
CHRISTMAS ISLAND TOURISM ASSOCIATION INC. (CITA INC)

Phone: 08 9164 8382 Fax: 08 9164 8080
PO Box 63, Christmas Island, Indian Ocean, 6798, AUSTRALIA
E-mail: cita@christmas.net.au Website: www.christmas.net.au



Mr. Chairman,

The Following is a submission from the Christmas Island Tourism Association to the National Capital and External Territories Committee on the occasion of its visit, 11 March 2003.

If further information is required the Association would be pleased to supply it.

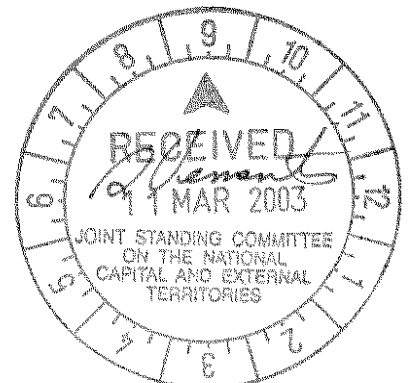
Yours truly,

A handwritten signature in black ink, appearing to read "Fred Robinson".

Fred Robinson, Treasurer

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SUBMISSION



**Submission to
National Capital and External Territories Committee
From the
Christmas Island Tourism Association**

While it is desirable to seek and develop new big projects for Christmas Island it is also important to support further development of the tourism industry. It is important that Christmas Island not put all its economic eggs into one basket.

For the last decade numerous plans and studies have stated that the long-term economic future of Christmas Island lies with tourism (Appendix 1.) With the anomaly of "the Casino" no major tourism develops have occurred on Christmas Island. Small, local entrepreneurs hoping to grow their businesses run most tourism operations on the island. Profits, if there are any, are directed into improving the product. There is not a lot of spare cash for marketing the individual products. Because of the size of the businesses, the fragile environment of the island, and the limited number of seats on flights, the near future is primarily one of boutique tourism aimed at specific markets, e.g. diving, nature tourism, bird watching, and "escaping to a desert island".

Presently, three things are needed to advance tourism on the island to the next level.

- 1. Assured regular flights from both the south and the north.**
- 2. Funds to support a marketing program.**
- 3. Market penetration into mainland Australia and overseas.**

The Christmas Island Tourism Association (CITA) has taken steps to address these issues. Governmental assistance is required to help implement the approach developed by the Association. In summary the approaches to addressing these issues are as follows:

- 1. Assured regular flights from both the south and the north**

In order to prepare brochures and to market tourism packages a lead-time of a year is needed. Wholesalers must be assured that flights are reliable and fixed in place.

The dive industry on the island is heavily dependent on European tourists. Most have only a two-week window of opportunity to take their dive holidays. They need a reliable flight from the north. This is the first year that Christmas Island has been featured in major European wholesaler's catalogues. If the current flights cease it affects not only the existing businesses, but also future booking as well if the destination is perceived as unreliable.

The Tourism Association has supported Austasia in its request for assistance to continue the northern flights. The tourism association and its members are committed to financially supporting the provision of marketing services by Austasia in Indonesia. The association urges that government consider the submission from Austasia for assistance with landing fees and increased subsidy for the transporting of mail. Because of its

importance to the growth of tourism, the Association urges a policy that provides adequate and concrete assistance to sustain a flight from the north.

Linked to the flights from the north is the issue of the difficulty faced by Indonesians in securing visas to visit Christmas Island. There is a large ex-pat market in Indonesia to be tapped by Christmas Island tourism, but often ex-pats have Indonesian families. The requirements for bank references and bonds discourages these families from holidaying on Christmas Island.

2. Funds to support a marketing program

On Christmas Island there is no domestic tourism. Everyone who holidays on Christmas Island arrives at the end of a long and expensive air flight. The individual tourism businesses do not have the funds to carry out much marketing to reach their customers. The marketing burden falls to promote the island falls on the Christmas Island Tourism Association with an annual marketing budget of approximately \$48,000.

There is no back up for the association from a state tourism department. The Western Australian Tourism Commission is supposed to sign a Service Delivery Agreement (SDA) with the territory, but has been dragging its feet and nothing has been signed. The Australian Tourism Commission does not play a role in promoting the territory.

The Association has proposed to government that the marketing of Christmas Island be financially supported by the imposition of a ten-dollar surcharge on each air ticket (See Appendix 2). It is estimated on current figures that this would raise \$55,000 per year.

3. Market penetration into mainland Australia and overseas

The Association has prepared and is implementing a plan for marketing the island. A copy is submitted for your attention (Appendix 3.) The plan is guiding the Association in getting a share of the Australian and international market for the island. Its implementation over the next three years will assist island operators in growing their businesses. Within its existing budget the Association is only able to meet some of the requirements of the plan. It is however working actively on implementing the plan and has been successful in getting several journalists to prepare articles on the island and this week has approved a completed videotape for use in marketing at trade shows.

Appendix 1

Recent Reports Supporting Tourism as a Major Industry for Christmas Island

Quotes from reports supporting Tourism &/or need for Northern Hub.

Tourism in the Indian Ocean Territories. Summary of Conclusions and Recommendations to the Report of the House of Representatives Standing Committee on Environment, Recreation and the Arts. Commonwealth of Australia, August 1990:

'The development of tourism is necessary for the establishment of a viable economy in the two territories...tourism is most likely to contribute to the establishment of a self-sustaining economy...The Committee considers that the Government should sustain some costs in the short term to assist ventures to become established. This should take the form of efforts to overcome the infrastructure deficiencies and to develop policies which facilitate tourism...requirements that developers contribute to infrastructure upgradings should not be imposed.'

Robertson Report on Air Services to the Indian Ocean Territories, Commonwealth Department of Transport and Regional Services, Australia, October 1999, Executive Summary (Section 2):

[There is the] 'inability of any operator to successfully market the IOTs with the current level and frequency of air services'

Christmas Island Regional Analysis. Bureau of Transport Economics, Commonwealth of Australia, December 1998.

'The major opportunities for further economic development on CI involve private sector activities...The Commonwealth has a role in areas such as the provision of an appropriate framework for private sector activities and policies in specific areas...Tourism will not develop on a significant scale unless there are improved air services from Asia and from Perth. Other issues that potentially need to be addressed...include land release policies (particularly tourist accommodation), specific infrastructure requirements for major projects, and coordination of development activities.'

Report of the House of Representatives Standing Committee on Environment, Recreation and the Arts. Commonwealth of Australia, August 1990:

'The development of tourism is necessary for the establishment of a viable economy in the two territories...tourism is most likely to contribute to the establishment of a self-sustaining economy...The Committee considers that the Government should sustain some costs in the short term to assist ventures to become established. This should take the form of efforts to overcome the infrastructure deficiencies and to develop policies which facilitate tourism...requirements that developers contribute to infrastructure upgradings should not be imposed.'

Christmas & Cocos Islands Regional Tourism Strategy. Virginia Jealous June 2000

"The Commonwealth, given recommendations in many reports to various government departments of the critical nature of tourism development to the IOTs (some of which are quoted here), should allow for tourism development in the islands' air services equation. This should include

- a northern hub, or support for connecting services to the north;
- consistency of service"

"...island during a time in which airline services were reduced, and accommodation options, tourism facilities and activities became more limited. Tourism to remote island communities relies, of course, on external influences, airline services particularly..."

"Air Services

'need to...be regular...be reliable...have seat availability guaranteed in advance...be routed with more flexibility...have long-term guaranteed scheduling...have greater seat availability...provide discounted seats for tourists...be cheaper...be consistent...include an Asian hub...retain the Perth connection...allow a cheaper and more flexible way to travel between CI and Cocos...' (one or more issues cited by all members, CITA and CocosITA)"

"Goals four to six below are the critical enablers that will allow tourism to develop further and to flourish.

