

Macedon Ranges Tourism Industry Strategic Plan

MACEDON RANGES SHIRE COUNCIL
JUNE 2011



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Document Information

Filename: Macedon Ranges Tourism Strategic Plan 16th June 2011

Last Saved: 16 June 2011 4:00 PM

Last Printed: 16 June 2011 4:01 PM

File Size: 2392 kb

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GLOSSARY OF TERMS

| | |
|------|---|
| BATA | Business and Tourism Association |
| DMR | Daylesford & Macedon Ranges |
| DRET | Department of Resources, Energy and Tourism |
| ERP | Estimated Resident Population |
| EDU | Economic Development Unit |
| LGA | Local Government Area |
| MOU | Memorandum of Understanding |
| MRAA | Macedon Ranges Accommodation Association |
| MRSC | Macedon Ranges Shire Council |
| MRVA | Macedon Ranges Vignerons Association |
| MTB | Mountain Biking |
| NBT | Nature Based Tourism |
| RTA | Regional Tourism Association |
| RV | Recreational Vehicle |
| TRA | Tourism Research Australia |
| TV | Tourism Victoria |
| VCAT | Victorian Civil and Administrative Tribunal |
| VFR | Visiting Friends and Relatives |
| VIS | Visitor Information Services |
| VIC | Visitor Information Centre |
| VWIA | Victorian Wine Industry Association |

EXECUTIVE SUMMARY

TOURISM CONTEXT

Tourism is a key industry in Macedon Ranges Shire accounting for 16.6% of all jobs. Macedon Ranges Shire received an estimated 1 million visitors in 2009 with direct tourism-related expenditure of \$175 million per annum. 64% of visitors come from Melbourne with Visiting Friends and Relatives (VFR) being the dominant segment. State and regional policy points to a number of product strengths in the Macedon Ranges Shire including food and wine, vibrant townships, arts and culture, festivals and events, nature based tourism, heritage and history and an emerging strength in spa and wellbeing. Council funds and supports Tourism Macedon Ranges via a Memorandum of Understanding (MOU) and also undertakes additional activities on behalf of the tourism industry as well as managing Visitor Information Centres.

ISSUES & OPPORTUNITIES

There are a number of accommodation gaps in the Shire resulting in a range of specific accommodation opportunities by township. There is a low awareness of the area's food and wine product which could be addressed by improving the product offering (e.g. cafes, restaurants etc) at some of the region's wineries and maximising the potential of farm gate and boutique produce. With regards to nature based tourism, there are opportunities to leverage greater visitation from quality natural assets such as Hanging Rock, Wombat State Forest and Macedon Regional Park. There is the potential to leverage off the spa and wellbeing credentials of the wider Daylesford & Macedon Ranges (DMR) region and develop product offerings based on natural mineral springs in Kyneton. Other opportunities relate to improving recreational cycling product and infrastructure and developing targeted events to leverage off the key tourism product in the area.

There are a number of issues such as inadequate directional signage, servicing for rural areas and tracks and trails infrastructure. There is an opportunity to develop Kyneton as an RV (Recreational Vehicle) Friendly Town.

Issues exist in relation to coordination and management of visitor information services across the Shire. Opportunities include generating additional revenue, increasing the effectiveness of information-bays and developing consistent and high quality branding for all Shire tourism collateral.

Marketing is vitally important to the Macedon Ranges tourism industry because product awareness is generally low. Opportunities include working with DMR to develop a branding campaign, promoting Kyneton as a food and wine hub, coordinated marketing for the region's wineries, capturing a greater share of the touring market and internal marketing for the VFR market.

The major barriers to growth are planning, competition and labour.

VISION

Macedon Ranges will develop into a leading sustainable tourism region, renowned as a destination that delivers excellence in food and wine, nature based tourism and events. The Macedon Ranges tourism industry and stakeholders will continue to work cooperatively in the pursuit of service excellence, with the overall aim to continuously provide positive visitor experiences.

STRATEGIC DIRECTIONS

- DIRECTION 1** DEVELOP TOURISM INDUSTRY PROFESSIONALISM AND EXCELLENCE
- DIRECTION 2** FOSTER A CULTURE OF COOPERATION WITHIN THE INDUSTRY
- DIRECTION 3** DEVELOP TOURISM PRODUCT BUILDING ON COMPETITIVE STRENGTHS AND EXISTING ASSETS
- DIRECTION 4** PROMOTE THE MACEDON RANGES TO ESTABLISHED AND EMERGING MARKETS THROUGH HIGH QUALITY INFORMATION DELIVERY & TARGETED MARKETING
- DIRECTION 5** IMPROVE TOURISM INFRASTRUCTURE
- DIRECTION 6** REMOVE BARRIERS TO GROWTH AND INVESTMENT IN THE TOURISM SECTOR

1. INTRODUCTION

1.1. BACKGROUND

Tourism is a key industry in the Macedon Ranges generating \$275 million per annum (direct and indirect visitor expenditure). The Macedon Ranges Shire Council adopted its 10 year plan for Economic Development in September 2009 which prioritised the need for a separate Tourism Strategy given the importance of this industry to the local economy. It is intended that this strategy align the activities of the various bodies responsible for delivering tourism in the Macedon Ranges in order to maximise funding and human resources where possible.

The objectives of the Tourism Strategy are:

- Prepare a detailed analysis of the tourism strengths, opportunities, threats & weaknesses;
- Provide a long-term vision for the development of tourism in the Macedon Ranges;
- Assess and align local directions to regional, state, national and international strategies;
- Determine business activities, existing and potential, that will provide Macedon Ranges with a truly sustainable industry;
- Incorporate the Macedon Ranges Shire Council Tourism Policy.

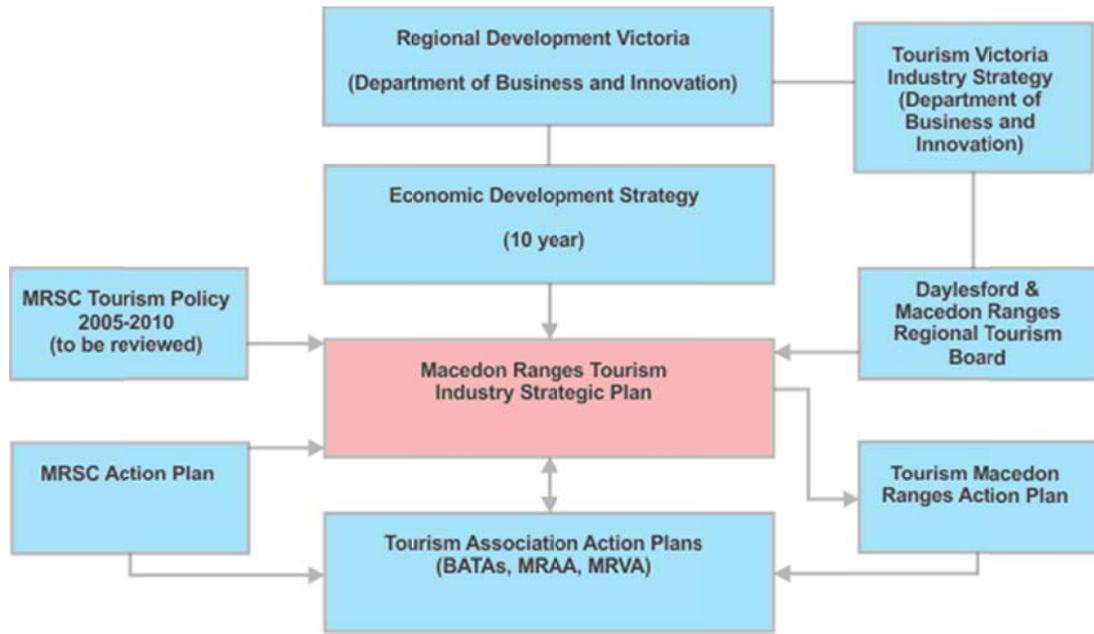
1.2. DELIVERY OF THIS STRATEGY

This strategy has been prepared by Macedon Ranges Shire Council on behalf of the Macedon Ranges tourism industry. It is expected that the strategic plan will be embraced and delivered by all associations affiliated with tourism including Macedon Ranges Shire Council, Daylesford Macedon Ranges, Tourism Macedon Ranges, Macedon Ranges Vignerons Association, all township BATA's and the tourism industry.

