AUSTRALIAN NATIONAL SURF MUSEUM
STRATEGIC ASSESSMENT & FUTURE OPTIONS

SURF COAST SHIRE | FINAL REPORT, JUNE 2016

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ACRONYMS

ANSM – Australian National Surfing Museum

ANMM – Australian National Maritime Museum

GOR – Great Ocean Road

GORR – Great Ocean Road Region

TRA– Tourism Research Australia

NSM - National Sports Museum

NVS – National Visitor Survey

IVS– International Visitor Survey

GLOSSARY OF TERMS

Great Ocean Road (GOR) Region – For purposes of TRA data analysis, the GOR region consists of the following Statistical Area 2s: Glenelg (Vic.), Warrnambool South, Warrnambool North, Otway, Moyne-West, Moyne-East, Corangamite-North, Corangamite-South, Colac Region, Colac, Camperdown, Torquay, Lorne-Anglesea and Winchelsea.

South Coast Shire Region – For purposes of TRA data analysis the South Coast Shire region includes the following Statistical Area 2s: Winchelsea, Torquay and Lorne – Anglesea.

TRA Domestic day trip visitors - Those who travel for a round trip distance of at least 50 kilometres, are away from home for at least 4 hours, and who do not spend a night away from home as part of their travel. Same day travel as part of overnight travel is excluded.

TRA Domestic overnight visitors - People aged 15 years and over who undertake an overnight trip of one night or more and at least 40 kilometres away from home are referred to as overnight visitors. Only those trips where the respondent is away from home for less than 12 months are in scope of the NVS.

TRA International visitors - Overseas visitors coming to Australia for a period of less than twelve months.

EXECUTIVE SUMMARY

Urban Enterprise prepared this report on behalf of Surf Coast Shire to provide a high level strategic assessment of the possible future options for the Australian National Surfing Museum (ANSM).

Research and analysis suggests that **the market potential for an enhanced ANSM concept is limited within the theme of surfing**. Case studies of other museums and interpretive centres demonstrate that even an expanded ANSM with high quality exhibits, interpretation and experiential elements is only likely to achieve visitation of around 40,000 - 60,000 visitors per annum.

This finding has prompted an investigation of the broader **opportunity available to Torquay**, the Surf Coast Shire and the Great Ocean Road region **in establishing a gateway experience to the Great Ocean Road.**

The Great Ocean Road Gateway experience looks more broadly at the opportunity to leverage off the following:

- Potential to add significant engagement with visitors in their Great Ocean Road experience and journey;
- Torquay's strategic position as the start of the Great Ocean Road;
- Torquay's existing tourism infrastructure, assets and amenity;
- Regional and state strategic objectives for the Great Ocean Road region;
- The opportunity to create tourism product that 'bookends' the Great Ocean Road region in the east;
- The significant volume of visitors to the Great Ocean Road region;
- The state and federal funding opportunities available to a project that demonstrates regional benefits;
- The opportunity to link surfing with the broader Great Ocean Road region story.

A Great Ocean Road Gateway experience seeks to create a 'must do' destination at the beginning of the Great Ocean Road to frame and influence the visitor journey along the Great Ocean Road. This would be achieved through combination of various elements, including:

- A Great Ocean Road Gateway experience;
- An enhanced ANSM (including surf industry spaces); and
- A visitor transit hub and visitor centre.

The Great Ocean Road Gateway experience provides the following key opportunities:

- Potential to add significant value to the Great Ocean Road visitor journey and experience;
- Potential to realise positive economic development outcomes through prompting increased length of stay and expenditure both for Torquay, Surf Coast Shire and the Great Ocean Road region;
- Establishing Torquay as the starting point of the Great Ocean Road in the eye of the visitor;
- Potential to pull touring visitors off the Geelong Bypass and into Torquay;
- Influencing the visitor journey pattern and converting daytrips to overnight trips, particularly for visitors whose journey is focussed on visiting the Twelve Apostles, providing the opportunity to slow down and reshape their experience;
- Potential to increase visitor dispersal throughout the Great Ocean Road region by capturing visitors at the start of their journey;
- Providing a holistic, one stop shop of the Great Ocean Road story incorporating surfing and surf culture, the regional history and heritage, flora and fauna, landmarks, modes of discovery of the region (drive, walk, cycle) and unique Great Ocean Road experiences;

- Potential to influence return trips to the Great Ocean Road region to be experienced by an alternative mode of travel such as walking or cycling;
- Potential to realise significant marketing and destination positioning opportunities as part of a Great Ocean Road Gateway concept. Including touring marketing opportunities, trip itinerary marketing opportunities and significant 'start of the Great Ocean Road' branding opportunities for Torquay.

A Great Ocean Road Gateway experience has potential to draw on approximately 2 million self drive overnight visitors to the Great Ocean Road region.

Importantly a Great Ocean Road Gateway experience **delivers on the broader opportunity to capture a greater number of visitors to the Great Ocean Road Region**. The great opportunity for ANSM is to be incorporated as part of a Great Ocean Road Gateway experience, that provides a hub for commencement of the Great Ocean Road journey and central place to disperse visitors to other attractions in Surf Coast Shire and the Great Ocean Road region. The ANSM forming a core component of this experience.

Further feasibility, concept development and business case work is required to progress the Great Ocean Road Gateway concept further.

1. INTRODUCTION

1.1. PROJECT BACKGROUND

Urban Enterprise was engaged by Surf Coast Shire to undertake a strategic assessment of the experience provided and future delivery of the Australian National Surfing Museum **(ANSM)** in Torquay.

In 2013, Surf Coast Shire commissioned GHD to undertake the *Australian Surf Capital Project – The Home of Australian Surfing, Torquay* which identified a range of redevelopment options for the Surf City precinct. Five options varying in scale were identified for the redevelopment of the precinct. This study takes a step back from these concept options to provide a strategic approach and basis for consideration of the future of ANSM.

The purpose of the study is to provide Council with clarity to assess the merit of pursuing the concept of an enhanced ANSM facility in the future, progressing to a more detailed analysis of the concept as a next stage.

1.2. PROJECT METHODOLOGY

The methodology adopted for the project includes the following key stages:

1. **Project Context:** Including a review of existing information on the museum and recent studies that have relevance to ANSM, a site tour of the museum and Torquay, stakeholder consultation and high level tourism assessment.
2. **Strategic Context:** A review of relevant regional and local strategies and reports, and the implications for the project.
3. **Spatial Context:** A strategic review of the spatial context and implications for the project.
4. **Case Studies:** An assessment of a select number of museums / attractions to provide a benchmark with ANSM of product, visitor experience, visitation, performance indicators and success factors.
5. **Visitor Markets:** An assessment of visitation and visitor markets in the context of the project, primarily utilising access to Tourism Research Australia data.
6. **Concept Options:** Arising from background analysis, research and consultation, three concept options for the project are formulated.
7. **Strategic Objectives:** A set of high level overarching strategic objectives have been developed to assess the concept options and provide clarity moving forward with a preferred concept.
8. **Identification of Preferred Concept Option**: A preferred concept option will be identified with agreement from the client to move to a second stage.

2. AUSTRALIAN NATIONAL SURFING MUSEUM

2.1. BACKGROUND TO THE ANSM

Located in Surf City, the now ANSM first opened in December 1993 as 'SurfWorld Museum' with the objective to tell the story of Australia's rich beach culture and surfing heritage that has developed over the last one hundred years.

The museum was the brainchild of local surfing pioneers Peter Troy, Vic Tantau (founders of the annual Bells Beach Classic contest) and Alan Reid, whose efforts were supported by the surfing association and backed by the surf industry. Surfing Victoria also played a vital role in establishing the museum. At that point it was only the third surfing museum globally and was Australia's first. Soon after, the museum was recognised by the International Surfing Association as a "place of surfing significance".

The museum is positioned at the rear of the Surf City complex, collocated with the Torquay Visitor Centre and Torquay Sporting Recreation Centre, as seen in Figure 1. Such positioning diminishes the museums profile to the significant passing traffic and visitors to the surfing retailers at the front of the Surf City precinct.

2.1.1. ACCREDITATION

In 2012 the museum received accreditation under the Map Accreditation Program making it the only accredited surfing museum in the world. While maintaining accreditation requires a more intensive governance approach, it may benefit the ANSM in its development phase. It is questionable if accreditation alone could have ever significantly increased visittaion.

2.1.2. BRANDING

In 2015, Council resolved to change the name of 'Surf World' to the Australian National Surfing Museum. A new logo was developed (required due to the name change) in mid 2015. The new logo has now been implemented with more dominant signage around the facility.

FIGURE 1 ANSM LOCATION WITHIN SURF CITY PRECINCT

Source: Aerial image – Google Earth

2.1.3. THE MUSEUM EXPERIENCE

The initial museum experience in 1993 was promoted as "a major attraction for the 1.5 million visitors who are drawn to Australia's internationally acclaimed Surf Coast each year." Visitors were to be exposed to an 'interesting' and 'exciting' experience that would take people through the science of the sea, the waves, surfing icons, surfboard history and surfing culture through a series of rooms, which also included The Australian Surfing Hall of Fame.

The experience was mainly static in nature with surfboards, surfing memorabilia, photos and information boards used to create the experience. The exception was an interactive mechanical wave which created a wave of water to show the speed and structure of a wave after turning a cog at one end of the display.

The Torquay Visitor Centre component at this point was limited to a static display in the retail space section of the museum and was restocked by volunteers.

The ambition of the museum to be a major visitor destination has not come to fruition.

While technology, product and visitor expectations for an experience have all changed markedly since 1993, the experience at the museum has remained relatively the same as at the time of opening. Predominantly the experience is dominated by static displays of surfing memorabilia and surf boards. A notable change has been the re-scoping of the 'wave room' into a temporary exhibition space at the expense of the interactive mechanical wave.

At the same time, the front end of the museum (retail shop and foyer area) has been consumed by the Torquay Visitor Centre, pushing the museum further back and diminishing its profile.

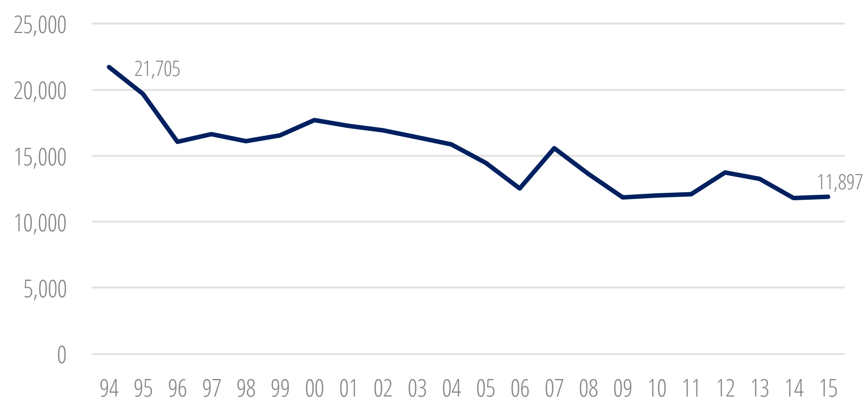
The Surf City precinct is home to some of Australia's largest surfing and skateboarding brands. These retailers contain their own unique surfing 'museum' experience through displays of their own history and affiliation with surfing. This is delivered through quality displays and interpretation, afforded to them by likely larger budgets than that of the ANSM. Visitors are therefore having somewhat of a 'surf experience' through these retail outlets.

2.2. VISITATION

Visitation to the ANSM has experienced a general decline from 1994 to 2015. The ANSM attracted 21,705 in the 1994 calendar year. Visitation to the Museum has decreased since this time to 11,987 visitors in 2015.

The most popular months to visit the ANSM are throughout the summer period with peaks in average visitation in January, February, March and April. Visitation is at its lowest throughout the winter months, notably June, July and August.

FIGURE 2 ANNUAL VISITATION TO THE ANSM 1994-2015



Source: Yearly Visitation Statistics, ANSM 1994-2015

VISITOR ORIGIN

Table 1 provides an analysis of visitor origin data for Nov 2007 to April 2008[1] and origin data for Torquay VIC visitors for 2015. In 07/08 the majority of visitors to the ANSM were international visitors (46%) and interstate visitors (33%). Within Victoria, 8% of visitors were from metropolitan Melbourne and 13% from Regional Victoria. The prevalence of international and interstate visitors to the museum is in contrast to the visitor profile for Torquay and the Surf Coast, which consists of predominately intrastate visitors. This highlights the importance of the attraction for non-local visitors.

When compared with the origin data for the VIC (although from different time periods), there may be some correlation with the origin of visitors to ANSM, possibly suggesting that a portion of visitation to ANSM may be incidental from visitation to the Torquay VIC. However, this would require validation.

ANSM is not currently a popular destination for locals, making up approximately 4.5% of visitors in 07/08. This is further supported through consultation, in which it was suggested that there was limited appeal for repeat visitation once the museum had been visited and that the museum did not currently have enough appeal to attract a large school market.

TABLE 1 VISITOR ORIGIN NOV 2007-APRIL 2008

	VIC (2015)	ANSM (07/08)
International	46%	46%
Interstate	22%	33%
NSW	*11%*	*15%*
QLD	*5%*	*7%*
SA	*4%*	*4%*
WA	*2%*	*5%*
TAS	*1%*	*1%*
NT	*0%*	*1%*
Regional Victoria	23%	13%
Metro Melbourne	9%	8%

Source: Monthly Visitation Statistics, ANSM November 2007-April 2008 & VIC Postcode Data 2015

2.2.1. ATTRACTION RANKING IN TORQUAY

The Great Ocean Road is rated as the number one attraction in Torquay. The Australian National Surfing Museum is ranked number eight, secondary to attractions such as mini golf and spas. This shows that the museum has failed to penetrate the visitor market in a meaningful way. The Trip Advisor rankings also show that there is a lack of ticketed attractions in Torquay. The Great Ocean Road is the clear priority for many visitors to the region, of which Torquay marks the official beginning.

TABLE 2 TRIP ADVISOR RANKINGS OF ATTRACTIONS IN TORQUAY

RANK	ATTRACTION
1	The Great Ocean Road
2	Bells Beach
3	Spas
4	Adrenaline & Extreme Tours
5	Surfing, Windsurfing & Kitesurfing
6	Mini Golf
7	Air Tours
8	Australian National Surfing Museum
9	Fishermans Beach
10	Torquay Visitor Information Centre

Source: Trip Advisor, 2016

[1] Latest origin data available for origin of visitors to ANSM

3. STRATEGIC CONTEXT

3.1. INTRODUCTION

This section of the report provides strategic context to the project, including review of relevant state, regional and local strategies and reports, to determine the strategic policy implications for the project.

3.2. KEY FINDINGS

There is opportunity for an enhanced ANSM to align with state and regional objectives for tourism development, particularly through delivering new visitor experiences to meet changing consumer needs and increasing visitor yield and dispersal.

Aligning the project with regional and state priorities and objectives will provide greater opportunity for regional organisations and state government support, which in turn may create greater funding potential.

There is a key opportunity for this project to deliver on promoting Torquay as the start of the Great Ocean Road, promoting Torquay as the home of Australian surfing and providing tourism product / experiences that bookend the eastern portion of the Great Ocean Road region.

Aligning the project with high level objectives and priorities may require a 'big picture' approach to be taken to the future possibilities of an enhanced ANSM concept.

3.3. VICTORIA'S 2020 TOURISM STRATEGY

Victoria's 2020 Tourism Strategy provides the long term vision and priorities to guide marketing and investment decisions related to Tourism in Victoria. Priority 6 of the strategy has most relevance to this project, covering investment attraction and infrastructure support.

"Appropriate tourism products, services and infrastructure are critical to delivering a positive visitor experience, which in turn generates higher visitor expenditure and increased visitor numbers. This is particularly important with the growth of new markets in the Asian region, which require revitalised products and services aligned with their preferences. New investment and infrastructure is required ro realise these products and services, and to help achieve the State's tourism potential".[2]

In order to gain state government traction and interest, the project will need to align with state level objectives for tourism. This project has the potential to align with the investment attraction and infrastructure support priority of Victoria's 2020 Tourism Strategy, through the opportunity to provide an enhanced ANSM / experience that generates increased visitor yield and dispersal.

[2] Victoria's 2020 Tourism Strategy, p.21

3.4. VICTORIA'S REGIONAL TOURISM STRATEGY 2013-2016

Victoria's Regional Tourism Strategy 2013-2016 is the key medium term Strategy for realising the directions for regional tourism identified in *Victoria's 2020 Tourism Strategy*. The Strategy identifies regional priorities for tourism for each of Victoria's major tourism regions, including the Great Ocean Road Region.

A key priority for the Great Ocean Road region is to "support investment in attractions and product that increases overnight visitation". There may be opportunity for an enhanced ANSM concept / experience to align with this objective.

3.5. GREAT OCEAN ROAD REGIONAL TOURISM (GORRT)

Great Ocean Road Regional Tourism (GORRT) is the regional tourism board for the Great Ocean Road Region, stretching from Torquay to the South Australian border. The strategic focus of GORRT between 2014-17 is:

- Increase length of stay and yield;
- Increase geographical dispersal;
- Increase visitor satisfaction.[3]

As the regional tourism board for the Great Ocean Road region, GORRT's tourism priorities cover the realisation of benefits from tourism visitation to the region. Discussions with GORRT have revealed the need for tourism product in Torquay to 'bookend' the Great Ocean Road experience. There is significant opportunity to leverage off the regional tourism focus to develop product which caters to GORRT's strategic objectives.

