

VICTORIA'S TOURISM PLAN SUMMARY



FOOD AND WINE 2004-2007



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Victoria's Food and Wine Tourism Plan 2004-2007

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Victorians are passionate about food and wine and our desire to share this enthusiasm with visitors to the State has been a catalyst in establishing our reputation as an exciting and vibrant food and wine destination.

Victoria's dedication to all things culinary can be experienced throughout the State. The restaurants, cafés and bars of Melbourne offer a stylish, world class food and wine experience while regional Victoria is home to many passionate producers, growers, chefs, restaurateurs and winemakers. The pursuit of excellence is reflected in our fine fresh produce which can be enjoyed at many of Victoria's iconic restaurants and wineries.

Another key contributor to Victoria's food and wine strength is our rich multicultural community, offering diverse culinary experiences from all corners of the globe.

Indeed, the food and wine industry is a key partner in Victoria's burgeoning tourism industry. Although food and wine tourism continues to grow, the industry must face some challenges in the coming years. There is an identified need to enhance industry cohesion and leadership, increase the quality

of the visitor experience and explore opportunities for food and wine infrastructure developments.

These are exciting, yet challenging times for the industry and we must work together to ensure further prosperity.

I am delighted to present you with *Victoria's Food and Wine Tourism Plan 2004-2007*, which is a strategic framework for the continued growth of this key industry sector. It has been developed in consultation with various government and private sector stakeholders and represents a unified way forward for Victoria's food and wine tourism industry.

Together with the *Investment Guidelines for Wine Tourism*, which will support winery infrastructure development throughout the State, *Victoria's Food and Wine Tourism Plan* will pave the way for Victoria's continued success and recognition as one of the world's best food and wine destinations.



MINISTER'S FOREWORD

JOHN PANDAZOPOULOS MP

Minister for Tourism and Major Events



EXECUTIVE SUMMARY

The focus of this Plan is on research, product development, business development, market development, industry leadership and enhancing the visitor experience.

Victoria's Food and Wine Tourism Plan 2004 – 2007 has been developed in a period that presents exciting opportunities and challenges for the future of food and wine tourism. The evolution of the Victorian Wineries Tourism Council and its greater role in enhancing industry leadership is one of a number of initiatives recommended for the sector to continue to be successful in an increasingly competitive environment.

Melbourne is increasingly recognised in the Australian market as the premier destination offering quality food experiences and world class restaurants, with 43% of consumers recognising Melbourne as the leader in this attribute in 2003, compared to 32% for Sydney*. Victoria is the only State where a wine experience can be encountered in every region. The multicultural diversity of the State, the variety and quality of wine production and wine experiences, Melbourne's restaurant strength, and Tourism Victoria's world class jigsaw tourism marketing strategy have all contributed to ongoing growth in food and wine tourism.

The estimated annual value of Victoria's food industry is \$16 billion and the industry employs over 50,000 people. There are 560 wineries in Victoria – up from 320 in 1999. Winery tourism was valued at \$412m in 2002, representing a 5% increase from 2000.

*Tourism Victoria's Brand Health Survey 2003

However, product quality and standards need continual improvement to deliver on the premium destination Victoria brand promise. More demand and supply research including consumer trends and the detailed measurement of visitor experience satisfaction will underpin further development in marketing and investment. Regional points of difference will be encouraged and promoted.

Championing the State's gastronomic successes through an 'ambassadors program' linked to a strengthened food and wine PR program will build on our reputation for quality, diversity and accessibility of food and wine experiences. Consumer awards for food and wine excellence will be developed.

The Melbourne Food and Wine Festival will continue to be supported to grow as a major domestic and international event - building its status in the world's food and wine events calendar. The Commonwealth Games will also be used to boost the State's domestic and international reputation as a premier food and wine destination.

The structure of the sector will continue to be enhanced with state level leadership and further development of regional food and wine groups. Improved coordination of these groups with restaurant



and catering, wine, regional tourism organisations and support from government agencies will improve the sector's efficiency.

Increasing consumer demand will continue to create opportunities for infrastructure investment in boutique vineyard accommodation



in some regions and further investment in existing and new flagship regional restaurants. Higher consumer expectations and increased competition are creating opportunities for re-energising the cellar door experience with investment in accommodation, activities, interpretation and services.

The Investment Guidelines for Wine Tourism will assist in facilitating this process.

INTRODUCTION

Vision: By 2007, Victoria's food and wine tourism experiences will be recognised and celebrated as a highlight of visiting Melbourne and regional destinations. Every region will offer quality food and wine experiences and some will excel. Melbourne's reputation as a diverse, multicultural, contemporary and vibrant dining destination will be unsurpassed in Australia and recognised globally.

Objectives

1. Increase yield (visitor numbers, length of stay and expenditure) from food and wine tourism.
2. Increase visitor satisfaction with Victoria's food and wine tourism experiences.
3. Increase interstate and intrastate awareness of the quality, diversity and accessibility of Victoria's wine regions and food and wine tourism experiences.
4. Further develop the natural synergy between food and wine and achieve the consistent integration of food as part of the winery tourism experience.
5. Achieve wider regional and seasonal dispersal of food and wine tourism.
6. Encourage ongoing training, education and accreditation of operators and employees to deliver outstanding hospitality experiences.
7. Increase and strengthen cooperative alliances between key stakeholders.
8. Increase and strengthen cooperative alliances between wineries, restaurants, farmgates and other local and regional tourism products and services.
9. Raise the international profile and recognition of Melbourne's culinary experiences.
10. Facilitate investment in winery tourism.

Review of the 1998-2001 Food and Wine Development Plan

- Annual and bi-annual research is conducted by Tourism Victoria, with advice from the Victorian Wineries Tourism Council, in the form of a Cellar Door Survey and Tourism Activity Survey. The research focuses on consumer attitudes and awareness and the economic impact of food and wine tourism.
- Food and wine tourism is integrated into Tourism Victoria's core Melbourne and regional marketing plans and programs.
- Food and wine is a major focus of the current phase of the highly successful jigsaw campaign. Victoria's food and wine product strength features prominently in Tourism Victoria and regions' advertising and promotions.
- The Victorian Wine Industry Association coordinates the Exhibition of Victorian Winemakers in Melbourne, Sydney and Brisbane annually.
- Federation Square showcases food and wine through the Victorian Wine Precinct, Visitor Information Centre and regional promotions.
- The Victorian Wineries Tourism Council and Tourism Victoria have facilitated the development of regional food groups to encourage further development of the industry and identification of opportunities.

- The State Government provides financial support to the Melbourne Food and Wine Festival, Grampians Gourmet Festival, Exhibition of Victorian Winemakers and regional food and wine related events. Marketing support and advice is provided to a number of other regional food and wine events throughout the year.

Definition

Food and wine tourism encompasses a variety of winery, cuisine and agricultural / produce experiences which demonstrate tremendous diversity due to Victoria's varied landscape, climate and multiculturalism. Food and wine experiences in Victoria allow visitors to participate in a cultural discovery that represents unique regional history, characteristics and flavours.

In Victoria, food and wine tourism experiences include:

- Winery cellar doors and winery tours
- Experiencing Melbourne's diverse range of restaurants, cafés and bars
- Dining in Victoria's regional restaurants
- Festivals and events that feature local food and wine
- Farmers' markets
- Agri-tourism activities, such as fruit picking

- Farm visits (including purchasing produce at the farmgate)
- Factory tours
- Microbreweries and breweries
- Cooking schools
- Purchasing local fare at produce stores
- Food and wine trails
- Winery tourism experiences including accommodation, restaurants and activities
- Integrated food and wine experiences with events, arts and culture, touring, business events, adventure, shopping and golf.

Partnerships

Strategic alliances between key stakeholders in the tourism industry are pivotal to the success of tourism in Victoria. The degree of cohesiveness and cooperation is a critical success factor for sustainable growth. Partnerships need to be maintained and strengthened to position food and wine as a competitive strength and to achieve global recognition. Key partners in food and wine tourism include:

Victorian Wine Industry Association (VWIA)

The VWIA is the peak membership based wine industry body in Victoria with a mission to represent the economic and political interest of Victorian winegrape growers and winemakers. Its role includes industry advocacy with Government, the development of strategic plans

for industry and the delivery of promotional programs for the domestic and export markets.

Victorian Wineries Tourism Council (VWTC)

The VWTC provides advice to the Minister for Tourism, Tourism Victoria and the industry on the strategic development of food and wine tourism in Victoria. The Council has proposed changing its name to incorporate food, in order to provide a holistic representation of Victoria's product strength.

Restaurant and Catering Association of Victoria

The Restaurant and Catering Association of Victoria provides a range of services and benefits for members and a profile for restaurants and caterers to ensure that the industry attains the level of recognition that it deserves, with both government and the community in general. The Association, through Restaurant and Catering Australia, runs an awards for excellence program and played a lead role in driving the *National Action Agenda for Australia's Restaurant and Catering Industry* entitled *The Business of Eating Out*.

Regional Winemakers and Vignerons Associations

The Regional Winemakers and Vignerons Associations are membership based wine industry bodies which represent the economic

and viticultural interests, including the GIC status, of winegrape growers and winemakers on a regional level. This includes promotional programs for domestic, and in certain cases, export markets, often in partnership with local governments and tourism bodies.

Regional Food and Wine Tourism Groups

Regional Food and Wine Tourism Groups can represent the industry development, marketing and/or tourism interests of regional wine (cellar door), produce and restaurant businesses. The groups' purpose is to promote their region as a food and wine tourism destination. This includes liaising with local winemakers, food producers, tourism organisations and all levels of government on food and wine tourism issues and opportunities.

Regional Tourism Associations (RTAs)

One key responsibility of RTAs is the promotion of a region's product strengths. RTAs also play a lead role in stakeholder communication, assist with industry development and support the development of food and wine product in the region.

Local Tourism Associations (LTAs)

LTAs provide a range of services to visitors, including the information available through Visitor Information Centres. LTAs also represent local industry, including food and wine operators, in discussions with various organisations, such as RTAs and Tourism Victoria.

Regional Campaign Committees (RCCs)

RCCs develop and implement co-operative marketing campaigns in partnership with Tourism Victoria and regional stakeholders.

Destination Melbourne (DML)

Destination Melbourne works in partnership with Tourism Victoria, City of Melbourne, metropolitan councils, trade groups and industry to market Melbourne as a tourism destination. Dining is a key theme in Destination Melbourne's activities.

