Strategic Plan for the NT Tourism Industry: Recommendations of the AECgroup

Summary Report
September 2007
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1 Overview

1.1 Purpose of the Strategic Plan

The *Northern Territory Tourism Strategic Plan 2008-2012* (the Plan) outlines the collective direction for the Northern Territory (NT) tourism industry over the coming five years. This Plan will guide Tourism NT, other levels of government and the private sector to meet current and emerging trends and associated challenges and opportunities facing the NT tourism industry.

The 2008-2012 Plan outlines the path forward to maximise market potential by building on the industry’s evolving product, core markets of nature, culture and indigenous based tourism and addressing constraints to growth in the areas of infrastructure, access and skills. Importantly, the Plan outlines strategies for the industry to continue to capitalise on its core European markets (including growth markets such as France and Italy) as well as benefit from the nearby fast-growing tourism markets of Asia.

1.2 Purpose of this Document

This document outlines the current approach of the AEC Group, in preparing *The Northern Territory Tourism Strategic Plan 2008-2012*, based on the research and industry consultation undertaken.

This document is for release to the industry to obtain final feedback from industry and Government before the final Strategic Plan is prepared. It contains a number of strategic recommendations that will impact many areas of the industry.

*The strategies presented in this document represent the views of the consultant.*

1.3 Role and Structure of the NT Tourism Industry

The Northern Territory Tourist Commission was legislated as Tourism NT in 2006. Whilst remaining an autonomous entity, Tourism NT falls within the portfolio of NT Department of Business, Economic and Regional Development (DBERD). This new arrangement provides greater opportunities for cooperative work on major projects and improves the ability to develop tourism in regional areas and with Indigenous communities.

Tourism NT is the principal government agency responsible for marketing and facilitating the development of tourism in the NT. Tourism NT works to market the destination interstate and overseas with tourism industry partners including Tourism Australia, the Commonwealth Government and four regional tourism organisations, the travel industry that provides the necessary coordination for working with wholesalers, retail agents and airlines to facilitate the distribution of Territory travel products. Tourism NT provides policy and service delivery advice to the NT Government, through the Minister for Tourism.

*Tourism NT’s role is undertaken in cooperation with other levels of government, tourism industry partners and travel and tourism industry operators across the Territory.*
1.4 Significance of the Industry

The tourism industry contributed 7.2% of the NT’s Gross State Product (GSP) in 2003/04 and is the Territory’s largest private sector employer, directly and indirectly, accounting for nearly 13,000 jobs. Tourism is the leading industry in many rural and remote areas, including indigenous areas, where other industry opportunities are often limited. The infrastructure provided by the industry is not only utilised by visitors. The industry creates critical mass for facilities and activities that locals utilise and enjoy. It promotes culture exchange through interaction with visitors from around the world. Tourism highlights the importance of environmental assets in the Territory and channels funds to their protection and management.

The tourism industry is the largest industry employer in the NT, contributing over 7% to GSP and plays a key role in regional and indigenous economic development.

1.5 Competitive Environment

The NT tourism industry has largely developed from globally recognised iconic natural attractions such as Uluru / Ayers Rock and Kakadu National Park. These origins have broadly led to a focus on nature-based tourism represented by the spirited traveller segment domestically and the experience seeker segment internationally.

These segments represent substantial and growing markets of travellers. However, the competition for these markets has intensified in recent years, with many states such as Tasmania, Western Australia, Queensland and New South Wales and overseas destinations such as New Zealand and South Africa targeting similar markets. Domestically, states such as Queensland and Western Australia are promoting similar experiences such as the ‘Real Outback’ image of the NT to eastern and western seaboard residents but marketing them as more accessible. This competition is often mixed with a greater range of experiences and products.

Internationally, global tourism is expected to increase though is tempered with ongoing risks associated with war, terrorism and disease. The Asian region is forecast to continue its rapid ascendency and account for an increasing share of the world tourism market, both as a destination and a source of travellers. The success of Asia as a tourist destination is in part behind the forecast of Australian domestic tourists increasingly...
choosing to travel overseas. As a result, visitor nights are forecast to grow only marginally from domestic travellers and will increasingly result from more frequent, but shorter trips in the domestic market. While the recent experience in the NT is different to this, this overall trend is still a major concern for the NT tourism industry.

The competitive situation is placing increasing pressure on the NT to continue to diversify its tourism product.

