CULTURAL TOURISM DEVELOPMENT PROGRAM

An Introduction to the Tourism Industry and Business Development
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ACKNOWLEDGEMENT

The Office of Environment and Heritage acknowledges Aboriginal and Torres Strait Islander people as the first inhabitants of Australia and respect that they are the traditional owners and custodians of Country.

The Office of Environment and Heritage recognises that Aboriginal people of NSW are recognised as being part of the oldest living continuous culture in the world and acknowledges and respects their diverse customs and practices. The Office of Environment and Heritage is committed to working with Aboriginal people of NSW in contributing to improving their physical, cultural, spiritual and community wellbeing.

In producing this resource, The Office of Environment and Heritage would also like to acknowledge the following contributors:

- Sand Dune Adventures
- Mutawintji Eco Tours
- Destination NSW website and Tourism Business Toolkit
- Small Biz Connect’s website and Toolkit
- Tourism Research Australia
- Small Business Advisory Service
- Tourism Australia
- Australian Tourism Data Warehouse
- Australian Taxation Office
- Service Skills Australia
- Workforce Futures

DISCLAIMER

This resource is a reference/guide and is intended to be used as a starting point only. The material contained within this guide is general in nature and does not constitute professional advice. Before relying on the material in any important matter, users should carefully evaluate its relevance to their particular situation. In some cases the material may incorporate or summarise views, guidelines or recommendations of third parties. Links to other websites are inserted for convenience and do not constitute endorsement of material at those sites, or any associated organisation, product or service.
INTRODUCTION

The NSW National Parks and Wildlife Service (NPWS) is a division of The Office of Environment and Heritage (OEH). It focuses on the conservation and protection of the natural environment, Aboriginal Country, culture and heritage and the built heritage of NSW. Tourism operators are now able to conduct appropriate commercial activities within National Parks, with NSW NPWS approval.

NPWS is committed to increasing the Aboriginal tourism profile within National Parks, and contributing to community capacity building. The Cultural Tourism Development Program has been created to assist with the development and support of new cultural tourism experiences within National Parks.

This resource has been developed to provide potential cultural tourism operators with an understanding of the tourism industry and all the elements involved with owning and operating a tourism business. Practical activities have been designed to provide an insight to the content, and to demonstrate how a cultural tourism business can be developed from concept through to operation.

We hope it provides great insights, tips and practical advice for those looking at becoming a member of the Australian Tourism Industry.
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Thank You
SECTION 1: Introduction to Tourism and the Tourism Industry

J Spencer, Office of Environment and Heritage
Tourism is defined as any travel away from the traveller’s normal place of work and residence and includes much more than just leisure travel. It encompasses travel for a range of reasons, such as business, festivals and events, health, education and religion.

Tourism is a diverse industry, comprising a broad range of sectors that provide experiences and services for tourists. It includes the following sectors:

- **Accommodation**
  - ranging from camp sites to 5 star hotels
- **Tours**
  - ranging from 1 hour to multi-day itineraries
- **Transport**
  - including car hire, train, bus, plane, ferry, cruise etc.
- **Travel ‘distributors’**
  - businesses set up to sell the tourism product including travel agents, Inbound Tour Operators (ITOs) and travel wholesalers
- **Hospitality venues**
  - the hospitality industry deals with both travellers and local customers in venues such as restaurants, cafes, pubs, clubs, entertainment and business facilities
- **Attractions and theme parks**
- **Entertainment, sport and arts venues**
- **Museums and historical sites**

Careers in the tourism industry may include:

- **Tour Guide**
- **Visitor Information Officer**
- **Travel Consultant**
- **Sales and Marketing**
- **Driver / transport officers**
- **Hotel employee** - for e.g. manager, front desk and reservations, housekeeping

Tourism includes:

- **Domestic tourism**: travel within Australia; and
- **International tourism**: international travellers visiting Australia

The length of stay can be for a day, known as a ‘daytrip’, or longer including overnight stays.
CULTURAL TOURISM - WHAT IS IT?

Cultural tourism relates to a country or region’s culture: It highlights diversity and uniqueness which distinguishes it from other cultures.

Aboriginal cultural tourism is a sharing by Aboriginal people of their Cultural Heritage and connection to Country. It is an experience that incorporates the values and traditions of Aboriginal people shared in a very personal way.

Aboriginal interpretation involves but is not limited to:

**Historical content**
Encompassing information drawn from the knowledge and experiences of Aboriginal people from the past. Knowledge of traditional practices, customs and beliefs are passed from one generation to the next and includes early interaction and engagement with European settlers and industries.

**Contemporary Content**
Encompassing the resilience of Aboriginal people and their practices, cultures and beliefs of today that have evolved from the past and continue to be an essential element of the lifestyle, health and wellbeing of Aboriginal people. The strength and resilience of Aboriginal people to retain cultural identity has led to the revival of cultural practices.

**Cultural content**
This refers to the Dreaming, totemism, kinship, systems of trade, ceremonial practices such as art, dance and music. It also includes traditional lifestyle techniques including hunting, gathering and the preparation of food and bush medicine.

**Political content**
Recognising and acknowledging that most Government policies and laws have had an adverse impact on Aboriginal people and their culture. It is now recognised that governments must have consistent engagement with Aboriginal communities to ensure reconciliation is achieved.
There are a wide and diverse range of Aboriginal cultural tourism products available around Australia, and many different ways for visitors to experience Aboriginal Australia. These include:

- Guided cultural tours
- Cultural centres
- Art centres, workshops and studios
- Festivals, fairs and cultural events
- Interactive cultural demonstrations
- Cultural displays and performances
- Performing arts
- Visiting Aboriginal sites and communities
- Heritage buildings, sites and monuments
- Museums and art galleries

The Office of Environment and Heritage (OEH), including the NSW National Parks and Wildlife Service (NPWS), is committed to respecting the diverse traditions, customs and practices of the Aboriginal people of NSW and fostering supportive partnerships within the tourism industry.

OEH is in the process of developing a policy which will set the standards for Aboriginal Cultural Heritage Interpretation within NSW National Parks.

For more information, please see appendix.

Geoff Woods, Office of Environment and Heritage
Aboriginal Cultural Tourism in NSW

The NSW Government is committed to the principle that the development of Aboriginal tourism occurs in a manner which Aboriginal people support and endorse and which respects their cultural identity (Aboriginal Tourism Action Plan 2013-2016, Destination NSW).

Tourism is more than just a business for Aboriginal communities; it is seen as a vehicle to celebrate and share culture with non-Aboriginal people. Tourism presents the potential to engender a greater understanding and appreciation of the diversity and richness of Aboriginal culture among non-Aboriginal people. It can also create employment opportunities and contribute to economic self-sufficiency for Aboriginal people, as well as provide economic and social benefits for the State.

NSW has many opportunities for visitors to engage with Aboriginal people and experience their culture. There are many successful Aboriginal tourism businesses operating throughout NSW, and several of these operate within National Parks.

Some examples include:

**Tours**
- Harry Nanya Tours
- Aboriginal Blue Mountains Walkabout
  Nature tour including relaxation and interpretive activities. [www.bluemountainswalkabout.com](http://www.bluemountainswalkabout.com)
- Sand Dune Adventures

**Cruise**
- Tribal Warrior Association
  Experience a cruise on the world famous Sydney Harbour with a unique cultural perspective and insight. [www.tribalwarrior.org](http://www.tribalwarrior.org)

**Attraction**
- Minjungbal Aboriginal Cultural Centre at Tweed Heads Historic Site.

**Hospitality**
- Fred’s Bush Tucker
INTRODUCTION

Sand Dune Adventures (SDA) is a not-for-profit tourism enterprise owned and operated by the Worimi Local Aboriginal Land Council (WLALC). SDA is wholly operated by local Aboriginal people (including Elders and Youths) who participate and provide a number of activities and products that have been developed and approved by the local Aboriginal people/community (including Traditional Owners).

SDA offers a quad bike riding experience like no other. Experience the magnificence of the Worimi Sand Dunes on Stockton Beach, riding from bush to beach with expert Indigenous guides. SDA seeks to give clients a ‘hands-on and interactive’ insight into the richness of Aboriginal culture and heritage.

There are two parts to the tour operations with the quad tours taking place on the WLALC private freehold lands contained within the unique coastal sand dunes of the Stockton Bight (registered as the largest in the Southern Hemisphere), and the Murrook Culture Centre.

SDA started operations in 2011 and has already achieved many successes. They currently cater for around 5000 visitors a year and have won several awards including:

- Hunter & Central Coast Tourism Awards - Winner - Indigenous Tourism category - 2013
- Port Stephens Annual Business Awards - Winner - Best Tourist Attraction - 2013
- Tripadvisor - Certificate of excellence - 2013
- Tourism NSW Tourism Awards - Finalist - 2013
- Ports Stephens The Examiner Annual Business Awards - Winner - 2013

Destination NSW also produces a Factsheet on Aboriginal Tourism, including:

- Aboriginal visitor profile: international and domestic visitors
- Aboriginal activities undertaken
- Information on Aboriginal activities (how and when visitors research Aboriginal activities)
- Booking Aboriginal activities
INTRODUCTION
Operated by Broken Hill based Tri State Safaris tour company, Mutawintji Eco Tours runs small group tours to Mutawintji National Park and to other areas of cultural and ecological significance. Many of these tours are led by accredited Aboriginal guides to provide a more authentic experience.