Government Departments and Agencies

Government Departments and Agencies involved in the development of Victoria's food and wine sector include Tourism Victoria, Department of Primary Industries, Food Victoria, Regional Development Victoria, Human Services (food safety) and Education and Training.

Tourism Victoria (TV)

Tourism Victoria plays a pivotal role in promoting Victoria's food and wine product strength, through inclusion of this segment in various marketing activities, such as the championing of food and wine as the key message in the Yarra Valley Jigsaw Campaign. Tourism Victoria is also responsible for coordinating public relations and familiarisation activities that showcase the diversity and quality of food and wine product throughout the State. The organisation also provides necessary industry development



assistance to the regions. Tourism Victoria will play a lead role in the implementation of the Action Plan outlined in this document.

Department of Primary Industries (DPI)

The Department of Primary Industries has responsibilities in the development of the State's agriculture and food sector:

Some of the key areas that DPI is involved with include:

- Development of a Naturally Victorian brand which promotes Victorian natural produce to intrastate, interstate and international markets.
- Assistance in developing the Yarra Valley as a food, wine, tourism and agribusiness brand.
- Management of Farm Biz as a training provider.
- Attend international food trade shows highlighting Victoria's food service capacity.
- Provide assistance in establishing food groups in the Yarra Valley, Gippsland, Alpine and South West.
- Responsibility for the Victorian Agribusiness Networks (VAN) Program, which includes Agribusiness Forums, funding of regional projects and developing a framework for the operation of Sustainable Farmers' Markets.

Regional Development Victoria

Regional Development Victoria, through the Food Group, assists the regional food industry with promotional activities, assisting businesses to become more competitive and helping identify and secure overseas market opportunities. RDV also supports the industry through the provision of funding for the annual 'Taste of Victoria' food and wine festival.

Food Victoria

Food Victoria is a whole-of-government body that brings the food industry and government together to address issues and opportunities relevant to the food sector. Food Victoria also works with the food industry to improve the competitiveness and sustainability of the Victorian food sector in the global market. The unit is also responsible for producing a quarterly industry newsletter called 'Taste of Victoria' which includes information relating to the food industry.

Consultation

The following key stakeholders have been consulted in the preparation of this Plan:

- Tourism Australia
- Winemakers Federation of Australia
- Victorian Wineries Tourism Council
- Victorian Wine Industry Association
- Restaurant & Catering Association of Victoria

- Regional Winemakers and Vignerons Associations
- Culinary industry leaders
- Regional Food and Wine Groups
- Regional Campaign Committees
- State government agencies and educational providers
- Tourism business operators

Opportunities and Challenges

Opportunities

Continue to integrate food and/or wine as a product strength in all marketing strategies covering Melbourne and regional destinations and villages, particularly leveraging off the focus given to the segment as part of the jigsaw campaign.

Champion success - strengthen awareness of Victoria's food and wine reputation including the promotion/celebration of chefs and wine makers, ie. promote the personalities, winners and recipients of wine, food and food services awards.

Support and leverage off the promotion and marketing strategies of the Restaurant and Catering Industry Action Agenda.

Leverage Melbourne's position as a member of the Global Network of Great Wine Capitals of the World to enhance Victoria's international and domestic profile and credibility for wine tourism.

Leverage increased awareness of the Yarra Valley to raise awareness of and encourage visitation to other wine regions while in Victoria or for future visits.

Excellent potential exists for food and wine product enhancement through cooperative alliances and packaging with other tourism product and allied product, eg. the agribusiness sector, arts and cultural tourism, nature based tourism.

Further development of regional food and wine groups and greater cooperation between these groups and local and regional tourism associations.

Cooperative alliances between regional primary producers, markets, cafés and restaurants.

Encourage the participation of the Winemakers and Vignerons Associations in tourism activities and tourism organisations at the local, regional and state level.

Support industry driven programs and initiatives to raise service delivery and/or standards.

Investigate a range of product development opportunities that include compiling an inventory of Victoria's culinary products and experiences; raising the standards of existing food and wine products;

developing new product to increase Victoria's reputation as a food and wine destination; encouraging diversity in regional wine experiences and further development of wine and food tourism research.

Increase the standard and appeal of all food and wine events including raising the Melbourne Food and Wine Festival to the status of one of the world's best food and wine festivals.

Leverage the Commonwealth Games to build Victoria's national and international food and wine profile and quality reputation.

Facilitate further development of food and wine infrastructure with particular emphasis placed on priorities identified in the Statewide Tourism Infrastructure Strategy.

Promote a whole-of-government approach to food and wine tourism issues, integrating the activities of Tourism Victoria, RDV, Food Victoria and DPI to maximise industry benefit.

Identify, develop and promote 'slow food' experiences to position Victoria as Australia's 'slow food' destination, creating a point of difference.

Opportunities continued

Enhance industry leadership through peak body alliances or evolution of one peak food and wine tourism organisation.

Identify and promote regional and destination points of difference to enhance Victoria's tourism diversity positioning.

Challenges

Low awareness of Victoria's food and wine product and associated destinations in interstate and international markets.

Finding the hook to differentiate Victoria from domestic competitors – including the lack of a regional icon destination and points of difference.

The growth of wineries and cellar doors in the Melbourne Surrounds region, contributing to increased competition and marketing challenges for regions more distant from Melbourne.

Need for further research to increase understanding of consumers' needs and expectations and what motivates them to seek food and wine experiences, eg. food and wine trails – limited knowledge of consumer triggers and behaviours.

Increasing range of lifestyle experience and entertainment choices.

Lack of supply-side research to assist business planning and investment.

Food and wine industry knowledge of tourism - lack of recognition by some wine-makers, restaurateurs and producers that they are part of the tourism industry and therefore need to cater to the needs of visitors, eg. learning experiences, interpretation, opening times and availability of food at the cellar door.

Large regional food producers who are export oriented may not recognise their tourism potential.

Changes in wine distribution channels and consumer behaviour have resulted in a shift away from purchasing wine at the cellar door.

Licensing and food handling compliance can be arduous - small operators may find it difficult to meet mandatory requirements.

Inconsistent service delivery and/or standards of quality characterized by low levels of tourism accreditation; the need for workplace based training and educational opportunities for the regional food and wine tourism sector; retention of staff in the hospitality industry is difficult due to lack of career incentives and attraction and retention of skilled staff in regional areas can be difficult.

Low profitability profile of the industry does not encourage a commitment to staff training, therefore training should be a core responsibility of industry sector associations as part of their business development role.

Perception of regions not providing sophisticated dining experiences, exacerbated by a limited number of restaurants / cafés that promote and serve local produce / wines.

Infrastructure gaps that may limit the industry's growth potential need to be addressed, eg. inadequate accommodation provision to support winery tourism in some regions.

Difficulty for regional restaurants / cafés in accessing reliable sources of local produce due to supply chain and cost issues.

Inadequate signage for wineries in certain areas, including signage clutter and inconsistent or misleading information on signs, eg. incorrect opening hours displayed.

Fragmented industry sector leadership.



RESEARCH

This section outlines the research undertaken in relation to Victoria's food and wine tourism industry. Current market trends indicate continued growth for Melbourne and Victoria as key food and wine destinations. A three year Food and Wine Tourism Research Plan, to further assess changing patterns of visitation and consumer expectation, motivation and satisfaction, will be developed.

Tourism Victoria, in conjunction with the Victorian Wineries Tourism Council, undertakes an extensive research program on food and wine tourism to assist the development of strategies to enhance the profile of food and wine tourism. Research is also available from a number of other secondary sources and studies. To gain a comprehensive insight into food and wine tourism, it is necessary to review the results from each of these sources individually and carefully, as the surveys were conducted over different time periods and use different methodologies.

DOMESTIC VISITOR MARKETS

National Visitor Survey (NVS)

The NVS is an origin-based national telephone survey produced by the Bureau of Tourism Research. Around 80,000 interviews are conducted each year.

In terms of winery tourism, the NVS measures the number of visitors who visited a winery on their trip. The NVS does not record the number of wineries they visited on this trip. The NVS records information on domestic overnight visitors and domestic daytrip visitors.

Results from the NVS show that there were 462,000 domestic overnight visitors who visited a winery in Victoria in the year ending December 2003. This figure has increased since 1998, with average annual growth of 1.3% (figure 1).

In 2003, Victoria's market share of domestic overnight winery visitors was 20%, behind New South Wales (28%) and Western Australia (24%). Victoria's market share of domestic overnight winery visitors (20%) is slightly less than its share of total domestic overnight visitors (24%) (figure 2).

In regards to daytrip visitors, the NVS shows that 546,000 domestic daytrip visitors visited a Victorian winery in the year ending December 2003. This figure has increased since 1998, with average annual growth of 1.1% (figure 1).

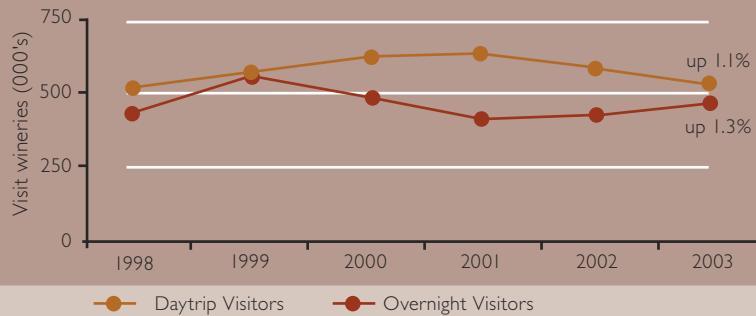
In 2003, around half of all domestic overnight visitors nominated eating out or going to a restaurant as a leisure activity whilst on their trip. In terms of food tourism, these visitors are classified as domestic culinary visitors.

In the year ending December 2003, there were 8.8 million domestic overnight culinary visitors to Victoria. This figure has increased since 1998, with average annual growth of 6.6% (figure 3).

The NVS shows that Victoria has a 23% market share of domestic overnight culinary visitors, third behind NSW (34%) and Queensland (24%) (figure 4).

