

Frankston City Visitor Economy Strategy

2019-2024



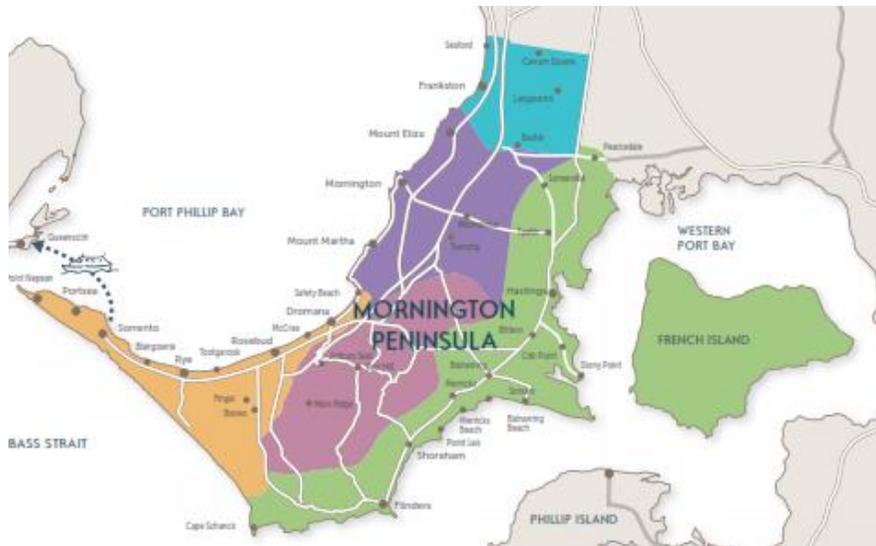
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Introduction

Frankston City is located at the northern entrance of the Mornington Peninsula tourism region, bordering metropolitan Melbourne and easily accessible from the surrounding south-east region. The City has a local population of 141,845 residents and is an urban bayside destination, ideal for day-trippers and short-stays, currently attracting over 800,000 visitors annually.



As a **suburban edge destination** between Metropolitan Melbourne and regional Mornington Peninsula, Frankston City is an accessible administrative hub with strengths in business, health and education coupled with affordable lifestyle experiences for all ages.

The City's robust year-round calendar of major and community events, street and performing arts and outdoor sculpture experiences are combined with an abundance of natural outdoor spaces and an eclectic mix of dining and entertainment options.

For many years Frankston City has struggled to define itself within the realm of traditional leisure tourism, and more specifically as part of the Mornington Peninsula tourism region. In response, the 2014-2019 Frankston Destination Development Plan (DDP) was created as a strategic framework to support the City's growth in this realm with a focus on long-lead destination improvements.

During the DDP implementation period significant consumer and environmental changes occurred in the broader tourism sector. The impact of global **digital disruption** meant that the tourism sector needed to urgently respond to **changing consumer preferences** for marketing and communications and **services delivery expectations**, as many traditional services were no longer meeting visitor needs.

At this time, Council also commenced a Best Value Service Review (BVSr) of its Tourism and Visitor Services Unit to ensure best use of limited Council resources. The BVSr confirmed the need for Frankston City to remain focussed on tourism; however it recommended a new vision and structure which embraces the growth of the visitor economy with a focus on '**Liveability, Visitability and Economic Prosperity**'.

The emergence of significant macro and micro trends across the tourism industry presents both challenges and opportunities for Frankston City; however, focussing on the broader Visitor Economy, which includes both direct and indirect economic activities, reveals new economic potential for the City.

This Visitor Economy Strategy identifies five key growth pillars which will guide Frankston City as it shifts its attention towards the visitor economy with a coordinated approach to leverage the City's existing strengths and develop engaging experiences which will appeal to both residents and visitors to position the City within the broader Victorian tourism landscape.

Conclusion

As a result of the BVSr findings, alongside the strategic marketing and communications projects delivered during the 2014 DDP and taking into consideration the tourism sector's new Visitor Economy focus, Frankston City is in a stronger position than ever before.

By emphasising sustainable, long-term liveability improvements which enhance the local amenity and lifestyle the City will create a catalyst for attracting public and private capital and infrastructure investment to grow the destination from the bottom-up to future-proof the economy and industry.

While the Visitor Economy presents a new and relatively untapped opportunity to grow the City's indirect economic output, continuing to appreciate, plan for and develop the city as a destination in its own right should continue to be a long-term objective for Council to ensure the City has the capacity to bring in new money, rather than positioning the local economy to support itself predominantly.

The five pillars in Frankston City's 2019-2024 Visitor Economy Strategy will address the opportunities which the new visitor economy focus represents, while ensuring that Frankston City continues to plan for long-term destination development to increase its leisure tourism market share.