Awards
- NSW Tourism Awards - Winner - Indigenous Tourism category
- National Tourism Awards - Winner - Indigenous Tourism category - 2010 and 2013

Michael McCulkin is the business founder and manager.

Did You Know?
21% of international visitors to NSW engaged in an Aboriginal activity at some point during their trip to Australia in the year ending June 2013. This equals approximately 1 in 5 visitors to NSW or 623,000 international visitors.
### Tourism in Australia

<table>
<thead>
<tr>
<th>Over 5 million international visitors are likely to recommend Australia as a holiday destination</th>
<th>In the year ending March 2014, tourism expenditure from international visitors was over $29 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the year ending December 2013, total tourism expenditure in Australia was worth almost $100 billion</td>
<td>Chinese visitors spend the most money when visiting Australia, over $4 billion</td>
</tr>
<tr>
<td>The tourism industry is larger than mining and agriculture</td>
<td>New Zealand has the most international visitors to Australia</td>
</tr>
<tr>
<td>Australia is ranked 9th in the world for global tourism expenditure</td>
<td>Tourism is one of the most progressive industries in Australia</td>
</tr>
<tr>
<td>Tourism contributes almost 3% to the total national economy</td>
<td>Tourism accounts for 8% of total exports and is Australia’s number one services export</td>
</tr>
<tr>
<td>Direct and indirect employment in tourism related industries accounts for 8% of Australia’s total employment. This is over 900,000 people</td>
<td>In the year ending March 2014, tourism expenditure from domestic visitors was almost $70 billion</td>
</tr>
</tbody>
</table>

Source: Tourism Research Australia (www.tra.gov.au) and Tourism Australia (www.tourism.australia.com)
### Tourism in NSW

| In the year ending March 2014, NSW received over 50% of total visitors to Australia | Tourism directly accounts for over 158,000 jobs in NSW |
| Sydney is the most popular region to visit in NSW. In the year ending March 2014 the tourism expenditure in Sydney was over $14 billion |
| In the year ending March 2014, there were over 3 million international visitors to NSW |
| In the year ending March 2014, the total tourism expenditure in NSW was over $27 billion |
| NSW has the largest Aboriginal population in Australia |
| NSW has an average of 1.2 million visitors per year that participate in an Aboriginal tourism activity |
| 21% of International visitors will participate in an Aboriginal tourism activity while visiting NSW |
| The main purpose for people visiting NSW is for a holiday, second is visiting friends and relatives |
| Viewing Aboriginal art, craft and cultural displays are the most popular Aboriginal tourism activities amongst visitors to NSW |
| Interest in participating in an Aboriginal tourism activity comes predominantly from Western Markets such as USA and Europe |

Source: Tourism Research Australia (www.tra.gov.au) and Destination NSW (www.destinationnsw.com.au)
HOW THE TOURISM SYSTEM WORKS

Before developing a tourism product, it is useful to understand how the tourism system operates. The diagram below shows the components involved.

Distribution and Marketing

Distribution is the variety of channels used to extend the promotion and sales of your tourism product. Distribution channels are the means by which you reach your customers. Smaller operators usually sell directly to customers and do not necessarily use distributors to sell their product.

Most tourism operators work with three distinct groups:

1. Consumers
2. Trade
   a. ‘Traditional’ Distributors - including retail travel agents, wholesalers, Inbound Tour Operators, and government tourism agencies. For e.g. Harvey World Travel, Sunlover Holidays
   b. Online travel sites. For e.g. TripAdvisor, Expedia, Lastminute.com etc.
3. Other industry and sector associations or professionals - For e.g:
   Local Visitor Information Centres (VICs), Regional Tourism Organisations (RTOs), similar tourism operators, media, public relations and tourism consultants, industry suppliers, etc.
Please note that there are industry standard commissions payable to different distribution partners. Current rates can be found on the Destination NSW website [www.destinationnsw.com.au](http://www.destinationnsw.com.au).

**How Does the Tourism Industry Work from the Consumer’s Perspective?**

The consumer is the most important part of the tourism system because the consumer is the reason tourism products and services exist. Everyone working in tourism must ensure that the consumer is considered first and foremost in all business and planning decisions.

Consumers spend their money and leisure time in many different ways. If they choose to spend their money on a holiday, they generally begin by setting a budget, deciding on the period of travel and considering the types of activities they would like to do while away. Then they select a destination, decide how they will travel there and make bookings accordingly, through a travel agent, wholesaler, over the internet or directly with a tourism operator.
ACTIVITY - Your Tourism Experience

Answer the following and categorise into the tourism sectors as defined in the ‘What Is Tourism’ section (page 8)

Have you ever been on a holiday? Where did you go?

Why did you decide to go there?

How did you research the destination?

How did you get there?

Where did you stay?
ACTIVITY - Your Tourism Experience - Continued

What did you do while you were there?

Did you talk to any locals?

Did you do a local tour (guided or unguided)?

How did you book and pay for each service?

NOTES:
LEVELS OF THE TOURISM INDUSTRY

There are many different businesses and government organisations working at various levels throughout the tourism industry. It is important to understand each of the levels of the tourism industry, identify and understand the role of the organisations that are operating at each level and how they will affect the operation of your tourism business. The following diagram shows the main organisations you will need to work with, at each level of the tourism industry.

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>TYPE OF BUSINESS</th>
<th>FUNCTIONS</th>
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<tbody>
<tr>
<td>Local</td>
<td>Tourism Operators</td>
<td>Deliver tourism goods &amp; Services</td>
</tr>
<tr>
<td></td>
<td>Local Councils</td>
<td>Planning and Regulation</td>
</tr>
<tr>
<td></td>
<td>Visitor Information Centres (VICs)</td>
<td>Provide visitors with information and bookings</td>
</tr>
<tr>
<td></td>
<td>Local Tourism Associations (LTAs)</td>
<td>Membership Based Promote destination and tourism operators</td>
</tr>
<tr>
<td>Regional</td>
<td>Regional Tourism Organisations (RTO’s)</td>
<td>Package and promote products and services within their region</td>
</tr>
<tr>
<td>State</td>
<td>Destination NSW (DNSW)</td>
<td>Industry Development Marketing</td>
</tr>
<tr>
<td></td>
<td>Office of Environment &amp; Heritage (OEH)</td>
<td>Co-ordinate, manage and planning activities that work towards a healthy environment Includes NPWS</td>
</tr>
<tr>
<td>National</td>
<td>Tourism Australia (TA)</td>
<td>Marketing Deliver tourism research and forecasts</td>
</tr>
</tbody>
</table>
LEVELS OF THE TOURISM INDUSTRY - Continued

National
TOURISM AUSTRALIA
Attracts visitors from around the world to Australia

State
DESTINATION NSW
Attracts visitors to NSW

Regional
YOUR RTO
Attracts visitors to your region

Local
YOUR LTAs and VICs
Attracts visitors to your local area and assists in maximising revenue from these visitors

YOUR TOURISM ENTERPRISE
Attracts customer to your business

Support, Assistance and Marketing

VISITORS
The Local Network

In NSW, there are various local tourism networks. Depending on the region, this might include a Visitor Information Centre (VIC), Local Tourism Association (LTA), local councils, or incorporated business groups with an interest in developing and promoting tourism in the local area. Tourism operators should make contact with their local tourism network to find out about the services/benefits offered, and opportunities to work together.

Visitor Information Centres and Local Tourism Associations
Visitor Information Centres (VICs) showcase brochures and maps, provide travel advice or book tourism products for visitors. They have extensive knowledge of the local area and region.

Local Tourism Associations (LTAs) are usually membership based groups of tourism-related businesses who work together to promote their destination and individual tourism products and services.

Local councils
Your local council may have an economic development officer or tourism official, who can provide local tourism knowledge and a list of local contacts, including LTAs and VICs. Councils can also provide information on local planning and other issues that may affect your business.

The Regional Network

NSW is divided up into 11 tourism regions. These regions are supported by Regional Tourism Organisations (RTOs) which are independent bodies separate to Destination NSW.

The RTOs work with Destination NSW, the LTAs and VICs to package and promote products and services within their region. For the contact details of your RTO, go to www.destinationnsw.com.au/RTOcontacts.

The 11 tourism regions are:
- Blue Mountains
- Central Coast
- Central NSW
- The Hunter
- Inland NSW
- Lord Howe Island
- The Murray
- North Coast
- Riverina
- Snowy Mountains
- South Coast
Destination NSW

Destination NSW is the New South Wales State Government statutory authority responsible for devising and implementing strategies to grow the visitor economy, with particular focus on driving tourism and acquiring and developing major sporting and cultural events for Sydney and regional NSW.

As the peak body for tourism in NSW, Destination NSW works directly with local councils, RTOs, other government departments and sometimes LTAs. Destination NSW can assist in introducing tourism operators to potential industry partners, provide development resources and facilitate involvement in significant domestic and international marketing initiatives. You are encouraged to use the resources of your local tourism manager, LTA and RTO, but Destination NSW is also available to assist.