1.3. DOCUMENT CONTEXT

Figure 1 shows how the Tourism Strategy aligns to other local, regional and Victorian strategies:

FIGURE 1 STRATEGY CONTEXT



1.3.1. ABBREVIATIONS

BATA = Business and Tourism Association

DMR = Daylesford Macedon Ranges

MRAA = Macedon Ranges Accommodation Association

MRSC = Macedon Ranges Shire Council

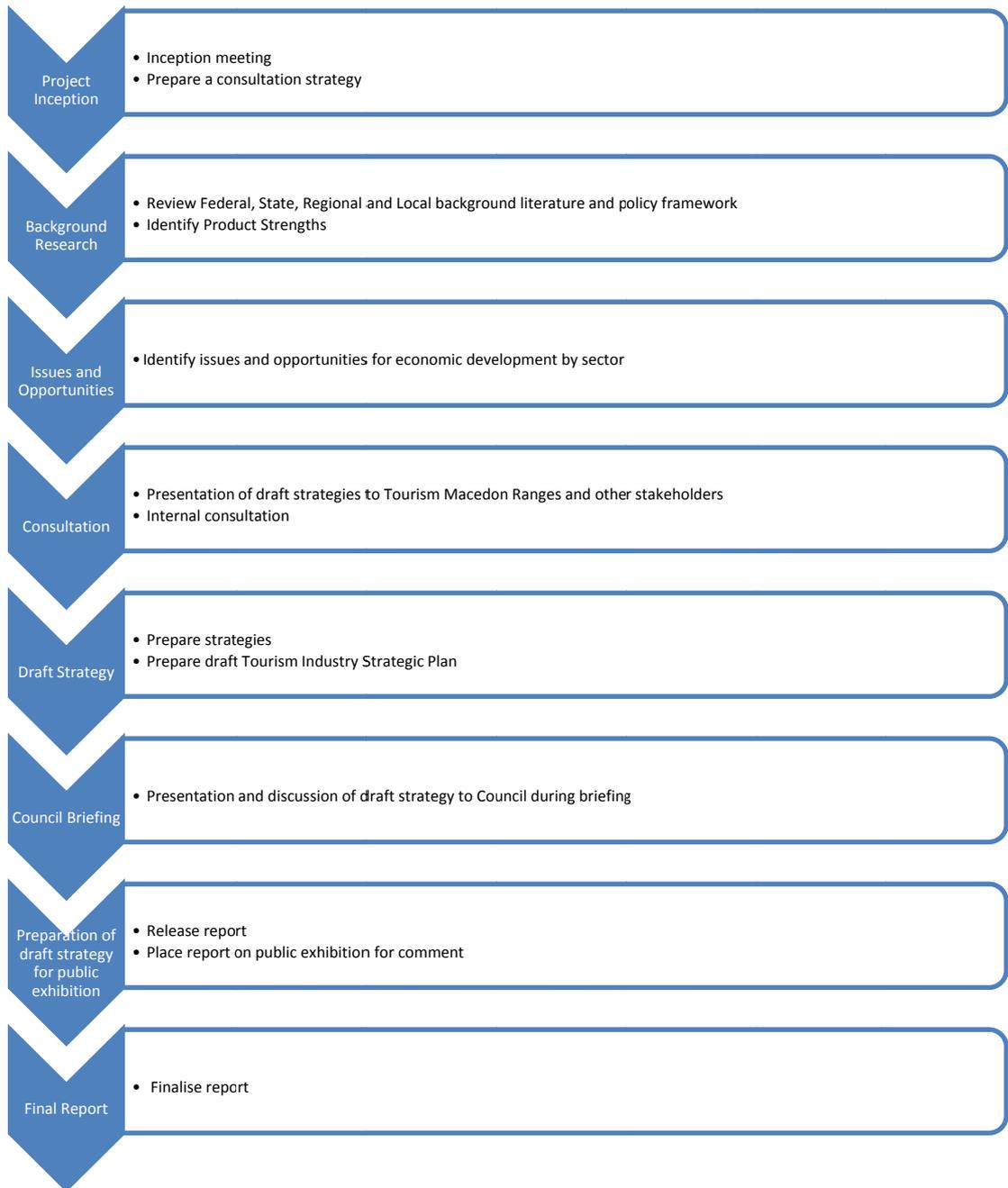
MRVA = Macedon Ranges Vignerons Association

TMR = Tourism Macedon Ranges

1.4. METHODOLOGY

The methodology for preparation of the Tourism Industry Strategic Plan is shown in Figure 2.

FIGURE 2 METHODOLOGY



2. TOURISM CONTEXT

2.1. ECONOMIC CONTEXT

- The population of Macedon Ranges shire is growing at a moderate pace; the Estimated Resident Population in 2009 was 42,015;
- The *Macedon Ranges Tourism Impact Study 2009* reports that 1,505 jobs in the Macedon Ranges Shire are attributed directly or indirectly to tourism, accounting for 16.6% of all jobs in the Shire and that tourism employment is growing;
- The *Macedon Ranges Business Survey 2011* revealed that 59% of income for retail and tourism businesses is generated locally, 23% from Melbourne, 11% from country Victoria and 6% from interstate and overseas.

2.2. VISITATION TRENDS

2.2.1. NATIONAL VISITATION TRENDS

The *DRET/TRA Forecast 2010 Issue 2* provides forecasts for domestic, outbound and inbound travel and economic value for the period 2010 to 2020. Key national highlights include:

- Total tourism consumption is forecast to increase by 2.2% in 2011 to \$97.3 billion;
- Longer term, total tourism consumption is forecast to reach \$110.5 billion in 2020 underpinned by strong growth in international visitation (accounting for \$34bn of economic value);
- The average annual growth rate for domestic visitor nights is forecast to be 0.3% for the 2010-2020 period;
- Inbound visitor arrivals are forecast to increase by 5.6% and to reach 6.2 million in 2011. The expected annual average growth rate is 3.9% over the long term; the share of arrivals from Asia (most notably China, Indonesia and Japan) is forecast to increase from 38% to 42%;
- By 2020, the forecast breakdown of the domestic tourism market is 48% holiday, 31% VFR, 16% business and 5% other. For international visitors the figures are 63% holiday, 22% VFR, 13% business and 2% other;
- By 2020, China is forecast to be the largest international visitor market accounting for 15% of visitors; other significant markets are UK (9%), New Zealand (7%) and India (6%).

2.2.2. VICTORIAN VISITATION TRENDS

- According to the Tourism Victoria Regional Tourism Action Plan, The Regional Victorian market experienced declines in visitation across all segments (intrastate, interstate and international) in the 2004-2008 period; intrastate overnight visitation decreased by 2.1 per cent per annum while interstate visitation declined by 2.7 per cent per annum.

2.2.3. REGIONAL VISITATION TRENDS

- According to the *Tourism Victoria Regional Tourism Action Plan*, the ‘Surrounding Regions’ sub-market (which includes DMR) experienced strong growth of 1.8% per annum across the 2004-2008 period. The DMR market declined 1.4% over the period but witnessed 8.6% growth over the 2007/08 year.

2.2.4. LOCAL VISITATION TRENDS

The following local visitation trends have been drawn from an analysis of visitor markets undertaken for the *Macedon Ranges Visitor Accommodation Opportunities Study 2010*.

- Macedon Ranges Shire received an estimated 1 million visitors in 2009 including 446,000 overnight visitors and 585,000 daytrip visitors;
- Visitor analysis indicates that the Macedon Ranges Shire attracts 123,775 business visitors and 319,753 holiday / leisure visitors annually;
- Visiting friends and relatives is the most common reason for travelling to Macedon Ranges Shire (56%), followed by holiday and leisure (33%). Business visitors constitute a further 15% of domestic overnight visitors to the Shire. For daytrip visitors, the primary reason for coming to Macedon Ranges is to visit friends and relatives (44%) followed by holiday and leisure (34%);
- Macedon Ranges is not a traditional holiday destination with seasonal peaks and troughs aligned with school holiday periods, but rather has consistent visitation throughout the year although March, April and November are the peak months for visitors staying in commercial accommodation;
- Direct visitor expenditure to Macedon Ranges Shire is calculated at \$175 million per annum while indirect expenditure contributes a further \$117 million per annum.

2.3. TARGET MARKETS

- The target domestic market is Melbourne (64% of visitors) with a further 15% coming from Bendigo, Loddon and Mornington Peninsula shires (*National/ International Visitor Survey, 2010*);
- The interstate market contributes 7% to total visitation to Macedon Ranges Shire, of which NSW and QLD are the key interstate markets (*National /International Visitor Survey 2010*).
- The key international market is the US, followed by the UK though international visitation comprises just 1% of visitation to the region (*National /International Visitor Survey 2010*);
- The major visitor segments for Macedon Ranges Shire are:
 - Higher yield adult couples (food, wine and culture visitors);
 - Family groups (natural attraction visitors);
 - Business visitors (for work and conferences).
- Social and other activities including visiting friends and relatives, dining and shopping are the most popular activities for both daytrip (81%) and overnight visitors (87%) followed by outdoor and nature activities (19% daytrips, 21% overnight visitors) such as visiting Hanging Rock and Mount Macedon.