Frankston City's Visitor Economy Vision

Frankston City is a year-round destination providing memorable experiences supported by a thriving and sustainable local business community and economy.

Visitor Economy Strategic Objectives

This Strategy outlines a number of priorities which will support the City to leverage the visitor economy to provide economic and social outcomes by;

Frankston City is a year-round events, arts and culture destination

Frankston City is a health, education and business events and conference hub in the south-east

Frankston City has a culture of excellent customer service to support the visitor experience

Frankston City is an outdoor nature-based destination

Frankston City is a must-see visitor destination within Metropolitan Melbourne

Frankston City has a thriving and engaged community and strong local economy

(Refer 2019-2024 Priority Programs, page 11)

Strategic Growth Pillars

To ensure the continued growth and development of Frankston's Visitor Economy, five key pillars have been identified to achieve the objectives of Frankston City's Visitor Economy Strategy.



Destination Development: Future planning for the strategic development of the destination through public and private investment, event attraction, infrastructure investment and experience development.

Destination Marketing: Integrated and collaborative marketing and communications which support the growth of the destination brand, 'Frankston, Enjoy Every Moment' across local, regional and interstate markets.

Industry Development: The development of a collaborative and engaged business community which supports the destination, recognising the value of residents and visitors to year-round economic viability and business longevity.

Resident Engagement: Strong communication and engagement with residents and those hosting visiting friends and relatives to encourage them to consider Frankston City first, build awareness of local experiences and create loyalty with local businesses.

Visitor Services: Expansion of the visitor services model to support changing information consumption preferences across the broader community and empower local business to deliver high quality customer service and visitor information to support the visitor experience at every stage of the visitor journey.

Global Trends and Local Opportunities

The Visitor Economy Strategy considers the most significant industry (global) trends and the subsequent local opportunities which will result in the most positive benefits for Frankston City’s future.

Tourism Industry Trends (Global)

Substantial changes in consumer preferences, needs and desires are resulting in a shift away from existing beliefs in relation to customer experiences, service provision and marketing and communication methods. These changes are far-reaching and will require all stakeholders to respond strategically and quickly to maintain their relevance. Frankston City will need to leverage existing and new relationships across all levels of government and industry to adequately address fundamental destination improvements.



Global Industry Trends	
Visitor Economy Framework	Frankston City’s Opportunity
<ul style="list-style-type: none"> • Considers both direct and indirect industries which support the visitor • Supports sustainable, long-term liveability improvements • Strong economic growth and employment creation • A catalyst for attracting public and private capital and infrastructure investment. 	<ul style="list-style-type: none"> • Emphasis on liveability and visitability • Build on strengths in arts, events and cultural experiences • Engage health, education and business sectors • Position City within Mornington Peninsula region and link to metropolitan Melbourne
Digital Disruption	Frankston City’s Opportunity
<ul style="list-style-type: none"> • Consumer preferences are changing • Connecting people, places and technology to create personalised digital experiences • Shift towards online research, shopping and social media • Focus is on digital communication, engagement and information sharing • Seeking personalised information, authentic experiences and organic referrals 	<ul style="list-style-type: none"> • Diversification of visitor information and services model to meet needs of residents, visitors and businesses • Invest in multi-touch point programs: face-to-face, static and digital • Supporting infrastructure, logical road and way-finding signage, wi-fi hotspots, beacon technology • Create opportunities for organic content creation and sharing • Information and services are engaging, accessible, convenient, relevant and accurate

Strategic Investment and Business Growth	Frankston City's Opportunity	<ul style="list-style-type: none"> • Cities in close proximity to Melbourne have potential to increase daytrip visitation through strategic investment and targeted marketing • Significant opportunity in non-leisure markets including health, education, manufacturing and business • Opportunity to stabilise economy and mitigate seasonal peaks and troughs 	<p>accommodation for major event attendees</p> <ul style="list-style-type: none"> • Leverage similarities to Melbourne to attract day-trippers to an urban bay sides destination • Develop and promote education, health, business and manufacturing hub and opportunities for business events
<ul style="list-style-type: none"> • Public and private sector investment vital to destination development, economic growth and employment creation • Targeted investment attraction of experiences which support liveability and visitability • Expansion of existing businesses to upgrade, meet customer needs, attract new and retain clientele 	<ul style="list-style-type: none"> • Over \$700M of private and public investment since 2017 on education, health, recreation, private accommodation and business • Growing interest from private housing and commercial developers (apartments) • Additional \$602M in public infrastructure committed • Strategic investment attraction program for tourism specific product and experiences - visitor attractions, events and conference facilities and accommodation to align with regional and state priorities 	Industry Capacity	Frankston City's Opportunity
Dispersal and domestic awareness	Frankston City's Opportunity	<ul style="list-style-type: none"> • Industry must meet the needs of customers • Strategic industry which proactively retain and attract new customers • Focus on industry collaboration and cross-promotion • Need innovative and new services and experiences which add value • Engaged industry which supports the destination 	<ul style="list-style-type: none"> • Develop programs which support industry to support themselves and provide services to customers directly (remove reliance on Council) • Focus on collaboration, referrals, cross-promotion • Promote value of residents, visitors and business to business to long-term and year-round viability
<ul style="list-style-type: none"> • Low domestic awareness and difficulties in attracting international visitation in regional areas • Challenges include limited transport and accommodation options, and lack of investment to support the visitor 	<ul style="list-style-type: none"> • Challenges in marketing and communications and accessing funding and support as a suburban edge Council • The City has the capacity to service Melbourne and south-east region e.g. overflow 		