Services

Destination NSW offers a number of services which assist the tourism industry to grow and develop in NSW, including domestic and international marketing and public relations. Cultural tourism businesses can take advantage of these services, such as:

- Developing tourism
  - Up-to-date research, analysis and market information for the NSW tourism industry.
  - Business development resources, events and advice for tourism operators.
- Domestic marketing
  - Participation in domestic marketing campaigns and publicity opportunities.
  - E-business opportunities, including tourism product listings on consumer travel, events and tourism websites and targeted consumer e-newsletters.
  - Marketing Aboriginal Tourism Experiences: Destination NSW markets the Aboriginal tourism experiences available around the state on their consumer websites. See:
Development assistance – Aboriginal Tourism Operators

Destination NSW provides assistance to Aboriginal tourism operators in the development of their businesses from concept to market-ready, as well as their participation in international markets.

Destination NSW’s Aboriginal Tourism Action Plan supports the development of Aboriginal tourism experiences and businesses in NSW. The vision is to support the existing and emerging NSW Aboriginal tourism experiences, products and businesses that will lead to economic and social benefits for Aboriginal people, both as operators and employees. The implementation of the Plan will also foster greater understanding and appreciation among non-Aboriginal people of the diversity and richness of Aboriginal culture in NSW.

Destination NSW also works with key agencies to develop programs to support Aboriginal tourism, including the Indigenous Tourism Champions Program.

State level - other government agencies

There are many other State Government agencies that may have an impact on the planning and regulation of your tourism business. These are listed in the ‘Levels of Industry’ diagram on pages 115 and 116.

National Level - Tourism Australia

Tourism Australia is the Federal Government statutory authority responsible for international and domestic tourism marketing, as well as the delivery of research and forecasts for the sector. For further information, go to www.tourism.australia.com.
THE INDIGENOUS TOURISM CHAMPIONS PROGRAM

The Indigenous Tourism Champions Program (ITCP) is a collaborative national program instigated by Tourism Australia and Indigenous Business Australia with significant involvement and support from the State and Territory Tourism Organisations.

This national initiative provides access to business development specialists, targeted funding and international and trade marketing for selected quality Indigenous tourism businesses. This program combines Indigenous Business Australia’s investment in business development and mentoring with Tourism Australia’s marketing initiatives.

Aboriginal tourism products must meet stringent criteria to be included in the ITCP, ensuring that the businesses being promoted are able to meet the needs and expectations of trade and the international market. Members of the ITCP are exclusively eligible to participate in TA’s Indigenous tourism marketing initiatives (including trade events, road shows, trade training initiatives, online marketing and print marketing).

To provide a pathway into the ITCP, support is also being provided to select Product Development Participants who are marketed primarily through STO channels and will be supported by STO and in some cases a specialist mentor to assist with growing their businesses to a standard where they meet the criteria for entry into the ITCP.

In 2013, there were 14 NSW Aboriginal tourism operators participating in the ITCP.

For More Information!

To find more detailed information on the Indigenous Tourism Champions Program, go to: www.tourism.australia.com/aboriginal/indigenous-tourism-champion-program
SDA works with other organisations and government agencies at all levels of the tourism industry.

LOCAL
- Port Stephens Council with regards to planning and regulations
- Listed and bookable in the Port Stephens VIC and on their website
- Member of Destination Port Stephens and Newcastle Tourist Industry Group

REGIONAL
- Member of Tourism Hunter
- Member of The Legendary Pacific Coast Touring Route website and marketing

STATE
- Destination NSW - Featured on website and included in marketing programs
- NSW NPWS - Has current PEP

NATIONAL
- Tourism Australia - SDA was successfully nominated by Destination NSW into the Indigenous Tourism Champions Program in January 2013.

Mutawintji Eco Tours works with other organisations and government agencies at all levels of the tourism industry.

LOCAL
- Broken Hill City Council with regards to planning and regulations
- Listed and bookable in the Broken Hill VIC and on their website
- Member of Broken Hill Tourism Association

REGIONAL
- Member of Inland NSW

STATE
- Destination NSW - Featured on website and included in marketing programs

NATIONAL
- Tourism Australia - Included in Indigenous Tourism Champions program
- Advanced Eco Certification
- Climate Action Certification
- National Tourism Accreditation
THE NSW NATIONAL PARKS AND WILDLIFE SERVICE (NPWS) AND CULTURAL TOURISM

Tourism operators wishing to conduct commercial activities (tours, surf schools, etc.) within a National Park or any other type of reserve managed by NPWS must obtain approval before they can conduct any activity. The NSW National Parks and Wildlife Service (NPWS) has been identified as a partner in the state government’s 2021 plan to achieve the goal of rebuilding the NSW economy. Tourism is one of the drivers to achieve this goal and NPWS will aim to increase visits to state government parks and reserves by 20%. NPWS will promote visitation and protect the state’s biodiversity and cultural heritage values through the appropriate use of National Parks.

Spotlight On: Sand Dune Adventures

The Worimi Conservation Lands is made up of Worimi National Park and the Worimi State Conservation Area. The Worimi Conservation Lands are owned and co-managed by the local Worimi Aboriginal community in partnership with NSW National Parks. SDA conducts quad tours in the Worimi Conservation Lands and they hold a current Parks Eco Pass.
Parks Eco Pass (PEP)

Parks Eco Pass (PEP) is the license that tour operators must hold in order to conduct their tours within National Parks. It is a tool for achieving socially, environmentally and economically sustainable development. This includes:

- Sustain the natural and cultural heritage of our parks
- Encourage visitor enjoyment and appreciation of park values
- Nurture our nature based tourism and recreation industry

Any business entity, organisation or individual undertaking a commercial activity in a NSW National Park or Reserve must hold a PEP. This includes any commercial activities conducted by Joint Management Committees.

What is Needed to Obtain a PEP?

All operators must effect and maintain a Public Liability Insurance (PLI) policy, provide a detailed Tour Schedule and include an Operations Manual.

Fees and Charges

PEP licensing fees are used by NPWS to deliver, maintain and enforce the licensing system and make a valuable contribution to protected areas. Special conditions are included in all licenses for operators undertaking detailed Aboriginal Cultural Heritage Interpretation.

A one year license application fee of $250 is payable upon application. A ‘per head day use’ fee is payable every quarter when submitting your Quarterly Trip Return Report.

- $4.20 per adult > 2hours
- $2.10 per adult < 2hours
- $2.10 per child/concession holder

Quick Tip!

PEP is an overhead cost of any commercial tourism enterprise which runs in a NSW National Park and should be taken into account when pricing products. PEP license fees and per head use fees are a business expense and therefore are tax deductible.

For More Information!

CULTURAL TOURISM IN NATIONAL PARKS

The NPWS acknowledges and respects Aboriginal cultural diversity and cultural protocols. National Parks and reserves provide a natural environment for cultural tourism experiences. NPWS encourages and supports sustainable partnerships with Aboriginal communities for employment and enterprise developments.

OEH is committed to supporting the communities and individuals who participate in the Cultural Tourism Development Program.
The Cultural Tourism Development Program (CTDP)

The Cultural Tourism Development Program (CTDP) is a state wide strategic program that engages with Aboriginal communities and/or individuals who have been identified as having the potential to develop and deliver a new cultural tourism experience within their local National Park, Reserve or Conservation Area.

Aim of the CTDP
- Increase Aboriginal cultural tourism profile within NSW.
- Contribute to increased employment opportunities and community capacity building through the establishment of Aboriginal owned and operated cultural tourism enterprises.

Support services
Support will be provided in a number of ways including, but not limited to:

**Infrastructure and Administration Support:**
- Advertising, marketing and promotion through the NPWS website and social media channels.
- Linking with major events and attractions.
- Use of NPWS visitor call centre - providing information on cultural tourism products and services to potential consumers.

**Priority Promotion and Use of Services:**
- NPWS will promote cultural tourism enterprises as a preferred product to park visitors and potential consumers.
- NPWS will use cultural tourism services when needed, such as Team Building and Cultural Awareness training.

**Continued Mentoring and Support:**
- Relevant OEH Staff will be accessible to provide support and assistance as required.
- Phone / Email / Visits.
- Ongoing business assessment and analysis to ensure the enterprise remains sustainable and commercially viable.
- Provide links to other organisations who are able to provide service and assistance to meet business needs, if and when required. For e.g. Indigenous Business Australia (IBA), Business Enterprise Centre (BEC), Destination NSW.
CTDP - The ultimate goal

Community/individual develops, produces and launches their cultural tourism product to the public with the continued mentoring and support of NPWS. They become a member of IBA and Tourism Australia’s Indigenous Tourism Champions Program by meeting their strict criteria.

Fred’s Bush Tucker

Fred’s Bush Tucker is a new, unique business that has recently opened in the Illawarra. This business is Aboriginal owned and operated and has the vision to promote the acceptance of quality, authentic, Australian Indigenous bush foods.

“National Parks has helped my business flourish through the support of the CTDP, by providing me with the cultural guidance, encouragement and network contacts needed to run it successfully and continue to do so. I know that the relationship between Fred’s Bush Tucker and National Parks will continue to grow in the future”

Lindsey Adam, Fred’s Bush Tucker

With the guidance and support of the CTDP, Fred’s Bush Tucker has recently expanded to also include guided tours, with participants enjoying the Aboriginal history, the diversity of the landscape, and the bush foods and medicines of the Illawarra and surrounds.