Goal 4. Improve regional access and local transportation"

Christmas Island Marketing Strategy – Ray Bird and Associates 2002

"A noteworthy feature of this project is the significant level of support and interest that has been generated amongst participating local individuals, Island based tourism industry, Perth based stakeholders, and the respective government agencies. This support is well founded. Christmas Island possesses a number of critical factors considered essential for niche-based tourism destination success. These include,

- unique and authentic nature-based and cultural tourism experiences
- a small but highly motivated group of local participants

a positive approach to cooperative development and marketing by participants" Page 1

- "An underlying philosophy of the CI Marketing Strategy will be that the more successful the promotion of the destination becomes, the greater the benefits delivered to local tourism and business interests in the form of increased visitor expenditure into the local economy and flow-on increased employment opportunities." Page 2

- "these forecasts assume the marketability of the Island will not be affected by any major occurrence that disrupts the economic climate and visitor industry of the Island, Western Australia and Australia". Page 3

"Diversifying visitor market reliance to include holiday and leisure travellers can work to ensure this more consistent approach to attaining sustainable growth. Over the last two decades tourism has emerged as one of Australia's most significant growth industries. Those involved either directly or indirectly have the capacity to benefit economically, socially and environmentally from successful tourism activities. Tourism generates expenditure within a community and this is usually translated into increased employment opportunities, new business ventures and a varied economic base" Page 6

"Remote island tourism brings with it a number of unique issues, challenges and opportunities. Unlike mainland tourism destinations which typically receive the large majority of visitors via self drive or other modes of road transport, island destinations such as CI rely almost exclusively upon air access. Page 7

"The agency also acts as a wholesaler for the destination and undertakes the production and dissemination of Christmas Island information kits and travel packages to travel agencies Australia-wide. The operation also plays a major role in the Merpati charter flights from Jakarta and the expatriate market here will be a major focus of future external marketing plans." Page 9

"Perceived safe international destinations including Australia may attract those travellers originally planning to travel to other "hot spot" destinations, however it is believed that all air travel internationally will be severely affected, and in particular long haul destinations (such as Australia) as security fears may push travellers to stay close to home." Page 12

**Christmas Island, Local Planning Strategy, Phase one- Planning Assessment – Koltasz Smith
Development Consultants and Town Planning Project Managers**

“The Development of a more stable economic future for Christmas Island requires establishment of land use framework that facilitates development of a broader, more diversified economic and employment base than has been the “tradition’ on the Island. Tourism and particularly eco-tourism is most likely to be the base for the long term economic future of Christmas Island”

“The future of the tourism industry on Christmas Island is heavily dependant on the expansion, affordability and reliability of air services to the Island and the development of good standard, resort style facilities with the capacity to handle larger visitor numbers.”

Appendix 2

Christmas Island Visitor Annual Levy

CHRISTMAS ISLAND VISITOR ARRIVAL LEVY Submission by CITA

PURPOSE OF SUBMISSION

To seek Federal Government support for the implementation of a Visitor Arrival Levy (VAL) applied to all airport arrivals to the Christmas Island destination.

These funds would then be used to promote the destination and provide visitor information servicing through the improved operations of the Christmas Island Tourism Association (CITA). As stated in the Christmas & Cocos Regional Tourism Strategy (2002) and more recently reaffirmed in the CITA Marketing Strategy (2003-2005) this funding would support the creation of a CITA marketing position and the implementation of a range of external marketing and visitor data collecting activities currently unable to be undertaken due to a lack of resources.

In many regional destinations around Australia the roles of destination marketing and visitor servicing are performed by either two separate management positions or in some cases even two separate organisations. For CITA, the Tourism Coordinator's responsibilities currently include undertaking both the coordination of external marketing programs whilst at the same time attending to visitor information centre front counter enquiries, performing administrative duties, securing additional CITA membership and undertaking localised programs to service membership needs. In addition to these activities an ongoing role is to ensure regular CITA funding sources. These varied tasks are believed to dilute CITA's overall market effectiveness and a restructuring of operations is urgently required.

As stated in the Regional Tourism Strategy, "*if additional funding for these roles cannot be sourced, CITA will need to lower the expectations it has of its staff and reduce the scope of its activities*". The future socio-economic development of Christmas Island could therefore be at risk. The creation of the VAL, and the flow-on boost to CITA operational revenue that this would deliver, will work to ensure a successful and vibrant visitor based industry is continued to be developed.

THE PROJECT PROPONENTS

This proposal is made by the Executive Committee of Christmas Island Tourism Association on behalf of the 57 member businesses and the wider local Christmas Island industry. This proposal has the support of the CITA membership as well as the Christmas Island Chamber of Commerce.

The Christmas Island Tourism Association is responsible for two primary roles namely,

1. The marketing of the Island to external visitor markets, and
2. The provision of visitor servicing activities including the operation of the Christmas Island Visitor Centre.

For the purpose of this proposal the Chairperson of the Christmas Island Tourism Association will act as the principal contact point.

Contact person: Teresa Hendren
Tourism Coordinator
Christmas Island Tourism Association
Phone: (08) 9164 8382
Fax: (08) 9164 8080
Postal Address: PO Box 63, Christmas Island INDIAN OCEAN WA 6798
Email: cita@christmas.net.au

BACKGROUND INFORMATION

CITA is a not for profit organisation operating for the benefit of the Christmas Island tourism industry and the general socio-economic benefit of the Island and its residents. CITA is part funded by the Federal Government through the Dept of Transport and Regional Services and annual contributions by the local Shire. The remaining operational revenue is made up from retail souvenir sales, membership fees and other activities such as bike and internet hire.

CITA is the Island's principal marketing body while also administering the visitor information centre service. CITA performs both of these roles utilising its limited human and financial resources to its best ability however much time is spent by CITA staff in activities aimed at simply sourcing and/or generating sufficient revenue for the organisation to remain financially viable on an ongoing basis.

To illustrate this point, CITA staff report that considerable time is spent providing information to the business, government and worker visitor groups to the Island regarding local products and services although usually with no financial return to CITA being received. As is standard tourism industry practice, CITA prepares and disseminates "Information Kits" to these visitors free of charge and as stated in the Marketing Strategy,

"additional opportunities to derive income from the business, government and contract worker visitor groups to the island must be explored".

Of all the economic development opportunities possible for Christmas Island, tourism has consistently been identified as the **most viable and environmentally sustainable long term solution**.

The Christmas & Cocos Regional Tourism Strategy (2002) and the CITA Marketing Strategy (2003-2005) have been prepared with the ultimate aim of maximising the benefits of tourism to the Island. What is lacking however, are the financial and human resource required to fully implement these recommendations.

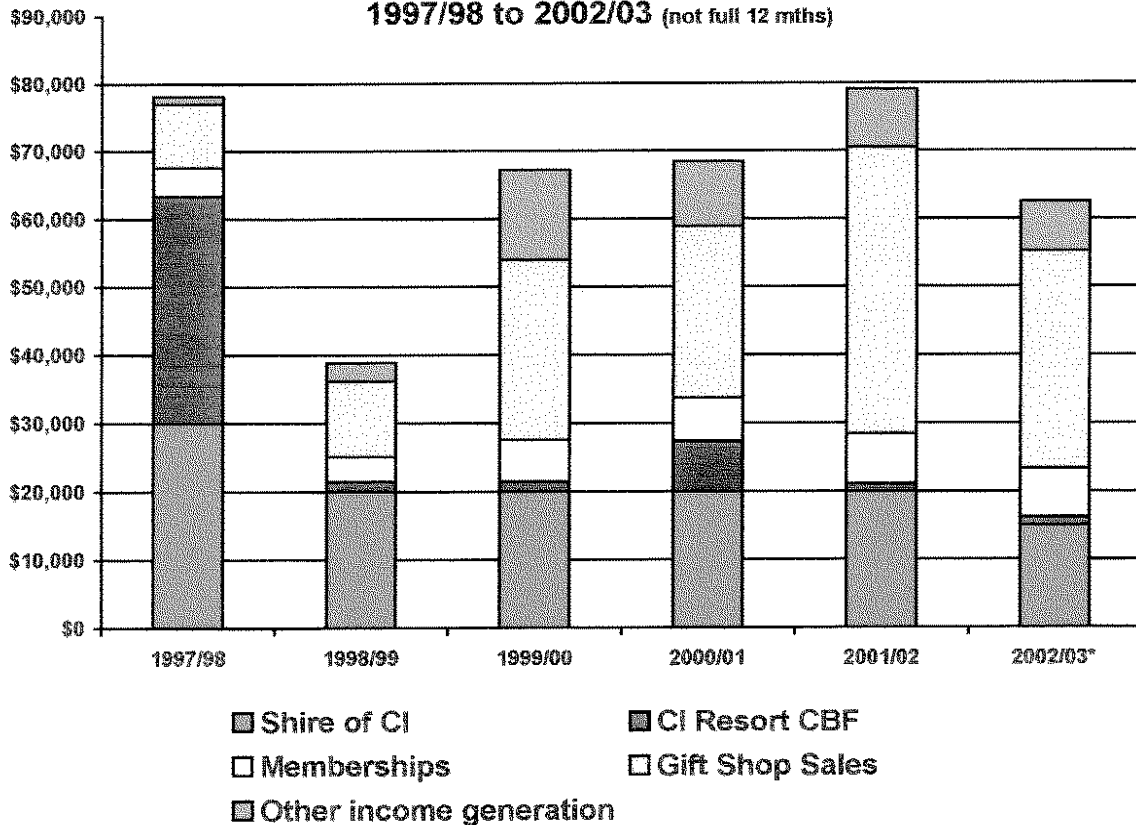
Since its inception CITA has relied upon a mix of funding sources many of these not of a permanent nature and subject to the decision processes of separate third party agencies beyond the control or influence of the association. This has made budgeting for activities difficult with uncertainty continually surrounding any future planning decisions.

