



The Value of Tourism to Southern NSW

Exploring the evidence base and initiating a conversation within the region
November 2023

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Pg.10 - Lindner Socks, Crookwell

Pg.17 - Region X Kayak Experience, Batemans Bay

Pg.6 - Big Merino, Goulburn

Pg.14 - Valley Fresh Cherries & Stone fruits, Young

Pg.18 - Wildbrumby Schnapps Distillery, Crackenback

Pg.8 - Cycling, Lake Jindabyne

Pg.16 - Dive Eden, Twofold Bay, Eden

Pg.20 - Queanbeyan Public Art Walk

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Acknowledgements

ProjectsJSA acknowledges the Traditional Custodians of Southern NSW and pays respect to Elders past, present and emerging. We celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of NSW.

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Overview

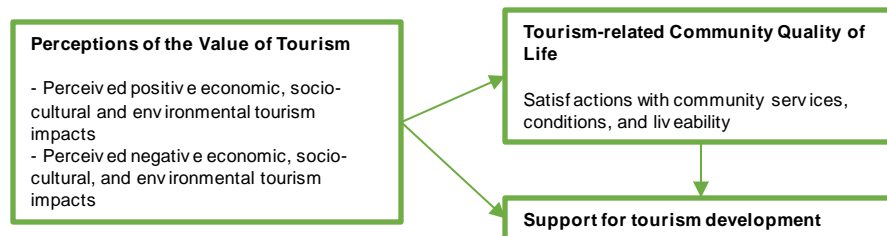
This report documents an initial stage of a project to assess the value of tourism to Southern NSW and to communicate influentially within the region to build support for further sector development.

The aim of this report is to document an approach to understanding value, review existing evidence and provide an initial communications strategy for Destination Southern New South Wales (DSNSW) to use in engaging the region.

Value flows both ways between the sector and the community and is much more than economics

To demonstrate and create real value in the region DSNSW should:

1. Recognise that the value of tourism for the region is much more than simply visitor numbers and expenditure.
2. Understand that value is reciprocal. As well as creating value, tourism relies on the community to play an active role in the sector and its development.
3. Engage with the perceived negative and positive impacts of tourism which are filtered through local quality of life issues. Support for tourism is shaped by local issues and needs and the communication of value should be shaped by this fact (see framework below).



Social and environmental information and perspectives are missing

Economic information is readily available to DSNSW to support the project. However, there is limited to no information available specific to the region on social and environmental issues, community perceptions or evidence to understand the value of the community to the sector. This should be the focus for future information gathering and can also guide a 'regenerative' approach to future sector development.

Listen, learn, inform and influence

Developing an understanding of tourism value requires a conversation with the community. To enable this communications effort, a narrative, initial messaging and recommended campaign strategies are provided to guide next steps.

Next Steps

Priorities for DSNSW are to:

- Begin communicating immediately to learn and begin informing and influencing perceptions of value
- Gather better information on the social and environmental value of the sector and community perceptions
- Develop a network of champions, engage negative actors and invest in a targeted campaign within the region to build support for the sector
- Consider how a regenerative approach to sector development can nurture and enrich the sectors' enduring value in the region

About the Project

The issue

“Tourism has been identified in Australia’s ‘next wave of prosperity’ as one of the top five sectors of economic growth and has the potential to become Australia’s fastest growing industry, according to Deloitte.”