Catch N Cook Cultural Tours

“The Cultural Tourism Development Program has provided me with a great understanding of tourism in National Parks and how Aboriginal people can get involved”

Peter Cooley, Director, First Hand Solutions Aboriginal Corporation and operator of Catch N Cook Cultural Tours

To find more detailed information on the cultural tourism development program, go to www.environment.nsw.gov.au
IDENTIFYING A POTENTIAL CULTURAL TOURISM PRODUCT

Aboriginal cultural knowledge can be shared with visitors as a tourism product in many different ways. Identifying a potential cultural tourism product relies on a few fundamentals:

**Cultural Knowledge**
- You have cultural knowledge to share.
- You have or will gain permission to share this knowledge with visitors.
- You are able to share knowledge in an engaging and enjoyable way.
  - If you are going to share the cultural knowledge in a personal way, for e.g. during a guided tour. You will require staff who have the ability and skills to effectively share cultural knowledge. Including accurate and detailed cultural knowledge, strong interpersonal communication skills and story-telling skills.

**Location**
- You have access to a location where the tourism product can be delivered.
  - If you will be creating a tour product, you will need access to the place you want to conduct the tour. If your location is within a National Park you will need to obtain a Parks Eco Pass (for more information see Parks Eco Pass, page 28). Some areas may be sacred or have special significance and you may need special permission to access them for tourism purposes.
  - For cultural displays and performances you will need an appropriate performance space.
  - An art centre or cultural centre requires a building or structure.
  - Festivals and events require appropriate space and facilities.

**Assets and Resources**
- You have the assets and resources required to deliver the tourism product.
  - Interactive cultural demonstrations require objects for the visitor to use. For e.g. For spear throwing you will need enough spare spears for the visitors to use.
  - Cultural demonstrations require supporting assets. For e.g. for a cooking demonstration you will require cooking facilities.
  - Cultural centres and some tours require cultural assets. For e.g. artefacts, tools, artwork, etc.
  - Tours often require some form of transport. For e.g. A bus.
  - Festivals and events require appropriate facilities. For e.g. amenities, stages, sound and lighting.

**Visitors**
- There are visitors to your region who would be interested in your tourism product.
  - In order for a tourism product to be successful, there needs to be a base of visitors to your region who are, or would potentially be, interested in having an Aboriginal cultural experience. (For more information, see Market Research, page 45).
The WLALC was successful in having the lands handed back to the Aboriginal community and Worimi Traditional Owners in 2007. A feasibility study conducted in late 2008 identified enterprise opportunities that could be linked with the communities desire to both; promote the Aboriginal Culture and Heritage that exists within this Traditional landscape and provide a good balance of fun and exciting hands-on activities; hence the creation of Sand Dune Adventures.

CULTURAL PROTOCOLS
As SDA is owned and run by the WLALC, the process to gain consent was relatively streamlined.

- There are community Elders on the WLALC Board, which has monthly meetings
- The SDA business plan, including cultural knowledge to be shared with visitors, was presented to the WLALC and approved.
- There are also community meetings held quarterly. The community always has the ‘final say’ on anything the WLALC has approved, and they also gave consent for the development of SDA.
Tri State Safaris was established in 1992, however Michael continued to work in his existing job for three years to make a living while going through the tough business start-up phase. Running the business part-time while still having another income source enabled Michael to make some initial mistakes and learn from them without the business going bankrupt. The business didn’t make a profit for the first few years.

Mutawintji Eco Tours was set up under Tri State Safaris in 2008/09. Market research was undertaken to ensure there was demand for a cultural tour in the area, using research from DNSW, TA and participation in research being done by an Honours student from Charles Sturt University.

CULTURAL PROTOCOLS

- In order to ensure cultural material would be treated in an appropriate and sensitive way, all tour guides attend the Mutawintji tour guide school, conducted by NPWS and Land Council.
- Permission to share cultural knowledge was granted as part of the tour guide school and by adhering to NPWS CTO conditions to operate at Mutawintji.
### ACTIVITY - Identifying a Cultural Tourism Product

<table>
<thead>
<tr>
<th>Cultural Knowledge</th>
<th>Example: sacred sites, dreamtime stories, cultural dance or performance, bushtucker uses and recipes.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consent</td>
<td>Example: Local Aboriginal Land Council, community group, etc.</td>
</tr>
<tr>
<td></td>
<td>Example: Meeting, Application, etc.</td>
</tr>
<tr>
<td>Tourism Product: type and description</td>
<td>Example: Tour, performance, café, cooking class.</td>
</tr>
<tr>
<td>Provide practical details of the tourism product.</td>
<td>Example: for a tour: Length, how many tours a day/week, where will you meet your visitors, where will you take visitors on your tour?</td>
</tr>
</tbody>
</table>
**ACTIVITY - Identifying a Cultural Tourism Product - Continued**

<table>
<thead>
<tr>
<th>Tourism Product: Detailed Description</th>
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<tbody>
<tr>
<td>Describe the cultural knowledge you will share and how you will share it, step by step.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Example:</th>
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<tbody>
<tr>
<td>For a bush tucker tour: First I will provide an introduction to bush tucker and information about traditional practices; then we will go on a walking tour, identifying 5 samples of local bush tucker. Visitors will be able to smell, taste and touch each sample while I explain the uses for each one (food and/or medicine). We will then return to our starting point for a cooking demonstration and some taste testing of some popular bush tucker. Finally I will inform visitors how they can access and incorporate bush tucker into their everyday lives and where to find more information.</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Skills and Assets</th>
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<tbody>
<tr>
<td>What skills will be required to share this cultural knowledge?</td>
</tr>
<tr>
<td>What assets will be required to share this cultural knowledge?</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Example:</th>
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<tbody>
<tr>
<td>What skills will be required to share this cultural knowledge?</td>
</tr>
<tr>
<td>Good storytelling ability, Personable, Excellent interpersonal communication.</td>
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</table>

<table>
<thead>
<tr>
<th>Example:</th>
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</thead>
<tbody>
<tr>
<td>What assets will be required to share this cultural knowledge?</td>
</tr>
<tr>
<td>Traditional tools, instruments, artefacts A space to perform A room/building to store and/or display artefacts.</td>
</tr>
</tbody>
</table>
MARKET RESEARCH - HOW TO RESEARCH TOURISM

Research enables you to understand your market’s needs, attitudes and buyer behaviour, and to change your business plan accordingly. You need to understand:

- the tourism industry in Australia
- the tourism industry in NSW
- the tourism industry in your region and destination
- Aboriginal cultural tourism in Australia and your region, and
- your own business
  - including how to identify your target market and competitors
Understanding Tourism in Australia, NSW and Your Region

Tourism Research Australia (TRA) is Australia’s leading provider of quality tourism information across both international and domestic markets. Through the TRA website www.tra.gov.au you can subscribe to the e-newsletter and access a range of publications including:

- Results from the International Visitor Survey (IVS) and National Visitor Survey (NVS).
- State of the industry report.
- Key information about travellers: Including demographics, expenditure, places visited, activities, accommodation, and transportation.
- Biannual forecasts of tourism activity for the next ten years.
- Tourism business and employment data.
- Economic impact data and regional expenditure data.
- Customised research at a regional level (Destination Visitor Surveys).

Destination NSW also provides tourism research results and you can find the facts, figures and tourism insights you need to understand the latest trends in domestic and international tourism arrivals to NSW at their website www.destinationnsw.com.au.

- Comprehensive reports profile visitor patterns and impacts for NSW and Sydney, for the State’s 11 tourism regions as well as local government destinations.
- Additional research reports examine a broad range of consumer and industry topics including market segments (including a Factsheet on Aboriginal Tourism), consumer behaviour and profiles of source markets.
ACTIVITY - Understanding Your Tourism Product

To understand your own business and your potential customers, answer these questions:

Who will your customers be? I.e. Who is your target market?

How will your customers hear about you? I.e. What sort of marketing will you do?

What will their needs be? I.e. What are their consumer needs?

Where will they come from? I.e. What are their geographic details?
When will they come? I.e. What is the **seasonality** of your product/service?

Why will they come to your business? I.e. What is your **competitive advantage**?

Why will (or won’t) they come back? I.e. What are their **expectations**?

**NOTES:**
Market Research

Market research is all about knowing your market. It is absolutely critical to your businesses success. You must know your customer/market and match your product/services to their needs.

Market research involves the following steps:

1. Identifying the business opportunity/opportunities.
   - Including knowing if you have any competitors, who they are and what they do.

2. Identifying and defining target markets.
   - Finding out about potential customers, their changing attitudes and lifestyles and as such, their needs.
   - Identify a potential target market suited to your product/service based on your ability to meet their needs.
     - Your business is likely to have multiple target markets based on groups of individuals with certain commonalities, for e.g. age, gender, job status, etc.
     - It is important to focus on marketing to, and pleasing one target market at a time. This way you can tailor your product/service and the way you market it based on their specific needs. This is much easier and more effective than trying to focus on a large group of people who have different needs. Once you are consistently gaining new customers from one target market, you can look at marketing to, and focusing on a new target market.

3. Determining competitive advantage.
   - What you need to do to differentiate yourself and your product/service in the market.

4. Determining what resources, finance and staffing you need to meet your markets needs and expectations.

Quick Tip!

The more research you undertake, the more informed you are and the better prepared you will be for everything that can and will happen as a business owner and operator.
To better understand your customers (market) you need to ask the following sorts of questions:

- **What are my customer’s demographic details?**
  - age
  - gender
  - social class
  - job status/income

- **What are my customer’s geographic details?**
  - where do they live? (state, region, suburb/town)
  - where do they work? (state, region, suburb/town)
  - where do they travel to? (state, region, suburb/town)

- **What are my customer’s psychographic details?**
  - what activities/hobbies are they interested in?
  - what do they do for fun?
  - what sort of attitude/personality do they have?
  - what sort of values do they hold?
  - what are their general behaviours?