Targeting the spirited traveller/experience seeker segments and promoting the Territory’s iconic natural attractions will remain a core component to the future product range, market image and promotion of the NT tourism industry. However, there is now both the opportunity and challenge to diversify and strengthen the industry’s product range and build long-term sustainable competitive advantage through continued development of the unique cultural (in particular Indigenous) tourism product.

This Plan looks at further developing nature, cultural and indigenous tourism product tailored to the spirited traveller and experience seeker segments, and targeting the high value-add fringes of experiences that much of these market segments seek. The Plan also targets the significant opportunities provided for within the emerging tourism markets of China and India. These should be considered in conjunction with the Commonwealth Government’s Department of Industry, Tourism and Resources recently released National Tourism Emerging Markets Strategy: China and India.

The Plan consolidates the core nature and culture markets, extends indigenous tourism product and positions for the opportunities in the emerging markets of China and India.

1.6 Key Issues Impacting the Industry

The NT tourism industry continues to face significant challenges, both new and old:

- **Seasonality**: The NT tourism industry is highly seasonal in nature as determined by the wet and dry seasons. The highly seasonal nature of the industry impacts on long-term industry sustainability, with key issues including:
  - Ability of tourism operators to cope with demand during peak periods;
  - Business profitability and cash-flow during low demand periods;
  - Ability to attract and retain skilled labour due to seasonal demand effects; and
  - Ability to attract investment in the industry, particularly key infrastructure.

- **Engaging Indigenous people**: Indigenous people present a potential long-term resource and asset to the NT tourism industry. Around 30% of the NT’s population is Indigenous and Indigenous people control nearly 50% of the NT’s land. The NT tourism industry will not develop to its full potential without strong participation from the Indigenous population. Internationally, there is great interest in experiencing and learning about the multitude of traditional customs and lifestyles in the NT. Tourism is one of the few industries that can provide significant sustainable economic opportunities for Indigenous communities in some of the remote areas of the NT.

- **Lack of collaboration**: Other than for joint marketing or distribution, tourism businesses in Australia are below average in terms of collaboration. Greater cooperation and collaboration between the NT Government, tourism associations, and businesses in the tourism industry is required in order to improve the efficiency and profitability of the NT tourism industry, as well as enhance tourism experiences and increase the attractiveness of the NT as a tourism destination.

- **Climate change**: The issue of climate change brings with it three main areas of risk to the NT tourism industry. The first is that the NT already suffers from severely reduced visitation during the warmer parts of the year and an overall increase in temperatures is likely to increase the season for which many tourists chose to avoid the NT. Secondly, even relatively small rises in sea levels will impact some of the
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NT’s most valuable natural assets, most notably the wetlands of Kakadu. Thirdly, as consumers become more carbon conscious and carbon taxes become a reality long haul travel destinations will become less attractive. The NT tourism experience is both a relatively long distance from its major markets and involves travelling relatively long distances once within the NT.

- Growth of the learning / cultural tourist market niche: Market trends in the most mature tourist markets is toward a stronger interest in cultural experiences and destinations that provide learning opportunities. This niche is seeking genuine experiences that provides contrast to experiences at home. The challenge for the NT is to leverage its uniqueness and differences to provide a compete for the domestic traveller who is increasingly choosing overseas destinations for their greater contrast in experiences and cultures.

- Accessibility: Given the NT is a widely dispersed region, significant transport infrastructure is required to provide access to key tourism destinations in the NT and facilitate growth. Air transport is particularly important to travel the considerable distances involved, as is road infrastructure to accommodate local and intra-regional travel and the self-drive market.

- Skills availability: The tourism industry is highly labour intensive. The productivity and availability of workers significantly influences the competitiveness of the tourism industry and the yield of tourism enterprises. With Australia currently experiencing relatively strong and sustained economic growth, skill shortages have more-or-less increased across all industry sectors, including tourism. This is impeding the industry’s ability to take advantage of demand growth. Further, the highly seasonal nature of tourism (and therefore demand for labour) is a deterrent to business to invest resources in providing training to employees to build capacity and increase efficiency. There are several factors particularly relevant to the NT that currently impede the supply of labour and skills including the spread of tourism in the regions, seasonal nature of the industry, lack of tourism training and investment and a low participation rate of the Indigenous workforce.

- International competition: The international tourism market is highly competitive. Increasing accessibility to competing destinations and the current strong Australian dollar is providing tourists with new experiences at lower prices, particularly those in developing countries. As a result, Australia cannot generally compete on price, and therefore needs to look at other strategies to attract visitors such as high levels of product differentiation, targeting of less price sensitive market segments, and a larger investment in research and innovation, sales and marketing.