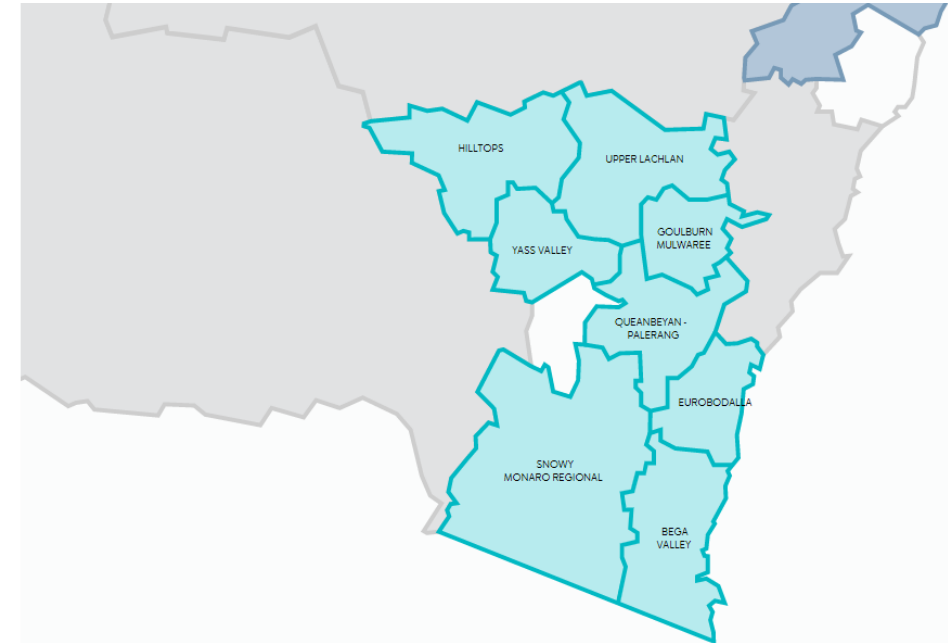
Following many long years of COVID-19, the region is in recovery mode, and tourists are returning. The region is seeing people coming for reasons beyond just visiting friends and relatives.

In addition, those who are returning and not yet taking full advantage of local attractions, arts and heritage, or sporting events. There is limited engagement in sightseeing, with the majority of tourism spend associated with overnight stays going to pubs, clubs and restaurants. Further development of the sector is essential to capture the full potential in the region.

A key challenge to future development is that there are a mix of perceptions about the value and future potential of tourism amongst everyday people, businesses and industries in Southern NSW.

The benefits of the visitor economy are often hidden. Perceptions of negative issues and problems associated with tourists (noise, mess, poor behaviour, inflating rents, etc) also undermine the communities confidence in the value of tourism to the region.

Engaging with the community to build an informed view on the value tourism will help to resolve issues and build support for further development.





A Framework for Understanding and Communicating the Value of Tourism in Southern NSW

Visitor economy scope and regenerative aspiration

In considering the value of tourism, it is essential that DSNSW take a visitor economy perspective. According to Australian Regional Tourism¹:

Traditional definitions of tourism tend to focus on leisure tourists – people travelling and staying outside their usual place of residence for a limited time period for the purpose of a holiday, sight-seeing and recreation.

More contemporary definitions have expanded the concept to include people travelling for other reasons such as visiting friends and relatives, business, work, education or even medical services; identifying these travellers from a destination perspective as ‘visitors’.

The term ‘visitor economy’ refers to the production of goods and services for consumption by visitors, which includes the industries that directly serve visitors, such as hotels, transport providers, tour companies and attractions, as well as intermediaries and those involved indirectly, such as retail and food production.

This recognises that visitor activity does not occur in isolation and contributes to investment and jobs across a range of industry sectors.

The concept of regenerative tourism² also provides an important aspiration for the sector in understanding and actively creating community value.

This approach to sector development seeks to ensure travel and tourism reinvest in people, places and nature and that it supports the long-term renewal and flourishing of our social-ecological systems.



1. Australian Regional Tourism Ltd (2019) Visitor Economy Thinking for Local Government, regionaltourism.com.au
2. Drege D (2022) Regenerative tourism: transforming mindsets, systems and practices, Journal of Tourism Futures, Vol. 8 No. 3, pp. 269-281. <https://doi.org/10.1108/JTF-01-2022-0015>

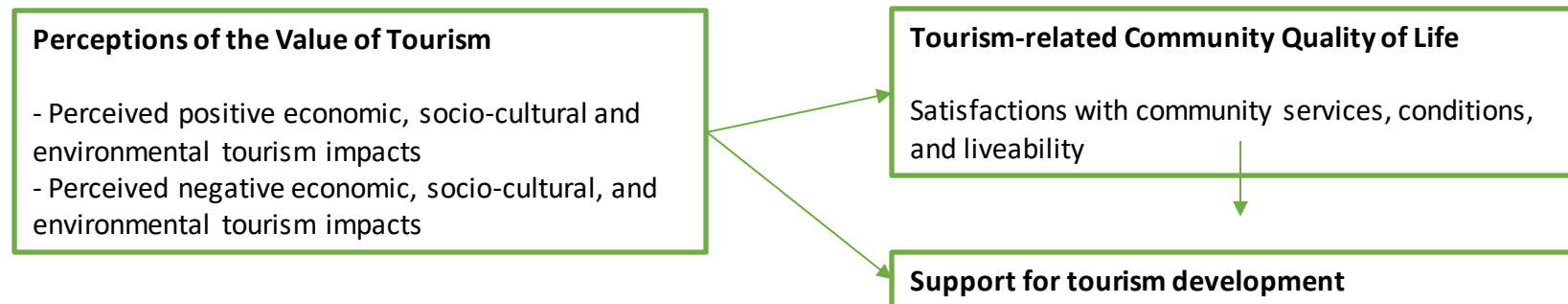
Value as it is understood by the community is what matters