[3] http://greatoceanroadtourism.org.au/

3.6. THE STRATEGIC MASTERPLAN FOR THE GREAT OCEAN ROAD REGION

Great Ocean Road Regional Tourism (GORRT) recently published the *Strategic Master Plan for the Great Ocean Road Region Visitor Economy 2015-2025*. The primary objective of the Plan is "to increase the yield generated from tourism visitation through the provision of quality visitor experiences, providing significant economic benefits to local communities".[4]

The key issues and opportunities identified in the Plan, relevant to this project include:

- **High visitation and low yield per visitor** – Significant growth in visitation to the region over the last 10 years, especially the dramatic growth in day trip visitation, has not translated to an equivalent rise in visitor expenditure.
- **Limited seasonal dispersal** – There are significant seasonal peaks and troughs throughout the year which reduces investor returns and exacerbates skill shortages.
- **Limited geographical dispersal** – There is a heavy concentration of visitation along the coast and to the east of the region (closer to source markets). This poses a challenge to increase dispersal to hinterland areas and to the west of the region to spread the economic benefits of tourism and reduce visitation pressures along the coast.
- **Further product development and investment is required to match visitor demand** – To increase visitor yield, it is critical to improve many of the region's existing products, services and facilities, develop new ones and improve infrastructure to meet visitors' expectations and preferences. There is also a lack of high quality accommodation to meet demand.

The Plan identifies key challenges and opportunities for the region, those that relate to this strategy include:

- Product development, both existing and new, is required to meet market demand.

[4] Strategic Masterplan for the Great Ocean Road Region Visitor Economy 2015-2025, GORRT, p.7

- There is opportunity for high quality interpretation and visitor experience product development of the diverse natural land, waterways and wildlife assets of the region.
- Developing the unrealised Indigenous heritage and contemporary visitor experience opportunities.

Priority actions relevant to this project include:

- Investment attraction and facilitation, both public and private, to address current product gaps i.e. large scale accommodation and **new product and experiences to meet the changing consumer needs.**
- Maintenance and renewal of signature product/experiences e.g. Twelve Apostles, Great Ocean Road, Tower Hill, Wildlife (e.g. koalas at Kennett River, Cape Otway), **Australian National Surfing Museum**, Flagstaff Hill Maritime Village, Indigenous product including Budj Bim.
- **Focus on product development**, marketing and **visitor servicing** to generate increased length of stay, increased spend and dispersal.

The Shipwreck Coast Masterplan was pivotal to the recent $9.8 million State Government investment to deliver Stage 1 of the Masterplan. This funding will contribute to a new world class lookout at the 12 Apostles, a new lookout over the blowhole visitor site, a new pedestrian bridge over Campbell's creek at Port Campbell with connecting trails plus communications, WiFi and a digital interpretation platform focused on the 12 Apostles.

The ANSM is identified in the Strategic Masterplan for the Great Ocean Road for renewal. However, more broadly, there may be opportunity for an enhanced product / experience to align closely with the regional objectives of the Plan. This includes the potential for increasing visitor yield and dispersal as well as the development of new services and experiences that cater to changing consumer needs.

An enhanced ANSM product / experience that can align with regional tourism objectives and provide broad regional benefits is more likely to attract the support of regional tourism organisations and increase the chances of obtaining State / Federal government funding.

3.7. TORQUAY DESTINATION ACTION PLAN

The *Torquay Destination Action Plan 2015-17* identifies priority strategies and actions for Torquay over a three-year period. Priority actions from the Plan relevant to this strategy include:

- Investigate the regional role an integrated Visitor Centre and Surf World Museum could play in promoting Torquay as the start of the Great Ocean Road, Home of Australian Surfing and bookending of the Great Ocean Road experience as a Regional Visitor Experience Centre.
- Lobby Surfing Australia to bring the Hall of Fame annual awards back to Torquay from Queensland by 2017.
- Celebrate the legends of Australian Surfing by a display at the Museum and via statues in an avenue of honour at an appropriate public location as a new attraction.

There is an opportunity for this project to deliver on key strategic objectives for tourism in Torquay. The key opportunities identified for Torquay are promoting Torquay as the start of the Great Ocean Road, promoting Torquay as the home of Australian surfing and providing tourism product / experiences that bookend the Great Ocean Road region in the east.

3.8. ECONOMIC VALUE OF THE SURF INDUSTRY

The surf industry is a major contributor to the local Surf Coast Shire economy, both directly and indirectly. The surf industry is diverse, including surfing events, major surfing brand retailers, niche surf equipment designers, manufacturers and retailers, home based surfing businesses, surf schools and clubs.

The surf industry supports around one quarter of the Shire's industry value added $217.0 million and local jobs 2,034 FTE[5] jobs making it a vital component of the surf coast economy.

Surfing is a major economic contributor to the Surf Coast Shire. There may be further opportunities to grow the surf industry in the Surf Coast through an enhanced ANSM product / experience.

3.9. THE SOCIAL VALUE OF SURFING

The Surf Coast Shire in conjunction with Victoria University conducted a study[6] exploring the impacts of surfing at a social level and the key social values that are held by the surfing community. Some key themes from the research included the high social value surfing has for people, including strengthening family and social relationships, social connections, creating a sense of community, creating a connection to the environment and promotion of a healthy lifestyle.

Research into the social value of surfing has reinforced the significance of surfing beyond economic value.

3.10. SURF CENTRE OF EXCELLENCE

The Surf Centre of Excellence is an initiative of the Committee for Geelong Leaders for Geelong Program and Surfing Victoria. Work has been undertaken to explore the opportunity available to the Geelong and Surf Coast region to leverage the existing surfing industry to create a world class Surf Centre of Excellence (SCE).

A key component of the SCE is to bring together knowledge to enhance the performance of the individual surfer together in a coordinated way with other community organisations.

The focus of the SCE is to build collaborative relationships to develop innovation through research and strengthen industry capability through excellence in training and development. The concept is about taking a leadership role, connecting knowledge and infrastructure to provide a significant and positive impact on the surfing industry and wider community.

There may be an opportunity for the project to tap into the opportunity for development of a world class Surf Centre of Excellence, to strengthen the surfing community and industry in the region.

[5] REMPLAN (2014), Department of Employment (2014), AEC.

[6] Beyond the Waves: Exploring the social value of surfing to the Surf Coast Community. Surf Coast Shire & Victoria University – Sam Suendermann, Oct 2015

4. SPATIAL CONTEXT

4.1. INTRODUCTION

This section of the report provides a high level overview of the spatial context of the project, including an overview of the Great Ocean Road region and Torquay in the context of this project and the potential spatial implications for the project.

4.2. KEY FINDINGS

Torquay is positioned in a strategic location at the gazetted start of the Great Ocean Road and is a highly serviced town for tourism, including tourism product, amenity and accommodation. Currently, Torquay is bypassed as the start of the Great Ocean Road by many touring visitors due to the introduction of the Geelong Bypass. This is anecdotally supported by Surf City retailers who have noted a 10% reduction in sales since the introduction of the bypass.

Torquay is the eastern bookend town of the Great Ocean Road region and is fundamentally engrained with surfing and surfing culture.

This project may provide opportunity to take a high level strategic approach to the future of the ANSM to assess its potential within the broader tourism context, including regionally through linkages with the Great Ocean Road Region and locally, through surfing.

4.3. THE GREAT OCEAN ROAD REGION

Figure 4 on page 16 provides a spatial overview of the GOR region in the context of this project. The Great Ocean Road Region is comprised of the municipalities of Surf Coast, Colac Otway, Corangamite, Moyne, Warrnambool and Glenelg. Within this region, the Surf Coast Shire is located at the far eastern end of the region.

The Great Ocean Road region is Victoria's largest tourism region and the Great Ocean Road is one of the world's most scenic coastal drives. The region is rich in a diversity of tourism offerings including nature based experiences, touring routes, coastal and inland towns, history and heritage, food and wine, adventure, walking, cycling and events. Key attractions include include the 12 Apostles, the Bay of Islands, the Great Ocean Walk, Bells Beach, Cape Otway, Tower Hill Wildlife Reserve and Flagstaff Hill Maritime Village.

There is limited on ground interpretation of the Great Ocean Road region for visitors touring the region, particularly in the eastern portion of the region. The Surf Coast region has four Visitor Information Centres (VICs), located in Torquay, Anglesea, Lorne and Winchelsea. The Lorne VIC includes a static display telling the story of the construction of the Great Ocean Road.

Torquay marks the official gazetted start of the Great Ocean Road. However, the construction of the Geelong Ring Road has caused many touring visitors to bypass Torquay and start their journey on the Great Ocean Road in Anglesea. Discussions with retailers from the Surf City precinct in Torquay anecdotally suggest that this has caused a 10% reduction in sales revenue, which is likely due to a reduction in incidental touring visitation revenue. This is supported by previous research[7] that revealed only 34% of visitors associated Torquay with being the start of the GOR and a further 44% didn't know where the GOR started.

This is further anecdotally exampled by many visitors associating the historical marker in Eastern View as the start of the Great Ocean Road, as shown in Figure 3.

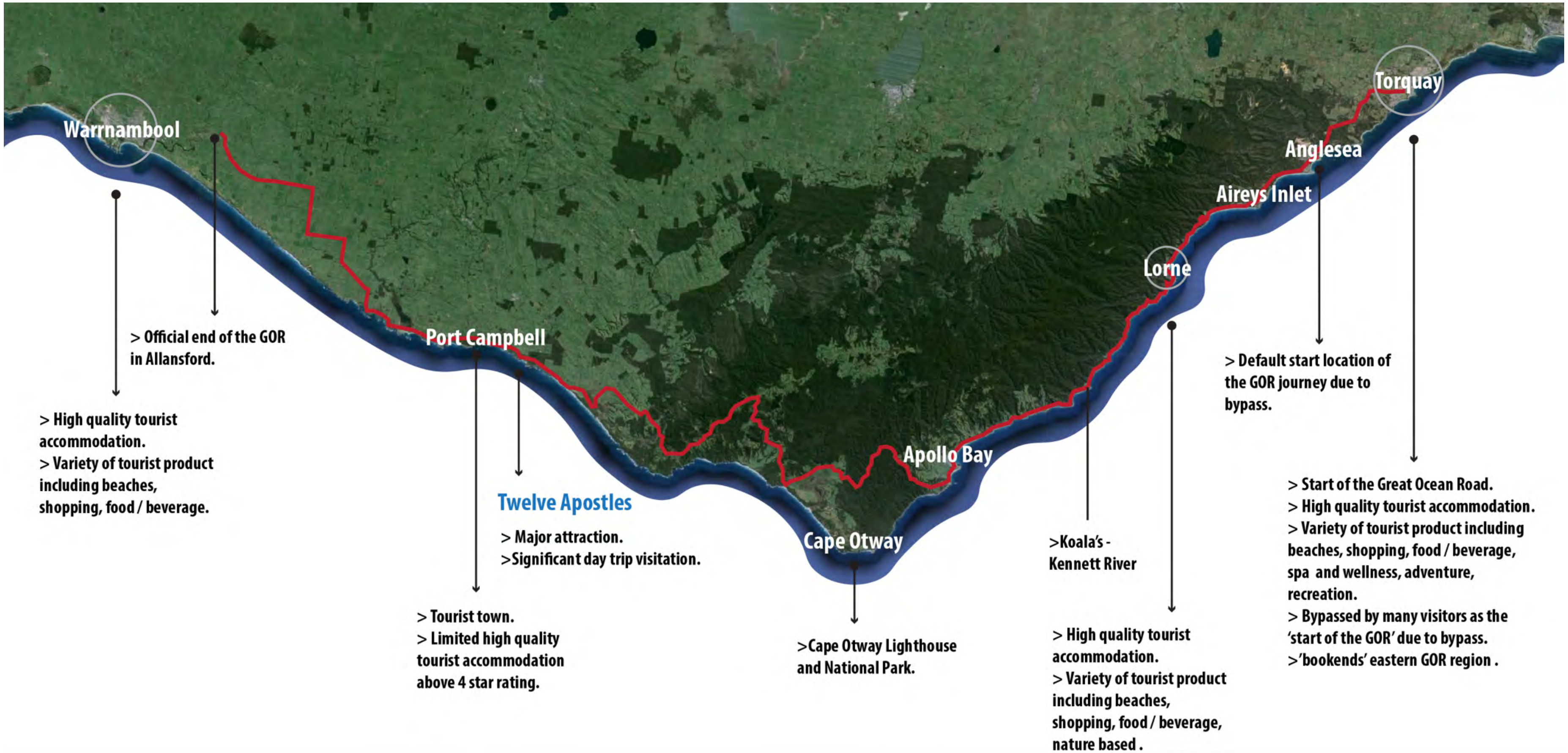
FIGURE 3 GREAT OCEAN ROAD HSITORICAL MARKER

Image: Bobak

This project may provide opportunity to re-establish Torquay as the start of the Great Ocean Road in the eye of the touring visitor, enabling the capture of economic development opportunities not only for Torquay and the Surf Coast Shire, but for the Great Ocean Road Region. This could be achieved through the dissemination of information to the touring visitor, beginning their journey on the Great Ocean Road.

[7] IER –Australian Surf Capital Project - Visitor Market Research, 2013

FIGURE 4 GREAT OCEAN ROAD REGION – HIGH LEVEL SPATIAL ANALYSIS



4.4. TORQUAY

Figure 5, on the following page, provides a spatial overview of Torquay from a high level tourism perspective. The coastal town of Torquay is located approximately 1.5 hours drive from the Melbourne CBD. Torquay is a town that's affiliated with surfing and surf culture, through Bells Beach, the birthplace of iconic surf brands Rip Curl and Quiksilver, the ANSM, Rip Curl Pro and Surf City.

Torquay is a highly serviced town for tourism. **Previous research**[8] shows that Torquay is heavily associated as a beach/ocean and surf/surfing destination, with the beach being one of the biggest drivers of visitation. There are a variety of tourism activities on offer in Torquay include the beach, dining out, shopping, recreational activities (walking, cycling, swimming, golf), adventure activities (skydiving, surfing). Torquay is complemented by a diverse range of tourist accommodation.

Torquay is also the eastern bookend of the Great Ocean Road Region and marks the official start of the Great Ocean Road. The official start of the Great Ocean Road is located near the Torquay Common and Spring Creek. Torquay Common is used for events such as the Night Jar independent artists' festival in January and the Sustainable Hook and Vine Festival sustainable goods market, held in April. **Previous research**[9] revealed that only 34% of visitors associated Torquay with being the start of the GOR and a further 44% didn't know where the GOR started.

Torquay is also a key starting destination of the South Coast Walk, which runs along the Torquay coastline, connecting Torquay to Bells Beach and beyond to Anglesea and Aireys Inlet.

[8] IER –Australian Surf Capital Project - Visitor Market Research, 2013

[9] IER –Australian Surf Capital Project - Visitor Market Research, 2013

[10] AEC Group – Economic Value of the Surf Industry to the Surf Coast – Surf Coast Shire 2014

SURFING

Surf experiences form a core component of the Torquay tourism experience, both directly for many visitors but also indirectly.

Surf experiences include surfing, the surf city precinct, surf culture (including community values, fashion, music), ANSM, surfing events (Rip Curl Pro), Bells Beach, major surf brands and retailers, surf schools, and surfing photography galleries.

The annual Rip Curl Pro event is a significant attraction for both local and international surf fans and competitors, with upwards of 35,000 visitors attending over the week and a half long event[10]

BELLS BEACH

Bells Beach is largely regarded as the home of Australian Surfing, hosting the annual Rip Curl Pro and other major surfing events. Bells Beach is a unique coastal environment and strategy[11] aims to respect and protect the natural environment, indigenous heritage and surfing culture of the beach.

Bells Beach features as one of Australia's top surfing beaches in Australia's tourism marketing site, Bells Beach is listed as one of seven top surfing beaches in Australia. The other surf beaches include Cabarita Beach, NSW, Manly, NSW, Noosa Heads, QLD, The Superbank, Snapper Rocks, QLD, Pambula Rivermouth, NSW and North Narrabeen, NSW[12].