- Development of growth tourism markets: In order to position the NT as a tourist destination of choice it is necessary to cater for the experiences that will attract visitors in key growth and emerging markets, and position the NT as a viable alternative to overseas travel for Australians. Key emerging markets that the NT is well placed to accommodate include authentic, socio-culturally acceptable and sensitive experiences, eco-tourism and nature-based holidays, rest and relaxation, and wellness and health holidays and sports and adventure holidays.

- Land-related barriers: A significant proportion of land in the NT is subject to National Park and Native Title regulations. This leads to complex procedures in order for the land to be developed under the Aboriginal Land Rights (NT) Act 1976 and the Native Title Act 1993. There is also a lack of incentive for development occurring on Aboriginal land resulting in investment being below optimal levels. In addition the tenure arrangements on pastoral land do not encourage tourism investment. A significant portion of the NT’s major tourist attractions are National Parks and other protected regions (including pastoral leases). Yet these are also the areas where the demand for new tourist accommodation is at its highest. The length of tenure available for leasehold land in national parks and native title land is a severe impediment to investment.

- Investment in transport infrastructure: A lack of air capacity into the NT has meant that airport expansions have not always been a priority. Heavy regulation in the
industry has been damaging to the NT, such as the Australian Government determining who can fly international routes into Australia through bilateral Air Services Agreements. Encouragingly, the Australian Government is moving to relax these regulations. The extensive nature of the NT means investment in developing roads is very expensive relative to the population that it will serve. Private investment in roads is very limited with low traffic volumes making toll roads unviable. The sparse nature of the NT population makes further investment in the passenger rail network unviable. Further investment would have to be freight driven as there is insufficient passenger demand to attract additional investment;

- **Cost or availability of finance**: The cost and availability of finance is a barrier to investment by the tourism industry, particularly in regional areas, and in areas where financial institutions may have had poor experiences in the past. Some of the investment constraints are institutional-related with a lack of foreign investment into the Territory especially in the accommodation sector, tax-related arising from the lack of tax benefits to attract tourism investments in the NT and remoteness-related given a significant proportion of tourist attractions in the NT are in remote regional locations with a lack of infrastructure making investment less attractive. Overcoming this impediment will require continual lobbying for change.

- **Widely dispersed industry**: The tourism industry is spread across the NT with a large proportion of businesses in regional areas. While this provides greater diversity in product choice, it also creates issues in terms of industry coordination, infrastructure and service provision, and labour attraction and retention.

### 1.7 Industry Performance

The NT tourism industry’s performance has been sound over the past 5 years when considered in the context of global and national tourism market trends.

Total visitation to the NT (not including day trip visitors) reached 1.41 million visitors in 2006, showing continued signs of recovery from the slump following 2001. In line with the Australian experience, tourism visitation to the NT has been negatively impacted by a number of significant events including war, terrorism, disease and exchange rate. The most significant of these events was the collapse of Ansett and the NT Tourism Industry has only now recovered to the levels prior to its occurrence.

International visitation has grown in the NT since 2004, although not as strongly as the Australian average. However the Territory has recorded stronger growth in domestic visitors, which remain the largest source of visitor nights at 70%, despite a slowdown in domestic tourism growth across Australia. This has been mostly due to growth in holiday visits to the NT in recent years; a positive reflection on recent Tourism NT marketing efforts and the focus and distribution of Territory Discoveries.

Tourism businesses in the NT have reported a 77% increase in sales and a 57% increase in profitability over the past 5 years. This positive experience is translating into plans by much of industry for further investment in their operations.

_A key focus of this Plan is to create a more sustainable tourism industry that is built around resilient target markets and less exposure to tourism shocks._
2 Strategy Vision

The Northern Territory Tourism Strategic Plan 2008-12 establishes the Vision that unites the NT tourism industry on a common path. Outlining the shared vision ensures all stakeholders in the NT tourism industry are looking in the same direction as it moves forward.

Key to this vision is the understanding that the NT tourism industry will never thrive by simply following the rest of the pack. As the industry grows, it must continually look to how it can do things in a uniquely NT way. It will develop and celebrate the NT’s unique environment and culture in a way that is attractive to both Territorians and visitors alike.

In continuing to develop a uniquely NT experience, there are three key focuses for the NT tourism industry that will make a measurable difference over the next 5 years:

1. Nature-based tourists will continue to remain the core focus of the NT tourism industry and it will continue to challenge the industry as to how it evolves products to meet this market. It will also increasingly focus on culture-based tourists, an attractive market segment that shares many complementary characteristics with the nature-based tourist.

