremantlewa.com.au and assist the ongoing development of the website through an increasing number of digital campaigns.
8. Enhance the role of the Fremantle Tourist Guides.
9. Establish an industry reference group to provide advice to the City's marketing staff, and monitor the implementation of the marketing plan and the performance of individual campaigns.

Evaluation

1. Results from visitor surveys (City of Fremantle and Fremantle Visitor Centre).
2. Number of tourism products in Fremantle.
3. Estimated number of domestic visitors to Fremantle. *
4. Estimated number of international visitors to Fremantle.*
5. Average length of stay (estimated nights) in Fremantle for intrastate, interstate and international visitors. *
6. Dollar spend by visitors to Fremantle.
7. Individual campaign evaluations:
 - Industry buy-in
 - Responses to calls to action (feedback from participating businesses)
 - Web traffic from
 - i. www.fremantle.wa.gov.au
 - ii. www.fremantlewa.com.au
 - iii. www.westernaustralia.com

* *City of Fremantle Overnight Visitor Fact Sheet Tourism WA*

Sources

- *City of Fremantle Overnight Visitor Fact Sheet – Years ending December 2007/08/09*, Tourism Western Australia
- *Understanding WA's Target Markets – Destination Development Conference, 26 November 2009*, Tourism Western Australia
- *United Kingdom Visitor Profile – Years ending December 2007/08/09*, Tourism Western Australia
- *Quarterly Tourism Snapshot – Year Ending June 2010*, Tourism Western Australia
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- *Making Tourism Development Work, Local Leadership, A Discussion Paper*, Local Government Association of South Australia, December 2002