'Value' is a subjective term³ meaning that different people and groups will value things differently depending on their own perspectives, aspirations and concerns.

This perceived value of tourism has three elements⁴: perceptions of value, tourism related quality of life and support for tourism development (see framework diagram below). The key insight is that whilst community members will hold specific views on the value of the tourism sector, the ways in which tourism interacts with wider quality of life concerns for the community are important and can dominate views on the value of the sector.

A live example related to housing shortages which have occurred alongside increased use of housing for short-stay accommodation. This coinciding trends mean the sector may be perceived as largely responsible for local housing shortages regardless of whether evidence supports this conclusion. In this context, addressing this issue and avoiding the negative perceptions becoming entrenched requires more than a rational assertion of economic facts to counter these views. Instead, the sector needs to use evidence to acknowledge the relationship and build a better understanding of its role in housing. Working actively as a member of the community to develop solutions to the wider issue is also an opportunity to shift perceptions.

DRNSW should therefore focus on community perceived value as its primary framework. In this approach, evidence of value is collected as an input to support informed engagement and influencing of community perceptions. DSNSW should also investigate perceptions, quality of life concerns and levels of existing support and seek to constructively influence each element through engagement, information and a sector development strategy that responds to genuine concerns and regenerative opportunity.



3. Hanley JE (2021) All value is Subjective, and That's a Good Thing, American Institute for Economic Research, sourced from: <https://www.aier.org/article/all-value-is-subjective-and-thats-a-good-thing/>

4. The framework is sourced from Yu C, Cole ST and Chancellor C (2018) Resident Support for Tourism Development in Rural Midwestern (USA) Communities: Perceived Tourism Impacts and Community Quality of Life Perspective, Sustainability 2018, 10, 802; doi:10.3390/su10030802

Differing context and value in Southern NSW

Southern NSW is large region spanning the South Coast, Snowy Mountains, and Southern Tablelands. Just as the sector in the region is diverse, tourism's role, value and community perceptions will vary.

The relative importance of the sector to the community will be an important factor:

- Tourism and the visitor economy is a relatively more important to the Snowy Mountains and South Coast in terms of share of local economic activity and employment.
 - In these areas tourism is a more significant driver of wider economic development and a more visible part of community life.
 - As a result, the costs and benefits of tourism may be more acute and/or more likely to be seen more significant to local quality of life.
- Tourism and the visitor economy plays a supporting and diversifying role in other areas, particularly agricultural communities further and in the more peri-urban areas close to Canberra.
 - In these areas tourism is a supporting sector and further development is an opportunity.
 - The sector may be seen as less central to local quality of life.
 - Raising understanding of current and potential value may be the primary challenge in these areas.

DSNSW should test the importance and implications of these differences and consider the merits of focussing effort in those areas where tourism is of most significance and support for the future development of the sector may be more actively challenged.



A partnership with the community

Value of tourism initiatives (and similar projects in other industries) can be one sided, aiming to demonstrate the positives and then to communicate this information to stakeholders to convince them of value (positive impacts) and achieve an acceptance of the necessity of trade-offs (negative impacts).

A reciprocal value approach is a better approach as:

- Communities play a major role in delivering tourist services, attractions, and accommodation⁴
- Residents' receptiveness and friendliness toward tourists is crucial to a positive visitor experience, which influences the likelihood of returning to the destination and word-of-mouth recommendation⁵
- Sociocultural and environmental benefits contribute to the host community's living experience as well as direct economic benefits such as jobs and economic expenditure⁵
- Community participation in tourism decision-making influences them to be supportive for tourism development⁴.