Local Opportunities

The following local opportunities have been identified for priority actions within this Visitor Economy Strategy.

These opportunities have been highlighted as they have the potential to yield the most benefit, both socially and economically, within current resources and therefore must be considered and addressed in the strategic development of the City.

These trends are likely to result in more tactical outcomes, requiring targeted campaigns and programs to ensure that the City is developing the necessary product and experiences to meet resident and visitor needs into the future.



Local Opportunities	
Nature-based Tourism <ul style="list-style-type: none"> • Open space and natural landscapes supporting passive and active recreation opportunities • Parks Victoria is diversifying use to include commercial activities • Interest in markets, events, tours and seasonal experiences • Focus is on engaging people with the environment 	Frankston City's Opportunity <ul style="list-style-type: none"> • Open public spaces are significant drawcard for residents and visitors • Current lack of supporting infrastructure to create a complete visitor experience • Integration of arts, culture and events through creation of interactive, educational and engaging experiences. • Support Open Space Strategy and Coastal Management Plan to improve signage, maps and design of open spaces and ensure consistent and increased visitor amenities and services in key locations.
Arts, Culture and Heritage <ul style="list-style-type: none"> • Key product for regional visitor destinations • Growing tourism sector • Particular focus on authentic Australian experiences 	Frankston City's Opportunity <ul style="list-style-type: none"> • Point of difference from Mornington Peninsula and value-add experience for Melbourne visitors

<ul style="list-style-type: none"> Arts, culture and heritage experiences attract more international visitors to Australia than wineries, casinos and sport. 	<ul style="list-style-type: none"> Supports both liveability and visitability Focus on supporting tools and infrastructure, particularly digital technologies to create experiences and engage audiences.
Business Events	Frankston City's Opportunity
<ul style="list-style-type: none"> High yield sector for both metropolitan and regional Victoria Year-round economic benefits through accommodation, hospitality and team building activities All-inclusive venues with accommodation sought by industry Small, medium and large events 	<ul style="list-style-type: none"> The City can leverage proximity to Melbourne and capitalise on its health, education and business sectors Development of coordinated approach to attracting and supporting business events Targeted program to attract an all-inclusive venue with accommodation onsite

Events	Frankston City's Opportunity
<ul style="list-style-type: none"> Significant drawcard during off-peak season Visit Victoria regional Events Fund developed to support growth of existing and development of signature events 	<ul style="list-style-type: none"> Currently host 800 small to medium scale events Signature Event with National and International interest required to replace Sand Sculpting Exhibition Events strategy developed to attract events which will be supported by regional, state and federal funding programs
Health, Education and Business	Frankston City's Opportunity
<ul style="list-style-type: none"> Vital within Visitor Economy Framework to support sustainable growth and development of regional economies International students identified as emerging high-yield market Non-leisure visitors contribute via indirect expenditure and level out seasonal peaks and troughs 	<ul style="list-style-type: none"> Ideally positioned to leverage these sectors Program to engage with employee base as well as users. Program to engage with 4,000 students at Monash University, (including 500 international) Flow-on to business events

2019-2024 Priority Programs

Objective	Alignment (Pillar)	How	Method	Additional requirements	Output	Budget	Timeframe
1. Frankston City is a year-round events, arts and culture destination Trends  Opportunities 	Primary: Destination Development Secondary: Destination Marketing	1.1 Strategically grow the City's events, arts and culture product and experiences within the region and state	Strategy Development	Consultation Requirements: - Community focus groups - Stakeholder consultation - Target market focus group	1. Development of 10 year Frankston City Tourism Events, Arts and Culture Strategy	Unbudgeted project: estimated cost \$50,000	June 2020
		1.2 Review the Tourism Event Attraction Program to ensure continue expansion of calendar	Review and implementation of existing Program		1. Program includes larger scale event each 3-4 years	Continued in existing budget: \$52,000	July 2019
		1.3 Develop program to attract a signature event to the City to support year-round and off-peak visitation	Attraction	- Municipal Event Capacity Assessment - Tourism Events, Arts and Culture Strategy (1.1) - Dependant on funding approval from Council	1. Signature off-peak event attracted	Unbudgeted project: estimated cost \$200,000 annually over six years	June 2020
COST	Total 2019-2024 Program Cost: \$ 302,000 (\$250,000 unbudgeted in 19/20. \$200,000 unbudgeted all other years). Note: Officer time is not costed, but is factored into delivery.						