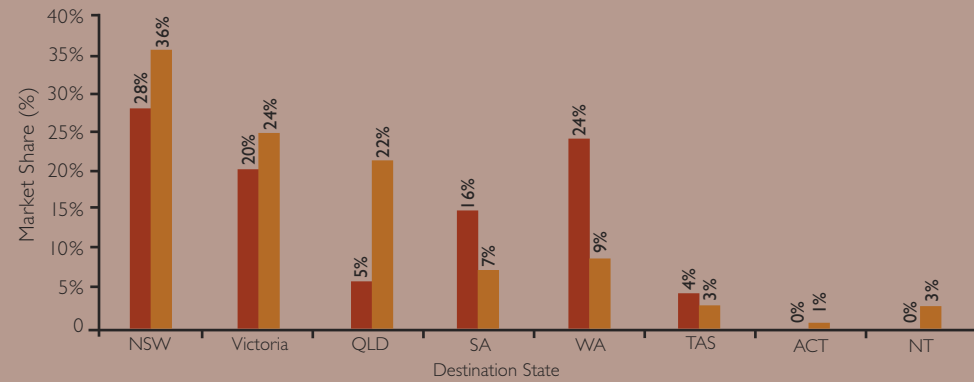
In regards to daytrip visitors, the NVS shows that Victoria received 14.5 million culinary domestic daytrip visitors in the year ending December 2003. This figure has increased since 1998, with average annual growth of 1.4% (figure 3).

Figure 1. Domestic winery visitors in Victoria



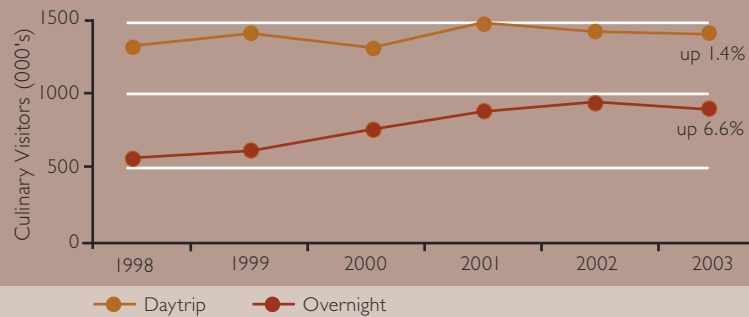
Source: National Visitor Survey, Bureau of Tourism Research, 1998-2003

Figure 2. Market share of domestic winery visitors



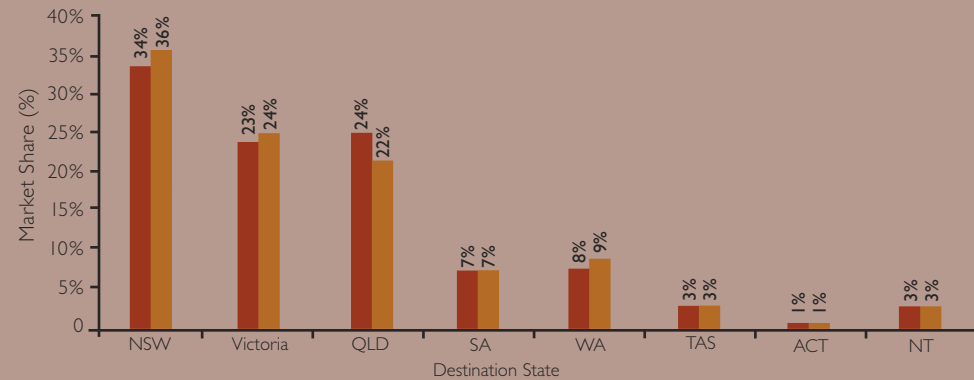
Source: National Visitor Survey, Bureau of Tourism Research, 2003

Figure 3. Domestic culinary visitors in Victoria



Source: National Visitor Survey, Bureau of Tourism Research, 1998-2003

Figure 4. Market share of domestic culinary visitors



Source: National Visitor Survey, Bureau of Tourism Research, 2003

Values Segment	Characteristics	Propensity to undertake food and wine activities whilst on holiday in Victoria	Propensity for food, wine and travel activity participation in last 3 months
Socially Aware 14% population 19% visitors to Victoria 26% food & wine participants on last trip	<ul style="list-style-type: none"> • Social issues oriented • 35-49 years • Politically/community active • Wealth managers 	<ul style="list-style-type: none"> • Eat out at restaurants, enjoy international food and drink wine • Visit wineries/vineyards • Visit wineries and eat out at restaurants 	<ul style="list-style-type: none"> • Eat a meal at a café • Go to a licensed or BYO restaurant • Take a daytrip in a car • Have a weekend away
Visible Achievement 18% population 21% visitors to Victoria 26% food & wine participants on last trip	<ul style="list-style-type: none"> • Success and career driven • 35-49 years • Recognition and status seekers • Good family living • Wealth creators 	<ul style="list-style-type: none"> • Eat out at restaurants, enjoy international food and drink wine • Visit wineries/vineyards • Visit wineries and eat out at restaurants 	<ul style="list-style-type: none"> • Eat a meal at a café • Go to a licensed or BYO restaurant • Take a daytrip in a car • Have a weekend away
Young Optimism 9% population 10% visitors to Victoria 10% food & wine participants on last trip	<ul style="list-style-type: none"> • Young and progressive • 18-25 years • Experimental lifestyles • Seek new and different things 	<ul style="list-style-type: none"> • Eat out at restaurants, enjoy international food and drink wine 	<ul style="list-style-type: none"> • Eat a meal at a café • Go to a licensed or BYO restaurant • Have a weekend away
Traditional Family Life 20% population 18% visitors to Victoria 17% food & wine participants on last trip	<ul style="list-style-type: none"> • Retired middle age Australia • 50+ years • Family-focused lives • Passive income earners 	<ul style="list-style-type: none"> • Visit wineries/vineyards 	<ul style="list-style-type: none"> • Take a daytrip in a car

Roy Morgan Values Segments developed in conjunction with Colin Benjamin of the Horizons Network

Visitor Segments – Roy Morgan Values Segments

The Roy Morgan Values Segments are a framework for looking at the Australian population in groups or segments according to similar preference, needs or motivations. The Values Segments are based on psychographic data that provides information on the deeper drivers of choice by examining attitudes as well as demographics such as age and income.

This table (left) lists the four Values Segments identified as target markets for Victoria and their propensity to visit food and wine attractions and partake in food and wine activities.

INTERNATIONAL VISITOR MARKETS

International Visitor Survey (IVS)

The IVS is a destination-based face-to-face interview administered by the Bureau of Tourism Research. About 20,000 interviews are conducted each year at the international departure terminals of Australian airports.

International culinary tourists are defined as those international visitors who indicated their decision to travel to Australia was influenced by a desire to experience Australia's food, wine and wineries.

There were 189,000 international visitors per year on average between 1999 and 2002, who indicated their decision to travel to Australia was influenced by a desire to experience Australia's food, wine and wineries. International culinary visitors accounted for 4% of all international visitors to Australia over this period. Visitors from the United Kingdom and Europe dominate the international culinary market to Australia, with 22% coming from the United Kingdom alone.

From 1999-2002, the majority of culinary visitors travelled to Australia for a holiday (82%), in contrast to all international visitors, of whom only 56% travelled for holiday purposes. A further 12% of international culinary visitors travelled to visit friends and relatives, whilst only 2% of international culinary visitors travelled for business (figure 5).

VISITOR PROFILING

Victorian Wineries Tourism Activity Survey

The Victorian Wineries Tourism Activity Survey, last conducted in 2002, involves a self-completion survey completed by Victorian winery operators with cellar door facilities that are open seven days a week. This survey provides estimates of the number of visits made to these wineries. It is important to note that one visitor may visit multiple wineries on their trip.

The Victorian Wineries Tourism Activity Survey shows that in the year ending December 2002, there were 3.2 million visits to Victorian tourism wineries*. This figure has increased since 1998, with average annual growth of 8.2%.

* Victorian tourism wineries are wineries with cellar door facilities, which are open to the public 7 days a week.

Figure 5. Purpose of visit - international culinary visitors to Australia

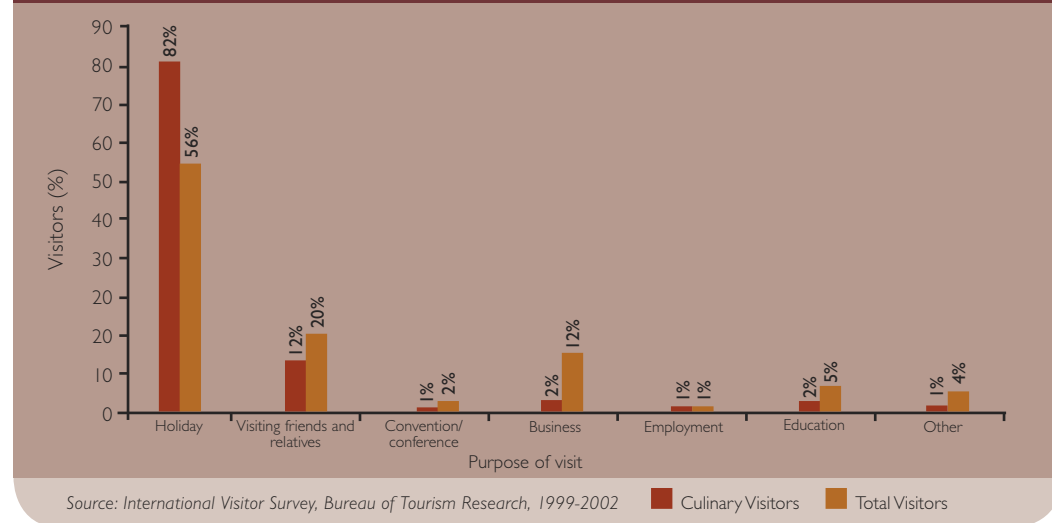
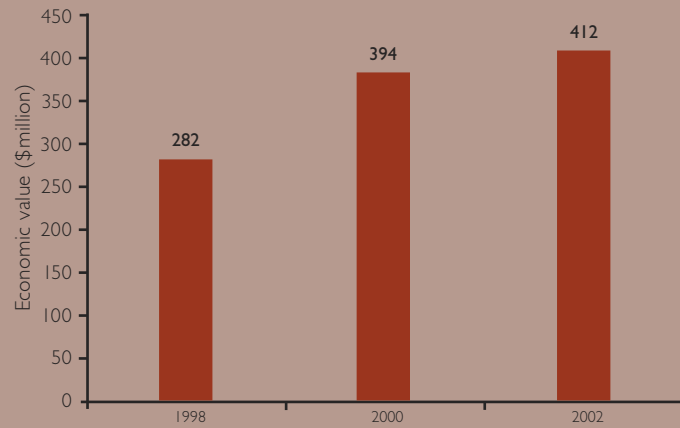
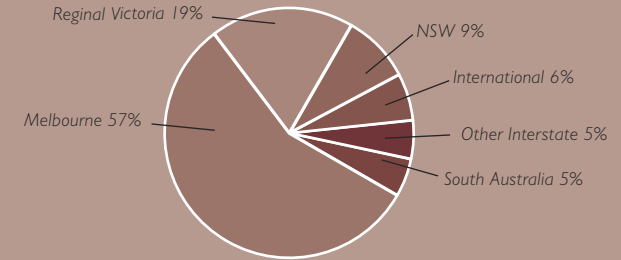