As can be seen from the graph below, funding sources for CITA can vary dramatically from year to year and much of CITA staff time and resources are spent trying to generate operational revenue rather than focusing upon their core roles of visitor care and promotion. Contributions from local government have steadily diminished, and previous Community Benefit Funds have also decreased until they are now no longer available.

To counter this, CITA has worked hard to increase membership levels (2002/03 figures are nearly double 1997/98 levels) and through increasing gift shop sales (nearly four times 97/98 levels), providing secretarial services, bike and internet hire, booking commissions and the like. A large number of these "other" revenue sources divert CITA staff from their primary roles of visitor care and island promotion. Booking commission revenue potential is also limited as CITA supports licensed travel agencies that package and sell airfares effectively through their own travel distribution systems.

A consistent and reliable source of annual funding would allow CITA to more effectively focus upon its core roles of visitor servicing and external marketing.

CITA Funding & Revenue Sources Not including Commonwealth funding 1997/98 to 2002/03 (not full 12 mths)



Notes to graph:

- In 1997/98 some 81% of CITA funds were derived from grants from the Shire & the CBF fund, compared to only 22% in 2002/03. While this has meant less dependence on grant funding it has also forced CITA to shift focus away from its core roles of visitor care and external promotion of the Island as a visitor destination. The CBF is no longer available creating a further decrease in potential funding sources.
- In addition to the above funding, the Commonwealth Government of Australia has provided funding of \$53,000 since 1999 and in 2002/03 this amount was \$61,000.
- Operating expenses have increased and the Visitors Centres hours have been improved i.e opening hours have increased from 27 in 1998 to 47.5 hours 2002/03.
- *2002/03 figures are not a complete 12 month year.

AN OPPORTUNITY TO SECURE CONSISTENT ONGOING FUNDING

Christmas Island relies almost exclusively upon air access for all visitations to the Island and this provides an opportunity for CITA to establish a consistent and secure source of additional revenue to fund the proposed recommendations of the 2003-2005 Marketing Strategy.

With appropriate government agency support, a Visitor Arrival Levy (VAL) could be attached to all airline tickets sold for visitors to the Island. All arriving passengers on incoming Christmas Island flights would contribute and this would be included in the normal airline ticket price and administration.

The benefits of such a levy are numerous and listed as follows,

- The levy is non discriminatory, all incoming passengers, whether business, government or contractor worker, tourist or returning resident will be contributing to the development and promotion of a successful local visitor industry.
- Monies raised through this levy would be reallocated to CITA providing a **regular and secure source of funding** to undertake further destination marketing of the Island and to fund improved visitor information services on the island.
- Assuming an estimated 5,500 arrival pax are received through CI airport each year, a Visitor Arrival Levy of \$10 per pax would contribute an additional \$55,000 that would be totally reinvested in promoting the Island and servicing these visitor needs. A \$10 increase on a normal Christmas Island fare would be negligible on an individual fare basis, and as long as the proceeds of such a levy were reinvested into the visitor industry of the Island. There is **strong and widespread support** for the development of the tourism industry within the Island.
- As flights to the Island and passengers being carried increases so too will the CITA operational income. As this occurs, CITA will also become less reliant upon federal government and other third party grant sources. The levy is therefore a **potential avenue for long term financial self reliance** for the Christmas Island Tourism Association.
- With secure funding sources, CITA and its staff would be able to be more active in external marketing instead of spending large amounts of their time trying to generate small and inconsistent revenue sources simply to remain financially viable.

Such a mechanism would be ideally suited to the unique nature of the Christmas Island destination. Geographically remote island visitor destinations pose a number of logistical issues and potential constraints to successful tourism development. The same situation also offers a number of unique opportunities unavailable to mainland regional tourism association counterparts. The potential implementation of a VAL and the redirection of funds to the industry based CITA are one of these unique opportunities.

THE CITA REGIONAL MARKETING STRATEGY 2003-2005

CITA prepared a comprehensive Regional Marketing Strategy (RMS) in late 2002 and this has been endorsed and currently being implemented by the CITA executive committee. The RMS follows on from the Christmas & Cocos Regional Tourism Strategy (RTS) and collectively these strategies have recommended the creation of a consistent source of revenue for CITA.

The successful implementation of major recommendations of both the RMS and the RTS depend on extra funding being found, the creation of the VAL provides a solution to this problem.

PLANNING & MANAGEMENT OF THE VAL

CITA is managed by an Executive Committee comprising representatives from the local CI tourism industry and agencies such as Parks Australia, and the Shire of CI. It would be this management structure that would be responsible for the effective application of the VAL funds. CITA works closely with DOTRS, National Jets Systems and Austasia and the project would require the support of these stakeholders as well as other government agencies.

HOW THE ADDITIONAL FUNDS WOULD BE USED

In addition to providing a certain and consistent source of funds for CITA operations, more specifically the Visitor Arrival Levy would enable the following outcomes to be achieved currently not possible due to a lack of resources,

- ✓ the creation of a **marketing coordinator position** on the Island and supporting operation costs
- ✓ the creation of a visitor information service located at the CI airport
- ✓ the creation of **trainee employment position** at the CI visitor information centre
- ✓ the creation of an effective visitor data collection and research mechanism
- ✓ the creation of **casual employment positions** for the collection and data analysis of this research
- ✓ **professional development** through new training programs for existing CITA staff
- ✓ a **doubling** of the existing CITA budget allocated towards external marketing and promotion of the island.

Importantly, the consolidation of the current CITA Tourism Coordinator role into the full time Visitor Information Centre Manager position will also enable a more focused responsibility for all visitor care activities and product development issues on the Island. These activities are discussed in greater detail under section 4.0 Product Development Strategy of the RMS and if achieved would lead to additional employment opportunities (to those listed above) and significant improvements to the delivery of service standards on the Island.

STAKEHOLDER SUPPORT

The project has gathered tremendous levels of support from all sectors of the tourism industry, local government, and even tourism interests on the Australian mainland.

Specifically, the following organisations have been consulted and support in principle the VAL concept,

- CITA Executive Committee
- CITA Membership - 57 local CI businesses
- CI Chamber of Commerce

POTENTIAL BENEFITS FOR TOURISM TO CHRISTMAS ISLAND

The past, present and possibly future dependence upon a small number of major island projects underpins the boom and bust nature of Christmas Island's local economy and can place the island's socio-economic prosperity in the hands of an uncertain future. The effects of a less vibrant local tourism industry have filtered through to the local community development in both economic and social perspectives. The VAL and the improved focus upon the potential visitor market that this concept can deliver will be an important vehicle to assist in rectifying these problems.

The successful implementation of the CITA Marketing Strategy has the potential to significantly improve both visitor awareness and perception levels for the destination, leading to greater visitation and increased expenditure through the local tourism industry and wider community businesses.

While direct economic benefits are difficult to accurately quantify at this stage, it is believed that there will be substantial economic benefits received through injections of visitor expenditure and increased investor development leading to increased employment opportunities and wealth creation for the local CI community.

PERFORMANCE MEASURES

As part of the improved CITA Marketing Strategy, reliable and timely visitor research mechanisms will be implemented and reports submitted to all relevant stakeholders on a regular basis. Visitor arrival data collection forms have been formulated along with extensive "visitor exit survey" questionnaires already prepared awaiting implementation.

Ultimately the measure of the success of the VAL program will lie in the development of a vibrant and successful visitor based industry for the Island. Annual audits of tourist accommodation (rooms available) number of tour operators (pax carried) and the general success of the Island's retail and food and beverage operations will also illustrate the success levels of the program. All of these variables will be measured and reported on in a well planned approach to tourism development.

Thank you for your attention and consideration.