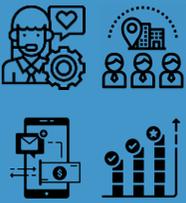
Objective	Alignment (Pillar)	How	Method	Additional requirements	Output	Budget	Timeframe
2. Frankston City is a health, education and business events and conferences hub in the south-east Trends 	Primary: Visitor Services Secondary: Destination Development	2.1 Strengthen industry's (event organisers and venues) ability to support and grow the Business Events and Conferences sector	Program Development	Desktop review and database development of current facilities, capacity and capabilities (including Council's halls)	1. Creation of tools and resources to support event organisers and venues	Delivered in existing budget: \$10,000p.a.	April 2024
	Primary: Industry Development Secondary: Destination Marketing	2.2 Proactively promote Frankston City as a Business Events and Conferences destination	Program development and industry support	Creation of tools and resources to support event organisers and venues (2.1) Baseline data of number of events hosted	1. Development of marketing and communications program 2. Minimum of four (4) additional business events and conferences hosted by 2022	Delivered in existing budget: \$5,000p.a.	August 2024
	Opportunities 	Primary: Destination Marketing Secondary: Resident Engagement	2.3 Create strategic partnerships which engage health, education and business operators, employees and users	Stakeholder Engagement	Identification of key stakeholders in health, education and business sectors	1. Strategic partnerships with significant education providers developed	Delivered in existing budget: \$0
COST	Total 2019-2024 Program Cost: \$90,000 delivered within existing budgets. Note: Officer time is not costed, but is factored into delivery.						

Objective	Alignment (Pillar)	How	Method	Additional requirements	Output	Budget	Timeframe
3. Frankston City has a culture of excellent customer service to support the visitor experience Trends  Opportunities 	Primary: Visitor Services Secondary: Industry Development	3.1 Ensure the City's Visitor Services model delivers consistent, accessible and relevant information which meets identified consumer needs and expectations	Strategy Development	City-wide interpretative and city signage design principles (4.1) City-wide interpretative and city signage implementation strategy (4.1)	1. Develop Visitor Services Strategy 2. Digital Communications Plan 3. Minimum of two (2) digital services 4. Develop Destination Mobile Application 5. Roving Ambassador Program	Delivered in existing budget: 1. \$0 2. \$40,000 (19/20) 3. \$50,000 in 18/19 and 19/20 4. \$50,000 in 19/20 5. \$17,000 p.a.	June 2020
	Primary: Industry Development Secondary: Resident Engagement	3.2 Support the creation of a 'village mentality' amongst local business and ensure industry have the capacity, skills and tools to meet service and experience expectations	Program Development	Industry skills gaps analysis Economic Development Business Development Programs	1. Develop Industry Engagement and Development Program 2. Creation of tools and resources for industry and establish KPIs 3. Two (2) industry programs attended by 15 businesses 4. Grow the Visit Frankston Partnership Program	Delivered in existing budget: \$10,000 p.a.	December 2024
COST	Total 2019-2024 Program Cost: \$329,000 delivered within existing budgets. Note: Officer time is not costed, but is factored into delivery.						

Objective	Alignment (Pillar)	How	Method	Additional requirements	Output	Budget	Timeframe
4. Frankston City is an outdoor nature-based destination Trends  Opportunities 	Primary: Visitor Services Secondary: Resident Engagement	4.1 Creation of consistent signage to provide way-finding and interpretive services to support visitor experiences	Strategy Development and implementation	Visitor Services Strategy (3.1) Capital Works Funding Required Design principles do not include Master Plan. Capital Works required for design and build.	1. Develop city-wide signage design principle guidelines 2. Develop Interpretative and Way-finding Signage Implementation Strategy 3. Signage in a minimum of two (2) locations (sample)	1. Design principles within existing budget: estimated cost \$50,000 Implementation unbudgeted. 2. Strategy estimated cost: \$50,000 3. Capital works: TBC	July 2019 June 2022
		4.2 Enhance engagement and visitor experience of the City's arts, culture and heritage assets	Program Development	Establish usage of Digital Arts and Culture application Review of existing digital arts and culture tour capabilities	1. Enhance the Arts and Culture Digital Tours application 2. Increase tours usage by 10% p.a.	Delivered within existing budget: \$50,000	June 2020
	Primary: Destination Development Secondary: Industry Development	4.3 Identify opportunities with Parks Victoria and key stakeholders to activate crown land and waterways	Advocacy	Review of existing Commercial Activities in Public Open Space Program	1. Identification of location for one (1) commercial, high profile visitor experience	Delivered within existing budget: \$5,000	June 2023
COST	Total 2019-2024 Program Cost: \$155,000 (\$50,000 unbudgeted. Additional cost of implementation - design and build - through Capital Works TBC). Note: Officer time is not costed, but is factored into delivery.						