Bells Beach is included on the Victorian Heritage Register because of its social and historical significance to the State of Victoria. The following is an extract from the Register:

"Bells Beach Surfing Recreation Reserve is a landscape that is socially significant as an international icon of Australian surfing culture. Bells Beach Surfing Recreation Reserve is socially and historically significant

[11] Bells Beach Surfing Recreation Reserve Coastal Management Plan 2015-2025 – Surf Coat Shire

[12] http://www.australia.com/en/things-to-do/aquatic/most-visited-surfing-beaches.html

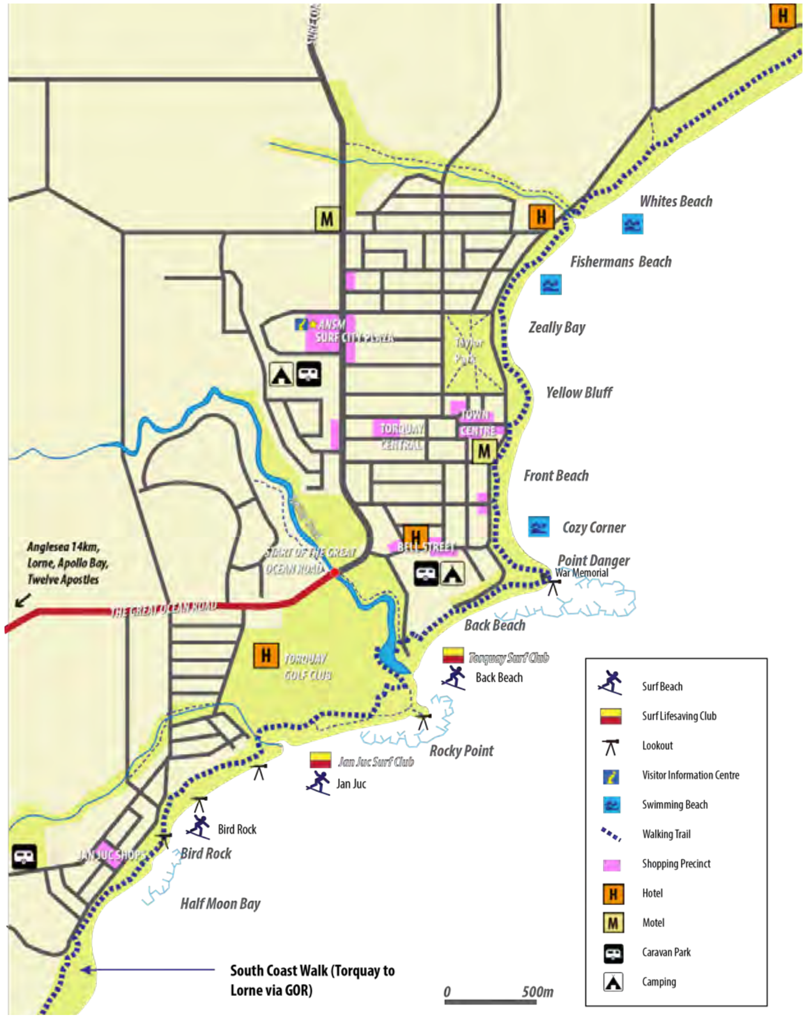
as the location of the world's longest continuous running surf competition. The Bells Beach Easter competition has world-renown and in terms of prestige and aura is often referred to as "the Wimbledon of surfing. Bells Beach Surfing Recreation Reserve has historic significance to the development of surfboard and wetsuit technology. The Bells Beach conditions led to important developments in the surfing industry which now makes the nearby town of Torquay the home to the multi-million dollar surf manufacturing industry, and the site of the headquarters of major surfing companies."[13]

SURF CITY

Surf City retail precinct together with Baines Crescent Business Estate is a cluster of surf industry related businesses. The precinct contains the global headquarters of Rip Curl and the Asia Pacific headquarters of Quiksilver. The precinct is supported by an extensive cluster of smaller surf retail, wholesale, design and manufacturing businesses. Surfing Victoria is also located in the Surf City precinct as well as the ANSM and Visitor Information Centre. The Surf City/ Baines Crescent precinct attracts over 1 million visits annually and provides a major tourist attraction for Torquay.[14]

Torquay is a highly serviced town for tourism purposes, with key tourism marketing strengths in both surfing and its associations with the Great Ocean Road region. There may be opportunity to leverage these key themes through options for an enhanced ANSM concept / product experience.

FIGURE 5 TORQUAY – SPATIAL TOURISM ANALYSIS



[13] http://vhd.heritagecouncil.vic.gov.au/places/12711

[14] Economic Value of the Surf Industry to Surf Coast Shire – Surf Coast Shire Council / AEC Group - 2014

5. CASE STUDIES

5.1. INTRODUCTION

This section provides a case study assessment of a select number of museums / attractions to provide a benchmark with ANSM of product, visitor experience, visitation, performance indicators and success factors. The case studies analysed include:

- Australian National Maritime Museum (ANMM);
- Melbourne Museum;
- Phillip Island Nature Parks;
- National Sports Museum (NSM);
- Scienceworks;
- Sovereign Hill.

Details of each case study can be found in Appendix A. The results of the assessment of the case studies are included in this section to provide a summation of key findings from the case studies.

5.2. KEY FINDINGS

Attractions that are experiential, unique, interactive and authentic are seeing growth in visitation and there appears to be movement away from purely museum experiences.

The analysis has also revealed that regional Victorian experiential attractions capture a higher proportion of visitation when compared to more urbanised 'museum' focussed attractions. This will have implications for the potential future options of ANSM.

A comparison of ticket pricing of ANSM with the case study attractions reveals that the ANSM is potentially priced too highly, particularly when compared to the cost of admission to the Australian National Maritime Museum (free admission), Melbourne Museum ($14 adult ticket) and Scienceworks ($14 adult ticket). Many of the case study attractions also have a base fee, which is the admission price, plus value add products which are charged at an additional cost to admission. This is the case for Sovereign Hill, Phillip Island Nature Parks, ANMM and the NSM.

These results highlight the need to broaden the offer of ANSM if it were to become a must do attraction. This may involve a re-positioning of the attraction as a 'museum' or the museum being one component of a potential hub of complementary uses and experiences.

The international surfing museums are of a similar scale to ANSM and the museums have a connection to surfing in their local area. Notably, there was no large scale internationally recognised surfing museum identified.

5.3. SUMMARY OF CASE STUDIES

Table 3 provides an overview of the case study museum / attractions. The case studies are primarily from within Victoria, with the exception of the Australian National Maritime Museum, which is in Sydney. National case studies have been selected to provide a more localised context of current major museums and attractions.

This allows for a comparison of ANSM against local museums in terms of visitation, operational structure and costs, ticket pricing, revenue and visitor experience.

TABLE 3 SUMMARY OF CASE STUDIES

ATTRACTION	VISITOR EXPERIENCE	LOCATION	VISITATION 2015	ADULT TICKET PRICE (BASIC TICKET)	ANNUAL REVENUE	TRIP ADVISOR RATING
Australian National Maritime Museum	Heritage vessels, exhibitions and permanent displays, Action Stations (immersive experience), visitor voyages, education, travelling programs, venue hire.	Darling Harbour, Sydney	476,436	$30.00	$7.5 million	Excellent: 57% Very Good: 35%
Melbourne Museum	The Melbourne Museum offers different experiences across the different attractions within the Museum as well as exhibitions and screenings at IMAX.	Carlton Gardens, Melbourne	828,379	$14.00	-	Excellent: 61% Very Good: 31%
Phillip Island Nature Parks (Penguin Parade)	Nature based experiences across different attractions including the Penguin Parade, Wild Ocean EcoBoat Tours, Koala Conservation Centre and Churchill Island Heritage Farm.	Phillip Island, Victoria	607,888	$25.10	$22.3 million	Excellent: 60% Very Good: 24%
National Sports Museum	Sporting information displays and memorabilia, cultural heritage and interactive entertainment. Can be combined with tours of the MCG.	MCG, Melbourne	150,000	$23.00	$3.4 million	Excellent: 69% Very Good: 27%
Scienceworks	Scienceworks is a science and technology museum, featuring interactive exhibition galleries, the Melbourne Planetarium and Lightning Room.	Melbourne	486,938	$14.00	-	Excellent: 49% Very Good: 40%
Sovereign Hill	Sovereign Hill re-creates Ballarat's first ten years after the discovery of gold in 1851. Sovereign Hill includes day and night time experiences as well as paid tours and attractions.	Ballarat	512,751 (daytime visitors)	$54.00	$26 million	Excellent: 61% Very Good: 28%

Source: Various sources used. Refer to Appendix A for sources of each case study museum / attraction

5.4. VISITOR EXPERIENCE

The case study analysis has revealed that the majority of high visitation museums / attractions offer the visitor an engaging experience rather than static displays and interpretations of information. This includes tours, interaction with live events (Penguin Parade, Sovereign Hill), special exhibitions and hands on experiences. Unique experiences that allow the visitor to engage with the attraction are a key component to their visitor experience.

These attractions are generally reviewed and ranked very favourably on trip advisor, with the majority being ranked as either excellent or very good.

5.5. VISITATION

COMPARISON OF VISITATION

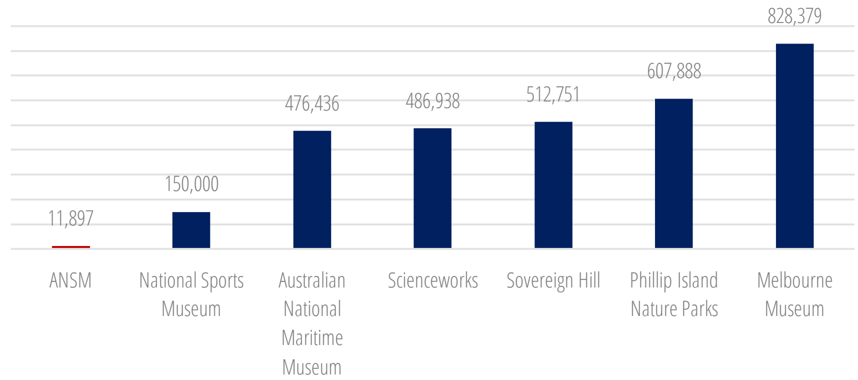
The case study attractions are attracting visitors from 150,000 (National Sports Museum) to 828,000 (Melbourne Museum). Figure 6 shows the case study visitation in comparison to ANSM. The chart shows that the Australian National Maritime Museum, Scienceworks and Phillip Island Nature Parks are receiving comparatively similar levels of visitation, whist Melbourne Museum attracts almost a million visitors annually. The case study museums / attractions are all larger in scale than the ANSM, with the possible exception of the National Sports Museum.

The graph also potentially reveals the relationship between the product offer and visitor numbers. The National Sports Museum (NSM) in Melbourne attracts 150,000 visitors per year. Although the museum covers a variety of national sports, it may still be considered a niche museum with its sole focus on sport. The same could be the said for the ANSM. The NSM also has the added bonus of being able to draw on metropolitan markets and leveraging off visitation to the MCG for sporting events.

Further, the NSM is located in the MCG. In 2014/15 the MCG attracted 3.2 million visitors for sporting events, which means the National Sports Museum captured approximately 4.5% of visitors to the MCG for sporting events. This may demonstrate the difficulties in capturing incidental visitation when people are visiting for a specific purpose.

The case study attractions which are primarily experience based show the highest levels of visitation, this is particularly relevant for Sovereign Hill and Phillip Island Nature Parks, which are in regional locations and not reliant on large metropolitan catchments as is the case with the Melbourne Museum.

FIGURE 6 COMPARISON OF VISITATION – 2014/15



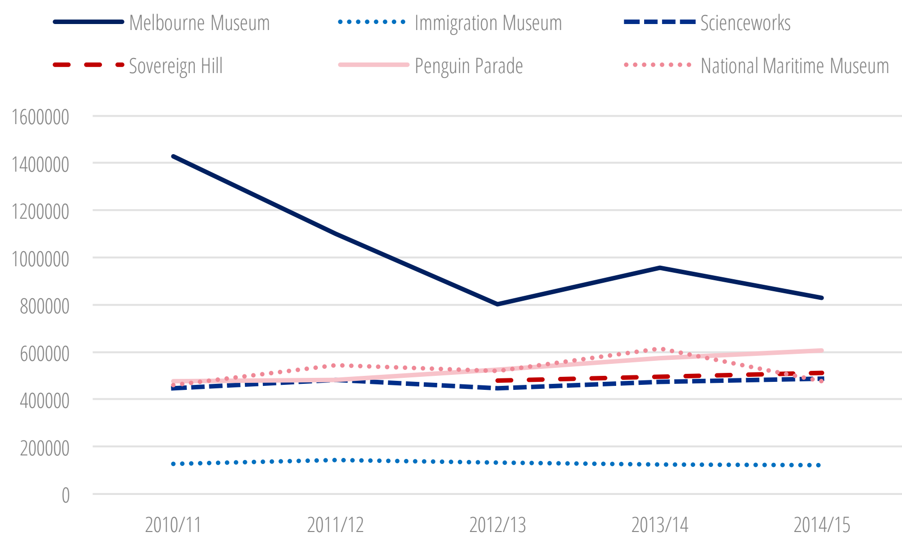
Source: Various sources, see Appendix A for details.

5.5.1. TRENDS IN VISITATION

Utilising the 5 -year visitation figures for the Melbourne Museum, the Immigration Museum (not included as a case study, but used for visitation purposes) and Scienceworks, it is evident that visitation to Melbourne Museum has generally been declining over the past five years with visitation to the immigration museum remaining constant and visitation to Scienceworks showing some growth as shown in Figure 7. Visitation to the National Maritime Museum has shown slight growth over the 5-year period. It is interesting to note that the Melbourne Museum is experiencing significant decline in visitation, given the significant resourcing, scale, location and rolling exhibitions held at Melbourne Museum. This being said, visitation may be showing some signs of steadying at around 850,000 to 900,000 visitors over the last 3 financial years.

In contrast to this, visitation to Penguin Parade has shown consistent growth over the past 5 years, whilst visitation to Sovereign Hill has shown consistent growth over the past 3 years. This may demonstrate that attractions with more experience based activities are experiencing steady growth in visitation, while museum style attractions have either steady or declining visitation.

FIGURE 7 VISITATION 2010/11 – 2014/15



Source: Visitation sourced from Annual Reports of various attractions

5.6. ANSM WITHIN A VICTORIAN ATTRACTION VISITATION CONTEXT

Figure 8 provides a spatial analysis of a sample of Victoria's key ticketed regional visitor attractions. The map shows the approximate proportional annual visitation to each attraction.

The map shows that the regional ticketed attractions with the largest visitor numbers are located between 1 and 2 hours from the Melbourne CBD including Phillip Island Nature Parks, Peninsula Hot Springs, Sovereign Hill and Puffing Billy. ANSM fits within this easy daytrip range from Melbourne.

On the other hand, the attractions that are further from Melbourne, including Port of Echuca, Pioneer Settlement and Flagstaff Hill have lower levels of visitation.

TABLE 4 VIC. ATTRACTIONS APPROXIMATE VISITATION

ATTRACTION	VISITATION (APPROX.)
Phillip Island Penguin Parade	600,000
Sovereign Hill	500,000
Peninsula Hot Springs	450,000
Puffing Billy	350,000
Port of Echuca Discovery Centre	55,000
Flagstaff Hill	55,000
Pioneer Settlement	50,000
ANSM	12,000

FIGURE 8 ANSM WITHIN A VICTORIAN ATTRACTION VISITATION CONTEXT

Source: Base aerial – Google Maps, 2016 – Red circles indicate proportional levels of visitation

The analysis shows that visitation to ANSM is significantly lower than other Victorian attractions, including attractions like Pioneer Settlement, Port of Echuca and Flagstaff Hill, which are located considerably further from major visitor markets than ANSM. This suggests that the product and or experience is not currently compelling to achieve higher levels of visitation. However, ANSM is positioned strategically well in terms of its location and provides an opportunity to draw on large tourist visitation markets out of Melbourne and those touring the Great Ocean Road.

5.7. CAPTURE RATES

The following provides an analysis of the capture rates of the case study attractions in relation to total visitation from their respective regions (excluding the National Sports Museum, which is based on visitation to the MCG), and compares this to the capture rate of ANSM. This analysis includes three additional attractions for comparison, including the Port of Echuca Discovery Centre in Echuca, Pioneer Settlement in Swan Hill and Flagstaff Hill in Warrnambool.

The Melbourne Museum, Scienceworks and National Maritime Museum are excluded from this analysis as they are likely drawing on large metropolitan markets in addition to tourist visitation. The National Sports Museum has been included in the analysis, however, the visitation market utilised is total visitation to the MCG for sporting events. Still caution needs to be taken when interpreting this data.

Table 5 shows that the large, experiential based attractions in Sovereign Hill and Phillip Island Nature Parks capture 20% - 30% of the visitor market to their respective regions. Pioneer Settlement in Swan Hill also captures a high proportion of the total visitor market, at around 17%.

Comparatively, ANSM is capturing a low proportion of total visitation to Torquay when compared to other attractions. There is opportunity to increase its capture of visitation through an enhanced ANSM. Increased capture of visitation is likely to differ depending on the future options for the facility and the range of market appeal for each option.

Both the Port of Echuca Discovery Centre and Flagstaff Hill have a similar regional visitation base to Torquay. These attractions are capturing approximately 6% - 7% of visitation to their respective attractions.