2. Much of the NT’s Indigenous community continues to miss out on opportunities in the NT. As the industry continues to grow, it will increase the proportion that is developed by Indigenous businesses and people. The diverse, rich and unique Indigenous culture in the NT is possibly the greatest long-term asset that the NT tourism industry possesses.

3. Environmental sustainability is now a mainstream issue. No business can afford to neglect sustainability. With a high dependence on natural and environmental tourism the NT tourism industry stands to particularly benefit from maximising its environmental credentials. A whole of industry approach is required for the Territory to stand above other tourism regions that invariably feature a number of sustainable businesses, but are not able to promote a coherent environmentally sustainable industry.

In working towards achieving this vision, the NT tourism industry will have:

- Successfully differentiated its product in the market with a clear brand of the distinctly unique NT experience;
- Better engaged Indigenous people and their culture in the tourism industry and the market image of the unique NT experience;
- Consolidated its position as the foremost destination in Australia for the genuine Australian outback experience;
- Be recognised as a proactive industry that has displayed initiative in achieving improved environmental, social and economic outcomes for the NT;
- More closely integrated the tourism industry with local issues to celebrate for visitors and Territorians alike our unique way of life; and,
- Provided new jobs and opportunities for Territorians.

Most of all, the NT tourism industry will be continuing to monitor trends, conduct research and develop strategies for the next 5 years of growth.
3 Strategic Approach

In developing the Northern Territory Tourism Strategic Plan 2008-12 a number of key issues facing the industry were identified. As a result of the research and consultation undertaken as part of the strategy development process, six core themes emerged to address the issues facing the development of the industry.

The themes developed are:

- Developing the unique NT experience;
- Enhancing access, infrastructure and skills;
- Marketing and promoting the NT experience;
- Strengthening our strategic partnerships;
- Advancing research and industry understanding; and
- Enhancing environmental sustainability.

Attached to these themes are a number of key actions that focus on strategic priorities that can make a measurable difference to industry development. The outcomes that arise from the implementation of these actions across all six themes collectively contribute to achieving the goals and vision of the Strategic Plan.

3.1 Developing the Unique NT Experience

The NT will build upon our unique cultural and nature-based experiences to create sustainable points of difference from our competitors for the ongoing benefit of our tourism industry. Initiative highlights include:

- Progressively building and enhancing the “Share our Story” branding with relevant cultural overtones (refer sec 4.2.2 main report);
- Continuing to position the NT as the “real outback” with iconic national parks, natural wonders and indigenous culture (refer sec 4.2.2 main report);
- Targeting the core and traditionally strong markets of UK / Ireland, Germany and North America, with particular emphasis being placed on developing the growing cultural, sustainability and authenticity needs of these markets (refer sec 4.4.9 main report);
- Developing Emerging Market Strategies for China, India and South-East Asia to capture a first mover advantage for their nature and cultural tourism segments (refer sec 4.4.9 main report);
- Promoting NT as “must see” and first entry point to Australia through Asia for the backpacker market (refer sec 4.4.10 main report);
- Working closely with industry to develop nature based products including emerging markets such as bird watching, art trails, fishing and 4x4 vehicle trails (refer sec 4.5.3 main report);
- Continuing implementation of the "Stepping Stones" program to facilitate Indigenous tourism business planning (refer sec 4.6.4 main report);
- Implementing the Cultural Product Development program that will take identified cultural product opportunities to the market for development (refer sec 4.6.4 main report);
- Developing a mentoring program for Indigenous peoples and communities to leverage off successful products (refer sec 4.6.4 main report);
- Assisting in the development, promotion and funding of events and festivals that occur in the low visitor months to mitigate seasonality impacts (refer sec 4.6.5 main report); and
- Conducting capacity building workshops with tourism businesses to take advantage of increased MICE travel with the completion of the Darwin Convention Centre (refer sec 4.7 main report).