Objective	Alignment (Pillar)	How	Method	Additional requirements	Output	Budget	Timeframe
5. Frankston City is a must-see visitor destination within metropolitan Melbourne Trends 	Primary: Industry Development Secondary: Destination Development	5.1 Ensure industry has a voice and support ongoing growth and development	Advocacy	Industry consultation to gauge interest/ need for industry body	1. Facilitate the creation of independent industry body to support interests, developments and growth. 2. Establishment of KPIs	Delivered within existing budget: \$0	March 2020
	Primary: Destination Development Secondary: Industry Development	5.2 Work with regional and state bodies to ensure Frankston City has the experiences, attractions, facilities and services needed to grow year-round visitation and support the growth of high-yield sectors	Program Development and implementation	Consultation with key stakeholders – private and public - Attractions - Accommodation - Events facilities - Experience providers - Spa and Wellness - Transport	1. Develop strategic Investment Attraction Program 2. Attraction of one (1) significant tourism focussed private investor	Delivered within existing Economic Development Investment Attraction budget	June 2024
		5.3 Strengthen Frankston City's connection to Melbourne, south-	Advocacy		1. Formal and informal partnerships with state and regional	Delivered within existing budget: \$0	June 2020

		east region and bayside suburbs.			tourism and business networks.		
	Primary: Destination Marketing Secondary: Resident Engagement	5.4 Ensure year-round consistent, relevant and engaging promotion and communication of Frankston City beyond the municipality	Program Development	Established relationships with state and regional and surrounding region stakeholders (5.3)	1. Develop and implement annual integrated destination marketing and communications program 2. Establishment of KPIs	Delivered within existing budget: \$20,000 p.a.	March 2024
COST	Total 2019-2024 Program Cost: \$140,000 delivered within existing budgets. Note: Officer time is not costed, but is factored into delivery.						

Objective	Alignment (Pillar)	How	Method	Additional requirements	Output	Budget	Timeframe
6. Frankston City has a thriving and engaged community and strong local economy Trends  Opportunities 	Primary: Destination Marketing	6.1 Engage education providers, students and teachers to support independent visitation in leisure time	Advocacy Program development and implementation	Establish strategic partnerships with education providers (2.3)	1. Creation of student based engagement program 2. Establishment of KPIs	Delivered within existing operational budget: \$10,000	July 2022
	Secondary: Resident Engagement						
	6.2 Ensure there is relevant, consistent and accessible marketing, communications and collateral to support residents and visitors to engage with the City's experiences and attractions.	Program Development	Visitor Services Strategy development (3.1)	1. Resident communications and engagement program developed 2. Develop print and digital marketing collateral program 3. Performance KPIs established 4. Management of City Banner Poles	Delivered within existing budget: \$35,000 p.a.	July 2024	
	Primary: Resident Engagement	6.3 Create loyalty and engage local residents with local businesses	Program Development	Review of Tourism Event Attraction Program (1.2) Development of resident communications and engagement program (5.4)	1. Develop resident engagement promotional event 2. Establishment of KPIs 3. Visit Frankston Photo Contest	1. Delivered within existing Tourism Event Attraction Program budget (refer Item 1.2) 3. \$3,000 p.a.	October 2019
	Secondary: Destination Marketing						
COST	Total 2019-2024 Program Cost: \$276,000 delivered within existing budgets. Note: Officer time is not costed, but is factored into delivery.						

Appendix A – Frankston City’s Visitor Profile



\$305.39 Million is the value of the tourism sector



1,947 jobs in tourism sector

(Source: REMPLAN, August 2018)



808,600 people visit Frankston City (annually) (11% of Mornington Peninsula Region)

(Source: Tourism Research Australia, March 2018)

Visitation

The most recent Mornington Peninsula Regional Profile, prepared by Tourism Research Australia in March 2018 reports that Frankston City attracts approximately 10% of visitors to the region. This percentage reflects domestic visitation only and is a relatively static result from previous years reporting.