2.4. STRATEGIC POLICY FRAMEWORK

2.4.1. FEDERAL POLICY

DEPARTMENT OF RESOURCES, ENERGY AND TOURISM (DRET) NATIONAL LONG-TERM TOURISM STRATEGY (2009)

- Tourism contributed over \$40 billion to Australia's GDP in 2007-08, directly employed around half a million people and had export earnings of over \$23bn making it Australia's largest service export industry;
- Australia's share of global tourism declined by 14% between 1995 and 2008;
- Australia is a highly aspirational tourism destination for international travellers and its appeal is due to a combination of strong natural assets, a rich heritage and a significant indigenous culture;
- The domestic tourism sector accounts for 75% of the industry and is fiercely competitive;
- Marketing (both for international and domestic customers) is a key strategic priority for Tourism Australia;
- Other strategies put forward relate to leadership; robust research and information; investment facilitation; regulatory reform; skills development; and responding to the challenges of climate change;
- With regards to industry and product development, DRET advises that the tourism industry should focus on providing compelling, sustainable and authentic tourism experiences that leverage off Australia's unique natural, cultural and heritage assets.

2.4.2. STATE POLICY & RESEARCH

TOURISM VICTORIA REGIONAL TOURISM ACTION PLAN 2009-2012

- The Regional Victorian market experienced declines in visitation across all segments (intrastate, interstate and international) in the 2004-2008 period although the 'Surrounding Regions' submarket (which includes DMR) experienced strong growth of 1.8% per annum across the same period. The DMR market itself declined 1.4% over the same period but witnessed 8.6% growth over the 2007/08 year;
- DMR is one of the smallest regional tourism markets with 1.2m visitor nights, 1.2m daytrips and total expenditure of \$220m for the 2007/08 year;
- Statewide tourism development strategies include improving the supply and quality of tourism experiences, stimulating consumer demand for regional tourism experiences and addressing skills, customer service and environmental sustainability;
- Specific strategies that relate to the DMR region include:
 - Development of a new DMR regional tourism board (already implemented);
 - Allocate \$7.3 million over three years for the development of a major new interstate advertising campaign highlighting the village of Daylesford and Victoria's competitive strengths in spa and well-being. The campaign will provide opportunities for the broader Daylesford and the Macedon Ranges region;

- Facilitate the development of high quality, large capacity accommodation integrated with spa and wellbeing product;
- Facilitate the development of boutique accommodation integrated with food, wine, spa and well-being products, with a particular focus on opportunities in strategic locations;
- Maximise the region's proximity to Melbourne and target the New Zealand market.

TOURISM VICTORIA'S REGIONAL MARKETING AND DEVELOPMENT PLAN 2010–2011: DAYLESFORD AND THE MACEDON RANGES

- The Regional Marketing and Development Plan reiterates many of the same messages and strategies as the Regional Tourism Action Plan. Some of the specific strategic directions in relation to the DMR region include:
 - Develop tourism product associated with natural mineral water;
 - A spa and wellbeing marketing program to be launched interstate;
 - Priority events for the DMR region which will receive support from Tourism Victoria's events program. In the Macedon Ranges Shire, these events are the Woodend Arts Festival, The Age Harvest Picnic at Hanging Rock and the Kyneton Races.

VICTORIA'S GEOTHERMAL AND NATURAL MINERAL WATER TOURISM INVESTMENT OPPORTUNITIES (TOURISM VICTORIA, 2007)

- Natural springs and geothermal waters present Victoria with a fantastic opportunity to further develop as an international destination for natural spa tourism;
- The spa sector's market share is small which is attributable to the lack of high quality facilities and awareness but is growing rapidly at a rate of 12.7% p.a.;
- The DMR region received 8% of spa visitors nationally and is the highest performing Victorian spa destination (30% of visitors);
- The DMR region accounts for the majority of natural mineral water resources in Australia;
- Within the Macedon Ranges region there is a public mineral springs reserve in Kyneton dating from 1887 and featuring an Edwardian rotunda built in 1913. There are also several other springs on private land in the Kyneton area.

VICTORIA'S SPA AND WELLNESS PLAN 2005–2010 (TOURISM VICTORIA)

- This strategic plan shares many common themes with the *Regional Tourism Action Plan* and *Victoria's Geothermal and Natural Mineral Water Tourism Investment Opportunities*;
- Generic strategies including interstate marketing, positioning Victoria as the spa and wellness capital of Victoria, product development (including packaging) and industry development.

VICTORIA'S TOURISM PLAN SUMMARY: FOOD AND WINE 2004–2007 (TOURISM VICTORIA)

- The estimated annual value of Victoria's food industry is \$16 billion and the industry employs over 50,000 people;
- Victoria has 20% of market share of winery visitation (behind NSW and WA) and 23% of culinary visitation (behind NSW and QLD);

- Key strategic objectives of the Plan include increasing yield, customer satisfaction and interstate and intrastate awareness; achieving wider seasonal and regional dispersal of tourism; developing further synergies between food and wine product; strengthen alliances between operators and producers; and facilitating investment in winery tourism;
- There is low consumer awareness of the food and wine experiences on offer in the Macedon Ranges area despite the existence of high quality and iconic product; there are opportunities for the region to focus on food and wine in marketing activities and as a natural complement to other product strengths.

VICTORIA'S NATURE-BASED TOURISM STRATEGY 2008-2012

- In keeping with *DRET National Long Term Tourism Strategy* and Victoria's *Regional Tourism Action Plan*, the key strategic directions for nature-based tourism in Victoria are creating supportive partnerships; planning and managing sustainable destinations; developing authentic, memorable businesses; facilitating viable and innovative businesses; and effective marketing;
- The NBT strategy identifies 5 types of nature-based tourism (NBT): ecotourism e.g. guided interpretation; adventure tourism e.g. horseriding; extractive tourism e.g. fishing; wildlife tourism e.g. native wildlife viewing; and nature retreats e.g. eco-lodges;
- The DMR region does not have any national parks or nature-based experiences of statewide significance and rates lowest of all regions in terms of awareness of natural attractions (2%) association with adventure activities (0.2%) and wildlife (0.5%);
- The DMR region is not identified as a priority for NBT product development.

VICTORIAN TRAILS STRATEGY 2005-2010 (DSE, PARKS VICTORIA)

- Victoria has more than 2000 trails covering 8000km to service the needs of walkers, mountain bikers, horse riders and other recreational enthusiasts;
- Actions that have relevance to the Macedon Ranges area include:
 - Identify opportunities for new half-day and full-day walks within 90 minutes of Melbourne;
 - Support the completion of the Great Dividing Trail link from Blackwood to Mt. Macedon;
 - Cater for cyclists by developing on and off road cycle trails around the Great Dividing Trail;
- The Hepburn Trail that runs from Daylesford to Kyneton is classified as a rail trail under this strategy however it is not regarded as a priority for development under this Strategy;
- The Macedon Ranges features several prominent trails identified as being less than an hour from Melbourne, including walking trails in Macedon Regional Park and Hanging Rock Reserve and mountain bike/ horseriding trails in the Wombat State Forest.

VICTORIAN WINE INDUSTRY ASSOCIATION KNOWLEDGE PROJECT (URBAN ENTERPRISE, 2009)

- The VWIA Knowledge Project makes a number of key findings that have relevance to the Victorian wine industry as a whole and specifically the Macedon Ranges industry. These findings include:
 - The total direct value of Victorian wineries in 2007/08 was \$1.53bn translating to indirect flow on economic benefits of \$4.5bn;
 - Victorian wine contributes almost 50% of Australian domestic sales but just 11% of export sales. The most significant export market is North America accounting for 45% of exports;
 - The Macedon Ranges Geographic Indicator (GI) region has 58 wineries comprising 7% of Victoria's total wineries, grows 347 hectares of grapes (2% of Victoria's total) and produces 1.2m litres of wine annually (1%) which means that vineyards in the Macedon ranges tend to be smaller than average. Furthermore, the Macedon Ranges wine region declined between 2003/04 and 2007/08 both in terms of hectares (-10%) and grape tonnage (-9%);
 - The value of wine sales from wineries in the Macedon Ranges GI region for 2007/08 was \$16.4m. 30% of these can be attributed to tourism related sales (cellar door or own restaurants);
 - Wineries in the Macedon Ranges GI region employ a total of 707 people including 187 full time employees;
 - There are 40 wineries within the Macedon Ranges Shire and 31 of these have cellar doors. Macedon Ranges is home to several well known and popular brands including Granite Hills, Hanging Rock and Rochford.