TABLE 5 ESTIMATED CAPTURE RATES

	TOTAL VISITATION (14/15)	TOTAL VISITATION (14/15)	VISITATION REGION	CAPTURE RATE
Sovereign Hill	512,751	2,487,765	Ballarat	20.6%
Phillip Island Nature Parks	607,888	1,810,391	Phillip Island	33.6%
National Sports Museum	150,000	3,229,000	MCG Visitation	4.6%
Port of Echuca Discovery Centre	56,000	822,956	Echuca / Moama	6.8%
Pioneer Settlement	50,000	292,363	Swan Hill	17.1%
Flagstaff Hill	57,000	892,723	Warrnambool	6.4%
ANSM	11,897	759,011*	Torquay	1.6%

*Visitation to Torquay is for the 2015 Calendar Year

Source: Visitation data sourced from Tourism Research Australia, IVS and NVS, 204/15 Financial Year – Data sourced for MCG Visitation from MCG Trust Annual Report, 2014/15

5.8. TICKET PRICING

Table 6 shows a comparison of ticket prices of the ANSM and case study museums / attractions. Ticket prices shown are the base ticket prices for the attractions. Many offer value add tickets that include additional access to tours and attractions.

The ANSM has the second lowest adult ticket price behind the Australian National Maritime Museum, which is free.

Scienceworks, Melbourne Museum and the Australian National Maritime Museum offer free entry to children. Scienceworks and Melbourne Museum make money through their ticketed exhibitions (i.e. the current Jurassic World exhibit at Melbourne Museum) and paid components of the attractions (i.e. the planetarium at Scienceworks).

Sovereign Hill has the highest ticket entry cost at $54 for an adult and $24.50 for a child.

TABLE 6 COMPARISON OF TICKET PRICING

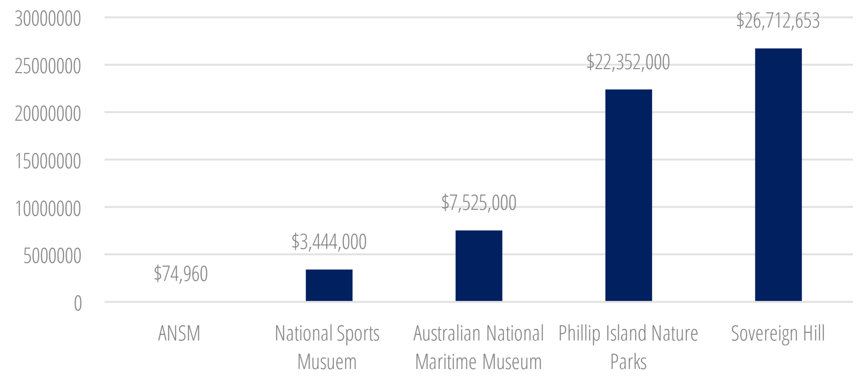
	ADULT	CHILD	FAMILY
Sovereign Hill	$54.00	$24.50	$136.00
Phillip Island Nature Parks	$25.10	$12.50	$62.70
National Sports Museum	$23.00	$12.00	$55.00
Scienceworks	$14.00	Free	-
Melbourne Museum	$14.00	Free	-
ANSM	$12.00	$8	$25
Australian National Maritime Museum	Free	Free	Free

Source: Various sources used. Refer to Appendix A for sources of each case study museum / attraction.

5.9. TICKET REVENUE

Figure 9 shows a comparison of revenue between the ANSM and other case study attractions. Revenue data for Melbourne Museum and Scienceworks is only available for Museum Victoria and is not separated into individual attractions, it is therefore not included in the analysis. The graph provides some interesting insights into ticket revenue for the case study attractions. ANSM is clearly significantly underperforming against the case study attractions. The National Sports Museum has the lowest revenue of the case studies, followed by the Australian National Maritime Museum. The two case study attractions which are positioned as 'museums' have the lowest revenue. Conversely, Phillip Island Nature Parks and Sovereign Hill, which are primarily experience based attractions have the higher revenue of the case studies.

FIGURE 9 COMPARISON OF ANNUAL REVENUE FROM ADMISSION & SALE OF GOODS



Source: Various sources used. Refer to Appendix A for sources of each case study museum / attraction

5.10. ORGANISATIONAL STRUCTURE

The organisational structure is varied across the case study museums / attractions. The following provides a summary of the organisational structure of the musuems / attractions:

- The Australian National Maritime Museum (ANMM): Commonwealth Government agency, goverened by a Council in accordance with the Australian National Maritime Museum Act. A director of the museum sits under the ANMM Council. The Director is a member of the Council and CEO.
- Melbourne Museum & Scienceworks: Melbourne Museum and Scienceworks is a part of Museum Victoria, the state museum for Victoria and Australia's largest public museum organisation. Museum Victoria is governed by Museums Board of Victoria, a statutory body established under the Museums Act 1983. Museums Board of Victoria is responsible for the good management of Museum Victoria and is directly accountable to the Government of Victoria, through the Minister for the Arts.
- Phillip Island Nature Parks: A non-for profit organisation, which invests profit from ecotourism activities into conservation, research and education programs. The Nature Parks is overseen by a Board of Management appointed by the Victorian Minister for Environment, Climate Change and Water. The Nature Parks reports to the Department of Environment, Land, Water and Planning.
- National Sports Museum (NSM): The NSM is run by the Melbourne Cricket Ground in partnership with the Melbourne Cricket Club and is supported by the Australian Government, through funding from the Department of Health and Ageing.
- Sovereign Hill: Sovereign Hill is a not-for-profit, community based, cultural tourism organisation administered by The Sovereign Hill Museums Association. The Association is controlled by a Board, which is elected by members of the Association, and serves in a voluntary capacity. The Board's responsibilities include the appointment of the Chief Executive Officer, who is responsible for managing Sovereign Hill.

The case studies show that the larger attractions / museums are primarily not for profit organisations, governed by a board, many of which receive annual state government funding, including the ANMM, Melbourne Museum & Scienceworks and NSM.

5.11. INTERNATIONAL SURFING MUSEUMS

This section provides an identification of other surfing museums around the world to compare product offer and visitation potential.

5.11.1. HUNTINGTON BEACH INTERNATIONAL SURFING MUSEUM - CALIFORNIA

The Huntington Beach International Surfing Museum was founded in 1988 by Natalie Kotsch. The museum includes the paddleboard designed in 1935 by surfing innovator Tom Blake, as well as the world's largest surf board.

The museum is open six days a week. The museum is open on Wednesday to Sunday from 12pm to 5pm, Tuesday from 5pm to 9pm and is closed on Monday. Admission to the museum is $2 USD.

5.11.2. CALIFORNIA SURFING MUSEUM

Architect Stuart Resor established the California Surf Museum in 1986. The museum actively preserves surfing heritage with its collection of antique artefacts, trophies, surf boards, magazines and exhibitions. The museum estimates 500,000 visitors over a 25-year period, which equates to an annual average of 20,000 visitors.

The California Surfing Museum is open every day from 10am to 4pm. Admission is $5 USD for adults and is free to enter for children.

5.11.3. SANTA CRUZ SURFING MUSEUM

The Santa Cruz Surfing Museum overlooks the Santa Cruz hotspot Steamer Lane. The Museum includes photographs, surfboards from 100 years of surfing history within Santa Cruz. The museum shop specialises in surfing books and other surfing related items.

The major advantage of this museum is the location and aspect. The building has expansive views of the beach. The museum is located in the Santa Cruz lighthouse. The museum is open daily (excluding Wednesdays) from 10am to 5pm during the summer months and 12pm to 4pm daily (excluding Tuesday and Wednesdays) during the winter months.

International case study surfing museums show that the museums are relatively comparable to ANSM in terms of scale and product offer.

There was no international large scale surfing museum identified.

6. VISITOR MARKETS

6.1. INTRODUCTION

This section of the report provides an overview of the visitation context and visitor markets to Torquay, the Surf Coast Shire and the Great Ocean Road region.

This section of the report utilises customised access to Tourism Research Australia's National Visitor Survey (NVS) and International Visitor Survey (IVS) to provide a summary of the visitor market.

NATIONAL VISITOR SURVEY (NVS)

The National Visitor Survey (NVS) is Australia's primary measure of domestic tourism activity, being the major source of information on the characteristics and travel patterns of domestic tourists.

Domestic day trip visitors: Those who travel for a round trip distance of at least 50 kilometres, are away from home for at least 4 hours, and who do not spend a night away from home as part of their travel. Same day travel as part of overnight travel is excluded.

Domestic overnight visitors: People aged 15 years and over who undertake an overnight trip of one night or more and at least 40 kilometres away from home are referred to as overnight visitors. Only those trips where the respondent is away from home for less than 12 months are in scope of the NVS.

INTERNATIONAL VISITOR SURVEY (IVS)

The International Visitor Survey (IVS) represents the most comprehensive source of information on international visitors to Australia. It has been operating since the early 1970s and is jointly funded by the Australian, state and territory Governments under the guidance of the Australian Standing Committee on Tourism (ASCOT).

International visitor: A person is defined as an international visitor to Australia if they are currently a resident overseas, have been in Australia for less than one year and are aged 15 years or over.

It should be noted that the IVS does not include daytrips undertaken by international visitors. Therefore, international visitation is likely to be underrepresented in the data.

6.2. KEY FINDINGS

Visitation to the Great Ocean Road region, Surf Coast Shire and Torquay has been growing over the past five years, with the Great Ocean Road region as a whole recording over 4.8 million visitors in 2015.

There is opportunity for ANSM to leverage off the growing visitation to the region and for the ANSM to provide a prominent reason for visitors to start their journey on the Great Ocean Road in Torquay.

The primary visitor market is the holiday and leisure market, however, given Torquay's growth in the residential sector, the VFR market is also a significant market for visitation to Torquay, particularly for domestic overnight visitors. Capturing the VFR market may pose challenges for an enhanced ANSM. Providing a diversified product offer may broaden the market appeal.

Profiling key activities undertaken by visitors clearly shows Torquay's and the Surf Coast's prominence as a beach destination. Further, surfing is a popular activity for visitors to Torquay and the Surf Coast Shire, when compared to the activity profile of visitors to Great Ocean Road. The beach is a clear drawcard for visitors to Torquay, particularly in the summer months. Providing an attraction which leverages off the beach market but can also draw visitation during the colder months may be an opportunity for an enhanced ANSM concept.

There is clearly varying market segments between international and domestic overnight visitors. For the domestic overnight market, adult couples, family groups and friends or relatives traveling together are key visitor markets to Torquay. Whilst, for international visitors, the key markets include adult couples and unaccompanied travellers. An enhanced ANSM may need to appeal to multiple market segments in order to gain wider market traction.

It is clear that ANSM is not capturing a large portion of the visitor market, capturing only 0.2% of visitors to the GOR region, 0.6% of visitors to the Surf Coast Shire and 1.6% of visitors to Torquay. Further, the museum is only capturing 11.9% of visitors to the visitor information centre and approximately 1.2% of visitors to Surf City. This is reinforced by ANSM's comparatively lower levels of visitation with other Victorian attractions including attractions like Pioneer Settlement, Port of Echuca and Flagstaff Hill, which are located considerably further from major visitor markets than ANSM.

ANSM's low visitor capture rate shows that it does not currently have significant visitor market appeal.

Generally, domestic visitors have a low propensity to visit museums and/or art galleries. However, over 50% of international visitors are likely to undertake this activity. This demonstrates that a traditional museum product is unlikely to gain traction with the domestic visitor market. In order to have broader market appeal, the ANSM will need to offer more than a traditional museum style experience.

Given the high levels and strong growth in visitation over the past 5 years and the high proportion of holiday and leisure visitors to the region, there is opportunity to broaden the market appeal of the ANSM and create a 'must do' attraction for visitors to the Great Ocean Road region.

6.3. REGIONAL VISITATION OVERVIEW

Torquay, the Surf Coast Shire and the Great Ocean Road region are significant tourist destinations for domestic and international visitors. In 2015 the Great Ocean Road region attracted 4.8 million visitors. As daytrip international visitation is not included in the IVS, international daytrips are estimated at 500,000 through previous research published in the *Strategic Masterplan for the Great Ocean Road Region*[15].

Surf Coast Shire attracted 1.8 million visitors in 2015, 55% of which were daytrip visitors, 43% domestic overnight visitors and 2% international visitors.

Torquay attracted 759,011 visitors in 2015, 53% of which were domestic daytrip visitors, 45% overnight visitors and 2% international visitors.

TABLE 7 REGIONAL VISITATION OVERVIEW 2015

	TORQUAY	%	SURF COAST SHIRE	%	GOR REGION	%*
Domestic Daytrip Visitors	400,147	53%	1,009,131	55%	2,684,380	56%
Domestic Overnight Visitors	344,436	45%	802,432	43%	1,972,224	41%
International	14,428	2%	39,749	2%	147,227	3%
-	-	-	-	-	500,000	-
	759,011	100%	1,851,312	100%	5,303,831	100%

Source: Tourism Research Australia, NVS & IVS, 2015

* Percentage calculations for GOR region do not include daytrip visitors as they are for comparison purposes with Surf Coast Shire and Torquay which exclude International Daytrip Visitor Numbers.

[15] *Strategic Masterplan for the Great Ocean Road Region* p.20

There is a significant visitor market to Torquay, the Surf Coast and the Great Ocean Road providing a large visitor market base for potential attractions and product to draw on. Significantly, the overnight market makes up almost half of total visitation to Torquay. This provides opportunity for night time experience product to complement the daytime attractions in Torquay including the beach, nature based attractions, shopping and adventure.

6.4. DOMESTIC DAYTRIP VISITORS

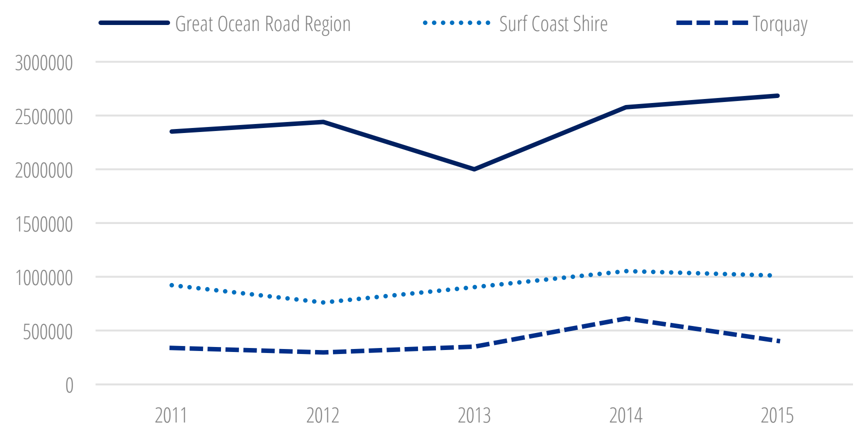
Domestic daytrip visitation to the the Great Ocean Road Region, Surf Coast Shire and Torquay has been sporadic, however, has generally shown growth over a five-year period, as shown in Figure 10.

Table 8 provides a market summary of the domestic daytrip market. The domestic daytrip market is a significant contributor of total visitation. The domestic daytrip market to Torquay is primarily a holiday and leisure market, for which most people visit to go to the beach. This shows the significance of the beach and beach related activities in Torquay.

Torquay also has a higher proportion of domestic day trip visitors undertaking surfing, when compared to the Surf Coast Shire and GOR region.

Melbourne is the primary market base for domestic daytrip visitors to Torquay, which is greater than both the Surf Coast Shire and GOR region.

FIGURE 10 DOMESTIC DAYTRIP VISITATION 2011 – 2015



Source: Tourism Research Australia, NVS, 2015

TABLE 8 DOMESTIC DAYTRIP VISITOR MARKET SUMMARY

	TORQUAY	SURF COAST SHIRE	GOR REGION
VISITATION			
Visitation 2015	400,147	1,009,131	2,684,380
PURPOSE OF VISIT			
Holiday	68%	69%	60%
VFR	27%	22%	24%
KEY ACTIVITIES			
Go to the beach	70%	61%	34%
Surfing	12%	8%	4%
Go shopping for pleasure	27%	19%	23%
Sightseeing / Looking around	18%	26%	21%
Eat Out – Restaurant / Cafe	47%	49%	44%
Visit museums or art galleries	0%	1%	1%
VISITOR ORIGIN			
Melbourne	76%	69%	39%

Source: Tourism Research Australia, NVS, 2015 – Note: not an exhaustive list under each category therefore percentages may not equal 100%

6.5. DOMESTIC OVERNIGHT VISITORS

The domestic overnight visitor market has experienced steady growth from 2012 to 2015 to the Great Ocean Road region, Surf Coast Shire and Torquay, as shown in Figure 11.

Table 9 provides a market summary of the domestic overnight market. Almost 350,000 domestic overnight visitors visited Torquay in 2015. Over the past five years on average 69% were visiting for holiday and leisure purposes. The holiday and leisure market is larger for the Surf Coast Shire, when compared to Torquay and the GOR region.