	DOMESTIC OVERNIGHT VISITORS	DOMESTIC DAYTRIP VISITORS
	% SHARE	
FRANKSTON	7.7%	10.6%
REST OF PENINSULA	92.4%	89.4%
TOTAL PENINSULA	100%	100%

Source: 2016-2017 data prepared by Tourism Research Australia, March 2018 (variance due to rounding)

	TOTAL DOMESTIC VISITORS ('000)	% SHARE	DOMESTIC NIGHTS ('000)	% SHARE
FRANKSTON	724.1	9.9%	349.8	7.6%
REST OF PENINSULA	6,568.1	90.1%	4,256.7	92.4%
TOTAL PENINSULA	7,290.1	100%	4,606.5	100%

Source: 2016-2017 data prepared by Tourism Research Australia, March 2018 (variance due to rounding)

Tourism Research Australia also produces Local Government Area Profiles (LGAP), drawn from four years of National and International Visitor Survey data. The 2017 report (tabled below) shows that Frankston City attracts 10% of the region's domestic overnight visitation which supports the Regional Profile previously reported. However, in contrast to the Regional Profile, in this report Frankston City attracts 17% of the region's domestic day-trippers.

This report, which includes international visitation shows Frankston City attracting 33% of the region's international visitors and holding a 57% share of the region's international nights. While Mornington Peninsula international visitors average 10 nights, Frankston City's international visitors average 28 nights.

The economic impact of Frankston City's domestic visitors is reported to be significantly lower than the Mornington Peninsula – specifically domestic overnight visitor spend (\$43M in Frankston City compared to \$407M in the Mornington Peninsula). Domestic day trippers also report lower spending in Frankston City (\$65M) in comparison to the rest of the Mornington Peninsula (\$301M).

International visitor spend in Frankston City is higher per trip (supported by the longer stays); however spend per night and on commercial accommodation is less than the rest of the region. This may be a result of the City having more affordable accommodation and may also be an indication that many of Frankston City's international visitors are attributable to, and staying with, friends and family who are residents.

	INT'L	% SHARE	DOM O/N	% SHARE	DOM DAY	% SHARE	TOTAL	% SHARE
Visitors ('000)	18	33%	133	10%	738	17%	890	15%
Nights ('000)	496	57%	335	9%	-	-	831	17%
Average stay (nights)	28		3		-		5	
Spend (\$m)	31		43		65		139	
Average spend per trip (\$)	1,743		319		89		157	
Average spend per night (\$)	63		127		-		89	
Average spend (commercial accommodation) per night (\$)	100		196		-		138	

Source: 2017 Local Government Area Profiles, Frankston City Council, 2014-2017 four year average data

Visitor Profile

Frankston City's LGAP includes some detail around the City's visitor profile, specifically identifying the reason for visiting.

VISITORS TO FRANKSTON	INTERNATIONAL	DOMESTIC OVERNIGHT	DOMESTIC DAY	TOTAL
Reason (visitors '000)				
Holiday	3	22	278	303
Visiting Friends or Relatives	13	87	312	412
Business	np	np	np	np
Other	1	np	114	np

Traditional leisure tourism (holiday) in Frankston City is low (303,000 in total compared to 3.166M in the Mornington Peninsula). With Frankston City's lack of leisure tourism product and experiences, this is not surprising and reinforces the City's opportunity to attract strategic investment to support the City's ability to grow in this sector.

The majority of visitors to Frankston City are visiting friends and relatives who are residents (approximately 412,000 visitors in 2017).

The visiting friends and relatives sector is not considered part of the leisure tourism definition; however it is included in the emerging visitor economy framework and demonstrates the role of the local community in attracting and accommodating visitors as pivotal to Frankston City's ongoing growth.

Frankston City's performance in the business tourism sector is negligible in this report. As a regional business hub, this is disappointing; however it does support Council's 2017 Council Plan priority to attract a 5-star accommodation provider and create a business and arts hub within the city centre. It is also expected that current and future State Government funding and support to grow the health and education sectors within the City will further build Frankston City's standing in this realm.

Economic Impact and Employment

The total value of tourism to the Frankston City economy is \$305.39M, with the industry supporting 1,947 direct and indirect tourism jobs¹.

While Tourism Research Australia² data identifies 1,124 tourism businesses within the City, it is important to note that Frankston City's current role within the sector sits mostly within the service sector and as such, these businesses and the associated jobs are likely to be predominantly indirect in nature.

There is an opportunity to work with these businesses to identify growth opportunities to increase employment opportunities; however this will depend on the city's ability to focus on strategic development and investment which supports both leisure tourism and the city's potential to act as a service hub for the region to ensure viable business growth and development opportunities.