2.4.3. REGIONAL POLICY

LODDON MALLEE REGIONAL STRATEGIC PLAN (SOUTHERN REGION) (2010)

- The Southern Loddon Mallee Region is the geographic centre of Victoria and is experiencing strong population growth due to its liveability and tree-change appeal;
- Within Macedon Ranges, the Accommodation & Food sector accounts for 8.6% of employment, the highest of any Shire in the region and significantly greater than the Southern Loddon Mallee region as a whole (6.1%);
- The Macedon Ranges Shire population is expected to grow from 42,015 in 2009 to 54,039 in 2026, an annual average growth rate of 1.5% (the projected growth rate for Regional Victoria as a whole over the same period is 1.2%);
- Strategic actions that relate to tourism include:
 - Enhance the area's thriving arts culture;
 - Improve participation in cultural and recreational activities;
 - Establish Australia's first heritage region, linked to the goldfields heritage, as an iconic destination to value the area's natural heritage and promote tourism within the region;

- Develop cultural heritage and other sensitive tourism opportunities around natural heritage such as a Box-Ironbark interpretation program.

DAYLESFORD AND MACEDON RANGES (DMR) TOURISM STRATEGIC PLAN 2011–2013

- The DMR region is positioned as Australia’s premier destination for spa and wellbeing;
- DMR Tourism has four strategic objectives:
 - To advocate for and lead a sustainable tourism industry;
 - To own the spa and wellbeing sector through quality products and experiences delivered with exceptional customer service;
 - To promote and market ourselves as Australia’s leading spa and wellbeing tourism region;
 - To be a lead advisor and consultant on new public and private investment in tourism infrastructure.

2.5. PRODUCT STRENGTHS

The *Tourism Victoria Regional Tourism Action Plan 2009-2012* lists the following product strengths for the DMR region:

- Primary strengths: Food and wine; spa and wellbeing;
- Emerging strengths: Arts and culture; festivals and events.

Based on these regional strengths as well as similar information in the *DMR Tourism Strategic Plan 20110-2013* and the *Macedon Ranges Visitor Accommodation Opportunities Study*, Table 1 shows the product strengths that have been identified for the Macedon Ranges Shire:

TABLE 1 MACEDON RANGES PRODUCT STRENGTHS

| Product Strength | DMR Ranking | Macedon Ranges Ranking |
|---|-------------|------------------------|
| Food and wine | Primary | Primary |
| Festivals and Events | Emerging | Secondary |
| Nature Based Tourism | N/A | Secondary |
| Vibrant townships, Heritage and History | N/A | Secondary |
| Spa and wellbeing | Primary | Emerging |
| Arts and culture | Emerging | Emerging |

2.6. GOVERNANCE ARRANGEMENTS

Macedon Ranges Shire Council dedicates financial and human resources and works in partnership with Tourism Macedon Ranges to deliver aligned objectives of growing a sustainable tourism industry in the Macedon Ranges. Council also undertakes a vast range of additional activities on behalf of the tourism industry as well as managing two Visitor Information Centres. Macedon Ranges Shire Council is also a founding and financial partner of DMR.

3. KEY STRATEGIC ISSUES & OPPORTUNITIES

Strategic issues in this context are events, developments or trends that are perceived by decision makers as having the potential to impact on Macedon Ranges Shire's tourism economy. Strategic issues are critical to the strategic planning process and influence where an organisation is, where it wants to be and how it will get there.

Opportunities relate to how Macedon Ranges Shire can use its comparative advantages and available resources to address and/ or reverse a given issue and create a positive outcome for its stakeholders.

The strategic issues and opportunities have been grouped under seven broad categories: product development; infrastructure development; internal marketing; barriers to investment and growth; tourism business development; visitor information services; and organisational structure.

3.1. PRODUCT DEVELOPMENT

3.1.1. ACCOMMODATION

ISSUES

According to the *Macedon Ranges Visitor Accommodation Opportunities Study (Urban Enterprise, 2010)*, there are a number of accommodation issues in the Macedon Ranges Shire:

- The number of guest beds does not match the conference centre function capacity. There is an opportunity for an independent establishment to provide overflow beds to meet demand for conference facilities in the Romsey/Lancefield area, or potentially for the current establishments to increase their number of beds;
- The largest high quality conference venue in the Macedon Ranges Shire is Lancemore Hill, with a capacity of 130 delegates. There is opportunity for a venue which has capacity for 200+ delegates in the Macedon Ranges region. There are very few facilities of this size in regional Victoria in close proximity to Melbourne;
- The supply of motels in the Shire is limited in terms of scale and quality. Of these, none have an accredited AAA rating over 3.5 stars. Moreover, none of the motels in the Macedon Ranges have more than 20 rooms;
- The area's self contained accommodation can only accommodate small groups. There may be an opportunity for a large scale self contained establishment in the Macedon Ranges Shire which can take coach groups;
- Due to the closure of the Kyneton Caravan Park, there will only be two parks operating in the Macedon Ranges, both of which are small in size;
- If the supply of guest rooms were to meet an annual increase in domestic overnight visitors of 11% per annum, based on the existing supply, 80 new guest rooms would be required each year;
- Given that only 24% of visitors to Macedon Ranges Shire are likely to stay in commercial accommodation, (historical evidence suggests that the majority of overnight visitors stay

with friends and relatives and in their holiday home) there will be a requirement for 19 additional commercial guest rooms per year;

- Based on this it is estimated that over the next ten years Macedon Ranges Shire would require a minimum of 200 new guest rooms based on existing trends although this number is expected to be far higher once future growth, marketing activities and events development are taken into consideration.

OPPORTUNITIES

The Macedon Ranges Visitor Accommodation Opportunities Study (Urban Enterprise, 2010), provides an overview of accommodation opportunities by township:

MALMSBURY

Malmsbury has a low level but growing supply of tourism product with strengths in art galleries and culture. Smaller high quality boutique accommodation would be suited within the town centre. Given its close proximity to Kyneton, it is envisaged that any new large accommodation in Kyneton would also meet demand for Malmsbury.

GISBORNE

Gisborne's close proximity to both Melbourne Airport and the CBD makes it an ideal location to establish a serviced apartment complex or higher quality motel aimed at the business market. There are currently no serviced apartment chains in operation in the Macedon Ranges. In summary Gisborne could accommodate a medium sized Motel or Serviced Apartment facility of 4 star standard with more than 20 guest rooms. This would meet the needs of business visitors and holiday/ leisure visitors. The facility would need to be 4 star standard and located close to the centre of town. There may be opportunity for the facility to provide small meeting rooms or conference rooms to meet the growing demands of the business sector in Gisborne.

KYNETON

Kyneton has the largest number and variety of accommodation establishments in the Macedon Ranges Shire. There are only two motel establishments in Kyneton, rated 3 and 3.5 stars. Moreover there are no motels rated over 3.5 stars in the whole of the Macedon Ranges Shire. There is an opportunity for further high quality boutique accommodation to locate in Kyneton which matches the growing food and cultural activities product in town. This is supported by the town's strategic location on the Calder Freeway.

Due to Kyneton's popularity as a tourist destination, there is potential for self contained accommodation that can accommodate large groups. This will be appealing to touring visitors and families. At present, there are very few self contained establishments in town that can accommodate large groups.

There is demand for a large high quality Serviced Apartment or Hotel accommodation establishment with over 60 rooms of over 4 star standard. This facility would be best suited within the urban centre of Kyneton, within walking distance from the retail centre. The facility would meet demand from both the weekend holiday leisure market and weekday business market. This facility may also incorporate a mineral springs spa or geothermal facility drawing Kyneton's unique underground water resources;

A high quality Self Contained Eco-Cabin accommodation establishment of 4 star or higher standard with more than 30 cabins of various size configurations. The establishment should take

advantage of some of the natural aspects along the Campaspe River or rural areas surrounding Kyneton. This establishment should be within walking distance of Piper Street and Mollison Street. This product would suit weekend visitors and family groups.

LANCEFIELD

Lancefield has a number of larger conference centres in close proximity to town and a number of self contained houses and B&Bs. Given the relatively low level of tourist product in the township and surrounding area there appears to be little opportunity in the short term to develop new large accommodation product.

MOUNT MACEDON / MACEDON

At present, there are few accommodation establishments in Mount Macedon. The location lends itself to a high quality boutique hotel/ resort of 4.5-5 star standard. It is envisaged that such a resort would be a destination in itself. There may be opportunity to collocate a day spa component with such a facility. Further development of complementary tourism product at Mount Macedon is also needed including boutique retail and food and beverage opportunities.

ROMSEY

Romsey has the smallest amount of tourist accommodation in the Macedon Ranges Shire. The town has one Conference Centre (Glenfern) which is located 3.5km from the town centre.

Romsey is unlikely to attract enough visitors to support the establishment of a large hotel however, the town would benefit from some small scale accommodation. These should be of a high quality and attract a niche market reflecting the tourism product of the town and surrounding areas. The increased tourist visitation will in turn support the local tourist industry and allow it to expand thereby increasing and improving local tourism product making Romsey more attractive to visitors. Romsey could accommodate a high quality Self Contained accommodation establishment within the town centre. There may be opportunity to collocate the self contained accommodation with an existing business such as an art gallery or food provider. The facility may provide for 3-5 rooms, suited to visitors travelling in small groups and adult couples.