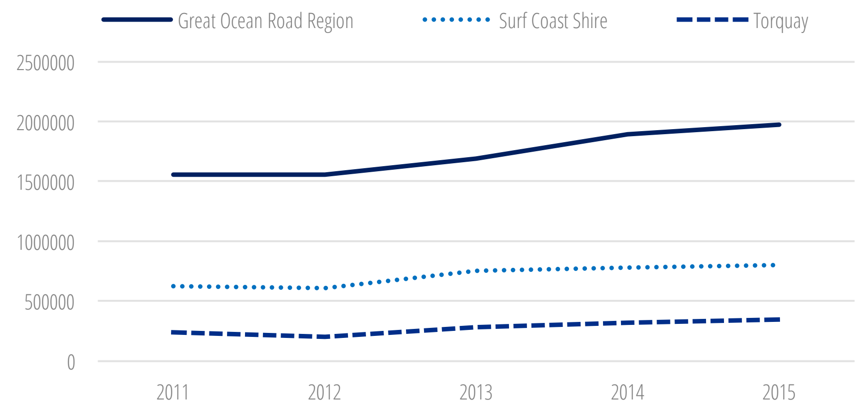
Going to the beach is a primary activity for domestic overnight visitors, with 71% undertaking this activity in Torquay and the Surf Coast Shire and 53% in the GOR region. Surfing is a popular activity in the region, particularly in Torquay (14% visitors) and the Surf Coast (10% visitors). Approximately 7% of visitors to Torquay visit museums or art galleries, compared to 5% on the Surf Coast an 6% in the GOR region. Other popular activities include sightseeing / looking around, going shopping for pleasure and eating out at restaurants/cafes.

Melbourne is the primary domestic overnight visitor market for visitors to Torquay, the Surf Coast and the GOR region.

Adult couples, family groups and friends and relatives travelling together are the primary domestic overnight travel party types to Torquay, Surf Coast and the GOR Region.

Domestic overnight visitors to Torquay stay an average of 2.7 nights, while for the Surf Coast and the GOR region, the average nights' stay is 3.1 nights.

FIGURE 11 DOMESTIC OVERNIGHT VISITORS 2011 - 2015



Source: Tourism Research Australia, NVS, 2016

TABLE 9 DOMESTIC OVERNIGHT VISITOR MARKET SUMMARY

	TORQUAY	SURF COAST SHIRE	GOR REGION
VISITATION (2015)			
Visitation	344,436	802,432	1,972,224
PURPOSE OF VISIT			
Holiday	69%	75%	65%
VFR	25%	19%	25%
Business	5%	5%	9%
KEY ACTIVITIES – (5 YEAR AVERAGE)			
Go to the beach	71%	71%	53%
Surfing	14%	10%	6%
Go shopping for pleasure	36%	26%	23%
Sightseeing / Looking around	39%	37%	36%
Eat Out – Restaurant / Cafe	68%	63%	60%
Visit museums or art galleries	7%	5%	6%
VISITOR ORIGIN			
Melbourne	56%	63%	50%
TRAVEL PARTY TYPE			
Adult couple	29%	30%	30%
Family group (parents + children)	24%	26%	25%
Friends or relatives travelling together (without children)	24%	24%	19%
Travelling alone	15%	13%	17%
Friends or relatives travelling together (with children)	5%	6%	5%
AVERAGE LENGTH OF STAY			
Nights (average)	2.7	3.1	3.1

Source: Tourism Research Australia, NVS, 2015 – Note: not an exhaustive list under each category therefore percentages may not equal 100%

6.6. INTERNATIONAL VISITATION

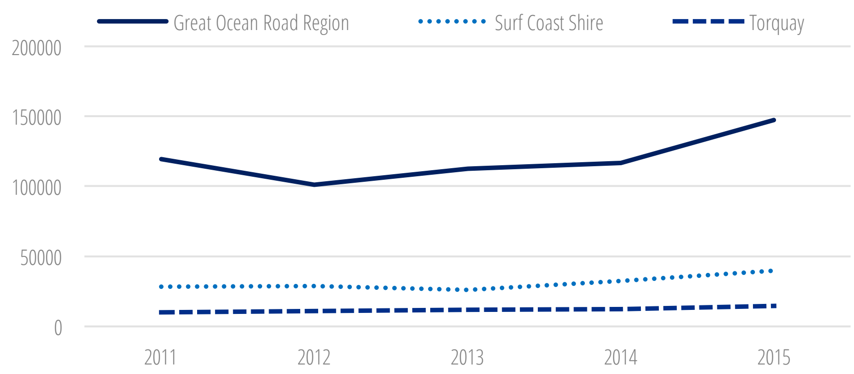
International visitation to the Great Ocean Road region, Surf Coast Shire and Torquay has been steadily increasing since 2012, as shown in Figure 12.

Table 10 provides a market summary of international visitation. In 2015, almost 15,000 international visitors visited Torquay, with almost 40,000 visiting Surf Coast Shire and almost 150,000 visiting the GOR region[16].

In general, international visitors have a higher propensity to undertake activities when compared to domestic visitors. 26% of international visitors to Torquay undertake surfing. Over 50% of visitors to Torquay, Surf Coast and the Great Ocean Road region visit museums or art galleries.

International visitors have a high propensity to go shopping, go to the beach, sightseeing and eat out. Torquay is well serviced to provide these opportunities to international visitors.

FIGURE 12 INTERNATIONAL VISITORS 2011 – 2015



Source: Tourism Research Australia, IVS, 2016

TABLE 10 INTERNATIONAL VISITOR MARKEY SUMMARY

	TORQUAY	SURF COAST SHIRE	GOR REGION
VISITATION			
Visitation 2015	14,428	39,749	147,227
PURPOSE OF VISIT			
Holiday	80%	84%	88%
VFR	17%	11%	8%
KEY ACTIVITIES			
Go to the beach	87%	88%	85%
Surfing	26%	19%	12%
Go shopping for pleasure	76%	78%	81%
Sightseeing / Looking around	91%	90%	91%
Eat Out – Restaurant / Cafe	92%	94%	94%
Visit museums or art galleries	54%	56%	56%
TRAVEL PARTY TYPE			
Adult couple	38%	40%	40%
Unaccompanied traveller	37%	38%	37%
Friends and/or relatives travelling together	13%	9%	11%
Family group – parent (s) and children	10%	10%	10%
AVERAGE LENGTH OF STAY			
	5	4.4	5.4

Source: Tourism Research Australia, IVS, 2015 – Note: not an exhaustive list under each category therefore percentages may not equal 100%

[16] Note that TRA data underestimates international visitation as it does not account for daytrip visitation

6.7. THE SURFING & MUSEUM VISITOR MARKETS

Table 11 provides an assessment of the markets that visit museums and/or art galleries and the markets that undertake surfing to provide an indication of the size of these markets for the Great Ocean Road Region and for Victoria. Data has been sourced from Tourism Research Australia's NVS and IVS.

Analysis of domestic overnight and daytrip visitors and international visitors has revealed the market size of people that visit museums or art galleries in the Great Ocean Road Region on average over the five-year period between 2011 and 2015 is 239,652, whilst the overall market in Victoria is 3,722,026. On average, there is 234,528 visitors who undertake surfing when visiting the Great Ocean Road region and 566,772 when visiting the whole of Victoria.

The analysis shows that there are an estimated 239,652 annual visitors to the Great Ocean Road region who visit museums or art galleries, and ANSM is only capturing approximately 5% of this market. Further, ANSM is only capturing 5% of the surfing market to the Great Ocean Road region, which includes both daytrip and overnight visitors.

The analysis also shows that the the GORR is one of the most popular destinations for surfing in Victoria, capturing 41% of the market for surfing in Victoria.

TABLE 11 MAKET SIZE – MUSEUMS OR ART GALLERIES & SURFING

	GREAT OCEAN ROAD				VICTORIA			
	Visit Museums or Art Galleries		Surfing		Visit Museums or Art Galleries		Surfing	
Domestic Daytrip Visitors	30,033	13%	108,935	46%	1,327,820	36%	210,780	37 %
Domestic Overnight Visitors	143,260	60%	111,823	48%	1,597,536	43%	249,012	44 %
International Visitors	66,360	28%	13,770	6%	796,670	21%	106,980	19 %
Total 5 Year Average	239,652		234,528		3,722,026		566,772	
ANSM Market Capture Rate	5%		5%					

Source: Tourism Research Australia, NVS & IVS, 2016

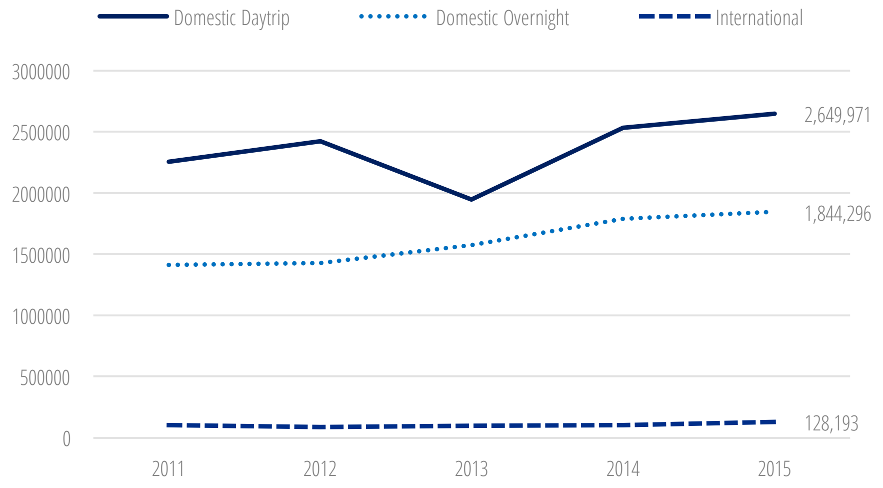
ANSM is only capturing 5% of the total market for people visiting museums / art galleries in the Great Ocean Road Region, which suggests that the current ANSM product does not have a high level of appeal as a destination for this market.

ANSM is only capturing 5% of the surfing market to the GOR region, which suggests those that undertake surfing in the GOR region are not necessarily inclined at present to visit the ANSM at a high rate. This suggests that the market for a surfing museum is quite niche or the current offering is not compelling or appealing enough for those with an interest in surfing.

6.8. THE SELF DRIVE MARKET

Figure 13 shows the number of self drive visitors to the GOR region based on TRA NVS and IVS survey results. The self drive market is a significant market for the Great Ocean Road region, which included over 1.8 million domestic overnight visitors in 2015 and almost 130,000 international overnight visitors in 2015.

FIGURE 13 SELF DRIVE MARKET TO THE GOR REGION 2011 - 2015



Source: Tourism Research Australia, NVS & IVS, 2011 -2015

There is significant opportunity in the self drive market to the Great Ocean Road region to capture independent travellers at the start of their journey and influence their Great Ocean Road journey. Capturing significant benefits for the region, as well as potentially increasing visitor satisfaction.

6.9. ANSM WITHIN THE VISITATION CONTEXT

Table 12 shows visitation to ANSM in the context of the Great Ocean Road region (GOR), Surf Coast Shire, Torquay, Surf City, the Torquay Visitor Information Centre (VIC) and GOR region markets for museums / art galleries and surfing.

The context reveals that ANSM is only capturing a small proportion of total visitation at various contexts. Interestingly ANSM only captures an estimated 1.6% of total visitation to Torquay, 1.2% of visitation to the Surf City precinct and 11.9% of visitation to the VIC. These results indicate that there are issues surrounding the current delivery of ANSM, but that there is also opportunity to significantly increase ANSM's capture of visitors.

TABLE 12 ANSM VISITATION CONTEXT

	VISITATION 2015	ANSM % CAPTURE
GOR Region	4,803,831	0.2%
Surf Coast Shire	1,851,312	0.6%
Torquay	759,011	1.6%
Surf City	1,000,000	1.2%
Visitor Information Centre	100,000	11.9%
GOR Museums / Art Galleries Market	239,652	5.0%
GOR Surfing Market	234,528	5.1%
ANSM	11,897	-

Source: Visitation data to the GOR region, Surf Coast Shire and Torquay sourced from Tourism Research Australia NVS & IVS Surveys for 2015 – includes domestic overnight, domestic daytrip and international visitation.

*Visitation to Surf City is approximate only – anecdotally annual visitation may exceed 1 million

**Includes SA2's aligned with the municipal boundaries of Surf Coast Shire, Colac-Otway Shire, Corangamite Shire, Moyne Shire, Warrnambool City and Glenelg Shire.

An analysis of capture rates shows that the ANSM currently has limited market appeal, capturing only 1.6% of visitors to Torquay and 0.2% of visitors to the Great Ocean Road region.

However, the analysis shows that the GOR region attracts a significant number of visitors at almost 5 million visitors annually. There is opportunity to leverage off this large visitor market to create a 'must do' visitor attraction for those travelling on the Great Ocean Road. This may involve looking beyond the theme of surfing to a concept that has greater market appeal.

6.10. SUMMARY OF MARKET POTENTIAL

Table 13 provides a summary of the markets that an enhanced ANSM attraction / experience concept could draw on. The table shows that there is limited market potential for a purely surfing attraction product, however, if the offer had greater market appeal there may be significantly increased market potential. There are currently key opportunities in the Great Ocean Road overnight / self drive market.

TABLE 13 VISITOR MARKET OPPORTUNITY

	GREAT OCEAN ROAD REGION	
	Market (approx. visitation)	
Surfing Market (overnight visitors)	120,000	Limited market potential
Visit Museums / Galleries Market (overnight visitors)	200,000	Limited market potential
Great Ocean Road Region Overnight Market	2 million	Market Opportunity
Great Ocean Road Region Self Drive Market (Overnight)	2 million	Market Opportunity

The market potential of a surfing museum concept is likely to be limited even with building improvements, improvements to the product offer and experience. This is because surfing is a relatively niche market. An enhanced surfing concept is unlikely to significantly draw visitors to Torquay.

There may be a greater opportunity to develop an experience that leverages off the significant visitor market to the Great Ocean Road region, including a self drive overnight visitor market of approximately 2 million visitors.

6.11. POTENTIAL VISITATION

A high level analysis has been undertaken to determine the potential visitation for opportunities for enhancing the ANSM (within the theme of surfing) and a broader Great Ocean Road concept, as shown in Table 14.

The capture rates used are high level estimates only. A visitor market of 2 million visitors is used as the basis for the visitor market (overnight market / self drive market). As the daytrip market is excluded from this analysis, it is likely these are conservative estimates.

An enhanced surfing focused concept is likely to have limited appeal to the Great Ocean Road overnight visitor market, due to the existing strong driver being the 12 Apostles experience. An improved ANSM experience may generate up to around 60,000 annual visitors. In line with other Victorian attractions such as Port of Echuca Discovery Centre, Flagstaff Hill and Pioneer Settlement.

A broader concept that encompasses the Great Ocean Road region, whilst maintaining the ANSM as a subset could potentially generate between 200,000 and 400,000 visitors per annum. A broader GOR concept provides greater opportunity to capture visitors to the Great Ocean Road region, by drawing people to Torquay to start their journey on the Great Ocean Road.

These numbers are high level only. Detailed feasibility analysis is required in order to generate accurate and reliable estimates.

TABLE 14 ANSM CONCEPTS POTENTIAL VISITATION

	LOW RANGE	HIGH RANGE	POTENTIAL VISITATION
Existing ANSM (current capture rate)	0.57%*	-	11,987
Enhanced Surfing Focused Concept	1%	3%	20,000– 60,000
Broader GOR Region Concept	10%	20%	200,000 – 400,000
Great Ocean Road Region Market Size	*2 million*		

* Current Capture Rate of O/N visitors to GORR

7. CONCEPT OPTIONS

7.1. INTRODUCTION

This section of the report provides a summary of the high level concept options that could be considered. The options have been developed from the market assessment, stakeholder consultation and case study analysis.

7.2. CONCEPT OPTION SUMMARY

Table 15 below provides a summary of the high level concept options for the project. Concept options 1 & 2 are within the primary theme of surfing, whilst option 3 provides an expanded option, under the theme of the Great Ocean Road Region, for which ANSM is a subset.

TABLE 15 SUMMARY OF CONCEPT OPTIONS

	OPTION 1: MINIMAL CHANGE	OPTION 2: ENHANCED ANSM	OPTION 3: GREAT OCEAN ROAD REGION GATEWAY EXPERIENCE
Focus	Surfing	Surfing	Great Ocean Road Region (ANSM as a subset)
Summary	Option 1 would see the Surfing Museum maintained in its current location and building footprint. The museum would remain largely a static experience however the information provided will utilise digital technology better and exhibits would be improved.	Option 2 would see the Surfing Museum transformed into a higher quality, larger purpose designed space, collocated with the Visitor Information Centre so that it has higher exposure to visitors and is a more appealing destination to visit. This option would at minimum double the footprint of the museum and expand the surfing museum exhibits so that it has greater appeal to a broader market base.	Option three investigates the opportunity to establish a Great Ocean Road Gateway experience that looks broadly at the story of the Great Ocean Road region, including surfing as one of the core components of the experience. This option acknowledges that a surfing museum on its own will have limitations in its attraction of visitors and the opportunity for Torquay to strengthen its position as a starting point for the Great Ocean Road journey in the eye of the visitor. This option draws together a range of concepts to create a precinct that acts as the starting point for the Great Ocean Road journey.
Potential Visitation (estimates only)	15,000 – 20,000 (approx.)	30,000 –40,000 (approx.)	260,000 – 350,000 (approx.)

7.3. CONCEPT OPTION DETAILS

CONCEPT OPTION 1: MINIMAL CHANGE TO ANSM

Option 1 would see the Surfing Museum be maintained in its current location and building footprint. The museum would remain largely a static experience however the information provided will utilise digital technology better and exhibits would be improved.