Appendix 3

Extract from
The Christmas Island Tourism Association
Marketing Plan (Pages 29 to 47)

A full copy is available on request

5.0 CITA MARKETING STRATEGY

5.1 LOW VOLUME – HIGH YIELD APPROACH

Effective marketing is based upon the ability of an activity or program to positively influence a potential visitor's decision making process.

With limited marketing resources it is important to undertake cost effective marketing programs that can deliver real and measurable results. General "feel good" activities are no longer acceptable in today's destination marketing. Marketing should be highly focused and tailored specifically to potential market needs.

CITA should therefore develop a marketing program that only focuses upon potential visitor markets that can be readily influenced by external marketing and promotional activities.

In the highly competitive world of global tourism it is becoming increasingly important for individual destinations to be able to differentiate themselves from competitors. Price is one principal method however this low cost holiday approach relies on attracting high visitor volume and packaged to include airfares and participating hotel operations. Phuket in Thailand and Bali in Indonesia are examples of tourism destinations focusing largely along pricing marketing strategies. A high volume low yield pricing approach is usually driven by large and excess airline and hotel capacity for a particular destination.

Presently, Christmas Island is being outsold in the general major holiday and leisure source markets because the Island does not have large capacity in either airline access or commercial accommodation, and is under-resourced in terms of destination marketing activities and capability. A high volume low yield pricing approach is therefore inappropriate on a number of levels.

With a strong nature based tourism product line, limited air access and commercial accommodation capacity, a sensible marketing approach should therefore be based upon the principles of,

Low visitor volume – High visitor yield

The low visitor volume serves two distinct purposes. Firstly it reflects the limited (relative to other neighbouring competing tourism destinations) air access capacity, and secondly it supports and reinforces the desire to conserve and manage the area's nature based product in a sustainable manner over the long term.

High visitor yield entails attracting niche visitor markets (with specialised needs) with typically higher disposable income and ensuring these visitors undertake a program of highly participatory and unique experiences that will generate visitor expenditure as income for a variety of local business enterprises on a regular basis. As described in earlier sections of this report, nature based and various specialised visitor markets such as birders, dive and fishing enthusiasts are well placed for this "high yield" approach.

Although the standard and range of accommodation facilities is an important element of the overall marketing mix, travellers need to be given reasons to visit the Island and **generating experiences** rather than promoting products and facilities should be a key element of marketing the destination. "**Experiential tourism**" is a fast growing trend amongst global leisure travellers. Instead of being simple observers in a destination, visitors want to be offered more interactive and activity based experiences. Christmas Island is well placed to take advantage of this trend with an abundance of nature based attractions and resources available. Ensuring that visitors are able to undertake meaningful interactive experiences with these nature based resources remains the key challenge to CITA and its industry members. Changing from suppliers of facilities to "**facilitators of experiences**" remains the key to visitor success.

5.2 COOPERATIVE APPROACH TO MARKETING

Effective cooperative marketing is a key ingredient for the success of this **low volume high yield** approach. The principal focus of this marketing document is to generate visitor interest from these targeted market sources and to create a highly identifiable profile for Christmas Island by creating awareness of the unique experiences to be offered.

The concept of the cooperative marketing approach is to utilise the efforts of existing CI commercial tourism operations and to package together, and promote specialised tourism products to these external visitor markets. Some local tourism operators and affiliated Perth based travel agencies already undertake marketing and promotional activities to their individual markets. In truth, it is predominantly through these activities that CI attracts its holiday and leisure visitors. This marketing plan proposes that CITA's external marketing activities should be focused upon identifying and working cooperatively with local operators that,

1. are active and willing to invest in the external marketplace,
2. capable of generating tangible and measurable visitors to the Island through highly focused marketing activities.

5.2.1 CITA Industry Marketing Partner (IMP) Program

The key elements of the Christmas Island "Industry Marketing Partner" program include,

- Take advantage of active CITA members regularly visiting Australian mainland and overseas source markets to spread the message about tourism opportunities available on Christmas Island
- Create "industry marketing partner" program and identify potential participants
- Develop information kit for CITA Industry Marketing Partners (IMPs)
- Offer financial assistance to identified and "qualified" IMPs in their external marketing programs
- Provide pre packaged and marketing collateral specifically targeted to the respective IMPs' product
- Provide professional display material to marketing partners when attending trade and consumer shows
- All financial support to be reviewed by CITA Executive Committee (or Destination Marketing Sub Committee if created) on a project style basis with outcomes ultimately being measured by the "number of bookings generated". Due to the nature of inbound tourism there may be a time lag to consider when measuring the effectiveness of these IMP activities.
- The financial assistance provided by CITA to qualified IMPs would be similar in principle to Austrade's Export Market Development Grants scheme but on a local destination level. EMDG provides eligible current exporters (tourism operators marketing to overseas markets), and those aspiring to become exporters, with up to a 50 per cent reimbursement on specific export marketing expenses above the first \$15,000. Applicants apply to Austrade for expenses incurred during the past financial year. However, the CITA IMP program would not impose minimum expenditure qualifying levels and payments could be made as expenses are incurred rather than at the end of the fiscal year.

Why should CITA fund CI Operator external marketing activities?

When marketing a remote island destination with relatively low holiday and leisure visitor volume, a realistic and cost effective approach must be implemented. In terms of holiday and leisure visitors to the island, the question remains, who is currently being successful in generating visitor numbers to the island?....

To date the answer lies predominantly with,

- Affiliated CI travel agents and wholesalers
- Active CI tour operators, namely some local accommodation, dive and fishing operators
- Special interest nature based tour operators (external to CI) such as Coates Wildlife Tours, Peregrine Adventures etc
- CITA through VJP (visiting journalist programs) and special interest market promotional activities

CITA should maintain its efforts in attracting and coordinating the VJP activities whilst providing structured support to those operations that directly generate holiday and leisure visitors to the island destination.

CITA attends a small number of trade and consumer travel shows as part of its external marketing and promotional activities. Most recently Australian Tourism Exchange (ATE) in Brisbane, and the Perth Holiday & Travel Show. Participation by CITA at these events can be highly questionable for the following reasons,

1. Attendance at general holiday and leisure trade and consumer shows MUST be with well defined and saleable travel packages that includes attractive airfares, accommodation and activity elements. Without this, participation is considered a waste of resources and may in fact be detrimental to the destination's profile.
2. Typically, CI will be exhibiting alongside major price driven, mass tourism destinations and will be unable to compete effectively against this.
3. Buyer attendance at general tourism and travel shows is typically not CI's target special interest markets. These are general holiday and leisure visitor or industry types and not appropriate for the CI "low volume high yield" approach.
4. With major projects currently being developed on the island, there is/will be limited air and accommodation capacity to the island over the short to medium term. So, even if general mass tourism interest is generated through show participation, it is unlikely that airline seats or accommodation will be available to satisfy the general visitor interested generated.

CITA's role should be to formulate a planned approach to external marketing of the destination along the major experiences offered of nature based tourism with highly targeted and cooperative marketing activities towards the specialised markets of ecotourists, birders, divers and fishing enthusiasts, or supporting charter based local operator activities in identified markets. Examples of cooperative marketing could be,

Example 1 – CI dive operators (qualified CITA Industry Marketing Partners) attending ADEC and/or BOOT travel and consumer shows. CITA could provide display modules, travel package literature including air, accommodation etc, other marketing collateral, financial assistance towards stand participation costs (up to 50%), and coordinate discounted airfares for CI dive operators where possible.

IMPs would promote the CI destination, identify and secure future bookings to the Island which would in turn translate to increased room sales, increased expenditure in local food and beverage and retail outlets.

Example 2 – Merpati Air Charter Operations – attending identified consumer shows that would generate increased loadings on the existing Jakarta-Christmas Island service. Again, CITA could provide display modules, travel package literature and other marketing collateral, and financial assistance towards stand participation costs (up to 50%). IMPs would again be promoting the destination and thereby selling their services with potential flow on benefits to all CITA members.

If this IMP approach was adopted, Trade and Consumer Show attendance elements of CITA's marketing strategy will be largely determined by the scale and scope of local IMP operator activity in specific external markets. CITA's role in these activities will be to provide display and marketing collateral and in some instances financial support.