Figure 6. Estimated economic value of Victorian winery tourism



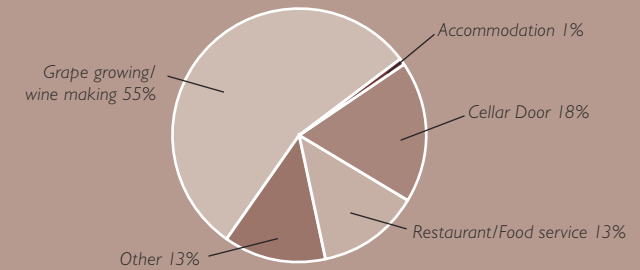
Source: Victorian Wineries Tourism Activity Survey, 2002

Figure 7. Origin of visitors to Victorian tourism wineries 2002



Source: Victorian Wineries Tourism Activity Survey, 2002

Figure 8. Employment at Victorian tourism wineries 2002



Source: Victorian Wineries Tourism Activity Survey, 2002

Estimated economic value of Victorian winery tourism

The estimated economic value of Victorian winery tourism is calculated by taking the total dollars spent on all expenses during a visit to the region by visitors whose trip was specifically to visit wineries.

The estimated economic value of Victorian winery tourism for 2002 was \$412 million, representing average annual growth of 10% since estimated in 1998 (figure 6).

Origin of visitors

The majority of visitors to Victorian tourism wineries were from Melbourne (57%), followed by regional Victoria (19%) and interstate visitors (19%). New South Wales was the major source of interstate visitors (9%), followed by South Australia (5%). International visitors accounted for 6% of visitors (figure 7).

Employment

An estimated 4,500 people are currently employed by Victorian tourism wineries. Half of all employment is casual, 38% full-time and 12% part-time (figure 8).

Wine tourism is a significant employer within the wine industry. One third of employment in Victorian tourism wineries is in the tourism-related areas of cellar door services, restaurant/food services and accommodation.

Victorian Wineries Cellar Door Survey

The Cellar Door Survey, conducted in 2003, is a self-completion questionnaire completed by visitors to Victorian tourism wineries. The survey obtains information relating to the profile, motivations and behaviour of visitors to Victorian tourism wineries.

Frequency of visitation

The vast majority of visitors to Victorian tourism wineries (87%) were repeat visitors. On average, visitors reported that they make 3.5 trips in a year which include visits to Victorian wineries. Over 80% of visitors stated that they visit a Victorian winery annually. The highest proportion of Victorian winery visitors (28%) stated that they visit a Victorian winery 2-3 times per year (figure 9).

Figure 9. Frequency of visitation

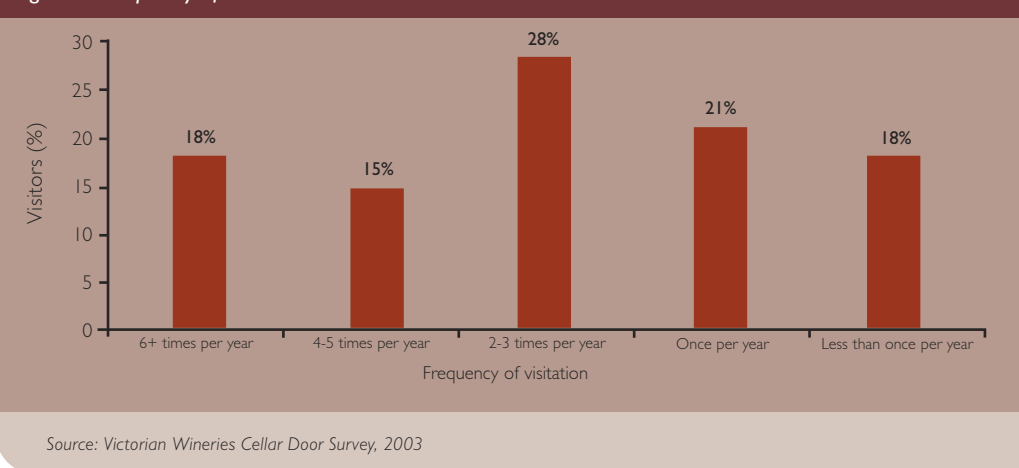
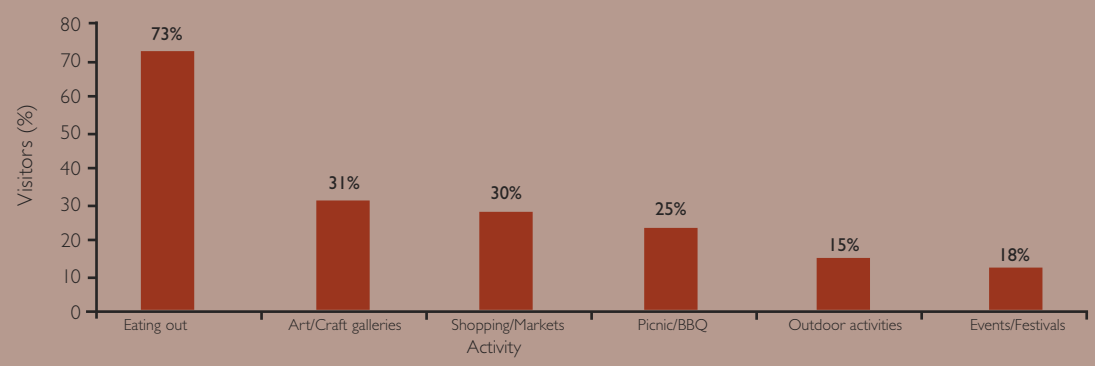


Figure 10. Activities on trip



Source: Victorian Wineries Cellar Door Survey, 2003

Planning and information sources

The majority of visitors reported that they planned to visit wineries before departing on their trip (77%). The largest information source used when planning a winery trip was recommendations from family and friends (44%), followed by the Wine Regions of Victoria brochure (27%) and Tourism Victoria jigsaw brochure (26%).

Activities

Visitors were asked which activities (apart from visiting a winery) they would be participating in on their trip. The importance and integration of food and wine tourism is evident as the results show a strong link between winery visitation and eating out at restaurants and cafés (73%) (figure 10).

The table (left) combines key results from the Victorian Wineries Activity Survey and Cellar Door Survey for each of Victoria's six wine zones.

Figure 11.

Wine Zone	Number of wineries	Visits	Economic contribution (\$ million)	Employment
Around Melbourne (Yarra Valley, Mornington Peninsula, Geelong, Sunbury, Macedon Ranges)	103	1,756,459	219	1,792
North East Victoria (Rutherglen, Beechworth, Alpine Valleys, King Valley, Glenrowan)	29	597,980	90	1,030
Central Victoria (Bendigo, Heathcote, Goulburn Valley, Central Victorian High Country)	41	417,052	48	619
Western Victoria (Ballarat, Pyrenees, Grampians, Henty)	27	265,140	44	751
North West Victoria (Murray Valley, Swan Hill)	12	114,864	9	144
Gippsland (East, West and South Gippsland)	13	74,672	2	165
TOTAL	225	2,850,817	412	4501

Source: Victorian Wineries Tourism Activity Survey, 2002 and Victorian Wineries Cellar Door Survey, 2003



MARKETING

A three year Food and Wine Tourism Marketing Plan will integrate the food and wine tourism marketing activity planned across Tourism Victoria and drive the marketing component of this Food and Wine Tourism Plan.

OVERVIEW

Tourism Victoria's Brand Health Survey measures the current strength or health of Tourism Victoria's brand. Melbourne's positioning as a destination offering quality food experiences and world class restaurants improved in 2003 to achieve the highest score on this attribute over the eight years of the survey. The latest results show that Melbourne was nominated by 43% of respondents. In contrast, Sydney experienced a marked decrease in association, down 6 percentage points to 32% in 2003 (figure 12).

The Brand Health Survey shows that South Australia continues to be considered the state with many boutique wineries to visit, despite a steady decline over the last 8 years. Nearly half of all respondents (47%) nominated South Australia as the state that has many boutique wineries. Victoria had the largest increase of the major markets in 2003, and was nominated by 16% of respondents, up 3 percentage points from the results of 2002 (figure 13).

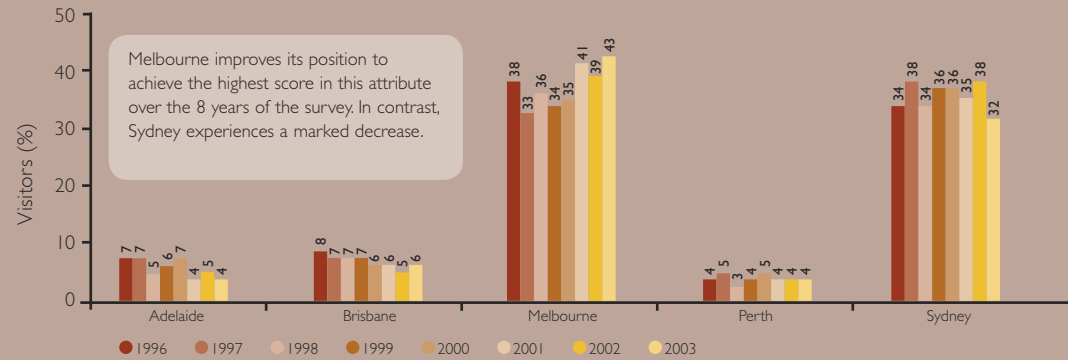
Regional Awareness and Perceptions Survey (RAPS)

RAPS is a study undertaken to test the awareness of holiday destinations in Victoria.