WOODEND

The closure of the Kyneton Caravan Park has left only two small caravan parks operating in the Macedon Ranges Shire, one in Lancefield and the other in Macedon. Woodend's strategic location along the Calder Freeway and within close proximity to key tourism product makes it an ideal location for a new caravan park to be established. The caravan park should have 200 or more sites with a mix of two and three bedroom cabins (up to 20) and be located in a natural setting. It would need to provide a range of facilities for family groups such as high quality play areas. The mix of cabins could range from 3 star to 4.5 star to suit a range of visitor markets. The Caravan Park would also provide sites during events and festivals.

Furthermore, Woodend has a relatively low supply of mid-range accommodation, with no medium or large motel establishment in town. A motel with more than 20 rooms in close proximity to the town centre would serve both business and weekend visitor markets. Woodend has an extensive amount of State Forest in close proximity to the town centre. Accommodation may capitalise on this by providing links to these public assets in the form of walking or mountain bike trails.

RURAL AREAS

There is opportunity for increased accommodation in the rural areas to take advantage of the natural settings that are on offer in Macedon Ranges Shire. These opportunities include:

- A Farm Stay north of Mount Macedon around the Hanging Rock district. This could include 3-5 rooms to suit the family market, adult couples or international touring market;
- Self Contained accommodation at wineries. There is opportunity for a number of wineries to increase their tourism product offer through the provision of high quality self contained accommodation. This would suit the higher yield adult couples and touring market;
- Large Internationally Branded Resort or Conference Facility in close proximity to Hanging Rock or Mt Macedon. There are no large internationally branded resorts which cater to over 200 guests or delegates in the Macedon Ranges Shire offering 4.5 star accommodation or higher. Rural areas in close proximity to Mt Macedon and Hanging Rock provide a unique setting for international and interstate visitors. The facility may incorporate a range of recreational activities including spa facilities.

3.1.2. FOOD AND WINE

ISSUES

- *Victoria's Tourism Plan Summary: Food and Wine 2004-2007* highlights that there is low consumer awareness of the food and wine experiences on offer in the Macedon Ranges area despite the existence of high quality and iconic product, for example, the food offer within Kyneton;
- The wine industry is facing challenges on a national scale due to oversupply, competition from cheaper overseas imports and the high Australian dollar. The Macedon Ranges wineries, however do not generally compete in the low cost wine market, therefore the focus on high quality product should be maintained.
- Many local wineries are not enthusiastic about coordinating marketing and promotion opportunities on a regional scale.

OPPORTUNITIES

- The Shire has 40 wineries, most of which have cellar doors with strong tourism potential. There is an opportunity to maximise this potential by actively investigating the potential for cafes, restaurants, quality cellar door destinations and accommodation at well located winery sites;
- There is an opportunity to undertake research into the dominant or historically significant Macedon Ranges wine varieties and develop a wine tour and associated infrastructure. An example could be the Prosecco Road wine tour in King Valley. This would assist with creating greater awareness of Macedon Ranges wineries.
- There are opportunities to improve local multipliers by encouraging greater support of local food and wine producers by hospitality providers in the region. Examples include expanding the Daylesford Macedon Produce network and evaluating the feasibility of setting up a local 'food miles' accreditation program;
- There is an opportunity to investigate farm gate and boutique produce opportunities;

- Investigate opportunities to improve patronage at local farmers markets by appealing to the proximity of the region to Melbourne (especially Northern suburbs);
- While Kyneton has a good variety of food product and services, the potential to improve the food offer (and associated tourism infrastructure) in Woodend, Mt. Macedon and Romsey/Lancefield should be investigated.

3.1.3. FESTIVALS & EVENTS

BACKGROUND

- The *Macedon Ranges Events Strategy 2010-2013* states that the number of recorded events annually exceeds 200, made up of community, tourism, civic, health and wellbeing, youth and cultural events;
- The key tourism events, according to the *Events Strategy*, are:
 - Races at Hanging Rock (New Years Day, Australia Day);
 - The Age Harvest Picnic at Hanging Rock (February);
 - Macedon District Car Display at Hanging Rock (February);
 - MAD Ride at Woodend (March);
 - GREAT Macedon Ranges Grand Tour (April);
 - Woodend Winter Arts Festival (June);
 - Kyneton Olive Oil Harvest Launch (June);
 - Annual Plant Lovers Market & Open Gardens at Mt Macedon (September);
 - Kyneton Cup (November);
 - Budburst Wine and Food Festival (November).

ISSUES

- Some of the current issues, according to the *Events Strategy*, include:
 - Shortage of major events in the area;
 - Limited large indoor event space for major exhibitions in terms of size (no venues offer capacity over 100) and quality;
 - Unprofessional management of some events;
 - Limited event promotion;
 - Competition from neighbouring regions;
 - Severe shortage of accommodation to support visitation to big events.

OPPORTUNITIES

- Tourism Victoria's *Regional Marketing and Development Plan 2010-2011* categorises the Woodend Arts Festival, Harvest Picnic at Hanging Rock and the Kyneton Races as priority events which will receive support from TV's events program; the Shire should look to leverage off this support through cross-promotion of other events and attractions in the area;

- Some of the other opportunities include:
 - Provide training and education for event organisers;
 - Develop unique events in the region (establish a point of difference);
 - Develop events to reach previously untapped visitor markets;
 - Enhance the quality of visitor experience at events;
 - Develop targeted events to leverage off the key tourism product in the area e.g. history, heritage, nature based tourism, food and wine etc;
 - Leverage off the success of the existing major events to develop smaller targeted festivals. (E.g.: Melbourne Food and Wine Festival);
 - Assess the potential to attract equine events to the Shire;
- There is also an excellent opportunity to build on past successes with music festivals at Hanging Rock Reserve and look to host 2-3 music festivals on an annual basis.

3.1.4. NATURE BASED TOURISM

ISSUES

- According to *Victoria's Nature-based Tourism Strategy*, the DMR region does not have any national parks or nature-based experiences of statewide significance and rates lowest of all regions in terms of awareness of natural attractions, association with adventure activities and wildlife;
- Key natural attractions such as Hanging Rock and Mount Macedon are not generally associated with nature based tourism; the reason for this is the low level of product and infrastructure development that promotes active recreation in the Shire.
- There is limited infrastructure in the region to accommodate the NBT and adventure tourism market.

OPPORTUNITIES

- Macedon Ranges contains several high quality natural assets including Hanging Rock, Macedon Regional Park, Cobaw State Forest, and the Wombat State Forest. Furthermore, about 20% of visitors to the Shire participate in outdoor and nature activities. There is a significant opportunity to better cater for this market and increase the percentage of nature/ outdoor oriented visitors by improving the NBT infrastructure and product on offer. Examples could include guided and self-guided tours, nature-based accommodation (such as eco-cabins) and outdoor education (school visits);
- Promote the Shire's wildlife assets to attract international visitation;
- Identify opportunities to develop the Shire's adventure tourism offer, for example, abseiling and rock climbing on Hanging Rock and mountain biking in Wombat State Forest to appeal to the daytripper market.

3.1.5. TOWNSHIPS, HISTORY AND HERITAGE

ISSUES

- The Macedon Ranges benefits from an easily accessible network of interesting, vibrant and attractive townships and villages however awareness is relatively low.

OPPORTUNITIES

- In addition to marketing and promotion (see later), there is an opportunity to capitalise on existing township product to strengthen the region's overall appeal as a touring destination. Examples include:
 - Improvement/ development of heritage precinct and historical buildings in Kyneton and investigation of potential for heritage tours;
 - Leveraging off Victorian/ bluestone architecture and Goldfields heritage;
 - History & heritage of smaller towns (Lancefield, Malmsbury);
 - Formalising and promoting a touring loop that takes in the key attractions of the towns in the Shire (see also section 3.4);
 - Working with business owners and tourism operators to extend weekend opening hours, where appropriate;
 - Investigating opportunities for interpretation at Malmsbury Common linked to indigenous artefacts.

3.1.6. SPA AND WELLBEING

ISSUES

- Almost all of the spa tourism within the DMR region is currently directed towards the Daylesford/ Hepburn Springs area and there is very limited spa product within Macedon Ranges (although there are an increasing number of wellbeing related businesses).

OPPORTUNITIES

- *Tourism Victoria Regional Tourism Action Plan 2009-2012* points to the development of a \$7.3m spa and wellbeing marketing campaign focussing on the DMR region and the need for high quality large capacity and boutique accommodation integrated with spa/ wellbeing product. The Macedon Ranges Shire should look to leverage off this campaign by working with DMR to maximise the tourism potential of the natural mineral springs product in Kyneton and facilitation of spa product across the region;
- Macedon Ranges can benefit from a wide range of messaging to promote the broader benefits of the spa and wellbeing sector. Given the lack of spa product the message for Macedon Ranges should focus on wellness. This includes passive wellness activities such as fine dining, high quality fresh produce and relaxation.
- Macedon Ranges should look at ways to promote itself as a centre for wellbeing and spiritual rejuvenation ('back to basics') by trading off its strong connection with nature and significant health and wellness product in the DMR region.