Greater collaboration with Surf City retail outlets would be undertaken and wayfinding to the ANSM enhanced to boost visitation. Marketing of the ANSM would also be boosted.

Under this option visitation would likely increase to 15,000 – 20,000 visitors per annum and be a result of visitors who have an active interest in surfing history and culture. The attraction of additional visitors to Torquay who intentionally visit to see the ANSM or stay longer as a result of visiting the ANSM is estimated to boost employment by 6 – 13 jobs in the region.

Specifically, the following actions would take place under option 1 in order to grow visitation beyond current levels:

- Opening of the museum to the VIC further by removal of some internal walls, so that visitors can have a glimpse of what is on offer to entice visitors;
- Provision of some artefacts in the VIC so that there is a stronger link made between the museum and VIC;
- Revision of pricing to a level aligned to the product offer and other benchmark museum facilities to encourage greater visitation and better value for money;
- Improved interpretation and labelling of artefacts;
- Exploration of a smart phone application which provides summary of information to be downloaded for free on entry. This would link by number to artefacts/ sections of the museum;
- Improved audio visual technology throughout the museum;
- Development of schools program material to be made available;
- Greater marketing effort including targeting of schools and tour groups;
- Improved signage throughout the precinct to the museum and VIC; and
- Collaborating with surf city retailers such as a 20% off museum entry with any retail purchase. This could also be used the other way, where a 5% - 10% discount could be offered by retailers when showing museum ticket.

CONCEPT OPTION 2: NEW AND IMPROVED ANSM

This option would result in the ANSM expanding its footprint (potentially doubling its current size), offering a higher quality, larger purpose designed space, collocated with the Torquay Visitor Information Centre so that it has higher exposure to visitors and is a more appealing destination to visit.

The exhibition space would be increased to cater for improved and more regular exhibitions as well as greater space allocations to tell the story of the unique surfing history and culture that exists along the Surf Coast.

The use of technology would be a key improvement and integrate with static and interactive displays to generate an immersive experience for those seeking to appreciate the significance of surfing in the region.

As in option 1, greater links with the surf industry and enhanced wayfinding within the precinct would be undertaken to pull a greater portion of the 1 million visitors to Surf City into the ANSM.

Under this option annual visitation is estimated to increase to 30,000 – 40,000 visitors as a result of a more compelling experience. It is also envisaged that school visitation would increase due to an enhanced educational product. Modelling suggests that this increase in visitation and resultant expenditure would create an estimated 27 – 40 additional jobs in the region.

Features of option 2, additional to option 1 would include:

- Purpose designed exhibition/ function space with kitchen;
- Purpose designed theatre space;
- Class room/ board room for hire;
- Large on site storage area;
- New exhibits:
  - History of surf industry with special displays of Rip Curl, Quicksilver;
  - History of surf fashion;
  - Expansion of surf culture exhibit;
  - GOR surf spots: what makes them unique;
  - How waves are created.
- Wave experience: Virtual reality experience of riding a wave at Bells Beach.

CONCEPT OPTION 3: GREAT OCEAN ROAD GATEWAY EXPERIENCE

Option 3 acknowledges that there is a significant opportunity to establish a visitor gateway to the Great Ocean Road region in Torquay. This option acknowledges that an expanded ANSM on its own will have limitations in its attraction of visitors and wider market appeal. It also acknowledges that there is opportunity for Torquay to strengthen its position as a starting point for the Great Ocean Road journey and pull in visitors who currently bypass Torquay on the Geelong Bypass.

This option provides significant opportunity to align with regional and state objectives for increasing visitor yield, length of stay and visitor dispersal across the region by playing a key role in reframing the Great Ocean Road journey.

Under this option the Great Ocean Road Gateway concept would be the major element with the ANSM playing an integral but subservient role. Importantly the ANSM component would compliment the experience now on offer by the major retail brands at Surf City.

Through leveraging the significant existing brand recognition of the Great Ocean Road and complimenting it with Surf Coast Shire's unique surfing history and culture this option would appeal to a far greater audience than a pure ANSM and create an experience that acts as the 'must do' starting point for the Great Ocean Road journey.

The visitor and economic benefits of option 3 would extend well beyond Surf Coast Shire for the full extent of the Great Ocean Road and as a result generate significant regional employment outcomes.

Under option 3 it is envisaged annual visitation to the Great Ocean Road Gateway concept would reach between 260,000 – 350,000 visitors each year and as a result in an additional 350 – 460 jobs in the region.

Option 3 is made up of a variety of concepts, including:

The Great Ocean Road Gateway Experience:

- Information tailored to Torquay, Surf Coast and the Great Ocean Road Region;
- High quality visualisations and interpretation of the Great Ocean Road journey;
- Opportunities to experience the GOR journey by many modes:
  - Driving;
  - Cycling;
  - Walks (Surf Coast Walk, Great Ocean Walk, Great South West Walk).
- Opportunity to experience the GOR journey by activity preferences:
  - Nature based experiences;
  - Food experience;
  - Adventure experience;
  - Indulgence experience.
- Indigenous interpretation of the Great Ocean Road region;
- Great Ocean Road Journey Planner;
- Tour sales and booking desks and base for tourism operators;
- Interpretation of the Geographic features, heritage, culture, flora and fauna of the Great Ocean Road region;
- Multi-lingual.

Enhanced ANSM:

- New exhibits:
  - History of surf industry with special displays of Rip Curl, Quicksilver;
  - History of surf fashion;
  - Expansion of surf culture exhibit;

    - GOR surf spots: what makes them unique;
    - How waves are created;
- Wave experience: Virtual reality experience of riding a wave at Bells Beach and other famous Australian surf. This would be extended from option 2 to suit higher visitation and tour groups.
- Purpose designed exhibition/ function space with kitchen;
- Purpose designed theatre space;
- Class room/ board room for hire;
- Large on site storage area.

Visitor Transit Hub and Visitor Centre:

- Bathrooms/ toilets;
- Large coach and tour bus parking area;
- Visitor lounge;
- Cafes and restaurants that are complementary and reflective of the attraction, not standardised food and beverage offer.

Surf Industry Space:

- Offices for Surfing Victoria;
- Incorporation of a surf centre for excellence;
- Incubator for Surf and outdoor industry start ups;
- Co-working hub.

8. OVERARCHING STRATEGIC OBJECTIVES

8.1. INTRODUCTION

This section of the report provides a set of overarching strategic objectives to assess the concept options. These are high level strategic objectives developed through consultation and background research and analysis.

8.2. STRATEGIC OBJECTIVES

OBJECTIVE 1 To change the nature of visitation along the Great Ocean Road from a daytrip to a multi-night journey.

This objective seeks to reshape the way visitors think about travelling the Great Ocean Road. Studies have shown that many visitors (particularly international daytrip visitors) are simply focused on visiting the Twelve Apostles as quickly as possible through a daytrip tour or self drive visit. Their experience of the Great Ocean Road region is fleeting. This project has the potential to capture visitors at the start of their journey, slow them down and think about all the other potential experiences along the journey. The initial one being surfing and connection to the ocean in Torquay.

A large proportion of the international visitor market to the Great Ocean Road region is a daytrip market. The *Strategic Masterplan for the Great Ocean Road Region*[17] suggests that there are 500,000 international annual daytrip visitors to the Great Ocean Road region. This project could provide the opportunity to convert a portion of these international day trip visitors to overnight visitors, creating significant regional economic development benefits.

There are also significant opportunities in the self drive overnight visitor market to increase length of stay and dispersal of visitors throughout the region. There are currently almost 2 million annual overnight self drive visitors to the Great Ocean Road region. There is significant opportunity to capture this touring market at the beginning of their GOR journey to increase uptake of regional activities, increase dispersal, length of stay and expenditure.

Further, influencing the visitor to slow down their Great Ocean Road journey over multiple days will significantly improve the visitor experience of the region.

This project also provides the opportunity to increase visitors' propensity to return to the region and undertake additional experiences in the GOR region or experience the region via a different mode, such as walking or cycling.

OBJECTIVE 2 To grow visitor yield in Surf Coast and the Great Ocean Road region through increased length of stay and expenditure.

The opportunity to reframe the visitor journey has significant potential to increase visitor yield through increased expenditure and length of stay in the region, once visitors recognise that the Great Ocean Road journey has an abundance of experiences on offer. A compelling Great Ocean Road Gateway experience can heavily influence increased expenditure and yield through the GOR region by creating a desire do more things along the journey. This may be through additional experiences and/or overnight stays in the various towns. In order to achieve this objective, the experience needs to be highly compelling to the visitor and have wide market appeal.

[17] *Strategic Masterplan for the Great Ocean Road Region* p.20

OBJECTIVE 3 To create an experience and brand that compels visitors to start their Great Ocean Road journey in Torquay.

There is a significant opportunity to cement Torquay as the starting point of the Great Ocean Road in the eye of the visitor and for the visitor journey.

Market research conducted by IER shows that there is confusion as to the starting point of the Great Ocean Road, with only 34% of those surveyed associating Torquay with being the start of the GOR and a further 44% of those surveyed not knowing where the GOR commenced.

Further, consultation revealed that the Geelong Bypass has had salient implications for through traffic in Torquay for visitors to the Great Ocean Road region. Anecdotally, retailers suggest a 10% reduction in sales as a result.

This project provides the opportunity to create an experience that can be marketed as the 'official' start of the Great Ocean Road, reinforcing Torquay as the start of the Great Ocean Road journey in the eye of the visitor.

The experience must be unique, authentic and experiential to compel the visitor to start their journey on the Great Ocean Road in Torquay.

OBJECTIVE 4 To integrate and express the unique surf history and culture of Torquay into the Great Ocean Road experience, in a way that complements 'Surf City'.

Whilst there is a significant opportunity in establishing Torquay as the starting point of the Great Ocean Road journey in the eye of the visitor through the Great Ocean Road Gateway experience, surfing history and surf culture form a key component of this story and experience, particularly for Torquay.

The surfing story and the connection with the ocean is an integral component of a future Great Ocean Road Gateway experience. This would be delivered through an enhanced ANSM, providing the opportunity to explore various aspects of surfing history, life and culture in Torquay and the relationship to key surfing destinations in Torquay including Bells Beach, other major surf beaches and the Surf City precinct.

Further, providing the opportunity for an enhanced ANSM to be a hub for the surf industry in Torquay will reinforce the vital role surfing plays within Torquay and the Surf Coast Shire.

9. ASSESSMENT OF OPTIONS

9.1. INTRODUCTION

The following section provides a qualitative assessment of the concept options against the strategic objectives identified in Section 8. Commentary for each option against each strategic objective is provided to assess the merit of each option against the strategic objectives.

TABLE 16 ASSESSMENT OF CONCEPT OPTIONS AGAINST STRATEGIC OBJECTIVES

STRATEGIC OBJECTIVES	OPTION 1: MINIMAL CHANGE TO ANSM	OPTION 2: NEW AND IMPROVED ANSM	OPTION 3: GREAT OCEAN ROAD GATEWAY EXPERIENCE
FINANCIAL OBJECTIVES			
Objective 1: To change the nature of visitation along the Great Ocean Road from a daytrip to a multi-night journey.	A minimal change option is unlikely to produce any notable change in visitation patterns to the GOR region, particularly in influencing visitors to convert from daytrip to overnight visitors as it does not incorporate the regional and wider opportunity of the Great Ocean Road story.	The new and improved ANSM concept option is unlikely to generate any notable change in visitation patterns to the GOR region, particularly in influencing visitors to convert from daytrip to overnight visitors as it does not incorporate the regional and wider opportunity of the Great Ocean Road story.	The GOR Gateway experience concept provides the greatest opportunity to influence the visitor journey on the Great Ocean Road. This is achieved through the creation of a compelling reason for visitors to stop and start their Great Ocean Road journey in Torquay. The concept provides the opportunity to disseminate information to visitors at the beginning of the visitor journey, influencing the visitor journey, impacting on visitor dispersal and yield.
Objective 2: To grow visitor yield in Surf Coast and the Great Ocean Road region through increased length of stay and expenditure.	A minimal change option is unlikely to produce any notable change in visitor length of stay and expenditure as a result of minor changes to ANSM, due to limited potential to influence the visitor journey on the Great Ocean Road.	The new and improved ANSM concept option may generate minor change in visitor length of stay and expenditure as a result of visitors to the improved centre, however, the potential for significant and wider regional benefits are limited due to the lack of focus on the Great Ocean Road region.	The GOR Gateway experience concept option is designed to create a destination for visitors to explore the opportunities available to them to experience and take in the Great Ocean Road region. This includes dissemination of information at the beginning of the visitor journey to influence activities undertaken, towns stayed in, length of stay and expenditure. Further, there is opportunity to influence return trips by visitors to experience the Great Ocean Road by a different mode of travel such as walking or cycling experiences.

STRATEGIC OBJECTIVES	OPTION 1: MINIMAL CHANGE TO ANSM	OPTION 2: NEW AND IMPROVED ANSM	OPTION 3: GREAT OCEAN ROAD GATEWAY EXPERIENCE
Objective 3: To create an experience and brand that compels visitors to start their Great Ocean Road journey in Torquay.	A minimal change option is unlikely to create a compelling reason for visitors to start their journey on the Great Ocean Road in Torquay. It is unlikely that visitors will change their journey pattern and Anglesea will continue to be the default starting point of the Great Ocean Road journey. Increased branding and marketing opportunities promoting Torquay as the start of the Great Ocean Road are limited within a minimal change option.	The new and improved ANSM option may increase the number of visitors who start their GOR journey in Torquay. However, without a focus on the Great Ocean Road region, it is unlikely to have significant and far reaching visitor appeal. Increased branding and marketing opportunities promoting Torquay as the start of the Great Ocean Road are limited in this option.	The GOR Gateway experience provides the most compelling reason for visitors to start their journey in Torquay as it would have wider market appeal, scale and significant branding and marketing benefits. This option will provide a compelling reason for visitors to start their journey of the Great Ocean Road in Torquay, opening up significant branding and marketing opportunities for Torquay. Further, there are significantly increased regional branding and marketing opportunities through the creation of a Great Ocean Road experience that bookends the region and can be leveraged through regional touring plans and trip itineraries.
Objective 4: To integrate and express the unique surf history and culture of Torquay into the Great Ocean Road experience, in a way that complements 'Surf City'.	A minimal change option will continue the small scale nature of ANSM in the Great Ocean Road experience and it is likely to leverage off existing visitation to Torquay rather than generating significant individual demand. Therefore, increasing potential wider benefits to precincts such as Surf City and creating new benefits for Torquay are limited in this option.	The new and improved ANSM concept option will increase the prominence of ANSM within the current precinct and tell the story of surfing in a more engaging and interactive way. Although this concept is likely to generate an increase in visitors, significant increase in visitation to Torquay is unlikely. Therefore, increasing potential wider benefits to the Surf City and creating new benefits for Torquay are limited.	The GOR Gateway experience incorporates surfing as one of the most unique and important stories of the Great Ocean Road region. This concept takes a holistic approach to the region, to give the visitor a clear and complete picture of the region. Visitation to an enhanced ANSM concept within a broader GOR Gateway experience concept enables visitation to an enhanced ANSM be leveraged from the market base of a Great Ocean Road Gateway experience. However, the enhanced ANSM concept is critical to the GOR Gateway experience concept. A GOR Gateway experience concept is likely to generate new visitation, thus complementing the existing visitor base to Surf City, enabling the drawing out of a higher level of benefit.

STRATEGIC BENEFITS OF A GREAT OCEAN ROAD GATEWAY CONCEPT

Under option 3 there are several opportunities which have benefits for Torquay, Surf Coast and the Great Ocean Road Region including:

- Reframing the Great Ocean Road Journey via the establishment of a clear starting point in Torquay which educates visitors on the array of opportunities available in the region.
- Moving from a one-day drive to the 12 Apostles to an immersive journey that can be undertaken by many modes (driving, cycling and walking). For example, completing the journey via the Surf Coast Walk, Great Ocean Walk and Great South Walk and experiencing the townships along the way.
- Experiencing the Great Ocean Road journey by activity preferences:
    - Indigenous culture;
    - The ocean;
    - Dining / seafood experience;
    - Nature based experience;
    - Indulgence.
- Creating multiple experiences and memories beginning in Torquay and a need to come back and experience the journey in a different mode.
- Incorporating the surfing and ocean aspect as a key experience in Torquay to start the journey.

While options 1 and 2 hold some benefits their narrow focus on a purely surfing visitor market reduces its appeal and therefore ability to generate significant economic outcomes. When aligned with the strategic objectives outlined above options 1 and 2 do not rate as favourably as option 3.

Discussions held with Tourism Victoria, Regional Development Victoria, Great Ocean Road Regional Tourism and Great Ocean Road Coastal Committee indicate option 3 is well aligned with several state and regional strategies to achieve increased visitor yield.

10. CONCLUSION

This report provides a high level strategic assessment of the possible future options for the Australian National Surfing Museum (ANSM).