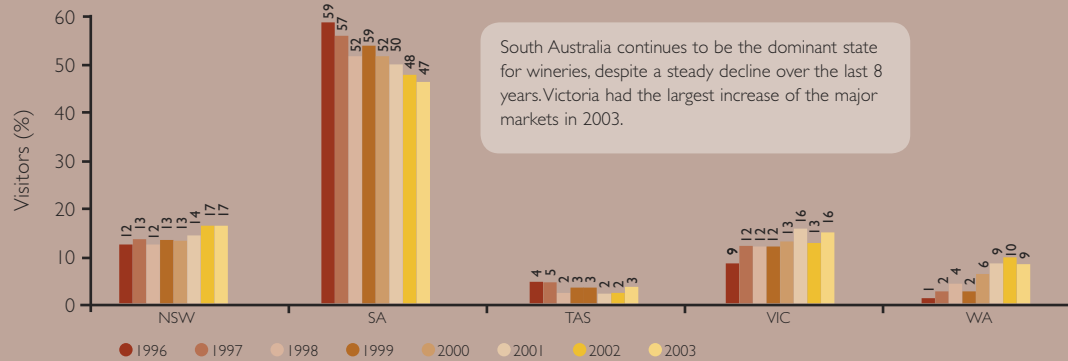


Figure 12. Offers quality food experiences and world class restaurants



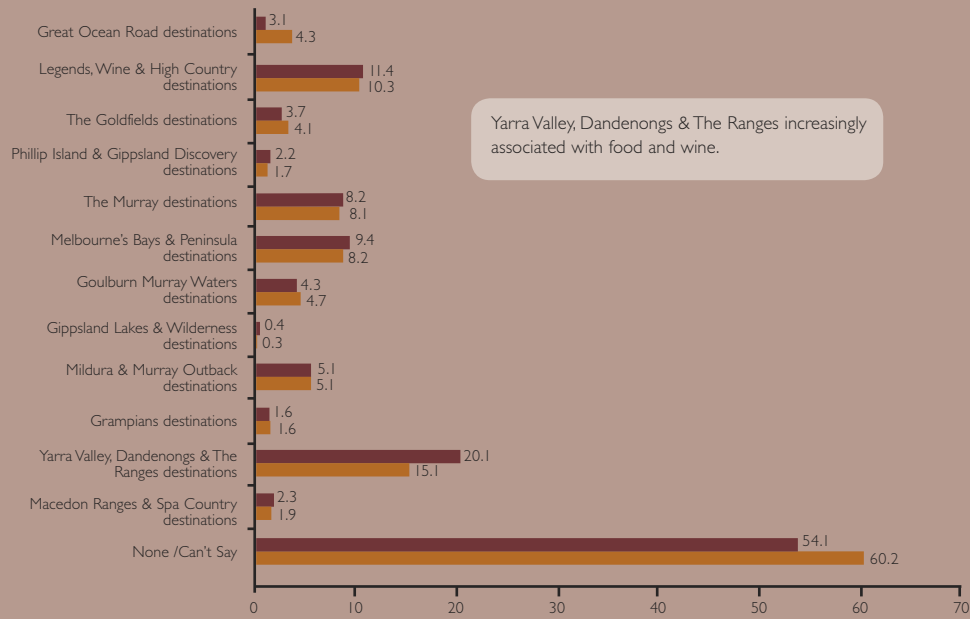
Source: Brand Health Survey, 1996-2003

Figure 13. Has many boutique wineries to visit



Source: Brand Health Survey, 1996-2003

Figure 14. Campaign regions associated with food and wine



Yarra Valley, Dandenongs & The Ranges increasingly associated with food and wine.

Source: Regional Awareness and Perception Study, 2001 & 2003

The most recent RAPS results show an increase in the association of food and wine with Victorian destinations. In 2001, 60% of respondents could not name a Victorian destination associated with food and wine. In 2003, this decreased to 54% of respondents who could not name a destination. The key campaign region associated with food and wine is the Yarra Valley, Dandenongs & The Ranges, which showed increased association with food and wine in 2003 (20%) compared to 2001 (15%). Other campaign regions which respondents strongly associated with food and wine included Legends Wine & High Country (11%), Melbourne's Bays & Peninsulas (9%) and The Murray (8%) (figure 14).

Victoria's Competitive Strengths

Victoria's Tourism Industry Strategic Plan 2002-2006 identifies food and wine as a primary product strength for the State. The following attributes are considered to be Victoria's key competitive strengths for food and wine:

Melbourne's Restaurant Strength:

Brand Health research has consistently positioned Melbourne ahead of major domestic competitors in offering quality food and wine experiences and world class restaurants. The integration of local residents and tourists in Melbourne's restaurant precincts and its vibrant café culture are definite competitive strengths. Melbourne has

a wealth of middle tier restaurants that offer high quality fare at a reasonable price. This is underpinned by flagship restaurants with high profile chefs, an increasing number of high profile and quality regional restaurants and an impressive number of country pubs in regional Victoria.

Diversity of Victoria's Wineries and Wine Varieties:

Victoria boasts over 560 wineries in 22 distinct wine regions offering every major wine style due to diversity in climate and landscape and industry innovation. Melbourne, the gateway to Victoria's regions, is recognised as one of the world's great wine destinations and sisters Bordeaux, Santiago, San Francisco, Porto, Cape Town, Bilbao and Florence in The Global Network of Great Wine Capitals.

Rich Multicultural Presence:

Victoria is a culturally diverse and harmonious state. There are over four million people currently living in Victoria, approximately one quarter were born overseas. Victoria's multicultural communities have contributed substantially to the depth, richness and authenticity of our food and wine product.

Accessibility:

Victoria's geographic compactness enables visitors to experience a range of food and wine product throughout the State and within close proximity to Melbourne, including four major wine regions

which are accessible within an hour's drive of Melbourne. The compactness of Victoria also makes it ideal for food and wine trails and touring.

Strength in Aligned Tourism Product:

Food and wine is the perfect complement to some of Victoria's other primary product strengths, such as arts, theatre and cultural heritage, events, golf and nature based experiences.

Victoria's Villages: An emerging point of difference is the villages of Victoria which offer diverse experiences and inherent differences in food and wine character and accentuate the uniqueness of regional Victoria and regional produce.

Jigsaw Campaign

Food and wine is recognised as a core product strength for Victoria and has been identified within *Victoria's Tourism Industry Strategic Plan 2002-2006* as a primary product segment with significant growth potential. The importance of this segment is reflected in a number of marketing campaigns for Melbourne and regional Victoria that Tourism Victoria executes in conjunction with key industry partners.

Food and wine is a core strength of Melbourne and is regularly highlighted in the advertising of Melbourne to visitors from intrastate, interstate and overseas. An example of this is the *Romantic Melbourne* television and print campaign, which includes images of cafés, bars and dining experiences. This brand campaign is supported by a number of promotions incorporating a strong food and wine message throughout the year, including cooperative work undertaken with the Melbourne Food and Wine Festival in March.

Phase 7 of Tourism Victoria's brand campaign, launched in 2003 features Melbourne's Yarra Valley with the tag line "You'll never want to leave" and the theme music "Run Rabbit Run". While the campaign augments the Yarra Valley's profile interstate, the strategy behind it is to position the state of Victoria as a wine and food destination and grow interstate awareness of Victoria's food and wine strength and accessibility. Future campaigns will build on this to encourage dispersal and enhance positioning.

Regional Victoria is also well positioned to meet the needs of wine and food visitors, and is home to some of the finest regional wineries and restaurants in Australia. A number of regions have identified food and wine as a key strength and have incorporated this message into their marketing campaigns. Tourism Victoria campaigns include, the North East/High Country's *Blame*

it on the Alpine air print campaign; the Goldfields' *There are still treasures to be found* print campaign; and the highly successful Yarra Valley *Run Rabbit Run* television and print campaign. Future campaigns planned for the Grampians, the Mornington Peninsula, Daylesford, the Murray and Gippsland in 2004/05 may also incorporate a food and wine message.

Tourism Victoria, with advice from the Victorian Wineries Tourism Council, continues to produce the Wine Regions of Victoria brochure on an annual basis. This brochure is dedicated to promoting food and wine product and has a distribution strategy that is targeted towards food and wine visitors from intrastate, interstate and overseas.

Media and Public Relations

An increased and coordinated approach to public relations represents a significant opportunity for the sector. These public relations activities need to be both regular and varied. Public relations in its simplest form can include communicating the existence and strategic direction of this Plan. This would not just be at launch stage, but at meetings and industry events throughout the life of the Plan. Similarly, marketing, research and other plans completed need to be communicated and reinforced to stakeholders on a regular basis.

A media and public relations plan for the sector will be prepared. This plan is likely to include consumer promotions, increased focus on food and wine familiarisations, regularly updated media fact sheets highlighting the most exciting people, places and products of Victorian food and wine, enhanced quality and range of food and wine images and the use of 'culinary ambassadors' to promote the sector or regions.

Commonwealth Games

It is important that the legacy of the Melbourne 2006 Commonwealth Games is maximised for the food and wine sector in Melbourne and regional Victoria. There is potential to strongly promote Victorian food and wine during the Commonwealth Games. The role of the Melbourne Food and Wine Festival in this promotion is being explored and Tourism Victoria is working with the Games organisers on potential marketing opportunities for the food and wine sector.

Destination Analysis

Whilst food and wine is identified as a primary product strength for the State, each region has different offerings in the quality and depth of food and wine tourism product. The estimated economic value of Victoria's winery tourism for 2002 was \$412 million, an estimated increase of 10% since 1998*. Visitors reported that food related experiences are either extremely important or very important when choosing a wine region to visit**.

* Survey of Activity at Victorian Wineries, prepared by Tourism Victoria and the Victorian Wineries Tourism Council by Market Solutions, 2002.

** 2003 Victorian Wineries Cellar Door Survey, prepared by Tourism Victoria and the Victorian Wineries Tourism Council by Market Solutions, 2002.

Melbourne

Melbourne's positioning as a destination with quality food experiences and world class restaurants continues to grow while other Australian capital cities remain static or lose ground*. This represents a significant competitive tourism strength for the state.