The community and other sectors are crucial to the sector just as the sector is crucial to community welfare. Recognising and enhancing this reciprocal value should be at the heart of DSNSW approach to this work.

DSNSW should place reciprocal value at the heart of the project, supporting a conversation between the sector and the community which is about mutual benefit and opportunity.



4 Alim, M.A., Jee, T.W., Voon, M.L., Ngui, K.S., & Kasuma, J. (2021). TOURISM DEVELOPMENT THROUGH COMMUNITIES' SUPPORT: RURAL COMMUNITIES' PERSPECTIVE. *GeoJournal of Tourism and Geosites*, 39(4s pl), 1473–1482. <https://doi.org/10.30892/gtg.394spl18-791>

5. Yu C, Cole ST and Chancellor C (2018) Resident Support for Tourism Development in Rural Midwestern (USA) Communities: Perceived Tourism Impacts and Community Quality of Life Perspective, *Sustainability* 2018, 10, 802; doi:10.3390/su10030802

Elements of Reciprocal Value – Sector in community

The table below identifies recommended elements of value from a sector in the community perspective.

The focus work in Australia tends towards narrowly framed economic benefit analysis⁶. DSNSW should look to track local a wider set of positive and negative elements that are likely to be shaping community perceptions of value.

Value Domain	Potential positive impact elements - sector in the community ⁷	Potential negative impact elements - sector in the community ⁷	Data/information sources
Economic	Job creation Tourism expenditure/Contribution to GRP/multiplier effect Diversification in the economy/direct and indirect business opportunities Enhanced availability of goods and services	Seasonal work/lower paid work/underemployment Higher property prices/competition for housing Higher costs for goods and services	DSNSW Value of Tourism 2022 Australian Bureau of Statistics, Jobs and Skills Australia, Tourism Australia data sets NSW REDS SQM Research, AirDNA Local case studies/survey
Socio-cultural	Local access to events, attractions and facilities Support additional or enhanced social services and infrastructure Encourages civic involvement and pride/cultural exchange and new residents/preservation and celebration of local culture	Increased costs of maintenance Increased petition for access to services Crowding and congestion during peak seasons Gentrification/loss or erosion of local culture/fragmentation of the community	Local government and industry event and facilities data Surveys of community perceptions of local quality of life issues and tourism impacts
Environmental	Supporting conservation of natural areas and landscapes Encourages community beautification and revitalisation/ Sustainable and eco-tourism	Degradation through overuse or pollution Litter and noise	Local government data and feedback Sustainable, eco-tourism and regenerative data and case studies



6. DeLoitte (2021) The Value of Tourism, Tourism Australia

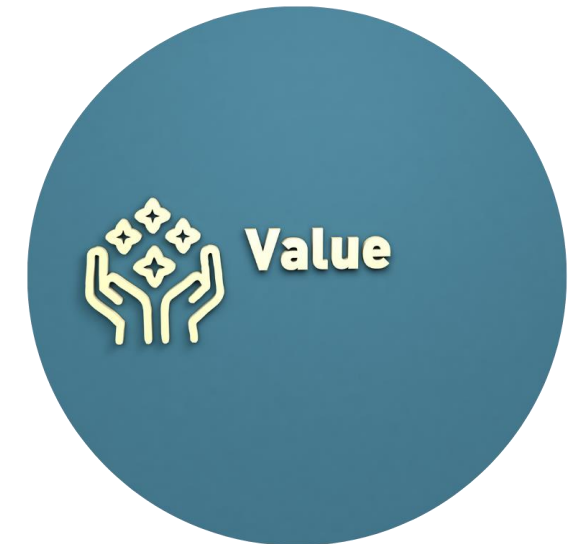
7 Barcelona Field Studies, Tourism Costs and Benefits, accessed October 2023 <https://geographyfieldwork.com/TourismProsCons.htm>

Elements of Reciprocal Value – Community for sector

The table below identifies the recommended elements of value to be understood and monitored over time to understand the extent to which the community is contributing to the success of the sector.

This perspective has not been regularly included in value of tourism projects and DSNSW can build greater impact and relevance for the work by explicitly recognising and tracking these elements of reciprocal value.