5.3 COCOS ISLANDS – Cooperative Opportunities

As stated in earlier sections, the Cocos (Keeling) Islands is the classic tropical island visitor destination offering what has been described to the consultants as “the relaxed holiday lifestyle of Rottneest Island with 7 million Coconut Palms”. The tropical island destination offers with white sandy beaches and a variety of marine based recreational opportunities. In many ways, Cocos and Christmas Islands are very different visitor destinations offering distinctly different experiences. The common thread between the two destinations lies principally in their respective Australian Territory designations and the National Jet air services that link the two remote island destinations.

CITA member travel agents and wholesalers currently offer potential visitors joint Cocos and Christmas travel packages based around the National Jet flight schedules. With the recent refocus of Australians travelling within Australia, there are opportunities for joint marketing activities to be further expanded. Joint hosting of Australian travel and special interest activity media (print and TV) in particular should be a priority for both Cocos and Christmas Islands tourism bodies in the immediate to short term. Coverage in Australian print and TV travel media would be timely as many domestic travellers will be looking for new and safe destinations. With assistance from National Jet, both tourism bodies should be actively targeting Australian based travel media in a planned and cooperative sense.

In addition to joint tourism association activities, there are opportunities for island based tour operators (ie dive, fishing) from Cocos and Christmas to also undertake cooperative marketing efforts in target source markets. These type of external marketing activities are discussed under the Industry Marketing Partner section and need to be instigated and driven primarily by private industry. The tourism associations of both destinations could also provide support to any private industry cooperative marketing activities undertaken under the IMP program. Joint cooperative marketing activities to external markets by the Islands' well established dive operators are an obvious marketing activity that should be supported under the IMP program. An example of this would be a joint presence (sharing an exhibitor stand) at the annual Asia Dive Expo by dive operators from both Cocos and Christmas Islands selling packages that include both islands.

As discussed under “marketing funding schemes” there currently exists the WA Tourism Commission's WARRMAS (Western Australian Rural and Regional Marketing Assistance Scheme) which the tourism associations of Cocos and Christmas could apply for via the Department of Transport and Regional Services – Territories Program. This scheme is detailed later in this section however is an excellent grant source for implementing cooperatively based tourism marketing activities.

5.4 CHRISTMAS ISLAND VISITOR EXPERIENCES

Visitor experiences detailed below are based upon an assessment of the current visitor profiles for the Island and the identified niche market opportunities offered through nature based experiences. Visitor experiences are divided into either "nature-based" or "other" groupings. Launch and wellness tourism sub-groups are future concepts currently being developed or considered and if pursued would work to further diversify the visitor market base of the Island and should therefore be supported by CITA where no conflict arise.

NATURE BASED				OTHER			
Ecotourists	Birders	Diving	Fishing	CI-JKT Charters	Launch Tourism	Wellness Tourism	Other
Red crab migration	Endemic birdlife	High visibility Avg 30-40m	Large pelagics	Indonesia holiday & leisure	APSC satellite launching	Health resort styled tourism	As identified
Turtle nesting	Migrant birdlife	Cave diving		Connecting flights for international visitor markets	Estimated 10 launches per year		
Rainforest		200+ coral species		Expatriate markets residing in Jakarta and Indonesia			
		Unrivalled wall diving					
		Whalesharks					

5.5 CITA MARKETING STRATEGY

The Marketing Strategy outlines a range of marketing activities to be undertaken and is categorized into three sections or approaches,

1. **General marketing & promotional tools;** used either for creating general awareness or applicable to all target groups.
2. **Supporting Travel Industry Distribution System strategies;** activities undertaken to develop commercial relationships with industry along the travel distribution chain, ie travel agents, inbound operators, group tour operators, travel wholesalers etc.
3. **Targeted Visitor Market strategies;** activities undertaken for specific CI visitor market types.

The focus will not only be upon attracting new visitor markets, but will also be upon encouraging existing travellers to the island to stay longer in the area and participate in local activities, creating local employment opportunities and generating economic benefits to the local operators.

The required outcome of the marketing program is to **create awareness**. More specifically, to increase the level of awareness amongst niche visitor market types of the range and quality of tourism experiences on the Island, create a desire to visit, and provide appropriate marketing collateral to ensure visitors undertake their planned journey.

Critical success factors for the CI tourism experiences will be the delivery, effective management, and marketing of the Island's unique selling points.

5.6 GENERAL MARKETING & PROMOTIONAL TOOLS

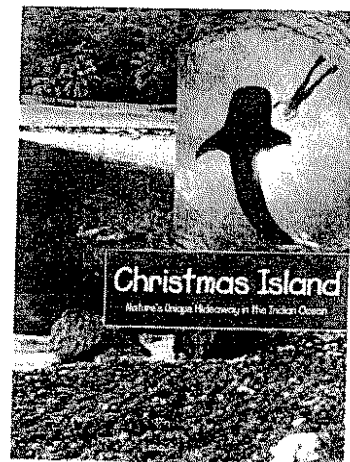
A number of these marketing activities will be used for generating general awareness for the destination and/or used for promoting CI to all visitor market types. These activities include the reproduction of the existing CI destination brochure; the expansion of the CI logo branding, maintaining a website presence, the creation of a Christmas Island Tourism Association's Industry Marketing Partner (IMP) program, and the purchase and development of a professional display stand module and appropriate visual display posters.

5.6.1 Christmas Island destination brochure

CITA has produced a successful A4 sized colour brochure for the destination. This publication is revised and reprinted on a regular basis. This type of visitor brochure is considered extremely important and is the primary information source that a large number of potential visitors will use for making initial travel decisions to the Island.

It is recommended that CITA continues with the production of the existing destination brochure in its current format. Production specifications include;

- a high pictorial visitor brochure promoting nature based and cultural experiences the island offers,
- A4 size, 6 panels – 4 colour throughout

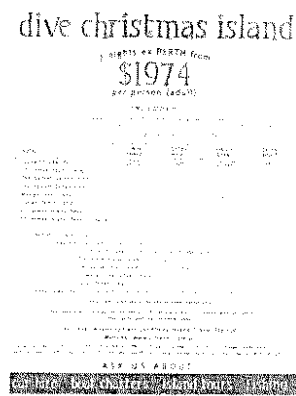
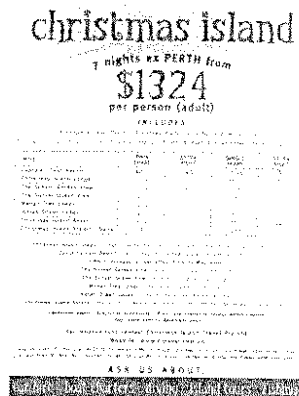


Promotional traveller destination publications of this type are typically made available free of charge and this should continue.

As the popularity of the destination increases with time and effort, there may be opportunity to increase the size and format of the publication and include additional local visitor product information in the form of operator advertisements and listings. This would be more in the line of "Visitor Holiday Planner" publications and would shift the focus of the publication from simply a promotional tool to a more product oriented and selling tool.

In the immediate term it is recommended that this "product listing" be represented by the production of simple product fliers similar to the ones shown below and produced by Christmas Island Travel. These simple A4 sized, two colour product fliers would be prepared as needed and be tailored specifically to the visitor source market being targeted at the time. These activities would be undertaken either jointly between the CI affiliated travel agent, local operator and CITA depending on the requirements. A flier template should be prepared that would ensure consistency in CI branding and marketing themes.

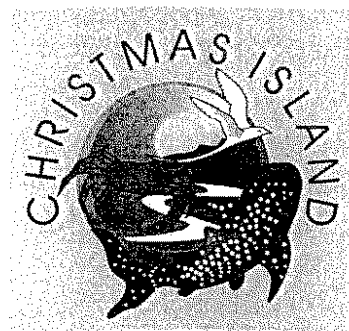
Examples of product fliers produced by Christmas Island Travel Pty Ltd promoting a packaged air and accommodation holiday price and listing local accommodation alternatives. The second flier focuses on diving enthusiasts and are good examples of what is required.



It is suggested that initially the print runs of these activities be kept to small levels enabling more frequent reprinting. This will allow more frequent publication improvements and the inclusion of any new products as they come on line.