3.1.7. ARTS AND CULTURE

ISSUES

- The level of arts and cultural product is low and is limited to a couple of key events (e.g. the Woodend Winter Arts Festival) and some limited creative product in precincts such as Piper St in Kyneton and some of the smaller townships (especially Malmsbury);

OPPORTUNITIES

- The Shire is home to a sizeable population of creative people who are involved in the arts industry. There is potential to investigate ways to leverage off creative strengths to deliver arts and cultural events and/ or establish new galleries and associated businesses;
- The potential to develop linkages between arts and culture product and local wineries should be investigated.

3.1.8. CYCLING

ISSUES

- According to the *Macedon Ranges Cycling Tourism Research*, there is limited recreational cycling infrastructure product in the area (marked mountain bike trails, on road cycle lanes in towns and maps and collateral). There is one off-road recreational bike track (Lancefield to Romsey Centennial track) and informal mountain biking trails in the Wombat State Forest;
- Within the Macedon Ranges Shire there are 2 cycling clubs: the Macedon Ranges Cycling Club and the Wombat Mountain Bike Club. The Macedon Ranges Cycling Club operates a Velodrome in Kyneton, which is currently in a poor and unused state. The Wombat Mountain Bike Club is based in Woodend;
- With regards to recreational cycling, some of the key issues are lack of information at VICs; lack of infrastructure including signage; competition with other areas close to Melbourne and lack of awareness of cycling product in the Shire.

OPPORTUNITIES

- The *Macedon Ranges Leisure Strategy Plan* (2006) includes mention of four potential recreational cycling trails that could be developed:
 - Kyneton - Gisborne Trail (via Old Calder Highway);
 - Woodend - Hanging Rock Trail;
 - Romsey - Hanging Rock Trail;
 - Riddells Creek - New Gisborne.
- There is an opportunity to drive further tourism potential from existing cycling events in the Shire such as the Dirt Works 100km MTB challenge in the Wombat State Forest, the Macedon Ranges MS Challenge and the MAD Ride;
- The potential of coordinated marketing of cycling events and infrastructure should be explored to build awareness of the area's cycling attractions beyond regular users;
- Other cycling opportunities include maximising the region's freeway and rail accessibility to Melbourne; leveraging off existing product such as the Wombat State Forest trails through

improved infrastructure and increased awareness; identifying new trail and infrastructure opportunities (for example, the old Daylesford railway line or a winery cycle route); and production of regional cycling maps.

3.2. INFRASTRUCTURE DEVELOPMENT

3.2.1. SIGNAGE & VISITOR FACILITIES

- According to the *Macedon Ranges Visitor Information Services Strategy Report 2010*, directional signage to the VICs may require upgrading particularly in the case of the Woodend centre. As identified in the best practice review, good directional signage can offset the relative exposure of a CBD or township-based VIC compared with a gateway location. As the Woodend VIC is located in the township beyond the turn off for major attractions, it is vital to ensure that signage is clear and effective;
- There is minimal visitor information provided at major attractions such as Mount Macedon and Hanging Rock;
- Wildlife and birdwatching signage and visitor infrastructure is generally poor at key natural attractions;
- DMR are currently undertaking an audit of regional directional signage; Industry should use the outputs of this audit to identify signage issues within the area.

3.2.2. SERVICING

- Servicing is not generally an issue within the townships but product development within rural areas may be constrained by access to power, water, sewerage and broadband;
- The *RV Friendly Town Scheme Councillor Briefing (March 2011)* demonstrates that Kyneton is largely eligible to be accredited as an RV friendly town however Council will need to invest in 'dump point' infrastructure within 50km (either in Kyneton or Malmsbury). The dump point must have direct access to sewerage and water;

3.2.3. TRACKS AND TRAILS

- Despite the area's natural tourism product, existing tracks and trails infrastructure in the Shire is fairly limited. Trails exist within areas such as Hanging Rock Reserve, Macedon Regional Park and Wombat State Forest but there is scope for improvements in signage and other infrastructure;
- According to the *Victorian Trails Strategy 2005-2010*, the Hepburn rail trail that runs from Daylesford to Kyneton is not regarded as a priority for development;
- There are a number of equestrian trails in the Shire but they are not well advertised and are generally under-utilised.

3.3. VISITOR INFORMATION SERVICES

BACKGROUND

The *Macedon Ranges Visitor Information Services Review Discussion Paper 2010* provides the following summary of existing visitor information services in the Macedon Ranges Shire:

- Both the Woodend and Kyneton VICs are located in the western part of the Shire and are strategically located for traffic travelling to the major attractions of Hanging Rock and the Kyneton tourism and dining precinct. The VICs are also located on the primary route for visitors passing through to Daylesford and the Goldfields;
- In terms of performance, usage of VICs in Macedon Ranges remained steady despite a decline in walk-in visitors to the Kyneton VIC in the year ending June 2009;
- The Daylesford and Macedon Ranges tourism region received 3% of all VIC usage in the State. With the exception of Daylesford which received over half of all regional VIC usage, Woodend and Kyneton are the highest performing centres in the region (This includes all LGA's which are defined under the Daylesford, Macedon Ranges Tourism Region);
- The VIC visitor survey indicates the following:
 - Most walk-in visitors to Macedon Ranges VICs come from Melbourne, although locals make up a significant proportion of VIC users, particularly in Kyneton (22% of all users);
 - Most visitors to the VICs are daytrip visitors;
 - Visitors are most commonly seeking maps and directional information and Hanging Rock is the natural attraction of most interest for most visitors;
 - Visitors to the Woodend VIC who are travelling to other regions are most commonly travelling to Daylesford. Visitors to the Kyneton VIC who are travelling to other regions most commonly travel to the Goldfields;
 - The majority of VIC visitors were directed to the centres by following the "i" sign, although a significant proportion of visitors to the Woodend VIC found the centre through tourism publications.
- Macedon Ranges Shire VIC's attract 4% of all visitors to the Shire. VICs in regions close to metropolitan Melbourne tend to capture a lower proportion of total visitors than those further away due to competition for visitor information services in Melbourne, more dispersed travel patterns and entry points, and a greater proportion of returning visitors. Despite its proximity to Melbourne, Macedon Ranges Shire has a recognised tourism product in natural attractions, heritage and food and wine, suggesting that it would be reasonable to aim to increase VIC usage to around 10% of all visitors.

ISSUES

- The review of existing visitor information services in Macedon Ranges Shire indicates that the Shire is relatively well served by static visitor information in each of the major townships. However, coordination and management of these services has scope for improvement to ensure that information is updated regularly and there is consistency across the network of services.

OPPORTUNITIES

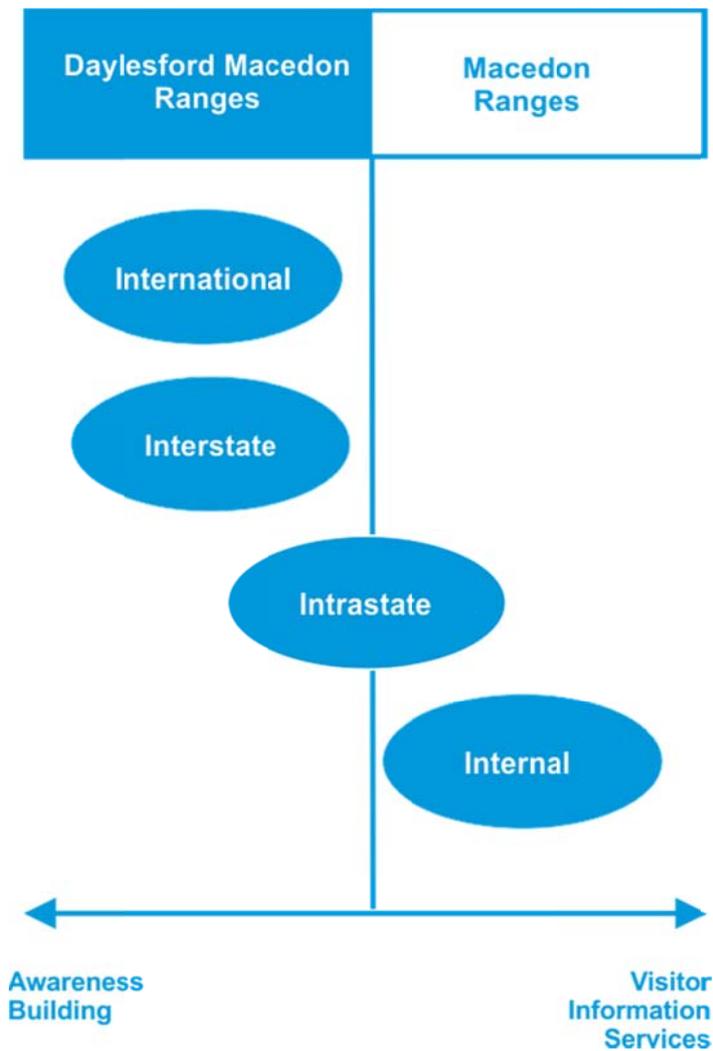
The *Macedon Ranges Visitor Information Services Review Discussion Paper 2010* identifies the following opportunities for visitor information services in the Macedon Ranges Shire:

- Retain Accreditation for Visitor Information Centres;
- Generate Additional Revenue to Meet Ongoing Cost Requirements for VICs;
- Strengthen the Shire Wide Accommodation and Booking Service;
- Maintain a Consistent Approach to the Management of Internet Resources;
- Increase Effectiveness of i-Bays With Regard to Management and the Provision of Information;
- Introduce Electronic Kiosks to the Visitor Information Services Network at Key Tourism Nodes;
- Improve Directional Signage to Townships, Attractions and Services;
- Develop Consistent and High Quality Branding for All Shire Tourism Collateral;
- Review the Administration and Management Structure of Visitor Information Services Within the Shire;
- Implement a consistent approach to dissemination of visitor information by tourism businesses.

3.4. **MARKETING**

- Marketing is of critical importance to the Macedon Ranges tourism industry. While the Macedon Ranges Shire offers a diversity of quality tourism experiences, the general level of awareness of the region's attractions is low, particularly in relation to key product strengths such as food and wine and nature based tourism;
- Figure 3 shows the division of marketing responsibilities across DMR and Council/Tourism Macedon Ranges. Essentially, DMR's primary responsibility is building awareness, typically at the international and interstate level, while Council and TMR are more concerned with information delivery to the intrastate and internal (VFR) markets:

FIGURE 3 MARKETING ACCOUNTABILITY CHART



OPPORTUNITIES

- External marketing opportunities (either through direct efforts or by influencing DMR) include:
 - Work with DMR and MRVA to undertake a branding review (and conduct related research) for the local wine industry. The review would assess the effectiveness and opportunities of the 'limited edition' concept and brand which is being used by MRVA in their promotional activities and events;
 - The naturally cool branding for Macedon Ranges may also be reviewed, with regard to linking with the wellness and relaxation theme of DMR.
 - Leverage off regional television. Regional TV has found to be a cost-effective way of marketing the Macedon Ranges tourism offer to prospective customers in regional Victoria;
 - Increase the exposure of the Macedon Ranges to the Melbourne market. Example strategies could include targeted advertising in Melbourne publications (e.g. the Melbourne Times) and pop-up stalls at key entry/ exit points such as Southern Cross

station. The Shire could even consider running a Macedon Ranges food and wine festival in the Melbourne region to raise awareness;

- Explore social media and IT enabled marketing opportunities e.g. iPhone apps;
- Currently about 20% of Macedon Ranges visitors participate in outdoor and nature based activities. There is a significant opportunity to increase this percentage by building greater awareness of the region's natural attractions and features. This should include highlighting the nature-based tourism potential of well-known attractions such as Hanging Rock as well as raising the profile of lesser known NBT assets such as Black Hill Reserve near Kyneton;
- According to *Victoria's Tourism Plan Summary: Food and Wine 2004-2007* there are opportunities for the region to focus on food and wine in marketing activities and as a natural complement to other product strengths. For example, there is an opportunity to promote Kyneton as a regional food and wine hub and market the town's appeal for 'foodies' and wine-lovers;
- The *VWIA Knowledge Project* highlights the significance of the Macedon Ranges to Victoria's wine industry. The Macedon Ranges has 40 wineries, most of which have cellar doors offering strong tourism potential. There are opportunities to drive tourism yield and visitation by improving awareness and investigating the potential for coordinated marketing efforts to put the Macedon Ranges wine region on the map;
- The Macedon Ranges features several prominent trails identified as being less than an hour from Melbourne, including walking trails in Macedon Ranges Regional Park and Hanging Rock Reserve and mountain bike/ horseriding trails in the Wombat State Forest. There is an opportunity to better promote these trails to the lucrative Melbourne weekend market;
- There is an opportunity for the Macedon Ranges to capture a greater percentage of the touring market by promoting tours in the area. Specific opportunities include the Kyneton-Heathcote link via Redesdale, the Daylesford - Kyneton/Malmsbury route and a 'villages of Macedon Ranges' touring route. There may also be an opportunity to promote the Kyneton Redesdale road as an alternative route to the Heathcote wine region from Melbourne. The potential to attract an increase in motorcycle tours should also be considered.
- Internal marketing is the responsibility of Council and Tourism Macedon Ranges. The focus of internal marketing efforts should be promoting the area to the VFR market via increasing awareness of tourist attractions and product to local residents. An example could include a '10 things to do in...' for each of the townships.

3.5. BARRIERS TO INVESTMENT AND GROWTH

3.5.1. PLANNING

- According to the *Macedon Ranges Visitor Accommodation Opportunities Study* (Urban Enterprise, 2010), there are a number of planning issues impacting on tourist accommodation growth and other rural tourism enterprises:
 - The Farming Zone and Rural Conservation Zone are too restrictive in terms of the types of tourism uses that have been identified as “gaps” in the Macedon Ranges Shire. For example, it is not possible to establish a large accommodation facility or conference facility in the Rural Conservation Zone or Farming Zone, unless it is used in conjunction with agriculture, outdoor recreation, rural industry or winery. In addition, a caravan park is a prohibited use;
 - Given the widespread application of the Rural Conservation Zone and Farming Zone in the Shire, it is currently not possible to propose an integrated tourism resort or large Conference Facility in the rural areas. Similarly, it is not possible to establish a Caravan Park in the rural areas;
 - The interpretation of the term “in conjunction with” has caused difficulties for planners and proponents alike and has led to inconsistencies in its application. Often, this leads to the interpretation being tested at VCAT, which is costly and time consuming - a major deterrent for proponents;
 - The blanket introduction of the Farming Zone and Rural Conservation Zone in rural areas has led to a number of bona fide tourism developments being non-conforming uses, even though they are in areas that are appropriate for the use. Being a non-conforming use can unreasonably constrain the ability to make building modifications over time to meet visitor expectations. In addition, any expansion into adjoining Rural Conservation Zone or Farming Zone land would most likely be prohibited. Tourism businesses that are a non-conforming land use can also experience difficulty in obtaining finance for improvements or in selling the business, due to the uncertainties surrounding the town planning status;
 - The Rural Activity Zone provides a greater level of discretion with regard to tourism uses. The Planning Practice Note for Application of Rural Zones identifies that it may be considered for tourism purposes in rural areas;
 - For larger tourism developments which have specific masterplans in place, A Special Use Zone or Comprehensive Development Zone may be considered;
 - There has been no detailed planning investigation into the opportunity for tourism development in key tourist townships in the Macedon Ranges Shire such as Woodend and Kyneton. Whilst small scale tourism development can generally be accommodated within existing urban land through infill development, well located land for larger scale tourism development in these towns is limited. In addition it is difficult to develop Tourist Parks in urban zones, as the underlying land value is often too high for the possible income streams achievable from this form of accommodation;
 - Further study into tourist development land use is required. This needs to consider:

- A review of the rural zones and identification of any changes to the planning scheme in rural areas which are required to encourage accommodation and tourism product development. (For example, the use of the Rural Activity Zone and sites for tourism development);
- Rezoning land for tourism purposes in rural areas that meets opportunities identified in this study to ensure that tourism is considered a legitimate use in the rural areas of the Shire. This will also remove barriers for businesses which are seeking to grow in the rural areas;
- Identifying opportunities for tourism development in the key tourist towns, and possible rezoning on the periphery of towns to appropriate zones which allow for tourism development;
- Directions for tourism development from a design and strategic policy point of view to be incorporated into the planning scheme;
- Leveraging off the Kyneton Outline Development Plan to identify potential accommodation opportunities.

3.5.2. COMPETITION

- The Macedon Ranges is surrounded on three sides by significant tourism product that draws away potential visitation: the Bendigo area to the North, the Daylesford and Hepburn Springs area to the west and Melbourne to the south;
- The Macedon Ranges is just one of several destinations under an hour from Melbourne (such as the Mornington Peninsula, the Dandenong Ranges and the Geelong region) that compete aggressively for the Melbourne day trip and weekender market;
- With the exception of Hanging Rock, the region lacks significant tourism drawcards to match the big ticket attractions in other tourism regions;
- The Macedon Ranges should build on points of difference around sustainability, service delivery excellence and innovation in its tourism offer to differentiate itself from competitors. It should strive to continuously improve these, and become a leader in service delivery.