Value Domain	Positive sources of value - community to the sector	Negative sources of value - community to the sector	Data/information sources
Economic	Workforce participation Acquisition and development of tourism sector specific skills Innovation and entrepreneurship in products and services Prioritisation of tourism development in local economic plans	Community opposition to tourism development	Australian Bureau of Statistics, Jobs and Skills Australia, Tourism Australia data NSW REDS <i>Local case studies/survey</i>
Socio-cultural	Positive attitudes and willingness of locals to welcome visitors and showcase local culture and experiences Providing access for visitors to community facilities and services	Negative community attitude and engagement with visitors Exclusion of visitors from access to facilities, experiences and social events	<i>Attitude survey of the local community</i> <i>Visitor survey and feedback</i> <i>Local case studies</i>
Environmental	Maintaining natural areas and landscapes in conditions expected by visitors Supporting access for visitors to natural areas	Exclusion of visitors and the sector from access to natural assets	<i>Local government/NPWS data and feedback</i>



Key Gaps and Information Needs

There are important gaps and information needs that would assist in development a stronger foundation of evidence about the value of tourism in the region that can support a more sophisticated communications and engagement strategy.

These gaps and information needs include:

- A program of engagement with key stakeholders in the region to discuss value and perceptions, costs and negatives and potential solutions.
- Targeted community surveys to establish baselines and track perceptions and attitudes in relation to the value of the tourism sector in the region.
- Developing supporting case studies and examples that make practical and real the broader concepts and findings in relation to tourism impact in the region

DSNSW should undertake targeted engagement and investment in these assets as a next step.



An Initial Approach to Communicating Value

Our mission

“A thriving and regenerative tourism industry in Southern NSW that has a high perceived value and sustained levels of support amongst the local community”.

The local community, associated industries and business and local governments are a key to the realisation of this vision. The key outcome for Destination Southern NSW is to build a recognition for the benefits of tourism and support for the industry and its further development.

DSNSW can begin with a sensible and carefully crafted ‘internal to the region communication campaign’ utilising local champions and working to defuse and convert identified negative actors.



Narrative

Across the region of Southern NSW, we are all working together towards the renewal and future resilience for our region.

Our region has faced some serious challenges. Yet, there is a prosperous future ahead for our towns and our people.

Tourism is one of our most important local industries and its progress can help us towards our collective goal.

At its core, a busy tourism sector creates benefits for the wider community, directly via local enterprise and jobs and through supporting better services, local facilities, new residents and connections to the world.

Tourism also relies on the community for its success. The openness and welcome of residents to visitors is fundamental and support for development of the sector is vital to tourism's success.

The sector and local people who lead it is committed to understanding and finding ways to resolve tourism connected pressures and challenges in our communities.

The future is not just about having more visitors or securing more spending from each visitor.

It's about a vision for tourism as key part of our community and a region, one that brings wider benefits for the whole community.

A thriving visitor economy means a thriving Southern NSW.



Initial talking points

Basic Value Assertions

As a region, we all benefit from the value of tourism.

Did you know that tourism brings in \$8.6 million every single day? That's because every minute, people are spending about \$5,948 on things like accommodation, food, and activities, right here in our region.

Yet this isn't just about money; it's about an investment that directly goes into our local economy.

Tourism isn't just about fun; it's also about creating jobs. In fact, tourism provides jobs for about 9.6% of our region's workforce, including the broader visitor economy.

That's 9,520 people who have direct jobs because of tourism and another 2,392 who benefit indirectly. More tourism means more employment opportunities for our community.

We have 3,098 businesses right here in Southern NSW that are linked to tourism.

Engaging positives and negatives

We also recognise that tourism can bring challenges and add to pressures on local services and resources, particularly in recent years when housing and services have been stretched.

The sector is keen to understand these impacts and work with the community to find ways to grow the positives and minimise the trade-offs.

Commitment to reciprocal value

Tourism is about community growth and shared experiences as well as economics.

When we welcome visitors, we're also showcasing the beauty and uniqueness of Southern NSW. We're sharing our stories, traditions, and way of life with others.

The sector's commitment is not only to growing our local economy but also creating a richer, more vibrant Southern NSW that we can all be proud of.



Deliberate stakeholder engagement

Stakeholder analysis and engagement should be the most significant first piece of work prior to designing and delivering a fully developed internal communication campaign.

However, rather than the usual review of the players within the tourism sector and the visitor economy, this analysis will be focused on identifying the key players in the region, who may be publicly or privately for and against tourism.