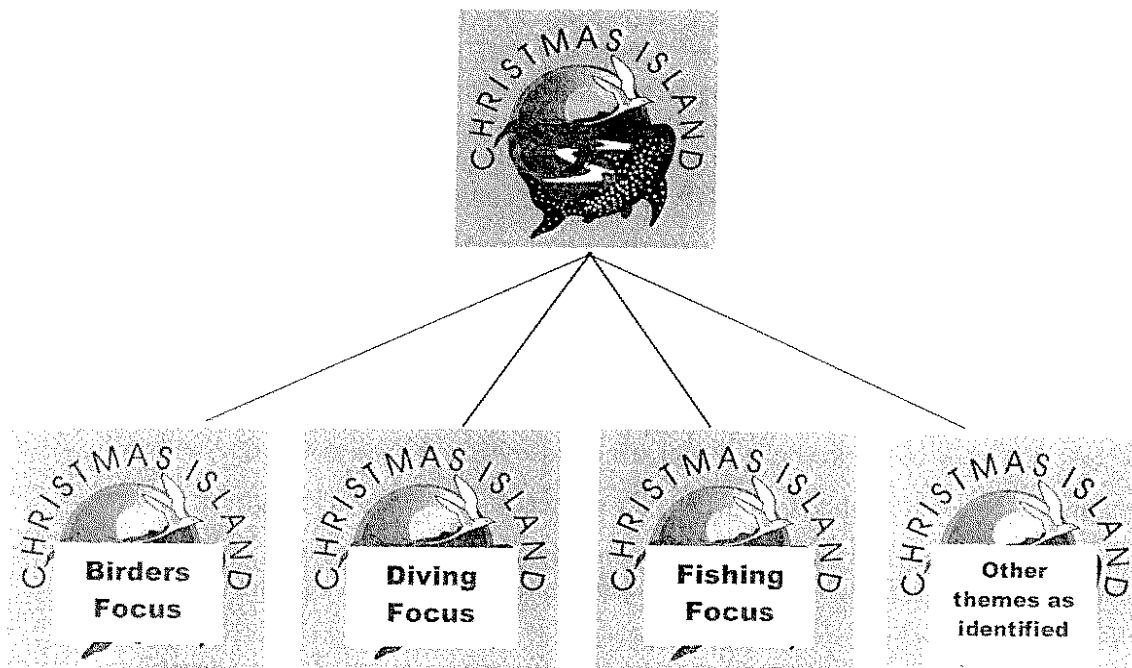
5.6.2 Creating a readily identifiable image/logo and positioning statement

When establishing a profile amongst visitor markets it is important to create an image that potential visitor markets can easily visualize. Once established, build on this image and standardize this throughout the entire product – in this case amongst the CI tourism operators, in particular CITA IMPs. The current logo branding is detailed below.



This is considered to be an effective and highly visual logo and has the potential to be further expanded as the basis for branding other important special interest visitor themes. The main focus of the above logo is obviously nature based elements including the island's unique birdlife and the seasonal events of Red Crab migration (although red crabs are also seen in the rainforest all year round) and whalesharks. These images work to well represent the island's unique selling points.

When developing marketing programs to the identified nature based special interest markets of bird watching, diving and fishing it is recommended that the above Christmas Island tourism logo could be expanded to focus specifically on each of these activities. That is, maintain the diverse nature based theme of the existing logo in general marketing however when producing marketing collateral for these specific special interest markets only, adapt the logo to represent the visual elements important to these market needs.



The branding elements retained would include the Christmas Island banner, the sun, circle background, island and water elements. For the birders logo some of the endemic species would most likely be included; for diving this would include a diver, retain the whaleshark, corals etc; fishing would include the major sport fishing species typically caught; and other special interest themes as they are identified. These additional logos are not designed to replace the existing logo but rather work to reinforce their own specific message under a common CI branding.

Authenticity and consistency in image presentation is imperative when marketing to potential visitor markets. It is recommended that a professional graphic designer be employed to develop these additional CI special interest logo applications.

5.6.3 Christmas Island Tourism Website

The world wide web has increasingly become an important information gathering tool in today's everyday life. Consumers globally are using the internet to purchase goods, manage personal finances and search for information that can be highly specialized and previously difficult (if not impossible) to obtain. For tourism, the internet can provide individual operators with broad exposure on a global scale for only minimal financial investment. As a general promotional tool it has great merit, however how effective the internet can be in converting this general interest to real customers depends on how visible the individual website can remain amongst the immense competition and the linkages to important tourism portals created.

Recent research indicates that nearly 50% of Australian households have home internet access, and that around 7% of (or 5.75M) domestic visitors travelling around Australia used the internet to obtain some information on the trip they were taking (2000 National Visitor Survey), and a larger 17% of international visitors to Australia. Also, 28% of those visitors that used the internet to obtain information also made an internet booking for their trip. Regardless of the veracity of these general research figures, what is becoming increasingly clear is that the internet is an important distribution system for providing information and making bookings. This is especially so for special interest visitor markets that cannot typically obtain the detailed information from traditional travel agent distribution systems.

The CITA website will continue be an important general promotional tool to create awareness and generate interest to visit.

Key actions to maximize visits to the website include,

- continual upgrading and improvement to the information contained within the website,
- frequent listing of the site with major search engines and under a range of key words,
- creating key website linkages with local and regional tourism industry websites, and in particular with special interest market websites such as birdwatching, diving and fishing.
- promotion of the website address in every possible avenue and across all promotional collateral.

5.6.4 Professional Display Modules & Visual Display Posters

One of the supporting roles CITA can play with its IMPs is to provide professional display material that CI operators can use when attending trade and consumer shows or at other promotional events.

It is recommended that CITA purchase an easily transportable professional display module and to develop highly visual promotional posters to be displayed on the module structure. Depending upon IMP support a range of alternative display posters could be displayed with interchangeable sections depending upon the visitor markets being targeted. That is, in addition to the standard nature based display poster panels there may also be dive, birdwatching, fishing panels produced and designed to be easily interchangeable depending upon the promotional need.

5.6.5 Summary of general and promotional marketing tools

Marketing Action	Priority of action	Responsibility
Reproduction of the existing CI destination brochure	Immediate and ongoing	CITC
Establish CITA Industry Marketing Partner program, identify "qualified" partners and finalise marketing action plan for remainder of 2002/2003	Immediate	CITA Exec
Expand the CI image and logo application	First half of 2002/2003 and in response to CITA industry marketing partner applications	CITC & respective IMPs
Purchase professional display module and develop interchangeable high visual display panels	Following initial response from IMPs	CITC & respective IMPs
Maintain CITA Tourism website	Ongoing	CITC

- Priority of action: indicates activity should be ready for/or already implemented at the commencement of that visitor season period.
- CITC – Christmas Island Tourism Coordinator
- IMP – Industry Marketing Partner (CITA member qualifying for CITA assistance in external marketing)
- CITA Exec – Christmas Island Tourism Association Executive Committee

5.7 TRAVEL INDUSTRY MARKETING STRATEGIES

The travel distribution system is multi-layered and comprises several alternative methods of having tourism product promoted and sold. Between the product provider and the consumer there a number of intermediaries along the travel distribution chain including retail travel agents, inbound operators, travel wholesalers, and group consolidators. While consumers may deal directly with the product provider, in many instances business is generated through one or more parts of this travel industry distribution system. Once included within this system, a product can be promoted extensively without direct cost to the product provider. Commission rates of between 10% and 30% however are typically applied. An illustration detailing the travel distribution system is included in the attachments.

As a destination, the travel industry distribution system for Christmas Island includes the externally based organized and prepackaged tour operators capable of bringing small numbers of specialised groups to a particular area. The marketing activities used to attract interest to retail travel agents can also be used in gaining the attention of these Australian mainland and overseas based tour operations.

Travel Industry Target Markets,

TRAVEL INDUSTRY & TRAVEL MEDIA
Travel Agents, Wholesalers, Inbound Operators, Travel Media
Holiday, recreation and leisure travellers

- WA travel industry.
- Other Australia travel industry.
- Special Interest International travel industry.
- Australian Travel & Special Interest Travel Media
- International Travel & Special Interest Travel Media

NATURE BASED & SPECIAL INTEREST
Travel Industry Group Tour Operators (externally based to CI)
Holiday, recreation and leisure travellers

- Tour operator passengers from WA based operations
- Tour operator passengers from Other Australia based operations
- Tour operator passengers from International operator sources

5.7.1 Travel Industry & Special Interest Group Tour Operator Information Kits

It will be necessary to produce promotional information that can be sent to Travel Industry and special interest visitor group Tour Operators such as Perth and eastern states based inbound, wholesalers and tour operators, escorted special interest group tour operators, educational groups and selected tourism industry groups.

CI marketing collateral should include;

- Production of CITA presentation folders and the preparation of "fact sheet" fliers to be used for selective inclusion in direct mail activities according to the markets being targeted.