Melbourne's restaurants, cafés and bars have been identified as a key tourism strength and are strongly marketed as a component of the jigsaw campaign. Melbourne food and wine precincts are featured prominently in Tourism Victoria's *Romantic Melbourne* campaign which has been running in interstate markets since 2001. *Romantic Melbourne* magazine advertisements seek to build awareness and provide information on the key restaurant precincts. Melbourne restaurants, cafés and bars are also prominently featured in Tourism Victoria's international marketing, as well as on the internet, in direct marketing, in public relations and in media familiarisation activities. Victoria's Food and Wine Tourism Plan 2004 - 2007 aims to continue to grow the brand perception of Melbourne as a destination with quality food experiences and world class restaurants.

* Tourism Victoria's Brand Health Survey 1996-2003.

The Melbourne Food and Wine Festival plays a pivotal role in assisting to promote Melbourne's food and wine strengths. This hallmark event helps to reinforce the brand reputation of Melbourne as a world class food and wine city.

Melbourne Surrounds

Melbourne Surrounds is the strongest region for food and wine tourism product and experiences in Victoria, with 48% of visitors to the region participating in dining out/restaurants/visiting wineries. Despite the rapid growth in supply and demand within the sector, the need remains for wine regions to strengthen their point of difference. While food services, such as in-vineyard dining options are increasingly available, the standard of service is not always consistent in many areas. While festivals and events are growing, Melbourne Surrounds is comparatively weak relative to the Hunter Valley, Margaret River and the Barossa in providing flagship wine related events.

Boutique vineyard related accommodation is identified in the Melbourne Surrounds Regional Tourism Development Plan (RTDP) as an investment opportunity in the region.

Yarra Valley

The Yarra Valley through the Tourism Victoria Phase 7 campaign has been promoted as Victoria's hero wine destination, in order to build Victoria's positioning as a food and wine destination, nationally and internationally. As previously stated the region is increasingly associated with food and wine by consumers. The Yarra Valley Food Group runs a successful farmers' market and has initiated the Yarra Valley on a Plate promotion to showcase Yarra Valley produce in the region's restaurants.

The Yarra Valley Brand project, a new initiative of the Department of Primary Industries, aims to bring together the tourism, food, wine and agribusiness industries under a brandmark that promotes personal service, quality and sustainability.

Mornington Peninsula

The region will be a focus of the Tourism Victoria jigsaw campaign in 2005 which will be a prime opportunity to showcase food and wine experiences to interstate markets. There has been a rapid growth in the Peninsula's food and wine product and experiences. MP Gourmet, the Mornington Peninsula food group, is adding value to the positioning of the region as a food and wine destination with the potential to be highly competitive.



There still needs to be ongoing development and integration of wine and food groups and strengthening of agribusiness and tourism networks. Relative to competing interstate wine regions, the Mornington Peninsula lacks a flagship wine and food event.

Macedon Ranges & Spa Country

There is low consumer awareness of Macedon Ranges & Spa Country food and winery experiences. This is despite having iconic, award winning restaurants and wineries. The Daylesford Macedon Produce Group represent the interests of the region's producers, growers, vignerons and venue operators in product development and marketing.

The region has already identified food and wine as an area of focus in marketing activities and as a natural complement with other product strengths. There is also the opportunity to leverage off Daylesford, which has been identified as a Level 1 destination in *Victoria's Tourism Industry Strategic Plan 2002-2006*.

North East Victoria

North East Victoria has a significant strength in food and wine, in particular the areas of Rutherglen, King Valley, and Milawa. Fifty percent of visitors who visit the North East Victoria region partake in food and wine activities, above the total regional Victoria figure (48%).

The North East Valleys Food and Wine Strategy is a very significant initiative in cooperative marketing and development. It is critical to continue to build communication between each of the food and wine areas within the North East Victoria region, and also improve collaboration between these areas, the Campaign Committees and Tourism Victoria. Improved communication and cohesion between the ski industry and the valleys is also an opportunity to attract greater numbers of people in each of the respective low seasons.

Food and wine trails in the region require more analysis and ongoing management to ensure they are meeting consumer needs.

With growth in food and wine tourism demand, further vineyard accommodation will support the region's short break and indulgence marketing. Boutique accommodation, in the order of 10 to 15 rooms, has been identified as an opportunity in the RTDP.

The Goulburn Valley, Nagambie Lakes, Upper Goulburn and Strathbogie Ranges wine regions of Central Victoria are emerging destinations in the food and wine segment. Mitchelton Wines and Tahbilk Winery are located in the Nagambie Lakes region. The geographic positioning of the area allows it to align with both North East Victoria and Melbourne Surrounds for marketing and development. The Goulburn River and Ranges Food and Wine Tourism Network and the Upper Goulburn Food Wine and Culture initiative are working with local government and industry to develop the food and wine tourism potential of the region.

Murray

The Murray River flows through Victoria, New South Wales and South Australia. On the Victorian side the region takes in the areas of greater Albury Wodonga, Shepparton, Echuca and Swan Hill up to Mildura and Wentworth. Fifty-one percent of visitors to this vast region partake in food and wine activities, above the total regional Victoria figure of 48%.

The Tourism Murray River Slow River Food and Wine Tourism Development Program is a tri-state initiative designed to promote food and wine along the entire length of the Murray. The Chefs of the Murray program uses the region's chefs and their signature dishes to showcase the food and wine strengths of the region. A need has

been identified to increase the number of industry champions in the Murray available to provide leadership for the food and wine tourism sector.

The Mildura region contains a depth of product in both food and wine that can be harnessed and further promoted to leisure visitors. Agri-tourism is a niche market that could be of value to the Murray region because of its agricultural and food processing industries. The broader Shepparton area is well positioned to develop this strength.

Great Ocean Road

Fifty-two percent of domestic visitors to the Great Ocean Road (GOR) participated in food and wine related activities, above the average for regional Victoria of 48%. Geelong and the surrounding areas are recognised for their wine production and there is a significant strength in the number of vineyards spread throughout the region. Overall, the GOR region would benefit from an increased focus on dining experiences.

Issues relating to building the quality of the local dining experience include:

- The ability to deliver on the demand for regional produce including seafood and wine.
- Increasing regional wines in restaurants and cafés in the region.
- Delivering the same high level of service, dining quality and choice in the off peak periods.

- Shortage of high profile, iconic dining experiences to motivate travel in their own right.
- Upgrading of waterside dining and seafood retail facilities particularly at Lorne, Apollo Bay, Warrnambool and Portland.
- There is inconsistency of food and wine signage throughout the region.

Goldfields

Food and wine has been identified as an emerging product strength for the Goldfields, with 49% of visitors who partake in activities while visiting the region, dine out or visit wineries in the Goldfields, just above the regional Victoria figure of 48%. There is low participation of wine product in regional tourism publications and promotions. Regional winery tourism alliances are only just emerging. The use of local foods and wines in local restaurants also needs to increase.

Limited resources also hamper the cooperative alliance under the Great Grape Route banner:

Regional features include:

- 29 cellar doors in the Grampians, Pyrenees and Ballarat regions.
- Award winning restaurants.
- Local farmers' markets.
- Bendigo/Heathcote are fast growing red wine regions with over 50 wineries.

- The Vine to Vintage Trail incorporating the Macedon Ranges, Bendigo and Heathcote wine regions, which will be a potential attraction.
- Some vineyard and historic accommodation.

Gippsland

Although Gippsland has a good percentage of visitors partaking in food and wine activities (43%), the region is currently below the regional Victoria figure of 48%. Gippsland needs to develop a stronger point of difference in food and wine. While Gippsland can promote strengths in local farmgate and seafood produce, the region has issues with accessibility to and reliability of delivery of these products. The 70km Gourmet Deli Trail has been established for 15 years but requires some analysis to ensure it meets consumer needs. The Gippsland region does not have a significant strength in a range of quality wineries, with a relatively immature wine industry and the lack of a signature grape for the region.

The Gippsland Food and Wine Group has recently prepared a *Strategy for the Gippsland Food and Wine Group* to advance food and wine development in the Gippsland region. Increased resources are required to coordinate and implement the required actions in the Strategy.

Grampians

Food and wine is not perceived as a strength of the region. Consumer association of the region with food and wine is low, ranked 11th of all the regions*. 36% of visitors to the region partake in food and wine tourism**. This compares with the total regional Victoria figure of 48%. Development of integrated quality food and wine product and experiences offers yield boosting potential.

To build on the emerging food and wine opportunities, a joint study was undertaken in 2003 under the banner of the Great Grape Route and included the Ballarat wine region. The study identified many potential actions subject to increased resources to support implementation.

Challenges facing the further development of food and wine tourism in the Grampians region include:

- Maintaining market share given the ongoing growth of wineries and visits to wineries closer to Melbourne.

* *Regional Awareness Perception Survey, Roy Morgan Research Centre 2003.*

** *National Visitors Survey, year ending December 2002, Bureau Tourism Research*

- The need for stronger positioning of Grampians and Pyrenees wines.
- Continual improvement to the food services side of the wine experience, considering 64% of western wine region visitors rated food related experiences as extremely important or very important.
- Lack of high profile dining experiences.

The Grampians Regional Tourism Development Plan states that the provision of quality cellar door/ vineyard accommodation that has an internationally recognised brand would help strengthen the Grampians positioning and product offer.

Food and Wine Tourism Groups

The food and wine tourism groups referenced in this section provide a positive example of local initiative to coordinate and develop this sector, which is often characterised by large numbers of small producers. These groups should be encouraged and supported to link with local and regional tourism organisations.

INDUSTRY DEVELOPMENT

There is a need for a strong focus on industry development in Victoria's food and wine sector. The promotion of appropriate industry structures and service standards will ensure the ongoing sustainability of the industry.

INDUSTRY STRUCTURE AND COHESION

While Victoria's tourism industry has become more united and cohesive in recent years, most organisations suffer from limited resources, competition for membership, potential duplication of services offered and in some cases lack of leadership.

Due to the overlap with other sectors of the tourism industry, which has approximately 24 industry bodies and a large number of local and regional tourism organisations, confusion exists about the structure and roles of various bodies.

The food and wine sector is represented by a number of bodies outlined elsewhere in this document. It is important that these bodies provide a coordinated and consistent message in order to maximise the influence of the food and wine sector.

Industry leadership could be enhanced by the evolution of the roles of key organisations such as the Victorian Wineries Tourism Council (VWTC), Victorian Wine Industry Association (VWIA) and Restaurant and Catering Association of Victoria and strategic alliances between them. A Memorandum of Understanding has been established between the VWIA, VWTC and Tourism Victoria to collaborate in the development of winery tourism. Consideration

should be given to the Restaurant and Catering Association joining this alliance.