Research and analysis suggests that the market potential for an enhanced ANSM concept is limited within the theme of surfing. Case studies of other museums and interpretive centres demonstrate that the even an expanded ANSM with high quality exhibits, interpretation and experiential elements would still likely achieve visitation of around 30,000 - 40,000 visitors.

This has prompted a high level investigation of the broader opportunity available to Torquay, the Surf Coast Shire and the Great Ocean Road region in establishing a Great Ocean Road Gateway experience.

The Great Ocean Road Gateway experience looks more broadly at the opportunity to leverage off:

- Potential to add significant engagement with visitors in their Great Ocean Road experience and journey;
- Torquay's strategic position as the start of the Great Ocean Road;
- Torquay's existing tourism infrastructure, assets and amenity;
- Regional and state strategic objectives for the GOR region;
- The opportunity to 'bookend' the GOR region in the east;
- The significant volume of visitors to the GOR region;
- The state and federal funding opportunities available;
- The opportunity to link surfing with the broader GOR region story.

The Great Ocean Road Gateway experience provides the following key opportunities:

- Potential to add significant value to the Great Ocean Road visitor journey and experience;
- Potential to realise positive economic development outcomes through prompting increased length of stay and expenditure both for Torquay, Surf Coast Shire and the Great Ocean Road region;
- Establishing Torquay as the starting point of the Great Ocean Road in the eye of the visitor;
- Potential to pull touring visitors off the Geelong Bypass and into Torquay;
- Influencing the visitor journey pattern and converting daytrips to overnight trips, particularly for visitors whose journey is focussed on visiting the Twelve Apostles, providing the opportunity to slow down and reshape their experience;
- Potential to increase visitor dispersal throughout the Great Ocean Road region by capturing visitors at the start of their journey;
- Providing a holistic, one stop shop of the Great Ocean Road story incorporating surfing and surf culture, the regional history and heritage, flora and fauna, landmarks, modes of discovery of the region (drive, walk, cycle) and unique Great Ocean Road experiences;
- Potential to influence return trips to the Great Ocean Road region to be experienced by an alternative mode of travel such as walking or cycling;
- Potential to realise significant marketing and destination positioning opportunities as part of a Great Ocean Road Gateway concept. Including touring marketing opportunities, trip itinerary marketing opportunities and significant 'start of the Great Ocean Road' branding opportunities for Torquay.

Importantly the Great Ocean Road Gateway experience delivers on the broader opportunity to capture a significantly greater number of visitors to the Great Ocean Road Region. The potential market for a GOR Gateway experience is approximately 2 million visitors, which is a significantly larger market than that of an exclusive surfing focused museum.

Therefore, the great opportunity for ANSM is to be incorporated as part of a Great Ocean Road Gateway concept that provides a hub for commencement of the GOR and central place to disperse visitors to other attractions in Surf Coast Shire and the GOR region. The ANSM being an integral and critical component of a GOR Gateway experience.

NEXT STEPS

The next steps of the project will need to develop the concept detail further and address the location options and implications for the Great Ocean Road Gateway experience.

It is recommended the following next steps would lead to delivery of the above concept:

- Concept plan and feasibility study: This will provide further detail of the concept, include broader consultation with stakeholders, conceptual project design and indicative costings, financial analysis and economic impact assessment.
- Location Aasessment. This should be undertaken once a concept plan is confirmed in order to select a site which best meets the concept needs. This will include community consultation. Up to three realistic site options may be assessed such as within the Surf City Precinct or somewhere in proximity to the Surf Coast Foreshore and/or the start of the Great Ocean Road.
- Detailed design and masterplan. Following agreement on the location a detailed design and masterplan should follow. This will see the concept transformed into a high quality iconic destination.

APPENDIX A CASE STUDIES

10.1. AUSTRALIAN NATIONAL MARITIME MUSEUM (ANMM)

The Australian National Maritime Museum (ANMM) opened in 1991 and occupies a harbour-side site close to Sydney's CBD on Darling Harbour. The purpose of the ANMM was to redevelop areas of Darling Harbour in an attempt to activate Sydney's waterfront by showcasing the history of one of the world's busiest ports.

The ANMM offers a variety of products and experiences and includes:

- A collection of heritage vessels;
- Exhibitions and permanent displays;
- Action Stations (new immersive experience);
- Visitor voyages;
- Educating school and university students;
- Travelling programs; and
- Venue hire.

A new warships pavilion was established in 2015. The new pavilion marks the centenary of World War One and commemorates 100 years of submarine and surface service by the Royal Australian Navy (RAN). The pavilion incorporates dynamic interactive displays and immersive media, in which visitors are able to learn more about the role and loss of Australia's first submarine AE1 in the battle for German New Guinea; the story of AE2 at Gallipoli and its incredible voyage through the Dardanelles; and the story of Australia's first great naval battle - HMAS Sydney v SMS Emden.

The ANMM is a major tourist and local attraction, which attracts State and Federal funding. The ANMM currently occupies a significant on-ground and water area.

OPERATIONAL ARRANGEMENTS

The ANMM is a Commonwealth Government agency, governed by a Council, appointed by the Australian Government in accordance with the Australian National Maritime Museum Act 1990[18]. A director of the museum sits under the ANMM Council. The Director is a member of the Council and CEO

The ANMM has more than 1500 trained volunteers, including 500 based at the museum. The museum also has 10,000 members that have access to exclusive events, talks, previews, excursions and other benefits.

The ANMM is also supported by private sponsors and donors.

STRATEGIC OBJECTIVES

- To be a must visit museum
- To rejuvenate the museum and site
- To extend the reach and outreach
- To be acknowledged both within Australia and abroad as the nation's leading authority on maritime heritage and affairs
- To realise the potential from investment in new ICT infrastructure and systems
- To increase revenues from non-government sources
- To invest in and develop [our] people

[18] http://www.anmm.gov.au/about-us/who-we-are

PERFORMANCE INDICATORS

TABLE 17 ANMM PERFORMANCE INDICATORS

VISITOR INTERACTIONS	2014-15
Total number of visits to the organisation	476,436
Total number of visits to the website	424,105
Total number of on-site visits by students as part of an organised educational group	32,878
Participation in Public & School Programs	
Number of people participating in public programs	37,518
Number of students participating in school programs	46,883
Quantity of school learning programs delivered	
Number of organised programs delivered on site	505
Number of program packages available online	27
Number of educational institutions participating in organised school learning programs	528
Visitor Satisfaction	
% of visitors who were satisfied or very satisfied with their visit	90%

Source: The Australian National Maritime Museum 2014-15 Annual Report

FINANCIAL PERFORMANCE

TABLE 18 ANMM FINANCIAL STATEMENTS

	2015 ($'000)	2014 ($'000)
EXPENSES		
Total Employee Benefits	13,361	12,964
Total Supplier Expenses	11,935	12,949
Total Depreciation & Amortisation	8,893	8,451
Total net gains (losses) from sale of assets	-	(19)
Total Write-Down and Impairment of Assets	129	67
Total Grants Expense	119	134
Total Operating Expenditure for Heritage and Cultural Assets	3,021	3,000
TOTAL EXPENSES	37,458	37,546
INCOME		
Total Sales of Goods and Rendering of Services	7,525	7,565
Total Interest	691	921
Total Other Gains	2,836	2,160
Total Revenue from Government	22,309	23,416
TOTAL INCOME	33,361	34,062
PROFIT / LOSS	-4,097	-3,484

Source: The Australian National Maritime Museum 2014-15 Annual Report

VISITOR EXPERIENCE

The ANMM provides both permanent and temporary exhibitions which explore Australia's links to the sea. Covering a diversity of topics including Indigenous Australian's deep connection to ocean, early exploration, immigration, commerce, defence, adventure, sport, play and identity. The museum gives local and international visitors a chance to connect to Australia's maritime past and present it in an innovative way.

The museum also offers programs for schools and universities, including workshop and tours across multiple curriculum areas. Sessions are run by experienced teacher guides, with hands on activities for students from year one to university.

FUNDING / REVENUE STREAMS

The museum is a government funded establishment receiving over 22 million in revenue from Government in the 2015 financial year.

The museum also made over $7.5 million in sales of goods and rendering of services (including ticket sales, tours, etc.).

VISITATION

The museum received over 476,000 visits to the organisation in the 2014/15 financial year.

TICKET PRICING

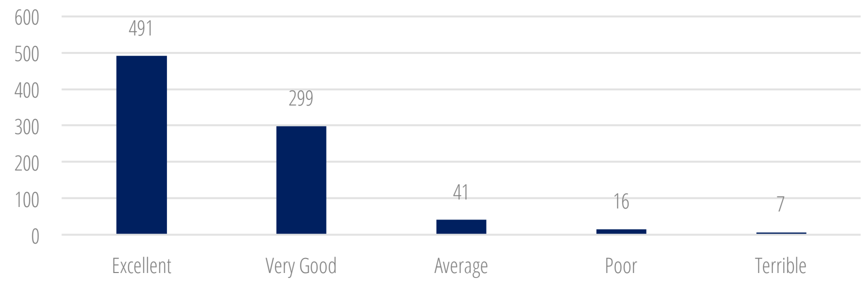
TICKET TYPE	DESCRIPTION	ADULT	CHILD	FAMILY
Big Ticket	Unlimited access to everything open at the museum. Latest exhibitions and seasonal blockbusters, immersive Action Stations experience, fleet of historic vessels, including the submarine destroyer and HMB Endeavour, hands on activities for kids.	$30	$18	$75
Free Galleries Ticket	Free entry to the museums permanent galleries showcasing the best of the museums collection.	Free	Free	Free
Special Exhibitions Ticket	Pirates Exhibition / Ships, Clocks and Stars Ticket	$20 / $20	$12 / Free	-

Source: http://www.anmm.gov.au/visit/admission

VISITOR RATING

The ANMM is ranked by reviewers on Trip Advisor primarily as either excellent or very good.

FIGURE 14 ANMM TRIP ADVISOR RATINGS



Source: https://www.tripadvisor.com.au/Attraction_Review-g255060-d258087-Reviews-Australian_National_Maritime_Museum-Sydney_New_South_Wales.html - Accessed May 2016

Visitor comments on the ANMM Trip Advisor page are generally positive. Many visitors comment on the experience of the guided tours through the ships and vessels as a key aspect of the experience. Which includes the experience of exploring the vessels as well as the tour commentary, including stories provided by the tour guides.

Comments relating to the free museum component of the ANMM include an abundance of historical information, stories and context, interesting exhibitions, information a bit disjointed. There were also comments relating to the museum as being a good attraction on a rainy day.

Special exhibitions were also favoured by many reviewers, including the interesting stories.

Many reviewers commented on the need for a few hours to a whole day to get through the information.

10.2. MELBOURNE MUSUEM

The Melbourne Museum is a historical and intriguing look into life in Victoria. The museum includes:

- The Forest Gallery – living heart of the museum;
- The Science and Life Gallery – bugs, dinosaurs, fossils, animals, human biology;
- The Melbourne Gallery – the story of Melbourne and Phar Lap;
- Bunjilaka Aboriginal Cultural Centre – the living traditions and knowledge of Koorie people and other culture from around Australia;
- The Pasifika Gallery – treasures from the Pacific Islands;
- Children's Gallery – things for kids to see and do;
- The Touring Hall – major exhibitions from around the world;
- IMAX - 3D documentaries and Hollywood blockbusters;
- The Discovery Centre – investigate collections, browse library and ask questions;
- Museum Café, Shop and Theatre.

PRICING

	ENTRY TO MELBOURNE MUSEUM	JOINT MELBOURNE MUSEUM AND IMAX TICKETS (ENTRY TO MELBOURNE MUSEUM & IMAX DOCUMENTARY)	EXHIBITION (PRICES ARE FOR JURASSIC WORLD: THE EXHIBITION)
Adult	$14.00	$27.00	$34.00
Child	Free	$14.00	$22.00
Concession	Free	$17.00	$26.00
Child Under 3	-	-	Free
Family		$74.00	$90.00

Source: https://museumvictoria.com.au/melbournemuseum/visiting/#visitorguides

VISITATION

Table 19 shows visitation to Melbourne Museum over the past 5 years. Although the museum attracted significant levels of visitation in 2014/15, the museum's visitation has generally been in decline over the past 5 years.

TABLE 19 VISITATION MELBOURNE MUSEUM

	2014/15	2013/14	2012/13	2011/12	2010/11
Melbourne Museum	828,379	955,8383	802,949	1,099,546	1,428,238

Source: Museum Victoria Annual Report 2014-15

OPERATIONAL ARRANGEMENTS

Melbourne Museum is a part of Museum Victoria, Australia's largest public museum organisation.

STRATEGIC OBJECTIVES

The following strategic directions are for Museum Victoria, of which Melbourne Museum is one component. Therefore, the strategic directions [19] relate to the organisation as a whole.

- Strategic Direction 1: Deepening Connections
    - Tailoring museum experiences;
    - Co-creating experiences;
    - Engaging with contemporary issues;
    - Broadening the reach of education;
- Strategic Direction 2: Investing in Knowledge, Expertise and Collections
    - Generating new knowledge;
    - Leading collection care practices;
    - Promoting the collection;
    - Ongoing Activities;
- Strategic Direction 3: Digital Transformation
    - Embedding use of digital systems;
    - Enabling flexible content generation;
    - Meeting business needs;
- Strategic Direction 4: Organisational Resilience
    - Fostering an active safety culture;
    - Increasing revenue diversity;
    - Accountability for resources;
- Strategic Direction 5: Building Victoria's Cultural Capital
    - Developing and protecting the state collection;
    - Scienceworks precinct development;
    - Carlton gardens precinct development;
    - Royal exhibition building;
    - Leading intercultural understanding;
    - Engaging with Asia.

VISITOR EXPERIENCE

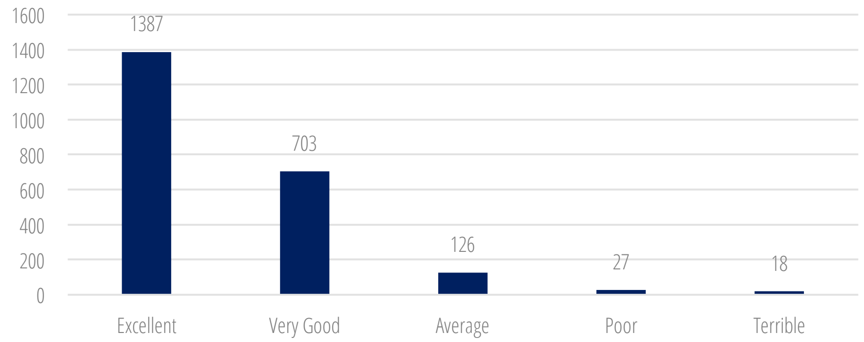
The Melbourne Museum offers different experiences across the different attractions within the Museum as well as exhibitions and screenings at IMAX. The core attractions at the museum consist of interactive, engaging as well as some static displays. The exhibition are aimed at engaging the visitor through a variety of sensory experiences.

VISITOR RATING

The majority of Trip Advisor comments reviewed the experience as either excellent or very good. Many of the reviews relate to the current exhibition, however, many people comment on the quality of the permanent exhibitions.

[19] Strategic Directions sourced from Museum Victoria Annual Report 2014/15

TABLE 20 MELBOURNE MUSEUM – TRIP ADVISOR RATINGS



Source: https://www.tripadvisor.com.au/Attraction_Review-g255100-d256845-Reviews-Melbourne_Museum-Melbourne_Victoria.html - Accessed May 2016

10.3. PHILLIP ISLAND NATURE PARKS AUSTRALIA

OPERATIONAL ARRANGEMENTS

The Phillip Island Nature Parks is a non-for profit organisation, which invests profit from ecotourism activities into conservation, research and education programs. The Nature Parks is overseen by a Board of Management appointed by the Victorian Minister for Environment, Climate Change and Water. The Nature Parks reports to the Department of Environment, Land, Water and Planning.

STRATEGIC OBJECTIVES

Mission – "To conserve and enhance the Nature Parks' environment for current and future generations, achieving a balanced environmental, economic and social outcome".

Vision – "To be a world-recognised place of conservation excellence, providing outstanding and authentic experiences for all".

Aspirations for the future – "Within 20 years, Phillip Island Nature Parks will be experienced and managed as a network of special "places" rather than a series of disparate sites. It will celebrate the special mix of land, sea, flora, fauna and human history found at Phillip Island."

VISITOR EXPERIENCE

The Phillip Island Nature Parks is a premier nature-based wildlife experience. It overs nature based experiences across different attractions including the Penguin Parade, Wild Ocean EcoBoat Tours, Koala Conservation Centre and Churchill Island Heritage Farm.

The Penguin Parade is the signature attraction allowing visitors to experience one of Australia's largest Little Penguin colonies.

Churchill Island is a heritage farm which provides farm activities, historical grounds and tranquil scenery.

Wild Ocean EcoBoat Tours provides guided tours to Phillip Islands fur seal colony.

The Koala Conservation Centre allows visitors to see Koalas in their natural habitat and close up, including tree top boardwalks and extensive tracks and trails.