Individual fact sheets to include general topics such as,

- o CI tourism introduction,
- o Range of tourist product and activities offered,
- o Suggested visitor itineraries,

and target specific fact sheets/kits such as,

- o Nature-based, diving, birdwatching, fishing and adventure experiences available
- o Journalist media kits including CD with digital images,
- o Tour operator and promotional kits,
- o Educational program promotional kits,
- o Selected tourism industry promotional kits.

These promotional kits would be distributed to Travel Industry target markets via direct mail and by accessing relevant databases. Christmas Island Travel Pty Ltd recently prepared and disseminated similar presentation folder kits in their role as travel agency wholesaler for Christmas Island. CITA should work closely with both CI Travel and Island Bound Travel in such activities. Economies of scale would be received and more effective use of marketing funds achieved. These activities are examples of cooperative marketing activities that would "qualify" under the IMP program for assistance. Target specific kits would also need to be prepared in addition to the agents targeted by the affiliated travel wholesalers.

Being included in tour operator itineraries is not a short term activity in terms of results to be received. Many operators are already constructing next years' programs so long lead times are required in order to be included. Saying this, tour operator companies are always looking for new high quality tourism product and there will be opportunity for CI to further develop these market sectors. Influencing tour operator itineraries will be achieved through providing quality marketing collateral and maintaining regular contact through direct mail and invitations to attend familiarisations. Considerable forward planning is required. In the short to medium term, smaller special interest tour operators should be targeted through personalised direct mail activities.

5.7.2 Travel Industry & Travel Media Familiarisations (VJPs)

Generating product awareness initially creates increasing visitor numbers to a destination. Once physically exposed to a relatively unknown tourism destination, both industry and media often remark that this is one of the state or region's "best kept secrets". To overcome this lack of awareness aspect an extensive media and trade industry familiarization program needs to be planned and implemented on a regular basis.

CITA should undertake a program of industry and media familiarisations with the aim of promoting any new accommodation and tour products, new touring packages and visitor experiences, and the collective destination in general. Familiarisation tours could be in the form of multiple night accommodation at different operations, and participation in a range of activities and tours. Familiarisation groups should be small rather than larger (could be up to 6 participants per visit) and depending upon the quality of the participant may even be a familiarisation tour conducted for a single individual.

The Australian Tourist Commission and the WA Tourism Commission currently undertake extensive interstate and international media and trade familiarisations and CI must work closely with these organizations to ensure inclusion. As an example the WATC media and trade famils planned for the next 12 months for the Kimberley region alone include 10 media visits (27 journalists) from interstate and overseas markets, and 2 trade visits (11 industry participants) both from the United Kingdom. Efforts should be made to ensure CI is included in as many of these type of industry and media itineraries as possible, and establishing close relationships with the both the ATC and WATC offices can do this.

Initial discussions with the ATC and WATC representatives have been very beneficial for all parties with interest expressed for the CI product from both agencies. The ATC went so far as to recommend a joint proposal be submitted by CITA and the WATC to host the ATC's popular "Island Life" Visiting Journalist Program (VJP). Most recently, South Australia and Queensland successfully joint-bid for this program and this is an excellent opportunity to further develop and pursue this activity. Although responsibility for marketing the Indian Ocean Territories does not fall within the WA Tourism Commission's operational charter, there are still cooperative marketing activities that can be undertaken. It is understood that a service delivery agreement between the WATC and Christmas Island is being considered and this should be fully supported by all participants. In the meantime, informal cooperative activities should be undertaken as detailed above.

The WA Tourism Commission recently underwent a structural review and at present a number of management positions have yet to be finalised. Undertaking cooperative VJP efforts (within the WATC structure) would be divided into two groups, domestic media versus international. Domestic media and industry familiarisations are handled by Sue Waters, while participation in international VJP activities is managed by the respective international director positions (Western, Eastern, Middle East, and Emerging Markets) most of which are currently in acting roles. The ATC contact person is Jessica Keen – Project Manager segment development (ecotourism).

CI should also undertake its own program of familiarisations with select travel industry and media and work with the WATC to develop Perth based industry and media familiarisation activities. Due to the region's geographical isolation it will be necessary to establish relationships with air carriers and CI operators will be required to provide facilities and services at either FOC (free of charge) or heavily discounted rates. For this reason familiarisation activities are conducted during off peak and shoulder seasons when excess capacity is available.

Although industry and media familiarisations can be conducted jointly at the same time, the required outcome for each activity is different.

Travel Industry; this product awareness generated by familiarization tours then needs to be converted into saleable product within travel wholesaler, inbound tour operator, and special interest tour operator programs. A high level of product reliability and consistency is essential when dealing with the interstate and international travel distribution system. Recommend working closely with CI Travel and Island Bound agencies to identify and develop an effective travel industry familiarisation program.

Travel Media; whilst paid advertising is a recognized means of promoting and creating awareness amongst potential markets, editorial coverage which results from on site visitations is considered one of the most productive and cost effective promotional techniques. Articles in relevant travel newspaper sections; specialised travel, dive, fishing and birdwatching magazines; television lifestyle programs; and radio interviews are relatively inexpensive and highly effective promotional techniques. Nature based destinations typically receive high editorial exposure in WA and major interstate newspapers and the CI tourism product would be well received by these media sources. Again, efforts should be made to work closely with the ATC and the WATC to be included in these media VJPs.

5.7.3 Membership to appropriate Nature-based Travel Industry Associations – structured partnerships

Cooperative marketing with CI visitor industry including tour operators and accommodation places, and structured partnerships with inbound and travel wholesalers will ensure CI tourism product is promoted widely to potential target visitor markets. Structured partnerships with selected visitor industry should be established including,

- Membership to appropriate special interest nature focused associations and participation in cooperative marketing activities such as attendance at Ecotourism Association of Australia annual conferences and workshops.

5.7.4 Regular Communication Program to Travel Industry & Media

Creating awareness of the CI tourism product amongst the Perth and national leisure markets will involve the implementation of a regular communication program involving the preparation and dissemination of media releases to selected industry and travel media. An additional component of the communication program will be to establish an email newsletter database with selected tourism industry operators, relevant agencies, participating stakeholders and other supporters. Email newsletters must be short in length and provide interesting content to capture the readers' attention. This is a highly cost effective tool for maintaining regular industry communication.

5.7.5 Summary of travel industry & media marketing activities

Marketing Action	Priority of action	Responsibility
Membership of special interest/nature based associations.	Immediate and annual ongoing	CITC
Establish communication channels with appropriate VJP and industry familiarisation coordinators in both the ATC and WATC promotional organizations	Immediate	CITC
Develop relationships with ATC and WATC representatives	Ongoing	CITC ATC WATC
Plan and conduct travel industry and media familiarisations with & without ATC/WATC; - Interstate - International	Immediate Immediate	CITC ATC WATC
Establish a regular communication program with industry through media releases and email newsletter	Visitor season 2003	CITC
Produce and disseminate travel industry and media informational promotion kits including folders and fact fliers inserts	Visitor season 2003	CITC CI Travel Island Bound travel

5.8 TARGETED VISITOR MARKETS

Target visitor markets are categorized below according to their main motivations for visiting Christmas Island. Visitors to CI targeted within this strategy are almost entirely there for holiday, recreation or leisure purposes. The remainder would be categorised as either visiting for business purposes or visiting friends and relatives (VFRs) living on the Island.

The main groupings are nature-based travellers with special interest sub-groups of ecotourists, dive enthusiasts, fishing enthusiasts, and birdwatchers. Future target markets may include expatriate residents in Jakarta and Indonesia, launch tourism participants and possible "wellness" visitors.

Expenditure by these leisure grouping visitors will provide consistent returns to the CI operators through commercial accommodation, tour activity enterprises, vehicle travelling expenses, food and beverage, and retail sales.

Typically, the VFR grouping can contribute significantly to a particular region however in the case of CI, the commercial impact of the VFR is thought to be minimal. Although business related travel to the CI is by far the major contributor, benefits would only be felt through existing commercial accommodation operations and as the majority of this would be government and related agency based any CITA marketing and promotional efforts would have little impact.

The following groupings focus upon "Nature and special interest" visitor markets in particular the Flexible Itinerary Traveller (FIT) market types (group travellers are covered under "5.6 travel industry strategies) and "Education and self development" based traveller types.

NATURE BASED & SPECIAL INTEREST

FIT – Flexible Itinerary Travellers

Holiday, recreation and leisure travellers

- WA "fly-in and self drive vehicle hire".
- Other Australia "fly-in and self drive vehicle hire".
- International "fly-in and self drive vehicle hire".
- CI resident Visiting Friends & Relatives (VFRs) visitors.