The VWTC has proposed a name change to the Victorian Food and Wine Tourism Council and its membership has included representatives of the food sector. Consideration should be given to evolving the organisation into an industry peak body (rather than an advisory committee) that could consider undertaking some cooperative marketing activity. The VWTC could convene an annual Food and Wine Tourism Forum.

Quality communication, resource sharing and cooperative alliances are key strategies that must be implemented to ensure the cohesiveness of Victoria's tourism organisations.

PROFESSIONALISM AND EXCELLENCE

Food and wine tourism is predominantly a service industry, and as such the role of people is critical in the delivery of quality experiences. Planning for the appropriate mix of competencies and skills and generally raising industry professionalism and standards has been identified as an essential challenge and opportunity for Victoria. Excellence in the area of customer service can provide Victoria with a clear competitive advantage, both nationally and internationally.

Businesses engaged in delivering food and wine experiences may use the following existing mechanisms to improve professionalism and assist in the goal of attaining high standards:

- Structured/traditional training and education development programs.
- Less formal/less structured professional skill development programs.
- Business development tools and standard measures, eg Better Business Tourism Accreditation Program (BBTAP) – Cellar Door:
- Recognition and reward programs such as sector specific, regional, state and national Tourism Awards.

The opportunity to improve the skills of new entrants to the food and wine industry have increased through the introduction of VET (Vocational Education and Training)* and VCAL (Victorian Certificate of Applied Learning)** programs for year 11 and year 12 students, providing access to practical experience.

Tourism Victoria is facilitating the preparation of a Professionalism and Excellence Strategy aimed at creating a competitive advantage for visitor satisfaction. Food and wine consumer experiences are at the forefront of visitor expectation and satisfaction outcomes.

* VET in the VCE is a government initiative offering students a chance to complete VCE while undertaking vocational studies at a TAFE or at a school (www.swin.edu.au).

** VCAC is a program designed as an alternative to a standard VCE, which is focused on hands-on learning and vocational training (www.swin.edu.au).

BUSINESS SUSTAINABILITY

Business profitability must be maintained, and where possible, enhanced to ensure sustainability.

The following are some principles to help maintain and enhance the industry's position in the future:

- Support best practice market research.
- Find new markets. Although this Plan and impending marketing plans will focus on expanding interstate markets, there will be an increasing need and desire to enter international markets in the future.
- Engage the community. Regional restaurants in particular require local support for the whole year.
- Review the visitor experience. There may be a need to partner with other sectors and operators to maximise the visitor experience.

Food and wine businesses must also be encouraged to adopt environmentally sustainable principles, including waste management, responsible use of water and energy efficiency.

RESTAURANT AND CATERING INDUSTRY ACTION AGENDA

The Restaurant and Catering Industry Action Agenda is a new national strategic approach to the many opportunities and difficulties that the industry faces.

There are a number of priorities identified, including:

- High quality training that is suited to industry needs and helps build a more skilled and professional industry.
- Improved standards of business management.
- More effective marketing and promotion of the industry.

Opportunities identified at a national level are consistent with the Victorian framework, ie. greater collaboration between the wine, food and tourism industries. Challenges are also consistent and include the lack of business skills of new operators, the perception that the industry is only suitable for casual work rather than a career, relatively low operating profit margins, complex regulatory burdens and penalty rates. Victoria has the opportunity to take a leadership role in strategies, such as exploring the development of an industry-led voluntary certification system for operators and promoting high standards through the Awards for Excellence.

Several strategies identified in the Action Agenda are consistent with the strategic directions and actions of *Victoria's Food and Wine Tourism Plan 2004-2007*. Some of these strategies are:

- Ensure food and wine is recognised as a key tourism driver and is considered in the development of key domestic and international tourism campaigns.
- Attract international gourmet events and festivals to Australia.
- Explore feasibility of promoting domestic gourmet events and festivals in Australia.
- Industry to continue to work closely with Tourism Australia and State tourism organisations to further promote Australian food and wine to the international media.
- Identify industry champions, particularly in regional Australia, to foster collaboration within the industry and to increase recognition of the benefits of a generic campaign, such as scope for business plans to leverage off local campaigns.

Additionally, the Murray has been highlighted in the Action Agenda due to its approach to borderless tourism and industry development and the 'Slow River' Strategy.

PRODUCT DEVELOPMENT

Despite the important place of food and wine in the visitor experience and the significant progress made over the last few years, considerable effort still needs to be directed to how Melbourne and Victoria represent a point of difference for potential visitors.

OVERVIEW

This Plan is being developed in an environment where the majority of domestic and international destinations are also placing a focus on food and wine tourism. To retain competitiveness in this area it is important that the industry continues to excel in areas and initiatives as outlined throughout this Plan as well as developing new, exciting and unique initiatives.

Increasing national and international interest in food and wine tourism and evolving consumer needs require Victoria's food and wine tourism businesses to continually review their product offering in order to remain competitive. The product life-cycle dictates that a product needs to innovate every three to four years in order to encourage repeat visitation and to keep pace with competitors. The need to develop, both on a small and large scale, is necessary if Victoria's food and wine experience is to remain at the forefront of the State's product strengths. This could include innovations at the cellar door, restaurant or farmgate or may involve further investment in new infrastructure. Certainly, it is imperative that destinations and regions identify, promote and deliver point of difference visitor experiences.

There is also a need to develop more products that are of commercial interest to the domestic and international travel trade. This requires businesses to pay commissions for sale through trade intermediaries such as travel agents, wholesalers and inbound tour operators.

MELBOURNE FOOD AND WINE FESTIVAL

The Melbourne Food and Wine Festival (MFWF) was established in 1993 with a charter to promote the quality produce, talent and lifestyle of Melbourne and Victoria. The Festival has grown to become Australia's largest food and wine festival, with a schedule of 130 events. It is well regarded as a highlight of Victoria's hallmark event calendar.

The MFWF has succeeded in extending its benefit to regional Victoria through initiatives, such as the "World's Longest Lunch," which have enabled the regions to highlight local products, industries and attractions. The Festival has contributed to the diverse artisan and gourmet food and wine industry that has stimulated and transformed many areas of regional Victoria, such as Daylesford, Mildura and Gippsland. The MFWF also plays a role in providing networking and educational opportunities to develop the skills of an emerging food and wine industry and recognise and promote excellence.

The Festival has the strong support and respect of the food, wine and hospitality industries, and works with them to showcase Melbourne as an outstanding food and wine capital. The MFWF attracts food and wine experts, renowned chefs, winemakers, purveyors, commentators and critics. It will continue to play a vital role in increasing interstate and international awareness of Victoria's food and wine product and showcasing to potential export markets.

The Festival has a vital place as the flagship for promoting Victoria's burgeoning food and wine industry and culture. It provides the 'launching pad' for greater interstate and international marketing.

SLOW FOOD POSITIONING AND EXPERIENCES

The appreciation of slow food, sustainable lifestyle experiences as opposed to fast food hype is a consumer trend of significance. Victoria is well placed to position itself as Australia's slow food state. In 1999 Melbourne was the first city outside Italy to be awarded 'Slow City' status. The State Government actively supports this movement, assisting with the facilitation of the 2003 Australian Slow Food Congress in Mildura, which highlighted quality regional product and sustainable agricultural practices.

The key focus should be on slow food as a culinary experience to enhance destination positioning.

An inventory of slow food experiences, personalities, events and destinations can be developed to underpin a public relations and promotion program.

EVENTS

Victoria is home to some well-known, well-developed food and wine events. Regional food and wine events provide important opportunities for regions to position themselves clearly with their key product strengths, attract media coverage and prompt consumers to experience their product in the region. Regions can, and some do already, accept the challenge of bringing together their food and wine industry to develop a hero event each year that is themed around products from the region. It is important that regions work together to ensure events are well-planned, there is a point of difference between each event and appropriate calendar and location management. There is the opportunity to leverage off the leadership provided by the Melbourne Food and Wine Festival.

INFRASTRUCTURE

Statewide Tourism Infrastructure Strategy

The Statewide Tourism Infrastructure Strategy identifies a variety of projects throughout Victoria's regions that will showcase the State's food and wine strength. The strategy has highlighted investment opportunities for in-vineyard accommodation in the Melbourne Surrounds, North East Victoria and Grampians regions. In the Great Ocean Road region the opportunities for enhanced sea side dining are aligned with further planning, development and upgrading of waterside dining and seafood facilities particularly at Lorne, Apollo Bay, Warrnambool and Portland. The proposed Murray Outback Plaza in Mildura will also incorporate food and wine activities and will help strengthen this product in the Murray region.

Investment Guidelines for Wine Tourism

Tourism Victoria and the Victorian Wineries Tourism Council have developed wine tourism investment guidelines to assist both producers (from grape growers to wine producers) and investors (from interested private parties to investor groups) to make more informed decisions on how to improve tourism outcomes for their businesses, as well as addressing a range of associated investment issues.



ACTION PLAN

The following action plan will facilitate the implementation of the strategic directions outlined in this document.

Abbreviations used in this section:

TV	Tourism Victoria
VWTC	Victorian Wineries Tourism Council
R&CV	Restaurant and Catering Association of Victoria
VWIA	Victorian Wine Industry Association
DML	Destination Melbourne Limited
RCC	Regional Campaign Committees
RTO	Regional Tourism Organisations
MFWF	Melbourne Food and Wine Festival
DPI	Department of Primary Industries
RDV	Regional Development Victoria
TABV	Tourism Accreditation Board of Victoria
TAV	Tourism Alliance Victoria

Note that each action is matched with objectives listed in the introductory section of this document.