Given the above:

- How many potential customers do I have?
- Where will they come from?
- How often might they purchase my product/service?
- What kind of advertising appeals to them?
- How much are they prepared to pay?
- What will they like about my product?
- Is the market growing?
- Do I have any competitors?
  - how many?
  - who are they?
  - what are their advantages/disadvantages?
- Who are my likely suppliers?

---

**Quick Tip!**

The answers to these questions can be found through surveying your customers and through government organisations such as the Australian Bureau of Statistics. Destination NSW, your RTA and your local council may also have this information.
Market Research - Continued

Market research is not something that you do once and never again. It is important that you are constantly monitoring your market for change. It is also an absolute imperative that you pay attention to what your research is telling you and respond to it in a timely and thoughtful way.

Here is an example:
In 2004 you identified that your primary market was families on their annual holiday travelling by car. The price of petrol at that time was $0.94/L. In 2006 the price of petrol had increased to $1.11/L adding 18% to the travel cost. In 2009 as the Global Financial Crisis began to impact upon Australia the price of petrol jumped to $1.38/L adding 47% to the cost of travel and today the price of petrol is $1.52/L on a good day. This is a whopping 62% more than in 2004. Do you expect as many customers to be families on driving holidays? What potential impact might this have on your business?

If you don’t monitor your market then you will miss seeing change early enough to respond and before you know it your business is suffering and you are struggling to break even... or even worse.

A good place to start your market research is your local Visitor Information Centre (VIC)
ACTIVITY - Market Research

Conduct some market research to identify:

1. Demand for a cultural tourism product or experience in your area:

2. Any tourism operators already providing these products/experiences:
Understanding Tourism Seasonality Impacts

The high and low seasons experienced by the tourism industry are a result of many factors. Tourism operators must understand the fluctuations of their particular market. They can be caused by weather, climate or holiday periods. You must be ready to cope with the demands of the high season and have conservative strategies in place for the low season. Again, this comes back to careful planning and understanding your tourism business.

Some operators choose to ‘value-add’ during off peak seasons, for e.g. developing packages for slow months, whereas others accept seasonality as an industry reality and develop other activities, for e.g. holidays, maintenance, promotion or business planning.

Tourism is very susceptible to performance fluctuations caused by other factors. Significant international and national events, changes in transport routes and costs, or an especially hot summer or poor snow season can affect the performance of tourism businesses.

Low season is November till April (due to extremely high temperatures during these months) - although there are increased numbers of internationals during this period.
ACTIVITY - Understanding Tourism Seasonality Impacts

Identify the tourism seasons in your region:

List the major holiday periods:

List major weather and/or climate conditions:

Using the above information, identify your ‘high’ and ‘low’ seasons:

HIGH:

LOW:
WHO IS SUITED TO WORK IN THE TOURISM INDUSTRY?

Fundamentally, you must like people, be culturally aware, and enjoy working in an ever-changing and at times demanding environment. If you are working directly with visitors, then you need excellent customer service skills. You may require specialised training for operational areas such as accommodation services, tour guiding and the restaurant and catering industries. You will need to have a focus on personal development and the desire and willingness to acquire new skills that may help or be needed to deliver your cultural tourism experience.

Spotlight On: Sand Dune Adventures

“The professionalism, dedication and enthusiasm of this business is outstanding. Their commitment to continually reviewing and improving their business and actively seeking new ways to promote not only their business but the region as a whole is commendable. They grab every opportunity and run with it. SDA is already a very successful business that will only go from strength to strength as the international tourism sector has already latched onto what a great experience this is to showcase our culture as well has having a great time doing it.”
Nicole Mitchell: Indigenous Business Australia Tourism Mentor.

Spotlight On: Mutawintji Eco Tours

Michael’s advice:
- Be prepared to put in long hours
- Ask questions wherever possible to get a clear picture
- Remember that the beginning stages are always difficult but it will get better
ACTIVITY - Is Business Right for You?

**Why are you thinking of going into business?**

**Have you discussed starting a business with your family?**
*Many small business owners rely heavily on family support because of the time, money and commitment demands. Working long hours with few, if any, holidays can strain the family relationships. Whilst not essential, family support may help you during difficult times when you are heavily involved with the business.*

**How would you describe your tourism industry experience?**
*Relevant industry experience provides you with an understanding of the requirements of the particular nuances of industry suppliers, customers, competition, key challenges and potential pitfalls. Some say it is easier to get experience whilst working for someone else compared to “paying for your own mistakes” when you work for yourself. Talk to as many people as possible in the industry to realistically and objectively assess the viability of your proposed business.*
What business management skills and experiences do you have?

Business management skills and experiences provide a good background for operating a small business. If you lack skills in any areas of management, you may struggle to maintain the business at a high standard. It may be necessary for you to develop your business skills prior to starting your own business. Consider how you could either develop or gain access to the skills you may lack through further training, contracting or forming a partnership with someone who has the skills you require.

<table>
<thead>
<tr>
<th>People</th>
<th>Finance</th>
<th>Staff Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution</td>
<td>Marketing</td>
<td>Communication</td>
</tr>
<tr>
<td>Planning</td>
<td>Administration</td>
<td>Public Speaking</td>
</tr>
<tr>
<td>Research</td>
<td>Customer Service</td>
<td>Networking</td>
</tr>
<tr>
<td>Sales</td>
<td>Production</td>
<td>Others...</td>
</tr>
</tbody>
</table>

What does your past training include?

Why have you chosen this business and this industry?

Have you prepared a business plan?
What do you see as the biggest obstacles in your business?
As a business owner, you will encounter any number of obstacles that you will need to work through and solve in order to be successful. The better your understanding of the potential problems, the more equipped you will be to be able to deal with them as they arise.

☐ Setting up the business  ☐ Developing a business plan  ☐ Others...
☐ Lack of management skills  ☐ Finding customers
☐ Finding suppliers  ☐ Sales
☐ Operational issues  ☐ Finding accountants/advisors
☐ Personal issues  ☐ Time
☐ Employees  ☐ Finance

Can you accurately describe your targeted customers in terms of age, demographics, behaviours, etc?

How are you going to promote your product or service?
For e.g. advertising, giveaways, packaging, event sponsorship, discounts and coupons, or on a website.
ACTIVITY - Is Business Right for You? - Continued

Why will customers buy from you rather than the competition?
For e.g. Price, service, quality, reputation, improved product, uniqueness.

How would you describe the competition?
Are there many tourism operators already operating in your area and do any of them offer an Aboriginal cultural experience?

- Very competitive market with many suppliers and pressure on price
- Competitive market, a few competitors but still some opportunities available
- Few, if any direct competitors
- None, my product/service is unique

How do you expect the competition to react once you start your business?

Do you have the right licences and permits to operate your business?
ACTIVITY - Is Business Right for You? - Continued

Who have you contacted to prepare for your business?

Have you estimated your monthly expenses?

Have you estimated your start up costs?
ACTIVITY - Is Business Right for You? - Continued

Where are you going to get your finance?
Have you ever borrowed money before?

What have you done to prepare for business?

- Talked to friends and family
- Attended training seminars
- Visited a business centre
- Researched on the internet
- Talked to people in business
- I have previously worked for myself
- Planning and goal setting
- Others...

NOTES:
ACTIVITY - Is Tourism the Right Business for You?

Have you the ability to work with people even under stress?

Do you have the capacity to work long and difficult hours?

Do you have the industry experience required and/or the willingness to undertake training?

Can you relate to people from different social and cultural backgrounds?
ACTIVITY - Is Tourism the Right Business for You? - Continued

Are you willing to accept people who have different values and beliefs to your own?

Are you capable of understanding and meeting the needs of groups and individuals?

Are you able to solve problems quickly?

Can you keep cool under pressure?
ACTIVITY - Is Tourism the Right Business for You? - Continued

Do you have the total support of your partner, family and others involved in, or affected by, the business?

Do you have the fitness and stamina to keep your business running?

Do you have the public relations and sales skills to promote your business?

NOTES:
ACTIVITY - Is Cultural Tourism the Right Business for You?

Do you have accurate and detailed cultural knowledge? Are you permitted to share this cultural knowledge?

Do you have a good relationship with your community and community Elders?

Do you think you can provide your cultural knowledge to your visitors in an interesting, educational, enjoyable and engaging way?

If visitors ask you (ignorant/confronting/rude/racist) questions about your culture or Aboriginal history, how will you feel? Will you be able to provide answers that challenge cultural stereotypes and help visitors gain a better understanding of Aboriginal culture without becoming angry or upset?
SECTION 2:
Introduction to Owning and Operating Your Own Business
There are several types of business structures and choosing the right one for you is extremely important. Your legal and taxation obligations will vary depending on the type of business that you choose to operate. It is important that you carefully consider each option to determine what business structure and type is most suitable to your needs.