Analysis should review media mentions, council minutes, industry and business meetings.

Group discussion, engagement in local forums and targeted one-on-one meetings will provide further insights as well as a venue where value can be communicated and perceived positive and negative impacts better understood.

Through this analysis and engagement, Destination Southern NSW can begin to build a picture of the champions in region as well as negative issues and their proponents to inform the internal communications campaign.



Focus on engaging community influencers



Two key audiences will have distinct yet interacting roles in the immediate and long-term campaign.

Champions

Champions need to be identified both within and outside of the tourism sector. Champions will become the face of the campaign, working directly within their local region to encourage a positive outlook on tourism. Armed with data and sensible messaging, that reflects the challenges but also highlights the positives. These champions will front media, attend events and also play a vital role in word-of-mouth marketing.

Champions can also help identify negative actors in their regions.

Negative actors

Negative actors will also be identified. Meetings should be held with these individuals or businesses, both formal and informal, attended by Destination Southern NSW as well as local champions (who will most likely have pre-existing relationships with them).

Work will focus on listening to their grievances and reflecting on their experiences. In addition, active promotion of them and their businesses, as an inevitable part of the visitor economy, will assist in changing their mindset. Work will consistently be undertaken to respond to them in the media and on social media.

Not everyone's mind can be changed, but listening and engaging often takes the sting out of their opposition.

Next steps

Initial engagement action plan

Phase 1 engagement – beginning the value conversation

This action table provides a roadmap for initial stakeholder engagement activities that should be progressed by DSNSW. It provides a systematic approach to identify champions, engage with negative actors, and disseminate positive messages about tourism in Southern NSW. It also includes actions to plan and implement further evidence gathering once initial engagement has been completed. Fully resourced, the project would be led by an internal DSNSW project team supported by research and communications expertise. DSNSW should adapt the plan as needed based on feedback, available resources and changing circumstances.

Step	Action	Timeline	
Phase 1			
1. Media Analysis	Review local media mentions related to tourism in the region. Seek both positive and negative coverage.	Project Team	Week 1
2. Council Minutes Analysis	Analyse available council minutes for insights on local views on tourism.	Project Team	Week 1
3. Stakeholder Identification and mapping	From these audits, identify key stakeholders both for and against tourism in the region.	Project Team	Weeks 1-2
4. Industry & Business Meetings	Attend industry and business meetings for further insights and analysis.	Project Team	Weeks 3-6
5. Group Discussions & Forums	Engage in local forums and group discussions for further insights and analysis.	Project Team	Weeks 3-6
6. One-on-One Meetings	Conduct one-on-one meetings with key stakeholders, like mayors, lead business media personalities.	Project Team	Week 5-6
7. Champion and Negative Actor Identification	Following this activity, identify champions and negative actors both within and outside the sector, and their preferred communication channels.	Project Team	Week 7
8. Evidence Gathering Strategy	Based on initial engagement, available resources and funding opportunities develop a program of evidence gathering to fill key data and evidence gaps identified in this report.	Research Team	Week 1-7

Phase Two Action Plan

Potential follow-on actions following the completion of Phase 1.

Phase 2			
9. Evidence Gathering	Collect new data on tourism's positive economic impact, environmental pros and value to the region.	Research Team	Weeks 8-16
10. Message Development	Review current positive and balanced narrative and messages about tourism against phase 1 audits and data collection.	Communication Team	Week 8
11. Content design development	Develop campaign related collateral and content, including social media posts, media releases, cases studies and outdoor.		Week 8-10
11. Champion Training	Train champions on key messages and their roles in promoting tourism, both in the media and in meetings.	Communication Team	Weeks 10-11
12. Engagement with Negative Actors*	Initiate meetings with negative actors and champions.	Communication Team	Week 12-15
13. Media & Social Media Engagement*	Start media, advertising and social media campaign promoting tourism.	Communication Team	Weeks 12-24
14. Ongoing Feedback & Adaptation	Continuously gather feedback from stakeholders and adapt campaign.	Project Team	Ongoing
15. Evaluation & Reporting	Evaluate the effectiveness of the campaign.	Project Team	After 6 months

* Both these steps will purposefully and substantially address concerns identified and used by negative actors. Focus will be on channels used frequently by negative actors. Champions will take a lead role in this activity.