3.2 Enhancing Access, Infrastructure and Skills

Tourism NT will continue to leverage investment in the infrastructure, networks and skills development required for our tourism industry to grasp future opportunities. Initiative highlights include:

- Implementing the Cultural Product Development program that will take identified cultural product opportunities to the market for development (refer sec 4.6.4 main report);
- Developing a mentoring program for Indigenous peoples and communities to leverage off successful products (refer sec 4.6.4 main report);
- Assisting in the development, promotion and funding of events and festivals that occur in the low visitor months to mitigate seasonality impacts (refer sec 4.6.5 main report); and
- Conducting capacity building workshops with tourism businesses to take advantage of increased MICE travel with the completion of the Darwin Convention Centre (refer sec 4.7 main report).
• Implementing the recommendations of the Northern Territory Aviation Strategy 2007-2010 (refer sec 5.1.3 main report);
• Working with the Darwin Port Corporation to improve customer service facilities for cruise ships (refer sec 5.1.4 main report);
• Meeting regularly with the Roads Department to provide input to their work programs in respect of tourism drives (refer sec 5.1.5 main report);
• Focusing on progressively developing sealed touring routes in key tourism areas (refer sec 5.1.5 main report);
• Investigating user pays, concession models and Public Private Partnerships for the NT’s National Parks (refer sec 5.2.3 main report);
• Identifying and prioritising current and potential destinations for development which fit with the NT’s cultural tourism and nature-based tourism strengths (refer sec 5.3 main report);
• Establishing the Destination Development Working Committee to provide a co-ordinating role with key agencies for the development of infrastructure and experiences at key destinations (refer sec 5.3 main report);
• Assisting tourism operators target mature age workers, indigenous workers and apprentices to overcome skills shortages (refer sec 5.4 main report); and
• Investigating job-sharing systems with other tourism regions in Australia that have complementary tourism seasons (refer sec 5.4 main report).

3.3 Marketing and Promoting the NT Experience

Building the Share Our Story campaign will leverage the cultural and nature-based competitive advantages of our tourism industry in our key markets. Initiative highlights include:

• Approaching target audiences as needs driven individuals as opposed to geographically segmented groups (refer sec 6.1 main report);
• Implementing a process of continual refinement of marketing approaches to respond to changing market conditions (refer sec 6.1 main report);
• Investigating avenues for non-traditional forms of special interest product distribution and promotion (refer sec 6.2.4 main report);
• Introducing a flexible fee scale that encourages small business operators to participate in cooperative advertising campaigns (refer sec 6.3 main report);
• Maximising the distribution applications of NT product and destination information data registered on the Australian Tourism Data Warehouse and the NT Tourism Data Warehouse (refer sec 6.5 main report);
• Developing new E-marketing strategies to enable improved consumer direct marketing to target segments such as bird-watching, art trails and fishing (refer sec 6.5 main report);
• Developing partnerships with non traditional organisations such as Lonely Planet, Trip Advisor, etc (refer sec 6.5 main report);
• Developing a monitoring program of key consumer travel blogs to ensure their accuracy as well as to provide in-country expert responses to issues raised (refer sec 6.5 main report); and
• Aligning RTA branding and promotional material to the Tourism NT branding platform and destination strategy through the use of Service Level Agreements (refer sec 6.6 main report).

3.4 Strengthening Strategic Partnerships

The NT Tourism Industry will develop its greatest potential where it is able to work together strategically to overcome hurdles and respond to opportunities. We will rationalise our strategic partnerships to simplify relationships and improve outcomes for the industry. Initiative highlights include:

• Encouraging the uptake of tourism accreditation in the NT (refer sec 5.5 main report);
• Implementing a two-tiered approach to the Brolga Awards to improve industry participation (refer sec 5.5 main report);
• Continuing the implementation of the Tour Operators Licensing and Training System for NT Protected Areas (refer sec 5.5 main report);
• Establish new arrangement/s by which to deliver regional marketing and visitor information services that better align to Tourism NT’s strategic direction and marketing goals (refer sec 5.6.1 main report);
• Seeking support from local and community government councils in destination development implementation (refer sec 5.6.3 main report); and
• Engaging the community through education and partnerships with local government to improve support for tourism (refer sec 5.6.3 main report).

The structure and roles of Regional Tourist Associations (RTA’s) and Visitor Information Centres (VIC’s) are key considerations in determining how best these entities can work with Government to drive the industry forward over the next 5 years to achieve the strategic vision of this plan. Change is needed to the way in which RTA’s and VIC’s are structured and funded. Current arrangements are not effective, and certainly not conducive to moving the industry forward to meet future challenges. Whilst it is clear that there is a role for these organisations in the NT, there needs to be a clear delineation between member activities (such as providing representation on issues) and activities undertaken in conjunction with Tourism NT. To achieve this delineation there are several options available for consideration to redefine the Tourism NT / RTA/ VIC relationship. It is suggested the Minister for Tourism consider which option to adopt, if any, following industry feedback (refer sec 5.6.1 main report).