Generally there are 3 types of business structure (though variations of each of these exist):

- Incorporated company
- Sole trader
- Partnership

There are Pros and Cons of each type of business structure, as summarised in the table on the next page.
### BUSINESS STRUCTURES - Continued

<table>
<thead>
<tr>
<th>STRUCTURE</th>
<th>DESCRIPTION</th>
<th>PROS</th>
<th>CONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole trader</td>
<td>A type of business entity which is owned and run by one individual who is fully responsible for all liabilities and commitments of the business. • This is the most common form of business in Australia.</td>
<td>• The owner is completely responsible for every aspect of the business operation. • The success or failure of the business depends on the ability of the owner. • Inexpensive to set up. • Simplest business structure.</td>
<td>• The owner is legally responsible for all aspects of the business - debts and losses cannot be shared.</td>
</tr>
<tr>
<td>Partnership</td>
<td>A type of business entity in which partners (owners) share the profits or losses of the business. • 2 or more people in the business. • Each partner has the power to buy and sell goods for the business, employ people and borrow money on behalf of the business. • Partnerships involve a great deal of trust.</td>
<td>• Relatively inexpensive to set up and operate. • Control or management of the business is shared. • Income and losses are shared among the partners. • Flexible business model.</td>
<td>• Each partner is responsible for the debts of the partnership, even if you did not directly incur or cause the debt.</td>
</tr>
<tr>
<td>Proprietary Limited Company (Pty Ltd)</td>
<td>An independent legal entity able to do business in its own right – ie. It is distinct from its owners. • The shareholders own the company and directors run the company. • The directors of a company, and company employees, can be shareholders. • Recommended if you are employing staff.</td>
<td>• It allows a group of people to pool their resources in order to undertake business without the personal risk. • The company is liable for the debt not the shareholders. • Usually have a lot more room for growth and can attract new investors quickly for up coming projects. • Can be started by one person or by several people, which gives a lot of freedom for who you want to work with and include in the beginning phases of business. • A company is not terminated by the death of a shareholder nor a bankruptcy of a director or shareholder, because it is an entity in itself.</td>
<td>• More complex structure. • Have higher initial costs • On-going cost of business is usually more. • There are more people so it can take more time and work to make decisions and changes in the company. • Taxed on company money. Called “corporation tax” (30%). • Require an annual independent accountants audit. • Wide range of reporting requirements including BAS &amp; company Directors reports. • The directors have a lot of responsibility. • When you want to close the company, there is a lot more involved because of shareholders, who own the company and such.</td>
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</tbody>
</table>
Questions to ask yourself when deciding on which business structure is suitable for your business:

- What risk is associated with the business?
- Will I be responsible for any staff? If so, how many?
- Is my business capital intensive? Do I need to own equipment, hardware and resources?
- Do I require any licenses to provide my business services?
  - For e.g. If my business involves adventure activities; transporting people in buses, 4WD’s, helicopters or boats; do I need to be registered by a peak industry body and insured for certain liabilities and risks?

It is recommended that you talk to an accountant or business advisor before deciding which is the best business structure suited to your needs.

Whichever structure you choose you will be required to register for an Australian Business Number (ABN) in order to trade. This is free and is linked to your tax and can be done online through the Australian Taxation Office (ATO) at www.ato.gov.au.

All business structures can have a trading name. This is a registered name that is unique to your business. This name will assist in becoming recognisable by customers and clients.

There is a nominal cost associated with registering your business name along with renewal fees, ($33 for 1 year and $76 for 3 years).

Business names can be registered online through the Australian Securities and Investments Commission (ASIC) at www.asic.gov.au/business-names or by going to www.business.gov.au and following the links.
Mutawintji Eco Tours was set up under Tri State Safaris as the 'parent' company.

Pros of this structure:
- Tri State Safaris is well established and has been conducting tours to Mutawintji and other places of cultural importance for many years. I.e. taking advantage of business knowledge, existing business relationships and consumer awareness.
- Mutawintji Eco tours was established to better market the Indigenous tours in the overall product offering: It gives customers a better feel for the product.
- Easy to set up

Cons of this structure:
- As Tri Stare Safaris is the 'parent' company, they are liable for Mutawintji Eco Tours

The majority of businesses in Australia are sole traders. This is also the case in the tourism, events, travel and hospitality industry. 88% of all business in this industry are defined as small business (they turnover less than $500,000 p.a. or employ less than 20 people). In reality a significant number turn over much less than this and employ less than 5 staff including the owner.
BUSINESS PLANNING

The market leaders in tourism take the time to plan. Planning enables you to determine a vision for your business, to anticipate problems, identify opportunities and react quickly to market changes. Before purchasing an existing business or starting up a new business, and for each year you operate, you need to:

- Prepare a detailed and realistic business plan, covering the areas of:
  - management
  - marketing
  - finance
  - human resource management
- Monitor your plan regularly and adapt it as required to meet unexpected market changes.

- To put it simply, the moment you stop planning for your business, you put it at risk.

**Quick Tip!**

It is important to think of your business plan as a ‘living document’. It is not a one off activity that you file away and never look at again. You should keep an electronic copy of your detailed plan so you can update it regularly. A major review should be undertaken at the 6, 12, 18 & 24 month points of your business life and then every 12 months going forward. This is your best chance of ensuring your business is flexible, responsive, in touch, adaptive and has the very best chance of success.

Planning also involves developing excellent time management skills and identifying who is best suited to perform the different tasks involved in running your business. Don’t waste time and energy (or lose potential income) on tasks that would be better outsourced.

For example:

Many small accommodation operators recognise that it is more profitable to spend their time on marketing and development rather than cleaning. They may employ cleaners or outsource to a professional cleaning contractor, enabling them to concentrate on building their tourism business.
Planning Stages

Business planning happens at two times during the life of a business:

- During the establishment phase
- During the operational phase

A good business plan begins with the pre-establishment phase and works through the first 3 years of trading. This allows you to develop a clear understanding of the needs, actions, risks, opportunities and options involved in doing business.

The very first action of business planning is defining what you want your business to do and to be. The next step is in identifying what skills you have and what skills you need. These are the most important things to know and understand. Without a clear understanding of these elements you are not ready to start your business.

Did You Know?

All businesses begin as small businesses and more than half fail in the first 18 months. The main reason for this is lack of or poor planning and the second most common reason is lack of operating capital, or cash (which is due to lack of or poor planning).
A SWOT analysis is based on identifying your business’ (internal) strengths and weaknesses and the (external) opportunities and threats. In simple terms a SWOT analysis is a means of identifying the opportunities and risks’ for your business. It is basically a brainstorming activity that is very simple but extremely important. It provides you with a snapshot or ‘helicopter view’ of your business and how it sits in the market. It is a great way to identify actions and directions necessary to maximise opportunities, strengthen capability and address threats from competitors.

- Strengths
- Weaknesses
- Opportunities
- Threats

Evaluation of strengths and weaknesses is an analysis of the internal environment in which you have direct control over and the ability to change. This covers factors such as: organisational structure, key staff, company culture, and access to natural resources, operational efficiency and capacity, market share and financial resources.

Evaluation of the opportunities and threats is an analysis of the external environment, that is the environment in which you cannot directly control or change. Many of these changes can be perceived as threats to the market position of existing products and may require a change in product specifications or the development of new products in order to remain competitive. Changes in the external environment may be related to: customers, competitors, market trends, suppliers, partners, social changes, new technology, the economic environment and the political and regulatory environment.
### SWOT Analysis

**STRENGTHS**
- Guiding experience.
- Previously owned a small business.
- No debt.
- 3 months operating $ in bank.
- Certificate II in kitchen operations.
- Grew up in the region.

**WEAKNESSES**
- No computer.
- Need a 4WD.
- Don’t know how to get a PEP.
- Need permission from Elders and Land Council.

**OPPORTUNITIES**
- New product to market.
- Consistent with the parks Plan of Management.
- Partner with Visitor Centre to promote.
- Lots of visitors to region.

**THREATS**
- Established tour operator in next town.
- Perceived opportunity for established operators to move into area.
- Changes in regulations and licensing requirements.
A SWOT analysis should also be undertaken for yourself and any senior team members. There is a great advantage in identifying your own strengths and weaknesses and where opportunities and threats potentially present themselves to you. Even if you are not in business a SWOT analysis is a great starting place for personal development.

**STRENGTHS**
Guiding experience.
$5,000 in savings.
Certificate II in Frontline.
Grew up in the region.

**WEAKNESSES**
53 years old.
No computing skills.
3 dependent children.

**OPPORTUNITIES**
Grant to learn about e-marketing.
Local council start up grant to buy computer and software.

**THREATS**
Responsibilities to family when someone passes away.

During the planning stage of your business and at least every 12 months (or whenever your business is under pressure or ‘off plan’, be it for good and not so good reasons), you should undertake a SWOT analysis.
ACTIVITY - Your SWOT Analysis

Fill out your SWOT chart: one for your business and one for yourself.

Business SWOT:

STRENGTHS

WEAKNESSES

OPPORTUNITIES

THREATS

NOTES:
ACTIVITY - Your SWOT Analysis

Fill out your SWOT chart: one for your business and one for yourself.

Personal SWOT:

**NOTES:**
**Strengths**

- Under the parent company Tri State Safaris, Mutawintji Eco Tours was able to take advantage of all the existing business skills and working relationships that had been developed over the 16 years of operation in the tourism industry. This included:
  - Strong knowledge of running a small business and the tourism industry
  - Business skills: cash flow management, time management
  - Touring skills: providing engaging, informative and enjoyable experiences for their guests
- Relationships and business contracts with several tourism distributors
- Relationships with marketing bodies such as Destination NSW
- Relationships with all other important local businesses and government agencies

**Weaknesses**

- No existing full time Aboriginal tour guides or management staff

**Opportunities**

- Market research using data and insights from Destination NSW, Tourism Australia and Charles Sturt University identified consumer demand for Aboriginal cultural experiences, and at the time there were no other tour companies offering this experience to visitors in Mutawintji National Park.