* Denotes lead agency



Action	Statewide Objective	Responsibility	Implementation
RESEARCH / ADMINISTRATION			
1. Conduct review and gap analysis of Tourism Victoria's research relevant to the sector. Develop and implement a three year food and wine tourism research plan. Changing patterns of visitation and consumer expectation/ motivation/satisfaction should be considered.	2, 4, 6	* TV • VVTC • VWIA • R&C Victoria	1 Year
2. Consider the evolution of VVTC from an advisory to an industry body and/or renaming it the Victorian Food and Wine Tourism Council. This new organisation would focus on both food and wine, with the capacity to provide leadership and assist with industry coordination.	1, 4, 7, 8, 9	* TV • VVTC	1 Year
3. The VVTC is to prioritise the actions outlined in this plan.	1 – 10	* VWTC	3 months
4. The VVTC to convene an annual Food and Wine Tourism Forum to report on the implementation of this plan and enhance cohesion in the sector.	7, 8	* VWTC	1 Year
MARKETING			
5. Tourism Victoria will facilitate the communication and coordination between various food and wine stakeholders and will provide leadership in the preparation and implementation of a three year marketing plan.	1, 3, 4, 5, 9	* TV	Ongoing
6. Continue to integrate food and wine as a core product strength in all marketing strategies.	1, 3, 4, 5, 9	* TV • DML • RCCs	Ongoing
7. Continue to identify key product strengths and marketing themes for Victoria's food and wine segment.	1, 3, 5, 9	* TV • VVTC	
8. Brand and promote hero food and wine destinations and regions to national and international markets.	1, 3, 4, 5, 9	* TV	1-3 Years
9. Prepare an annual review of the three year food and wine tourism marketing plan and encourage cooperative participation.	3, 4, 5, 9	* TV • VVTC	Ongoing
10. Develop and implement an enhanced food and wine tourism familiarisations program for intrastate, interstate and international media.	3, 9	* TV • Tourism Australia	Ongoing
11. Encourage Victorian restaurants to feature Victorian wines on their winelists to help raise awareness of the wine regions.	1, 2, 3, 9	* Regional Food and Wine Tourism Groups • VVTC • R&C Victoria	Ongoing
12. Develop and implement a public relations campaign that includes the use of regional signature dishes, produce, personalities, and events to hero the distinctive style and character of each region and encourage an associated food/wine brand identity. Incorporate better utilisation of visitor information centres.	3, 9	* TV • RTOs • Regional Food and Wine Tourism Groups	Ongoing

Action	Statewide Objective	Responsibility	Implementation
13. Further enhance food and wine on visitvictoria.com as a key information source for consumers, including regularly changing recommendations from personalities of their favourite culinary experiences in Melbourne and Victoria.	3, 9	* TV • RCCs	1 Year
14. Encourage the development of packaged wine and food experiences to market interstate and overseas. Focus on facilitating conversion in online environments.	1, 3, 4	* TV • Regional Food and Wine Tourism Groups	
15. Further develop and communicate a dynamic and comprehensive inventory of culinary tourism products and experiences for communicating Victoria's culinary food and wine product experiences and choices – linked to visitvictoria.com and the public relations strategy.	3, 9	* TV • DPI	1 Year
16. Explore the option of providing a hyperlink from the food and wine page of visitvictoria.com through to Restaurant and Catering Australia's Internet Restaurant Guide.	3, 9	* TV • R & C Victoria	1 Year
17. Leverage Australia's wine export industry and Melbourne's inclusion in the Great Wine Capitals Global Network to increase the profile of world class Melbourne and Victorian culinary experiences.	3, 9	* TV • Great Wine Capitals Network • RDV	Ongoing
18. Maximise the legacy of the Melbourne 2006 Commonwealth Games to increase awareness of world class Melbourne culinary experiences and coordinate this major event with Melbourne's food and wine calendar. Develop avenues for food and wine promotion during the Games.	3, 9	* Melbourne 2006 Commonwealth Games Committee • TV • MFWF	3 Years
19. Build on the food and wine legends program (associated with the MFWF) to create culinary 'ambassadors' for Melbourne and each region linked to the food and wine public relations strategy.	3, 9	* TV • Regional Food and Wine Tourism Groups • RCCs • MFWF	Ongoing
20. Develop an information kit for culinary 'ambassadors' and other key food and wine industry members, that includes fact sheets about the importance of the tourism industry and the promotion of local produce.	3, 9	* TV * Regional Food and Wine Tourism Groups	2 Years
21. Explore opportunities to link the Naturally Victorian brand with tourism campaigns.	4	* TV • DPI	2 Years
22. Profile the Yarra Valley Brand as a case study in regional wine, food and tourism brand development and work closely with DPI to ensure that similar initiatives in future have appropriate tourism input from Campaign Committees.	1, 3, 9	* DPI • TV	Ongoing
23. Demonstrate Victoria's food service capability at international food trade shows, especially in Japan, China, Korea and Singapore.	6	* DPI • RDV	Ongoing

Action	Statewide Objective	Responsibility	Implementation
INDUSTRY DEVELOPMENT			
24. Enhance industry leadership through peak body alliances and consider evolution of a peak industry organisation for the sector to lead industry development and cooperative marketing.	1 -10	* TV • VWIA • VWTC • R&C Victoria	Ongoing
25. Conduct a half-yearly whole-of-government food and wine forum to coordinate and leverage government food and wine industry programs.	7	* TV • DPI • RDV • Food Victoria • Education and Training	1 Year
26. Seek tourism industry representation on the Food Victoria committee.	7	* TV	1 Year
27. Further develop accreditation programs to include restaurants, caterers and food producers as well as improvement of the wineries component.	1, 2, 4, 6, 7, 8	* Tourism Accreditation Australia • TABV	1-2 Years
28. Encourage training and educational opportunities for the regional food and wine tourism sector that meet the needs of small business, eg. workplace based training.	2, 4, 6	* Service Skills Victoria • RTOs • Industry Organisations	Ongoing
29. Encourage the use of Farm Biz as a training provider of primary producers and ensure that tourism is incorporated into the program.	2, 4, 6	* DPI • Service Skills Victoria	Ongoing
30. Further enhance the wineries component of the Better Business Tourism Accreditation Program to meet the needs of operators and to encourage greater participation rates.	2, 6	* Better Business Tourism Accreditation Program • TABV • VWTC	Ongoing
31. Encourage food and wine businesses to adopt sustainability principles, including waste minimisation, responsible use of water and energy efficiency.	1, 2, 6	* TAV • VWIA • R&C Victoria • RTOs	Ongoing
32. Develop a consumer awards program focused on the best food and wine experiences linked to the public relations strategy.	3, 6, 9	* TV • Regional Food and Wine Tourism Groups • RCCs	2 years
33. Continue to encourage food and wine tourism product to enter regional awards and the Victorian Tourism Awards.	6	* TV • RTOs	Ongoing
34. The VWTC to continue to provide advice to Tourism Victoria and the industry on strategies and programs to develop and interpret food and wineries tourism.	1 - 10	* VWTC	Ongoing

Action	Statewide Objective	Responsibility	Implementation
35. Encourage the development of regional food and wine tourism groups with the skills to provide leadership and integrate marketing strategies at the local and regional levels and continue to support existing groups.	1, 2, 4, 7	* RTOs * TV * DPI • VWTC	1-2 Years
36. Encourage strategic alliances and cooperation between regional food and wine groups and local and regional tourism organisations.	1, 2, 4, 7	* TV • RTOs • TAV • VWTC	Ongoing
37. Food and wine groups to continue to develop alliances with regional primary producers, markets, cafés and restaurants.	1, 2, 4, 7	* Regional Food and Wine Tourism Groups • RTOs	2 Years
38. Explore opportunities for agri-tourism investment and development.	10	* Regional Food and Wine Tourism Groups • DPI	2 Years
39. Ensure tourism industry input at agribusiness forums.	7	* TV • RTOs • DPI	Ongoing
PRODUCT DEVELOPMENT			
41. Expand the brand identity for Victoria through the development of slow food style events, promotion, public relations.	1, 2, 3, 9	* TV • Slow Food Victoria	1-2 years
42. Identify regional and destination points of difference to demonstrate Victoria's tourism diversity.	1, 3, 4, 5, 9	* VWTC • TV	1-2 Years
43. Assist in the facilitation of key projects identified in the Statewide Tourism Infrastructure Strategy.	1, 2, 10	* TV • Local Government	Ongoing
44. Undertake a detailed audit of Victorian food and wine events and establish a unified food and wine event calendar that will be promoted to visitors and overseas wholesalers.	1, 2, 3, 9	* TV	1 Year
45. Encourage quality food and wine festivals that have the capacity to increase regional and seasonal visitor dispersal and/or attract interstate and international visitors.	1, 2, 3, 9	* TV • RDV • Local Government	1-2 Years

Action	Statewide Objective	Responsibility	Implementation
46. Continue to support the Melbourne Food and Wine Festival and encourage wider regional and seasonal penetration.	1, 2, 3, 5, 9	* TV • City of Melbourne • Department of Innovation, Industry and Regional Development (DIIRD)	3 Years
47. Support and take a leadership role in implementing strategies included in the 'Action Agenda for Australia's Restaurant and Catering Industry'.	1, 2, 3, 6, 7, 9	* R&C Victoria	Ongoing
48. Release, promote and distribute the Investment Guidelines for Wine Tourism. Continue to assist investors to make informed investment decisions.	10	* TV	Ongoing

APPENDIX – FOOD AND WINE TOURISM KEY PERFORMANCE INDICATORS

The following key performance indicators relate directly to the objectives for Victoria's food and wine tourism industry, as outlined on page 6 of this document.

	Unit of Measure	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Target	2005 Target	2006 Target	2007 Target
Visitation											
Domestic Winery Visitors (Victoria)	Visitors (000)s	433	527	499	448	446	462	450-525	450-525	475-525	475-550
Domestic Winery Visitors (Australia)	Visitors (000)s	1,944	1,939	1,854	1,938	2,059	2,283	NA	NA	NA	NA
Market Share	%	22%	27%	27%	23%	22%	20%	20-23%	20-23%	21-24%	21-24%
<i>Source: National Visitor Survey, Bureau of Tourism Research, 1998-2003</i>											

	Unit of Measure	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Target	2005 Target	2006 Target	2007 Target
Consumer Awareness											
Victoria's association with boutique wineries	%	12	12	13	16	13	16	16	16-20	16-20	16-20
Melbourne's association with food experiences and world class restaurants	%	36	34	35	41	39	43	41	41-45	41-45	41-45
<i>Source: Brand Health Survey, Roy Morgan Research, 1998-2003</i>											

The performance indicators will be revised as a part of the Plan's annual review process. There is a possibility that additional measures will be incorporated in the future. Any additional performance indicators, which may address consumer motivation and satisfaction, will be developed in the context of a review of the food and wine research accessed by Tourism Victoria, the Victorian Wineries Tourism Council and other key partners.





Victoria's Food and Wine Tourism Plan 2004-2007 was produced by Tourism Victoria in consultation with the food, wine and tourism industries.
The Plan can also be accessed at tourismvictoria.com.au/foodandwine

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