3.5 Advancing Research and Industry Understanding

Our industry will not move forward simply by following our competitors. Tourism NT will look forward to gather intelligence that will continue to grow our industry, now and into the future. Initiative highlights include:

• Undertaking additional profiling of the new emerging international markets such as India and China, specific to their cultural tourism and nature-based tourism market segments and gaps in data already being collected by Tourism Australia (refer sec 8 main report);
• Undertaking research at departure points such as airports, cruise ship terminals, bus terminals and train stations to measure visitor satisfaction (refer sec 8 main report); and
• Facilitating annual State of the Industry Forums in both Alice Springs and Darwin to better educate and inform industry of emerging issues and opportunities (refer sec 8 main report).

3.6 Enhancing Environmental Sustainability

With our tropical and desert climates, vulnerable wilderness areas and dependence on nature-based tourists the NT Tourism Industry must embrace the reality of climate change. Initiative highlights include:

• Developing a voluntary Carbon Offset Program for the NT Tourism industry (refer sec 7.3 main report);
• Demonstrating to key tourist markets that the NT is climate friendly and supports consumer values and obligations to integrate climate friendly initiatives into promotional activities (refer sec 7.3 main report); and
• Continuing to educate operators on the challenges and opportunities presented by climate change in its key markets, including working with industry to evaluate climate friendly initiatives such as hybrid or small diesel vehicles (refer sec 7.3 main report).
4 Implementing The Strategy

The Northern Territory Tourism Strategic Plan 2008-2012 (the Plan) will impact across all areas of the tourism industry and provide the path forward for sustained industry growth. In doing so, it will involve the cooperation of both the public and private sector to ensure that the goals, objectives and strategies remain relevant and are implemented in a responsive manner. Accordingly, an ongoing process of review and evaluation will be required to ensure the strategy meets the needs of this dynamic and rapidly changing industry.

The key implementation process is through the strategy and action plans provided throughout the Plan. In addition to the action plans, detail is also provided on what each action means for the operator on the ground. In many cases, the success or failure of an action will depend heavily on the commitment and participation of the tourism industry operators. It must be recognised by industry that the role of government can only extend so far and at the end of the day responsibility for the industry rests across the many operators that add the uniqueness of the NT Tourism industry.

4.1 Performance Measurement

Performance measurement for the NT tourism industry is essential to drive decision making for the industry and to monitor the effectiveness of various strategies. Tourism organisations have tended to base success on total visitor numbers. This is not a true reflection on performance as business travellers are likely to travel regardless of a destination’s marketing activity. A focus purely on volume is also unlikely to be sustainable in the long-term as it will place increasing pressure on natural attractions in the NT. Instead, it is important to attract tourists that stay longer, spend more, travel widely and visit outside of the traditional peaks. This will help create an environment where businesses can improve and employment is generated.
Tourism has a central role to the continued growth, development and sustainability of the NT economy, being one of the most significant industries in the Territory. Economic growth, through tourism, can be achieved by one or more of the following:

- Attracting more visitors;
- Getting those that come to stay longer;
- Encouraging those that come to spend more; and
- Encouraging those that come to come back for repeat visits.

Tourism NT, as the NT Government’s organisation responsible for the development of tourism, is committed to achieving all of these factors. Priorities are made where efforts will be most profitably rewarded. Clearly, measuring success on only one of these factors, or viewing each of them in isolation, can lead to misrepresentation of success.

Moving forward, Tourism NT will develop broad indicators for the performance of the NT tourism industry that incorporates a mix of key statistics, leading indicators from visitor surveys, industry investment and benchmarking. In summary, the four key performance groups to be incorporated are:

- **Tourism Product**: The character, attractiveness and satisfaction with the NT tourism experience will be measured through regular visitor surveys;

- **Tourism Investment**: The development of infrastructure and facilities will be measured against targets and visitor use. Tourism operator surveys will measure business confidence, performance and investment expectations;

- **Tourism Demand**: Key statistics such as numbers of visitors, average spends, length of stay will continue to be measured; and,

- **Tourism in Context**: Benchmarking against the overall performance of the other states and territory is important to account for impacts that are beyond the control of the NT (eg. September 11). The outbound performance of key source markets will also to be measured.

### 4.2 Reporting

Tourism NT will report annually on the key performance indicators that measure the progress in implementation of this Plan. In undertaking this report Tourism NT will identify to the extent practical the contribution made by Tourism NT towards the goals of the Plan.