3.5.3. LABOUR

Access to skilled, high quality labour may be an issue for some sectors of the local tourism and hospitality industry. Council can use the results of the Macedon Ranges Business Survey to help identify any specific skills shortages.

3.6. TOURISM BUSINESS DEVELOPMENT

3.6.1. NETWORKING

- Networking offers an exciting opportunity to enhance business and industry development within the tourism sector. Council should examine the effectiveness of existing networking events and investigate opportunities to deliver new or improved targeted networking opportunities for local tourism stakeholders to improve industry coordination.

3.6.2. INDUSTRY DEVELOPMENT

- There is a degree of 'us and them' mentality within the Daylesford - Macedon Ranges tourism industry. The key industry bodies should take the lead in fostering greater coordination and cooperation between regional and local tourism associations and tourism operators.

4. STRATEGIC DIRECTIONS

4.1. STRATEGIC DIRECTION 1: DEVELOP TOURISM INDUSTRY PROFESSIONALISM AND EXCELLENCE

It is recognised that the Macedon Ranges does not have the diversity of tourism attractions or big ticket drawcards to compete in the mass tourism market. Hence, tourism development and promotion in Macedon Ranges will need to be centred on delivering a high *quality* experience to visitors. In order to achieve this goal, Council will work to foster a culture of professionalism and service delivery excellence within the tourism industry.

| Strategy/ Action | |
|-------------------|---|
| Strategy 1 | Support the education of tourism operators to raise standards across the industry |
| Strategy 2 | Investigate the opportunity to celebrate and support Tourism Champions to highlight local best practice and promote within the region as 'shining examples' |
| Strategy 3 | Encourage consistency and service delivery excellence across local tourism operators (e.g. consistent winery opening hours) |

4.2. STRATEGIC DIRECTION 2: FOSTER A CULTURE OF COOPERATION WITHIN THE INDUSTRY

It is recognised that a healthy tourism industry is one that works together to deliver high quality, authentic tourism experiences for a wide cross-section of visitors. Effective cooperation is encouraged at all levels within the industry between operators, tourism associations and Council to deliver local multipliers both in terms of the quantity of visitation and the quality of visitor experience.

The sustainability of tourism industry organisations should also be considered, particularly with regard to industry led organisations that rely on volunteer and tourism operators for administration and management.

| Strategy/ Action | |
|--------------------|---|
| Strategy 4 | Facilitate industry networking to increase awareness among operators of who is doing what in the Macedon Ranges tourism industry |
| Strategy 5 | Maintain effective relationship with DMR Tourism to coordinate marketing and branding |
| Strategy 6 | Encourage local hospitality businesses to use local food and wine produce (e.g. Food Miles, DMP, accreditation programs) |
| Strategy 7 | Encourage extended retail and hospitality opening hours to coincide with events and festivals and public holidays |
| Strategy 8 | Work with relevant associations across the DMR region to cross-promote tourism product |
| Strategy 9 | Maintain and promote the Macedon Ranges events calendar and encourage coordinated scheduling of events to minimise overlaps and maximise visitation across the year |
| Strategy 10 | Undertake a review of existing industry structures with regard to sustainability of all tourism related associations. |

4.3. STRATEGIC DIRECTION 3: DEVELOP TOURISM PRODUCT BUILDING ON COMPETITIVE STRENGTHS AND EXISTING ASSETS

The Macedon Ranges has a wide range of natural and man-made assets which deliver significant tourism potential. These include a regional strength in food and wine; natural icons such as Hanging Rock and Mt Macedon and a variety of appealing heritage buildings and streetscapes. The industry seeks to leverage off these assets to maximise tourism development potential without compromising the quality of the natural and built environment that Macedon Ranges is famous for.

| Strategy/ Action | |
|--------------------|--|
| Strategy 11 | Support and encourage the development of a regional strength in food and wine |
| Strategy 12 | Develop Macedon Ranges as a holistic wellbeing capital by leveraging off the following assets: <ul style="list-style-type: none"> - Natural mineral springs; - Physical, mental and spiritual wellbeing and wellness product |
| Strategy 13 | Review and implement recommendations from Visitor Accommodation Opportunities Study |
| Strategy 14 | Investigate opportunities to leverage heritage buildings for tourism purposes e.g. art galleries and food experiences |
| Strategy 15 | Leverage off TV and DMR 'Villages of Victoria' campaign to develop a 'Villages of Macedon Ranges' touring route |
| Strategy 16 | Coordinate with local community (local artists) to improve arts and cultural tourism product, for example: <ul style="list-style-type: none"> - Galleries; - Events and festivals; - Arts and cultural linkages with local wineries |
| Strategy 17 | Maximise potential to develop educational tourism opportunities from existing product strengths leveraging local experts in their field (e.g. wine appreciation, cooking, art classes) |

4.4. STRATEGIC DIRECTION 4: PROMOTE THE MACEDON RANGES TO ESTABLISHED AND EMERGING MARKETS THROUGH HIGH QUALITY INFORMATION DELIVERY & TARGETED MARKETING

Work closely with DMR to ensure its tourism marketing priorities are reflected in international and interstate campaigns. At the same time, undertake intrastate and internal marketing to leverage off the area's tourism product strengths and identified opportunities for growth.

There is a need to ensure that visitor information services in the Macedon Ranges delivers clear, consistent and accessible information for the visitor, both in the region and for trip planning. The visitor information services strategy has provided solid guidance on this and key strategies have been included below.

| Strategy/ Action | |
|--------------------|--|
| Strategy 18 | Work with DMR to develop marketing strategies to attract emerging international markets. For example, leverage off wine and wildlife product to appeal to Chinese market |
| Strategy 19 | DMR and MRVA to undertake a branding review (and conduct related research) for the local wine industry |
| Strategy 20 | Build awareness of Hanging Rock, Macedon Regional Park and other parks and reserves as natural icons and scenic landscapes to encourage nature based tourism |
| Strategy 21 | Leverage off proximity to Melbourne and Melbourne Airport to drive increase in visitation |
| Strategy 22 | Standardise and monitor internal tourism promotion activities targeting the VFR market |
| Strategy 23 | Encourage new events to reach previously untapped markets |
| Strategy 24 | Retain Accreditation for Visitor Information Centres (Kyneton and Woodend) |
| Strategy 25 | Generate Additional Revenue to Meet Ongoing Cost Requirements for VICs |
| Strategy 26 | Ensure the Long Term Future of the Woodend VIC |
| Strategy 27 | Strengthen the Shire Wide Accommodation and Booking Service |
| Strategy 28 | Maintain a Consistent Approach to the Management of Internet Resources |
| Strategy 29 | Increase Effectiveness of I-Bays With Regard to Management and the Provision of Information |

| Strategy/ Action | |
|-------------------------|--|
| Strategy 30 | Introduce Electronic Kiosks to the Visitor Information Services Network at Key Tourism Nodes |
| Strategy 31 | Improve Directional Signage to Townships, Attractions and Services |
| Strategy 32 | Develop Consistent and High Quality Branding for All Shire Tourism Collateral |
| Strategy 33 | Implement a Consistent Approach to the Dissemination of Information from Businesses |
| Strategy 34 | Review the Administration and Management Structure of Visitor Information Services within the Shire |

4.5. STRATEGIC DIRECTION 5: IMPROVE TOURISM INFRASTRUCTURE

High quality tourism product and experiences requires high quality infrastructure. As such, Macedon Ranges Shire Council will take the lead in working to overcome infrastructure gaps to raise the standard of tourism offer in the Shire.

| Strategy/ Action | |
|--------------------|---|
| Strategy 35 | Develop at least one town in the Shire as an RV friendly town |
| Strategy 36 | Work with public land managers to investigate options to improve integrated tracks and trails infrastructure. |
| Strategy 37 | Maintain and enhance key streetscapes (e.g. Piper St, Kyneton and High St, Lancefield) to preserve neighbourhood integrity, tourism appeal and heritage value |
| Strategy 38 | Improve static visitor information and interpretation at key natural tourist attractions e.g. Macedon Regional Park, Wombat State Forest |

4.6. STRATEGIC DIRECTION 6: REMOVE BARRIERS TO GROWTH AND INVESTMENT IN THE TOURISM SECTOR

Macedon Ranges Shire Council will take the lead in removing constraints to well planned tourism development and investment that fits with the region’s tourism priorities and its local character.

| Strategy/ Action | |
|-------------------------|--|
| Strategy 39 | Undertake a planning study to provide for adequate zoned land for tourism development in the townships and rural areas of the Shire |
| Strategy 40 | Identify skills gaps within the local tourism industry and work with partners to address these issues |