

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio
Budget Senate Estimates
1 June 2010

Question: BR28
Topic: Target markets
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Senator McGauran asked:

Senator McGAURAN—When you answer the question in regard to the market research you undertook to assess the success or otherwise of the promotion, could you also give me the break-up of the budget for it all, which I think was more than \$40 million; the production costs that went to Buzz Loman—

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Senator McGAURAN—Baz! Okay! How much was allocated to showing the advertisement itself? Are you able to just answer: was it predominantly shown in the United States? I would think so, but is that true?

Mr McEvoy—It was before my time. But, as I understand it, it would have been shown in our key markets, and our key markets are the five big ones: the UK, the USA, China, Japan and New Zealand. So it would have been across the board. Again, it was before my time so I cannot answer with great confidence. Why don't we give you the breakdown.

Senator McGAURAN—So the breakdown would be: not just the countries, but where within those you have targeted it—is it the lounge room television set, the cinemas or just general billboard promotion? Would it be that sort of breakdown of the whole budget? I would be really interested to confirm that whoever released the movie—20th Century Fox, wasn't it?—really did spend \$100 million promoting this movie. That would be very interesting. Fox Studios I think it was. Anyway, we will get a bit of an idea whether it was a success or not. On face value, it was not—and how could it be, if you linked it with the movie itself?

Also, as to the target audience: even here you say, in this document: 'a new sophisticated destination campaign'. Indeed it was, as whoever saw the advertisement—which I did—would know. It was hugely sophisticated. It could only ever have targeted some sort of up-market New York person. In fact, I think that is what one of the advertisements was about—some New York executive dreaming about coming out to Australia. So it was a very targeted market. Again, I know it is subjective but it looked like a big waste to me. Good for Buzz and his movie—Baz and his movie!

Senator Wong—Was there a question in that, Chair, or just a diatribe?

Senator McGAURAN—Yes: what was the target market?

Mr McEvoy—I think we have said we would give the senator some breakdowns.

Senator Wong—It is the same question.

Senator McGAURAN—No. I have asked for the countries, where the movie has been located, and what demographic, if you like, saw the movies. Who saw the advertisements? Several were of some high-powered female New York executive dreaming about coming out to Australia. So obviously they had decided just to target a particular, sophisticated market, as they say in their brief.

Mr McEvoy—A target audience for—

Senator McGAURAN—Is that what we are really after?

Mr McEvoy—Australia is the target audience we call the experience seekers. They are a mix of people who have the ability to travel—long to medium haul, predominantly. That means they have a passport, they are digitally savvy, they have done reasonably well in life, and they like what we have to offer. We can reach them because we know what they read, what they watch, what they listen to, and how they research, plan and book a holiday. So we are happy to provide the senator with some detail because I think we have information on the target audience.

Answer:

Tourism Australia rolled out two marketing projects in October 2008 to capitalise on the release of the Baz Luhrmann movie *Australia*. ‘Project Fox’ encouraged people who had seen the movie to visit the country, as well as leverage off global publicity for the movie. ‘Project Transformation’ was the Baz Luhrmann-produced destination campaign which invited visitors to ‘Come Walkabout’ in Australia. Both projects were supported by extensive and integrated marketing programs involving 160 activities.

Tourism Australia did not fund 20th Century Fox for the production or the promotion of the movie *Australia*. The relationship between Tourism Australia and 20th Century Fox was based on the marketing benefits for both parties through a promotional partnership based around the movie. The ‘Come Walkabout’ campaign included Project Fox, Project Transformation and allied and affiliated promotional activities.

Below is a breakdown of expenditure on the ‘Come Walkabout’ campaign across the United Kingdom (UK), the United States (US), China, Japan and New Zealand.

Please note: all expenditure figures below refer to gross campaign expenditure in 2008-09 and 2009-10 and is expressed in AUD. A total of approximately \$77.5 million was spent on the ‘Come Walkabout’ campaign from 2008-09 to 2009-10. This included Project Fox, Project Transformation and allied and affiliated promotional activities which carried similar messaging, as detailed below.

UK

Projects:

2008-09: Fox; Destination Australia;
2009-10: Youth; Regional Marketing; Leisure Partnership Marketing; Barefoot
Luxury.

