

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Budget Senate Estimates

1 June 2010

Question: BR27

Topic: 'Australia' movie tourism campaign

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Senator McGauran asked:

Senator McGAURAN—Senator Eggleston raised the subject of the 'There's nothing like Australia' campaign centred on the *Australia* movie. I think we all understand that any sort of tourism campaign is susceptible to many variables. It is often subjective, if not risky. But I thought the answer given by Mr McEvoy was not enough, quite frankly, given what most of us would assess was a flop. You simply attach the promotion to the general health of the tourism industry and said, 'Therefore it must be a success.' Let us drill a little deeper. You must have done better with your dollar and sought market research on feedback on that particular promotion. Do you have such market research?

Mr McEvoy—Yes, we do. We do check and test all of our campaigns and do a brand health check in the key markets across the world.

Ms Crowley—We can certainly take on notice that question and get you the actual details and metrics. But just by way of some more background and information, that campaign, which was related to the film *Australia*, was our largest ever in terms of the number of commercial partners. We had over 130 commercial partners around the world with that. The focus of it was predominately not so much on the box office of the movie. Whatever that was would largely be a bonus. It was largely based on the fact that we were going to ride on the back of a roughly US\$100 million promotional push by the movie studio to promote the film. We knew that they would be spending those sorts of dollars promoting the word 'Australia' and the concept of Australia and that to link to that promotion—

Senator McGAURAN—But they didn't—

Ms Crowley—That was their marketing budget.

Senator McGAURAN—But they did not spend that.

Ms Crowley—Globally they did.

Senator McGAURAN—Can you show me that?

Ms Crowley—Sure, absolutely.

Senator McGAURAN—Because in your own brief you say—not you; who says this? Yes, it is Tourism Australia:

The challenge was always going to be how to ride the power of the movie.

The movie was a flop. It was pulled pretty quickly from American cinemas, so I am amazed to think they spent US\$100 million promoting it.

Senator Wong—Chair, if the senator is going to quote from a document it might be useful if we could have the document so that we could reference the answer appropriately.

CHAIR—Would you like to table the document, Senator McGauran?

Senator McGAURAN—Sure—though it is my only copy. But I will, yes.

Senator Wong—Do you want us to not read your notes?

Mr McEvoy—To answer your question, Senator: we do metrics on how our ads go, and we would be happy to provide you with a breakdown.

Answer:

The film *Australia* was in theatrical release in the United States for 121 days or 17.3 weeks. The worldwide box office gross for the film was USD\$211 million making it the second most successful Australian film ever.

Domestically, *Australia* was second only to the film *Avatar* in cinema attendance in the last 12 months.

Given the scale of 20th Century Fox's global promotional campaign and film industry marketing norms, Tourism Australia (TA) estimates expenditure by 20th Century Fox and its main partners would have been in excess of USD\$100 million.

TA measured the impact of the *Australia* and *Walkabout* campaign using data from the International Visitor Survey (IVS) and National Visitor Survey (NVS) and its Domestic Content Monitor and Brand Health Monitor tool.

According to TA's international Brand Health Monitor serious intention to visit Australia within 12 months amongst long haul travellers was 40 per cent higher among those who were aware of promotional activity associated with the film *Australia* and / or had seen the film.

The IVS results indicate a significant increase in visitor awareness of promotional activity associated with the film *Australia*: from 28 per cent prior to the release of the film to 51 per cent over the measurement period (month by month between 1 October 2008 to 31 December 2009) – with a peak of 69 per cent (April 2009).

International visitors claiming to have seen the actual movie *Australia* increased from 4 per cent to 44 per cent over the measurement period with a peak of 46 per cent (November 2009).

Domestically, the NVS also indicated increased awareness of tourism promotional activity leveraging the film: from 65 per cent prior to its release to peaking at 89 per cent immediately following release, tapering to 75 per cent by end July 2009 and tapering to 61 per cent by the end of the measurement period (31 December 2009).

The tapering of awareness of promotional activity correlates with very strong results for respondents claiming to have seen the film: 0 per cent prior to release to 57 per cent by end June 2009 to 63 per cent for each month October to December 2009.

The prominence of Australia as a holiday destination in people's minds is measured through TA's 'awareness' metric. Growing the pool of people who are 'aware' of Australia as a holiday destination is an important precursor to converting them to serious intention (and actual visits). The larger the pool of 'awareness', the more opportunities there are to convert people to actual visits.