TOURISM BUSINESSES	TOTAL
Non-employing	521
1 to 4 employees	356
5 to 19 employees	194
20 or more employees	55
Total	1,124

¹ Source: REMPLAN, October 2018

² 2017 Local Government Area Profiles, Frankston City Council, 2014-2017 four year average data

Appendix B – Background 2014-2019

The 2014 Destination Development Plan (DDP) was a strategic framework created to support Frankston City's continued growth in leisure tourism as part of the Mornington Peninsula tourism region.

Aligning with the Mornington Peninsula tourism region's Destination Management Plan (DMP) to position Frankston City as the region's tourism hub and a destination in its own right, the DDP focussed on four key pillars;

- Destination Development
- Destination Marketing
- Industry Development
- Local Promotion and Capacity Development.

Coinciding with the DDP implementation period, there were significant changes in the broader tourism sector as well as Council commencing a Best Value Service Review (BVSR) of its Tourism and Visitor Services Unit to ensure best use of limited Council resources.

Tourism Sector Changes

The changes in the tourism sector since the original DDP was endorsed have resulted in significant overhaul of the industry.

Changes in **consumer preferences** for marketing and communications and **service delivery expectations** now means that many traditional services are no longer meeting visitor needs.

The definition of tourism has also shifted away from focussing predominantly on those travelling for leisure, and the industry is now recognising the broader **Visitor Economy** as a key growth sector in Australia, in particular in regional areas.

The Visitor Economy makes provision for goods and services production which includes both **direct** (hotels, restaurants and cafes, transport and attractions) and **indirect** (supermarkets, petrol stations, laundry services, food and produce suppliers) industries which support the visitor. It also recognises the value of residents and their visiting friends and relatives to long-term economic viability of destinations.

This definition is significantly more far-reaching and allows the tourism sector to expand beyond traditional leisure tourism, which Frankston City currently lacks in a format which meets the regional visitor needs.

Frankston City does have considerable strengths in education, health and business and these sectors, which attract non-traditional visitors to regional and metropolitan locations, are considered vital to the success of the Visitor Economy.

By developing Frankston City within a visitor economy framework the City's economy will be protected from the traditional seasonal peaks and troughs seen in other part of the Mornington Peninsula and regional areas relying solely on leisure tourism.

As the City predominantly attracts visiting friends and relatives and is positioned to support non-traditional tourism activities such as business, health and education visitors, this change is a positive for Frankston City; and with a strong strategic plan will result in sustainable social and economic impacts which benefit a larger proportion of our community.

Best Value Service Review (BVSR) – Key Findings

The BVSR included an in-depth assessment of Council's resource allocation against the organisation's tourism objectives and confirmed that Frankston City should remain focussed on tourism. However, Council needs to be more considerate and strategic in its program planning and delivery to support the broader visitor economy while developing the destination.

In particular it was noted that Frankston City's tourism profile is vastly different from the market base and product mix of the broader Mornington Peninsula region, with Frankston City having a far more complex **visitor economy** and role as a Metropolitan Activity Centre with regional services.

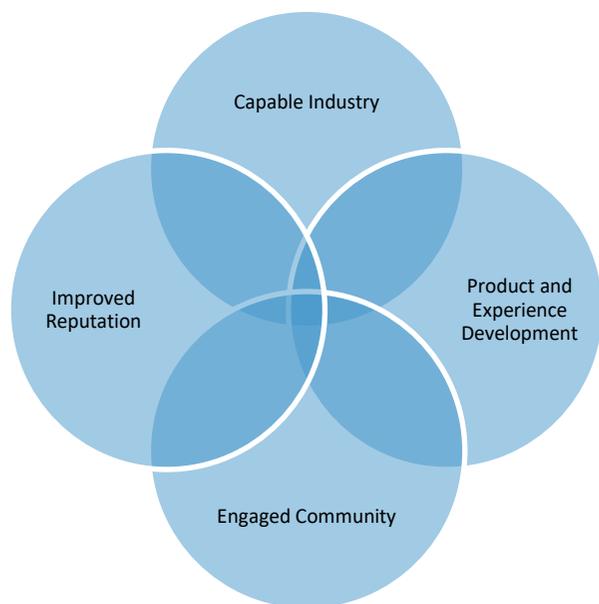
The report supported Frankston City developing as a destination, as an urban hub with strengths in arts, culture, dining, events and accommodation. Visitation growth will be supported through programs which improve liveability, engage local residents as primary ambassadors to the visiting friends and relatives market and which leverage the City's health, business, retail and education sectors.

To support this focus, the BVSR also recommended that Council reevaluate its resourcing of traditional face-to-face visitor servicing, in particular as a result of global digital disruption and changes in consumer preferences and needs.

As such, the BVSR recommended a new vision and structure to support the growth of Frankston City's visitor economy with a focus on **'Liveability, Visitability and Economic Prosperity'**.