Media Channels:

Brand and cooperative advertising: cinema, television, radio, outside of home advertising, print, direct mail.

Digital: Online advertising, Search Engine Marketing (SEM), australia.com, content delivery, digital programs/social media.

PR: International Media Hosting Program (IMHP), Visiting Opinion Leader Program (VOLP), affinity partnerships, content initiatives, consumer events and promotions.

Target Audiences:

Youth: First Time Experience Seekers (FTES) aged 18-30 years; able to travel to Australia for extended periods of time (e.g. students, Working Holiday Makers, no dependants, not fully-employed, career breakers).

Regional Marketing: FTES from catchment areas of regional airports.

Leisure Partnership Marketing: FTES already in the intention pool most likely to travel to Australia in the next 12 months.

Barefoot Luxury: FTES with monthly household income > £8,000.

Expenditure:

\$16.4 million.

US

Projects

2008-09: Transformation; Fox; Australia Week; Qantas Co-op; V Australia Co-op;
2009-10: Youth; Australia Now; One Week Walkabout.

Media Channels:

Brand advertising: television, print.

Digital: Online advertising, australia.com, content delivery, SEM, eDM (Electronic Direct Mail), digital billboards.

PR: Advocacy program, (Visiting Opinion Leader Program), IMHP.
Campaign Events aligned to 'G'Day USA'.

Target Audiences:

Youth: FTES aged 18-30 years; able to travel to Australia for extended periods of time (e.g. students, Working Holiday Makers, no dependants, not fully-employed, career breakers).

Australia Now: West Coast with household income > \$150,000 and likely to undertake long haul travel in next 12 months.

One Week Walkabout: Professional FTES and repeat visitors from West Coast cities with air access (Los Angeles, San Francisco, San Diego, Seattle).

Expenditure:

\$15.9 million.

CHINA

Projects:

2008-09: Fox, Primary Cities, Secondary Cities;

2009-10: Secondary Cities, Welcome To, Welcome Back, Australia.com.

Media Channels

Brand and cooperative advertising: with Premier retail agents, VISA, Airlines and STOs through Print, outside of home advertising, Direct Mail.

Digital: Online advertising, Australia.com, content delivery, SEM.

Point of Sale: Theme Stores.

PR: Advocacy program (Visiting Opinion Leader Program), IMHP, Events (e.g. Shanghai World Expo, China International Travel Mart), Consumer competitions (e.g. Shanghai World Expo competition).

Target Audiences:

Secondary Markets: Approved Destination Status (ADS) market in Secondary Markets.

Welcome To: FTES in Primary Markets (Beijing, Shanghai, Guangzhou) including the 500,000 Platinum – Infinite Credit Cards Holders.

Welcome Back: The 500,000 ADS visitors from 1999 - 2009 in Primary Markets.

Expenditure:

\$9.1 million.

JAPAN

Projects

2008-09: Fox; Brand

2009-10: Young Attack; Jukunen (aged +60 years).

Media Channels:

Brand and cooperative advertising: Print, Collateral development, online.

Digital: Online campaigns, banner advertising, social networking, content development.

PR: Advocacy Program, consumer events (e.g. JATA World Travel Fair and Sankei Living Event), IMHP, consumer competition, Visiting Opinion Leader Program.

Target Audiences:

Young Attack: Female FTES in 20s/30s, those already intending to travel to Australia and most likely to travel to Australia in the next 12 months, and repeat visitors.

Jukunen: FTES in the 60+ male/female demographic, those already intending to travel to Australia and most likely to travel to Australia in the next 12 months, and repeat visitors.

Expenditure:

\$6.0 million.

NEW ZEALAND

Projects

2008-09: Fox, G'Day New Zealand, Media Content;

2009-10: Short Breaks.

Media Channels:

Brand advertising channels: Print, outdoor.

Digital: Online advertising, australia.com, content delivery, SEM, viral campaigns, eDM.

PR: IMHP, content initiatives with television (Sunrise).

Target Audiences:

Experience Seekers – particular focus on Youth aged 20 - 34/ Young Adults with No Kids (YANKES), Double income no kids (DINKS) and Baby Boomers.

Expenditure:

\$4.3 million.

OTHER

- Materials production
- Global online production
- Secondary markets and pan-market activity
- Trade materials

Expenditure:
\$25.8 million.