**Threats**

- Several threats were identified in the planning stages including:
  - Restricted access to Mutawintji Historic Site: this would require special permission through NSW NPWS and the Land Council
  - Limited accredited guides and difficult to find suitable Indigenous staff: time was required to identify and train up potential Aboriginal staff members

---

**Strengths**

- WLALC was already established, with a strong business background and skilled staff available to take a leading role in the development of SDA.
- Any business requires strong leadership as well as skilled, capable staff. The current CEO was involved with SDA right from the concept stage, as he is also the CEO of the WLALC. He has a business background so could transfer some of the business skills to run the SDA business, and he is also one of the tour guides which keeps him closely connected to the delivery of the product and the visitor experience.

**Opportunities**

- There was an existing quad bike tour company in the area and the business owner had been working closely with the WLALC to establish a partnership. When this business owner unfortunately passed away, WLALC had the opportunity to take all the research and set up the business in their own right.
This is probably the most difficult task for any business. There are a number of tools available for free via the internet. There are also a number of software programs that can be purchased which will assist you with finance and budgeting.

**FINANCE AND BUDGETING**

**Did You Know?**

MYOB and Xero are the 2 most popular (and affordable) accounting software packages used by small business. TAFE runs short courses on these programs and there is a lot of customer support available for both.

**Quick Tip!**

It is fine if you don’t have any accounting software, just keep a simple spreadsheet to document all money that you are spending and receiving.

Financial planners and accountants can also assist with this. The NSW Department of Small Business has many such resources available on its website and also provides a free consultancy/advisory service for new and existing small businesses called “Small Biz Connect”. Additionally the Commonwealth Government has a suite of resources available through the Small Business Advisory Service. Both of these government agencies are highly recommended and frequently used by small businesses. Remember, without a budget you will not have any idea of how much money you might earn, when you might earn it, or what your expenses might be. Without a solid idea of these key things your risk of failure increases dramatically.

Getting the right information is important. So many people give up when they get to the point of looking at their financials.

**Quick Tip!**

A great way to get your head around budgeting before you set up your business is to create a “household budget” and manage that for 4-6 weeks. This will give you the chance to look at the range of factors that influence your ability to meet financial obligations – i.e. “to pay your bills”.
OPERATIONAL MANAGEMENT

In the simplest of terms, operational management is about knowing what to do, when, and how to keep everything on track.

We have already had a look at business planning and the SWOT analysis - we have linked what we want to do with what we need to do. Now we use this information to work out how to do it. This involves:

Identifying all the parts of the business. For e.g:
- Marketing/advertising
- Banking and bookkeeping
- Payroll
- Market research
- Planning and budgeting
- Records keeping
- Product/service delivery
- Bookings and payments
- Quality assurance
- Compliance and reporting

Identifying the tasks required for each part:
- i.e those jobs that need to be done for the business to operate.
- How much time each of the tasks require, and how often they need to be done.
- What skills are required: this leads into your staff requirements.
ACTIVITY - Operational Management

Create a list of all the parts of the business, then all the tasks or jobs that go with each part. The parts of the business include things like:

- Marketing/advertising
- Banking and bookkeeping
- Payroll
- Market research
- Planning and budgeting
- Records keeping
- Product/service delivery
- Bookings and payments
- Quality assurance
- Compliance and reporting

The tasks are those jobs that need to be done for the business to operate. Some of these tasks will be part of a bigger role and some will need to be done by people outside of your business (outsourced) and/or by employees.

When you have created your 2 lists you need to work how much time each of the tasks require each week and month. Don’t panic if the hours add up to something rather insane and remember this is only an estimate.
Once you have your list arrange it in order of importance to the businesses operations and include this information into your Operations Chart (following page).

Something else to consider is whether all the tasks occur each and every week. Some may be ‘once-a-month’ and others may only be required during your trading season or your pre-season period.

This element of analysis and planning will provide you with an idea of your human resources. It will also help you begin to further identify what skill sets are required and will feed back into your initial business planning where you identified your existing skills, skills gaps and links to your workforce development plan.
### ACTIVITY - Operational Management - Continued

<table>
<thead>
<tr>
<th>PARTS OF BUSINESS</th>
<th>JOBS / TASKS TO BE COMPLETED</th>
<th>TIME REQUIRED</th>
<th>WHO IS RESPONSIBLE</th>
<th>WHAT SKILLS ARE NEEDED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
Workforce planning and development are integral and critical to the successful operation of any business. This is no more evident than in the tourism business where ‘service’ is central to the product and its delivery.

Many small businesses and most sole traders presume that workforce planning is not something that they need to be concerned with. But it is this process that highlights the dynamics and diversity of the various roles and tasks that must be performed in order to function as a business. How can you manage your workflow, ensure quality service, maintain integrity to your business goals and values, and be sure that everything that needs to be done is done – in a timely, effective, compliant and efficient manner?

The other aspect of workforce planning and development that is so important for any business is that it helps to link jobs to skills. Without considering what tasks need to be performed you will be blind to what skills are needed to perform the task. This aspect is referred to as “targeted skills development”.

People are the core of the operational process and knowing which people are needed is imperative. But you can’t know which people you need until you have a strong understanding of your businesses products and services, and the various roles and associated responsibilities.

In order to create your workforce development plan there are a few key steps that you first need to go through. These are all part of the planning process.

1. Identify the goals and objectives of your business
2. Define your product
3. Define your market
4. Determine your markets expectations
5. Align your product with the market’s expectations
6. Develop a business plan

When these 6 elements are in place, you are ready to draft your plan.
**ACTIVITY - Workforce Planning and Development**

Firstly, using your list of all the tasks that need to be performed, break these down into how often they will need to be formed - each week, month, season and year. Now group these tasks together by commonality and then by sequence.

I.e. what tasks go together and in what order do various tasks occur?

These groupings are the first step in defining the various jobs for which you might have to undertake yourself or employ people to do for you. Some of these jobs you might outsource to a specialist on a contractual basis. For e.g. bookkeeping or website development and maintenance.

Once the tasks have been grouped then look at what they are mainly about and give them a title. For e.g. marketing, bookings, guides, safety, cleaning, maintenance, accounts, operations, etc.

Using the job titles you have come up with, use the internet and search for job or position descriptions for each of them.

Once you have 2 or 3 examples for each job type then using one as a template have a go at drafting your own job descriptions. Job descriptions form the basis upon which you:

- run your business
- deliver your services and products
- employ staff
- train staff
- manage staff performance (including your own)

---

**Quick Tip!**

A template for a workforce development plan created specifically for the Australian Tourism industry is provided for your use. (Please see appendix). This template has been used with nearly 2700 small businesses since February 2013 as part of the national Workforce Futures Program.
<table>
<thead>
<tr>
<th>WEEKLY TASKS</th>
<th>MONTHLY TASKS</th>
<th>SEASONAL TASKS</th>
<th>YEARLY TASKS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>TASKS BY COMMONALITY</td>
<td>TASKS BY SEQUENCE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TASK</td>
<td>TITLE</td>
<td>JOB DESCRIPTION</td>
<td></td>
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</tbody>
</table>

YOUR OWN JOB DESCRIPTION(S)
Targeted skills development (staff training) is a very important aspect of any business strategy. It is about knowing what skills are required to do a job properly (or in some cases are regulatory requirements). Targeted skills development, or training can occur at several levels.

- Before employment, during the course of employment on an ongoing basis or at key points in the business's life cycle.
- Delivered within the business as part of its regular operations delivered by an external provider (within the workplace, off site or online), be formal training linked to qualifications, or be non-accredited training.

Industry associations and governments at all levels provide funding through hundreds of programs to support businesses in developing their staff skills. In NSW the Small Biz Connect program is a great place to begin your search for the right program for your business. Another great resource is available through Service Skills Australia on the Workforce Futures website (over 650 programs and resources are referenced in key Human resources categories for you).

(Please see page 114 for a summary of the most popular programs available to the tourism industry nationally.)

Formal training in certificate and diploma qualifications such as guiding, hospitality, tourism and small business are delivered by both TAFE and private registered training organisations. They can be delivered in a classroom, in the workplace or, by distance learning either through workbooks or via the internet. It is important to know what type of delivery will suit your business and employees when making decisions about your training and the training provider. (Please see page 114 for a link on “How to choose an RTO”.)
Continuous training
- Senior staff regularly attend training events offered in the area. For e.g: Social media workshop in 2013, over several workshops various media were explored including Facebook, tripadvisor, twitter as well as website development.
- All staff training is done on site.

Continuous training
- To launch and sell his products and services through the international distribution network, Michael has worked very hard to understand the requirements of the export market, especially product suitability and pricing structures. Michael has researched extensively on the internet and attended several Tourism NSW workshops to get a better insight into what international customers want.
Customer Service

To succeed in tourism, you must ensure your business is recognised for its excellent customer service.

Tourism is a key sector of the service industries. This means that it is very much about experiences between people. You and your staff constantly engage with your customers, directly and indirectly. Every contact that your business has with a potential customer involves service.