The strategic priorities identified to ensure the City achieves its visitor economy potential are:

1. Industry Engagement and Capacity Building
2. Product and Experience Development
3. Destination Marketing and Communications
4. Visitor Services



The report highlighted the following key strategic directions:

Growing the accommodation base by attracting investment in a range of accommodation typologies

Improving perceptions specifically positioning the city as a place to live, visit and invest

Delivering improved visitor services to meet the demand of all visitors and the broader visitor economy

Developing and growing events, arts and culture including business and sporting events

Attracting investment in products, experiences and attractions to create destination attractions

2014 DDP Outcomes

Due to delays in the undertaking and actioning of the recommendations of the BVS (2015 to 2018), a business as usual approach was adopted. As such, only a few new programs and initiatives were introduced during the previous DDP implementation period and little progress was made against the fundamental infrastructure, industry and experience development needs identified.

However, to ensure ongoing improved positive perceptions of Frankston City, the delivery of strategic marketing, communications, and industry engagement and product development initiatives were prioritised within the resources available. These included:

- Creation of the destination brand, 'Frankston, Enjoy Every Moment',
- Development and implementation of the Tourism Event Attraction Program,
- Creation of Visit Frankston social media growth program
- Cooperative and destination marketing programs
- Cooperative and destination photography programs

These projects relaunched Frankston City's marketing to showcase the City's best assets and attributes, building upon the City's existing product and experiences and ensuring positive conversations dominated all marketing and communications platforms while more strategic long-term work could be planned.

Appendix C: Related Documents

In developing the 2019-2024 Frankston City Visitor Economy Strategy, a number of significant strategies and related documents from local, regional and state industry and government associations were taken into consideration.

Frankston City Strategies and Plans:

Frankston City Council Plan 2017-2021

Frankston City Economic Development Strategy 2016-2022

Frankston Arts and Culture Strategic Plan

Frankston City Coastal Management Plan 2016

Frankston City Open Space Strategy 2016-2036

External Strategies and Plans

Mornington Peninsula Region Destination Management Plan 2013

Victorian Visitor Economy Strategy 2016-2020

2018 Local Government Tourism Health Check

Appendix D: Proposed Implementation Budget

Objective	Year 1 (18/19)	Year 2 (19/20)	Year 3 (20/21)	Year 4 (21/22)	Year 5 (22/23)	Year 6 (23/24)	Year 7 (24/25)	TOTAL
Frankston City is a year-round events, arts and culture destination	Budgeted: \$52,000	Unbudgeted: \$250,000 Budgeted: \$52,000	Unbudgeted: \$200,000 Budgeted: \$52,000	Unbudgeted: \$200,000 Budgeted: \$52,000	Unbudgeted: \$200,000 Budgeted: \$52,000	Unbudgeted: \$200,000 Budgeted: \$52,000	Unbudgeted: \$200,000 Budgeted: \$52,000	
TOTAL	\$52,000	\$302,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$1,614,000
Frankston City is a health, education and business events and conferences hub		Budgeted: \$15,000	Budgeted: \$15,000	Budgeted: \$15,000	Budgeted: \$15,000	Budgeted: \$15,000	Budgeted: \$15,000	
TOTAL		\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$90,000
Frankston City has a culture of excellent customer service to support the visitor experience	Budgeted: \$77,000	Budgeted: \$117,000	Budgeted: \$27,000	Budgeted: \$27,000	Budgeted: \$27,000	Budgeted: \$27,000	Budgeted: \$27,000	
TOTAL	\$77,000	\$117,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$329,000
Frankston City is an outdoor nature-based destination	Budgeted: \$50,000	Budgeted: \$50,000 Unbudgeted: \$50,000			Budgeted: \$5,000			
TOTAL	\$50,000	\$50,000	\$50,000		\$5,000			\$155,000
Frankston City is a must-see visitor destination within Metropolitan Melbourne	Budgeted: \$20,000	Budgeted: \$20,000	Budgeted: \$20,000	Budgeted: \$20,000	Budgeted: \$20,000	Budgeted: \$20,000	Budgeted: \$20,000	
TOTAL	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$140,000
Frankston City has a thriving and engaged community and strong local economy	Budgeted: \$38,000	Budgeted: \$38,000	Budgeted: \$38,000	Budgeted: \$48,000	Budgeted: \$38,000	Budgeted: \$38,000	Budgeted: \$38,000	
TOTAL	\$38,000	\$38,000	\$38,000	\$48,000	\$38,000	\$38,000	\$38,000	\$276,000
YEARLY TOTAL	\$437,000	\$492,000	\$452,000	\$362,000	\$357,000	\$352,000	\$352,000	\$2,604,000