STRATEGIC PLAN 2012-2017

The *Phillip Island Nature Parks Strategic Plan 2012-2017* includes goals and objectives for the delivery of their visitor attraction and experiences. The focus of the plan was to move the Nature Parks attractions to immersive, authentic experiences that are respectful of wildlife and contribute to the protection of natural ecosystems. Strategies to achieve this vision include:

- Extend immersive nature-based experiences;
- Strengthen the planning and delivery of interpretation;
- Increase the person-to-person communication of information;
- Extend education and training infrastructure;
- Use technology to increase the exchange of information;

- Optimise our visitor markets;
- Protect our market profile.

As a part of the 2016/17 Victorian budget, the Penguin Parade is receiving $48.2 million for the development of its $58.2 million state of the art Visitor Centre, including restoration of 8 hectares of habitat.

VISITATION

The Phillip Island Nature Parks attracted 940,289 visitors to their paid attractions (penguin parade, Koala Conservation Centre, Churchill Island Heritage Farm) and an additional 3,883 visitors to the Wild Ocean Eco Boat Tour. There was a further 317,710 visitors to the free Nobbies Centre.

In the 2014/15 financial year, the Penguin Parade attracted 607,888 visitors, a 5.6% increase over the 2013-14 financial year. This was the first time the Penguin Parade achieved visitation over 600,000.

International markets represented 58% of visitation with 42% originating in Australia.

FUNDING / REVENUE STREAMS

The major source of revenue for the Phillip Island Nature Parks is through the ticketed visitor attractions.

PRICING – PENGUIN PARADE

TABLE 21 PENGUIN PARADE – TICKET PRICING

TICKET TYPE	DESCRIPTION	ADULT	CHILD	FAMILY
General Viewing	Beachfront viewing stands.	$25.10	$12.50	$62.70
Penguin Plus	Viewing platform which allows up close viewing of the little penguins.	$47.20	$23.60	$118.00
Underground Viewing	Underground viewing experience providing eye level view of the penguins.	$60.00	$30.00	$150.00
Guided Ranger Tour	Guided tour with commentary via headset. Special viewing areas.	$78.00	-	-
VIP Tour	Guided tour with snack and drink. VIP skybox with views over the beach.	$78.00	-	-
Ultimate Adventure Tour	Secluded beach tour, includes personal headsets, high tech night vision scopes, walk to visitors centre through the heart of the penguin colony.	$88.80	-	-
Aboriginal Heritage Tour	Guided tour which includes history and culture of the local indigenous people.	$60.00	-	-
Penguin Research Tour	Behind the scenes tour and reserved seats in the Penguin Plus viewing area.	$100.00	-	-

Source: http://www.penguins.org.au/attractions/penguin-parade/tickets-and-bookings/

FINANCIAL OPERATING STATEMENT

TABLE 22 COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED JUNE 2015

	2015 ($'000)	2014 ($'000)	2013 ($'000)	2012 ($'000)	2011 ($'000)
OPERATING REVENUE					
Sales Revenue	8,575	7,915	7,019	6,587	6,401
Admissions Revenue	13,777	12,528	10,988	9,895	9,635
Total Operating Revenue	**22,352**	**20,443**	**18,007**	**16,482**	**16,036**
OTHER INCOME					
Interest	306	287	275	321	305

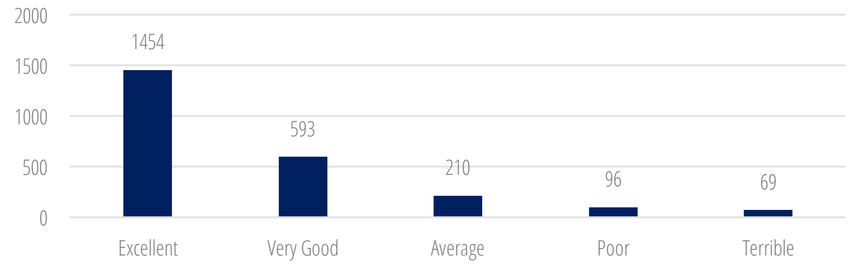
Other Operating Income	1,865	1,392	1,961	2,118	3,209
Total Other Income	2,171	1,679	2,236	2,439	3,514
OPERATING EXPENDITURE					
Employee benefits	(11,093)	(10,010)	(9,552)	(10,236)	(8,945)
Cost of Sales	(3,468)	(3,155)	(2,721)	(2,591)	(2,555)
Materials and supplies	(716)	(723)	(794)	(709)	(834)
Depreciation	(1,733)	(1,682)	(1,585)	(1,848)	(1,739)
Other Operating Expenses	(5,127)	(4,613)	(4,234)	(4,160)	(4,499)
Total Operating Expenses from Continuing Activities	(22,137)	(20,183)	(18,886)	(19,544)	(18,572)
Net gain/(loss) on non-financial assets	34	31	13	49	8
Net Result for the Year	2,420	1,970	1,370	(574)	986
Increase/(decrease) in Asset Revaluation Reserve	-	(44)	-	-	19,735
Total Comprehensive Income for the Year	2,420	1,926	1,370	(574)	20,721

Source: The Australian National Maritime Museum 2014-15 Annual Report

VISITOR RATING

Visitor review on Trip Advisor of the Phillip Island Nature Parks are generally positive with the majority of visitors rating the experience as either excellent or very good. Most reviewers rate the experience of seeing the penguins as a worthwhile and interesting experience. Negative comments primarily relate to the large crowds of people.

FIGURE 15 PHILLIP ISLAND NATURE PARKS – TRIP ADVISOR VISITOR RATINGS



Source:https://www.tripadvisor.com.au/Attraction_Review-g6694217-d544747-Reviews-Phillip_Island_Nature_Parks_Penguin_Parade-Summerlands_Phillip_Island_Victoria.html - Accessed May 2016

10.4. SCIENCEWORKS

VISITOR EXPERIENCE

Scienceworks is located in the grounds of and incorporates the historic Spotswood Pumping Station. Scienceworks is a science and technology museum, featuring interactive exhibition galleries, the Melbourne Planetarium and Lightning Room.

The Planetarium presents a simulated display of the night sky that allows people to view the stars at any time of the day. It features a 16m domed ceiling, reclining seats, a 7.1 surround sound system and a full-dome video projection system. Each show involves a half-hour pre-recorded audio-visual educational feature that explores an astronomical topic, with a quirky twist.

The lightning room provides 30 minute live shows, highlighted by a giant Tesla Coil, which produces three metre lightning bolts.

VISITATION

Scienceworks attracted 486,938 visitors in 2014/15. Visitation to Scienceworks has generally been steady over the past 5 years.

TABLE 23 VISITATION TO SCIENCEWORKS

VISITATION	2014-15	2013-14	2012-13	2011-12	2010-11
Scienceworks	486,938	474,823	448,210	482,305	447,708

Source: Museums Board of Victoria Annual Report 2014-15

TICKET PRICES

General entry to Scienceworks $14 for adults. Children and concession visitors are free.

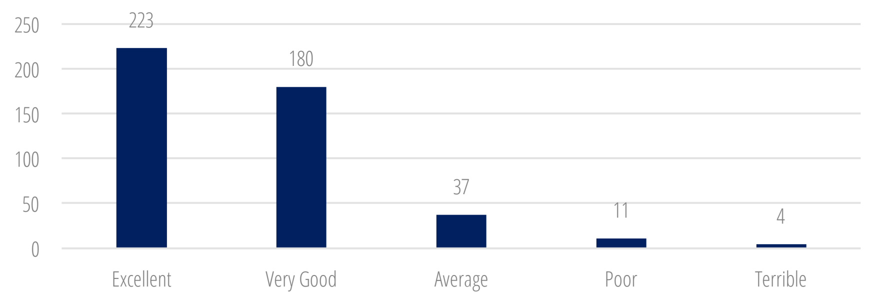
OPERATIONAL ARRANGEMENTS

Scienceworks is a part of Museum Victoria, Australia's largest public museum organisation.

VISITOR RATING

The majority of those that reviewed Scienceworks rated it as either excellent or very good. A lot of the positive reviews relate to the interactive and engaging exhibits of the museum. Many of the reviews also relate to the museum being a fun place for kids, particularly because they can interact with displays and actively engage with content. Reviewers also noted that the museum provided activities for people of all ages.

FIGURE 16 SCIENCEWORKS – TRIP ADVISOR VISITOR RATING



Source: https://www.tripadvisor.com.au/Attraction_Review-g4402909-d531653-Reviews-Scienceworks-Spotswood_Hobsons_Bay_Greater_Melbourne_Victoria.html - Accessed May 2016

10.5. NATIONAL SPORTS MUSEUM (MELBOURNE CRICKET GROUND)

VISITOR EXPERIENCE

The National Sports Museum (NSM) is located in the Melbourne Cricket Ground (MCG). The museum consolidates and enhances the MCG's standing as Australia's home of sporting heritage. The NSM celebrates and interprets the important place sports hold in Australian life. It offers a mix of sporting information, cultural heritage and interactive entertainment, serving MCG match day patronage and schools, seniors, tourist groups and families. The NSM is also the manager of MCG Tours.

The museum showcases:

- Australian Gallery of Sport and Olympic Museum;
- Sport Australia Hall of Fame;
- Australian Cricket Hall of Fame;
- Australian Football Hall of Fame;
- Champions – Thoroughbred Racing Gallery;

- MCG – The People's Ground;
- MCC Museum;
- Backyard to Baggy Green Exhibition;
- Australian Football Exhibition.

The museum also provides displays of other popular world sports and an interactive sporting gallery, where visitors can partake in a range of activities.

VISITATION

In the 2014/15 financial year, the NSM attracted in excess of 150,000 visitors, with more than 7,000 of them combining their visit with an event day ticket. Approximately 27% of the NSM's patronage came from school visits.[20]

In 2014/15 the MCG attracted 3.2 million visitors for sporting events, which means the National Sports Museum captured approximately 4.5% of visitors to the MCG. This may demonstrate the difficulties in capturing incidental visitation when people are visiting for specific purposes.

In 2014/15 the NSM also trialled product offerings for the corporate market which encouraged conference bookings to attend the NSM, potentially with a food and beverage package. The trial was successful and is not a permanent offer.

The NSM's program of temporary exhibitions and displays continues to provide additional and timely attractions for visitors, as well as maintaining the museums profile in the media.

[20] Melbourne Cricket Ground Trust – 2014/15 Annual Report

TICKET PRICES

	NATIONAL SPORTS MUSEUM AND MCG TOUR PACKAGE	MCG TOURS	NATIONAL SPORTS MUSEUM
Family	$70	$55	$55
Adult	$31.50	$23	$23
Child	$16$12	$12	$12

NSM REVENUES

	REVENUE	EXPENSES
2014/15	$3,444,000	$3,123,000
2013/14	$3,567,000	$3,077,000

Source: MCC Annual Reports

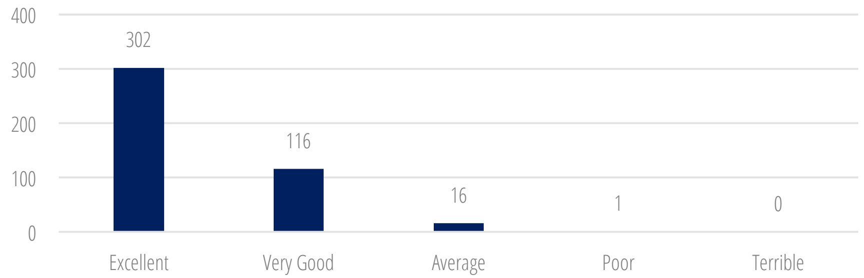
OPERATIONAL ARRANGEMENTS

The NSM is run by the MCG in partnership with the MCC and is supported by the Australian Government through funding from the Department of Health and Ageing. The NSM and MCG Tours are also supported by more than 370 volunteers.

VISITOR RATINGS

The majority of visitors who rated the NSM on trip advisor rated the experience as either excellent or very good. Many people commented on the interesting content and displays showcasing Australian sport, most reviewers rate the hands on experiences as one of the best aspects of the museum. The tour of the MCG was also mentioned as a good experience by reviewers that undertook this activity.

FIGURE 17 NSM – TRIP ADVISOR VISITOR RATINGS



Source: https://www.tripadvisor.com.au/Attraction_Review-g255100-d2266013-Reviews-National_Sports_Museum-Melbourne_Victoria.html - Accessed May 2016

10.6. SOVEREIGN HILL

VISITOR EXPERIENCE

Australia's foremost outdoor museum, Sovereign Hill re-creates Ballarat's first ten years after the discovery of gold in 1851 when thousands of international adventurers rushed to the Australian goldfields in search of fortune.

Sovereign Hill is comprised of key attractions and facilities, including:

- Outdoor museum;
- Blood on the Southern Cross;
- Gold Museum;
- Comfort Inn Sovereign Hill;
- Retail operations;
- Underground mine tours;
- Steam operations.

Sovereign Hill offers both daytime and night time experiences. During the day, visitors can explore the gold rush days wandering along heritage streets, with costumed ladies and gents or pan for gold at Red Hill Gully Diggings. By night, a sound and light show 'Blood on the Southern Cross' tells the story of the 1854 Eureka Uprising. The 'Blood on the Southern Cross' recently received an $8 million state government grant to re-imagine

Activities at Sovereign Hill include witnessing a $100,000 gold pour, full guided gold mine tour, horse drawn cart rides of town, shopping in the 1850s style shops, visit hotels, schools and a theatre with goldfields entertainers, see steam driven machinery and experience heritage businesses.

VISITATION

In the 2014/15 financial year, Sovereign Hill recorded record daytime attendance of 512,751 visitors.

TABLE 24 SOVEREIGN HILL VISITATION 2014/15 FINANCIAL YEAR

VISITOR CATEGORY	2014/15
Daytime Visitation	512,751
Underground Mine Tours	346,243
Blood on the Southern Cross	58,000

RETAIL

- 23,000 bottles of gold sold
- 25,000 candles made/sold
- 3,000 gold pour demonstrations
- 37,000 jars of raspberry drops made/sold

FINANCIALS

In the 2014/15 financial year Sovereign Hill generated over $26 million in operating revenue including $14.1 million from entrance takings, $7.8 million from sale of goods and $2.5 million from other revenues (accommodation and memberships).

Sovereign Hill had an operating profit of $1.1 million in 2015, of which 'Blood on the Southern Cross' contributed $450,000 in profit.

TABLE 25 SOVEREIGN HILL – STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	2015 ($)	2014 ($)
Revenue from Operating Activities	26,712,653	24,667,199
Other Income	597,208	41,456
Employee Benefits Expense	(13,484,600)	(12,756,219)
Depreciation	(1,533,958)	(1,633,264)
Administration, Marketing, Maintenance expense	(8,195,131)	(7,234,890)
Cost of Sales	(2,518,749)	(2,079,508)
Other Expenses	(458,730)	(229,516)
Operating Profit	1,118,693	775,258

Source: Sovereign Hill Annual Report, the Sovereign Hill Museums Association, 2015

TICKET PRICE

	SOVEREIGN HILL ENTRY	SOVEREIGN HILL VIP GOLD PASS
Adult	$54.00	$99.00
Concession	$43.20	$87.00
Child (5-15)	$24.50	$45.00
Family (2 adults & up to 4 children)	$136.00	$240.00
Single parent family (1 adult & up to 3 children)	$98.00	$199.00

Source: http://www.sovereignhill.com.au/visit/opening-times/

EDUCATION PROGRAMS

Sovereign Hill Education provides a wide range of curriculum-related programs and resources for students, as well as professional development activities for teachers at both Sovereign Hill and Narmbool.

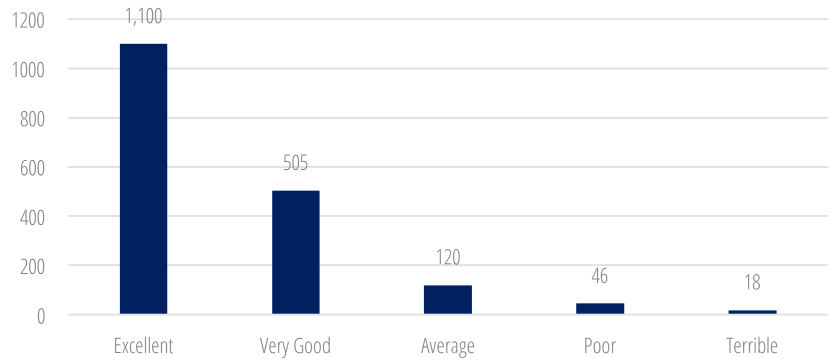
Sovereign Hill Education welcomed 95,582 students in the 2014/15 financial year, with an additional 24,168 viewing 'Blood on the Southern Cross' and 14,000 visitng the Gold Musuem

VISITOR RATING

The majority of visitors to Sovereign Hill rated the experience as either excellent or very good. The majority of reviews are positive about the Sovereign Hill experience overall. Many commented on the sound and light show 'Blood on the Southern Cross' as being a good night time experience attraction.

Some of the negative reviews related to the entry price and additional cost associated with specific attractions.

FIGURE 18 SOVERIEGH HILL – TRIP ADVISOR RATINGS



Source: https://www.tripadvisor.com.au/Attraction_Review-g255346-d259670-Reviews-Sovereign_Hill-Ballarat_Victoria.html#REVIEWS - Accessed May 2016