EDUCATIONAL & SELF DEVELOPMENT

Small to large sized groups

- Selective School field trip/camps
- Nature-based Tertiary educational field trips
- Adult education & self development courses

5.8.1 NATURE BASED & SPECIAL INTEREST

FIT – flexible itinerary travellers

Nature based and special interest travellers have been defined and profiled in earlier report sections. However these markets are FITs (meaning although they may purchase a flight and accommodation package, they are not part of set itinerary and undertake all other travel arrangements themselves) and require different marketing and promotional channels.

Special interest FITs have the potential to deliver consistent high yield numbers of visitors to CI as part of a regular and highly targeted special interest marketing program. At present, it is believed that a relatively small number of FITs currently include CI in their holiday itineraries (usually arriving for the red crab migration and whaleshark events) and additional FITs could be attracted to include the island destination in future itineraries through greater marketing and promotional activities.

Marketing Objectives

Attract the WA, eastern states and select international special interest FIT visitor markets to the Island.

Marketing Strategies

CITA's involvement in promoting to special interest markets should be undertaken in a cooperative manner with "qualified" CITA member Industry Marketing Partners (IMPs). Specific marketing activities should be in response to IMP planned marketing programs or in response to direct enquiries from potential special interest visitors, groups or their associations.

- Special Interest media visiting journalist programs (VJPs)

As stated under earlier marketing sections work closely with the WATC and ATC so as to be included in any VJP programs. In addition, and in response to CITA Industry Marketing Partner applications undertake own media visiting journalist programs to specialised markets.

- Special Interest media advertising

Participate in cooperative advertising activities in special interest media publications such as Wingspan, Australian Geographic and the like.

CITA efforts should be focused on linking these two activities (VJPs and media advertising) together wherever possible. As a basic rule, if CITA and/or the IMP are able to attract a particular media journalist visit that secures editorial space in the appropriate magazine, then advertising should also be taken by CITA highlighting available flight and accommodation packages. The magazine editorial will work to create the desire and motivation to visit, and the advertisement would be geared as a "call to action" by offering fully inclusive packages, suggested itineraries, and details on how to make bookings and for more information.

- Special Interest Association/Club memberships

The irony of these special interest groups, is that the more specialised they become the easier they are to promote to through highly targeted marketing activities. Although it will be unlikely to access individual club member databases, it is a relatively easy task to obtain the Clubs' general contact details and promote the CI destination through club newsletters, websites and the like.

Promotional and information kits should be forwarded to these groups to create awareness for the product and to generate FIT member interest.

- Special Interest Association Trade Shows and Events

CITA support for IMP attendance at appropriate and "qualified" special interest trade shows and events as identified and agreed by CITA Executive Committee (or Destination Marketing Sub Committee).

- Special Interest "package" fliers

Develop cooperative CITA and IMP flight and accommodation package fliers for use in special interest marketing activities. Incorporate special interest CITA logo alternatives wherever possible and include CITA branding in all marketing collateral.

5.8.2 Summary of FIT marketing activities

Marketing Action	Priority of action	Responsibility
Work with ATC and WATC to be included in appropriate VJP programs	Immediate	CITC
Undertake own VJP program for special interest media	As identified through IMP marketing activities	CITC IMPs
Undertake selective advertising in special interest print media	In response to securing editorial coverage	CITC IMPs
Undertake advertising in selected Australian and International special interest and nature based travel magazines.	Opportunities as identified thru IMP marketing plans	CITC IMPs
Compile database of appropriate special interest association and clubs	As identified	CITC
Undertake direct mail program of target specific promotional folders and fact sheets to associations on database	Ongoing	CITC
Provide support to IMPs undertaking special interest trade show participation and produce package fliers	As required by IMP marketing activities	CITC IMPs
Undertake advertising in special interest association newsletters and on appropriate club websites	As identified	CITC IMPs

5.8.3. EDUCATION & SCIENTIFIC GROUP INTEREST

CI has substantial potential to attract both the education and scientific visitor markets. If packaged and promoted correctly, the remote nature-based island setting combined with the opportunity for interaction with unique flora and fauna should provide strong interest from these visitor market types.

Extended overnight stay school visit programs could be structured to meet the needs of most groups according to school Year groupings. In all cases pre and post visit activities can be developed to extend the educational outcomes of the visit. The travel distance and cost would be a major barrier for the large majority of school groups however there is a small niche market not sensitive to price (as long as unique experiences can be delivered) and potential exists for these to be pursued. The development of CITA's tourism website is an obvious adjunct to the school education program and can be actively used to promote school group visits to the site.

Nature based tertiary, adult education, self development courses, and scientific visitor groups offer the greatest potential and again would be targeted through their educational institution affiliations.

Marketing Objectives

To target schools within WA – secondary plus tertiary institutions. In addition, there will be special interest adult educational groups and scientific visitor groups that should be targeted that have a nature-based connection to the Island and its flora and fauna.

Marketing strategies

Develop educational materials, tour programs and itineraries, and package information on transport, accommodation and other attractions/activities/tours available on CI will also be important.

Need to develop promotional kits for educational markets including CI folders and sample programs and itineraries.

Special interest adult and educational groups to be targeted through database development and dissemination of promotional kits via direct mail activities.

Advertising, advertorials and feature editorial stories should be pursued in appropriate magazines that are specifically targeted at the educational, nature based and special interest visitor.

The establishment of close business relationships with specialist operators and travel agents that focus on these type of groups would also be a priority.

The internet has become an invaluable information source for special interest markets. Special interest tourism markets have grown exponentially through the world wide web as like-minded people, regardless of geographical location around the globe are able to exchange ideas, experiences and source previously unavailable information.

In order that CITA becomes involved in the educational visitor market to the Island it will be necessary for a CITA member to drive the development of the educational product locally. Until any CITA member IMP cooperative participation exists for these market types (ie a private industry operator wanting to invest time and money to promote these markets) CITA should redirect marketing and product development efforts into other IMP supported areas.

5.8.4 Summary of educational/special interest traveller marketing activities

Marketing Action	Priority of action	Responsibility
Assist local CI operators to develop suitable product in response to educational visitor market needs	In response to CITA member efforts to establish the educational visitor market to the island	CITC IMPs
Develop promotional information kit utilizing CI folder with fact fliers specifically prepared to target the educational and special interest visitor markets.	In response to CITA member interest	CITC IMPs
Compile an up to date and selected educational and known special interest group database and undertake a direct mailout utilizing promotional information kit	In response to CITA member interest	CITC IMPs
Establish a regular communication program with education and special interest industry and media through media releases and email newsletter	In response to CITA member interest	CITC IMPs

5.9 POTENTIAL GRANT FUNDING SOURCES

The Federal Government Department of Transport and Regional Services (DOTARS) is responsible for the Territories of Australia which includes both Cocos and Christmas Islands. As non-self governing territories, DOTARS provides Commonwealth, State and local government level services to each of these communities and ensures that they receive the same opportunities and responsibilities that other Australians enjoy in comparable communities.

Under this arrangement, Christmas Island organisations such as CITA are able to apply for Federal and State government grant funds similar to any other Australian mainland entity and subject to the same qualifying conditions and criteria. Allocations of these successful funding applications however are taken from a separate pool of Territory allocated funds.

A list of current Federal and WA state Government funding programs is detailed below. The majority of these are aimed at infrastructure development however there are also funding programs specifically made available for marketing programs and these are described below. A more detailed description of each of these funding programs is included in attachments.

WA Regional & Rural Marketing Assistance Scheme (WARRMAS)

WA State Government

The WA Government has recognised the importance of effective marketing for the tourism industry in regional WA and the need to put a greater emphasis on it. To this effect, the Government has allocated \$2million in additional funding over four years, commencing 2001-02, to provide Western Australia's regional and rural areas with funds to develop innovative marketing strategies and campaigns for the promotion of tourism and the generation of incremental business for regional tourism operators. The objective of WARRMAS is to provide additional funds for promoting regional WA to inform consumers and industry of the wide range of tourism attractions and opportunities that are available in regional and rural WA. The scheme also encourages the development of multi-regional cooperative alliances between Regional Tourism Associations.

[www.tourism.wa.gov.au/documentsArchive/WARRMAS Application Form- 27 June.pdf](http://www.tourism.wa.gov.au/documentsArchive/WARRMAS%20Application%20Form-27%20June.pdf)