In order for your business to be a success, you must:

- Understand key customer service concepts
- Plan and implement a customer service strategy
- Become a totally customer-driven business
- Use qualified customer service trainers to assist in developing your service skills
- Consider gaining accreditation in customer service skills through TAFE or industry training programs

There are some basic rules to good customer service:

- Train yourself and your staff to think as if they were the customer
- Make sure that you have the necessary skills and resources to deliver the products and services you intend to
- Don’t promise something you can’t deliver
- The customer is always right – even when they are wrong
- The most important customer is the unhappy one
- A good customer experience is the only customer experience
- Sometimes it is better to make a loss in order to ensure you customer experience is the right one – they will tell a lot of people how good you are and this will lead to more business
- You can’t please everyone!

It is extremely important that you become familiar with NSW consumer law and how it impacts upon your business. The government provides a range of resources to help you comply with consumer law and deliver good customer experiences. [www.fair-trading.nsw.gov.au](http://www.fair-trading.nsw.gov.au).

**Quick Tip!**

*The most successful businesses are those businesses that know their customers. “Who they are, what they want, what they need, what they might like, their cultural values and expectations.”*

It is important to do your homework on this. It is also important to know whether or not you can actually accommodate the customers’ needs. Be honest, if you can’t, then don’t take on these customers.
Marketing (and advertising) is about identifying and understanding your customer and providing them with your product/service in order to meet their wants and/or needs.

Marketing includes a range of formal channels including branding, advertising, networking and partnerships. The best forms of marketing are simple and stick to the core values of the business. This in turn makes them easily recognisable and creates trust amongst consumers.

For example:
NIKE is known for their simple ‘swoosh’ symbol and their catch phrase, which encompasses their core values; “NIKE – just do it!”.

Marketing also includes activities such as researching the market, consumers and products, developing the business and products, developing the skills of personnel and promoting, advertising or working with the media to raise awareness of the product to generate sales.

Marketing is often described as consisting of four elements, known as the four P’s: product, place, price and promotion.

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>The physical attributes of the product, branding &amp; packaging.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLACE</td>
<td>Distribution: the agencies, channels and institutions used to give consumers easy access to purchase the product.</td>
</tr>
<tr>
<td></td>
<td>• The tourism industry has a developed distribution system</td>
</tr>
<tr>
<td></td>
<td>It consists of 3 major groups:</td>
</tr>
<tr>
<td></td>
<td>1. Consumers</td>
</tr>
<tr>
<td></td>
<td>2. Trade</td>
</tr>
<tr>
<td></td>
<td>a. 'Traditional' Distributors - including retail travel agents, wholesalers, ITOs, government tourism agencies</td>
</tr>
<tr>
<td></td>
<td>b. Online travel sites</td>
</tr>
<tr>
<td></td>
<td>3. Other industry and sector associations</td>
</tr>
<tr>
<td></td>
<td>This is detailed in Section 1: How the tourism Industry works – Distribution and Marketing (Page 16).</td>
</tr>
<tr>
<td>PRICE</td>
<td>Must meet both the needs of consumers and of the operator.</td>
</tr>
<tr>
<td>PROMOTION</td>
<td>How consumers are made aware of destinations, products or services, to help them choose their holiday.</td>
</tr>
<tr>
<td></td>
<td>• There are two types of promotion/advertising: Traditional and Non-Traditional; these cover a wide range of media</td>
</tr>
<tr>
<td></td>
<td>- Traditional - print (magazines, newspapers, brochures, direct-mail), radio, TV and is often expensive</td>
</tr>
<tr>
<td></td>
<td>- Non-Traditional - internet, social media, etc. and is often cheaper/more accessible for small businesses</td>
</tr>
</tbody>
</table>
The Internet

Your tourism product website

- Websites should be simple, easy to navigate and be very visual.
- Keep the text to a minimum.
- Put yourself in the customer’s shoes and focus the content around this.
- There are numerous companies that allow you to create your own website for free such as, Wordpress and Wix. If you choose to have someone create a website for you this will generally cost between $2,000 and $5,000.

Social Media

- There are a range of social media platforms that can also be used to promote your business. One of the most popular is Facebook, but it is not the only one.
- There is great value in creating a Facebook page but you have to understand why you are doing it and what you want it to achieve. It needs to be maintained and monitored constantly responding to the feedback that visitors provide.

Quick Tip!

Choose multiple social media platforms through which to promote your business. Social media is generally free and is a great way to get your business name out there. It is also a great way to interact and keep in touch with existing customers.

Other businesses and organisations websites

- You can be listed and recommended on tourism destination websites as well as other complementary business websites.
- There are also a range of informal and formal local directories such as Yellow Pages and Hot Frog etc.
- Online trading sites such as Gumtree are also great ways to get your product in front of people who may not live locally.
Online Bookings

- SDA is bookable online, on their own website, as well as Destination NSW (www.visitnsw.com) and a range of other travel websites.
- SDA uses the frontdesk booking system, allowing them to be bookable online through their own website and a range of other online distributors, as well as managing all their other bookings.
- “Having an online booking system is great as once it’s set up, we can be getting bookings 24 hours a day, from all around the world!”

Brochures

- SDA distributes brochures at the Visitor Information Centre as well as several local hotels, B&Bs and backpacker hostels.

Online Bookings

- Mutawintji Eco Tours is bookable online, on their own website, as well as Destination NSW (www.visitnsw.com) and a range of other travel websites.

NP Visitor Centre

- “Recommend us (but do not have the ability to direct book with us)”
Search Engines

- Search engines such as Google are the most common way that people source information. They can filter articles, photo’s, maps, websites and directories.
- People can search by location, industry, product type or business name.
- When people are searching for things they want, you want your business to show up in the search results (preferably on the first page). A website with good content will help achieve this, as well as being listed on numerous business directories.
- You can also pay to guarantee that your business will show up when people search for certain things, companies like SponsoredLinX can help with this sort of marketing.

For More Information!

The Tourism e-kit is a great free resource provided by the Australian Tourism Data Warehouse (ATDW) which contains several units on digital and e-marketing. Go to http://tourismekit.atdw.com.au/
Other Marketing Opportunities

In your region

- Brochures in the Visitor Centre.
- Signs and posters along the road.
- Belonging to local business organisations, groups, clubs.
- Other, such as word of mouth, parent associations, local newspapers and newsletters.

Events

- Attending expos and events at which you can promote your product.
- Hosting or sponsoring events to promote your business.
- Being a guest speaker at an event.

Tourism authorities

- Tourism authorities offer a range of opportunities through which you can gain access to extensive promotion.
- Destination NSW promotes Aboriginal experiences.
- For e.g. If you are T-qual accredited you may be eligible to become an Indigenous Tourism Champion and be promoted by Tourism Australia.

Quick Tip!

Look for opportunities to work with other businesses to enhance the experience you provide your customers. Try and build solid relationships that will benefit both parties.
When developing your marketing strategy, pay particular attention to your ‘value-add’ concepts and be innovative. The value-add is what distinguishes your business from others. It relates to an enhancement of the product or service offered to customers.

Examples of product value-adding are:
- A purchase incentive, such as champagne on arrival or complimentary parking.
- A package, such as three nights accommodation including tickets to a particular attraction.
- Bundling your products with others in the region to offer an experience.
ACTIVITY - Value-Add

Quickly brainstorm what separates your tourism product and/or service from other similar ones in your area:

List any other products or services you could add to your tourism offering to increase its perceived value:

Remember, it is important to understand why consumers might choose your business over a competitor. So ask yourself:

Why would customers choose you (or your region) rather than your competitor?

What can you tell them about your product? (For e.g. price, experience, etc.)

How do you plan to tell them about your product and experience?
PRICING

A key element of your business planning needs to be about pricing and cash flow. This informs your business plan from both the budgeting perspective and the cycle of business activity.

Quick Tip!

To develop a sense of understanding around your businesses financials look at similar or same businesses operating both within your target market and outside it.

What you are developing is an understanding of the market and how the product sits within this market.

The sorts of things you want to know include:

- How many potential consumers?
- How much the industry has grown over the past 3 years?
- What growth is predicted over the next 3 years?
- Is it an emerging or mature market?
- Average cost of delivering the product or service?
- Average, lowest and highest price paid by the consumer for the product or service?
- Where you think your business will sit within the market? Budget, average or high end for price, value and delivery cost?
- What share of the market is available to you without having to encroach on your competitors?
- Is the market seasonal or year round?

Quick Tip!

If you don’t research your market you cannot understand and effectively react to the opportunities and threats your businesses faces.

It is only through researching your market that you understand your competitors, identify what you can charge your clients, how many clients you might expect (market share), and when to expect your clients to purchase your products/service.

As you can see there is a pattern emerging in how everything is inter-related. It is important to view all of the key planning and strategic elements both individually and as a whole. The most successful business leaders are able to look at both the ‘big picture’ and the details. Think of it as being like a jigsaw.

Your market research will be informed by, and will inform your SWOT analysis.
When pricing your products you must take into account how much it costs you to produce your products (fixed and variable costs) as well as how much money you would like to make (profit), remember this is your business and you need to make a living too. But most importantly it is essential that your customers are willing to pay your price so ensure you are perceived to be giving them the highest quality at the lowest price to ensure your customers are receiving value for money. This will increase your chances of returned business or increased business through referral.

**Quick Tip!**

*Do this for both a best case (maximum) and a worst case (minimum) scenario*
Unit available for sale:
Total units available for sale is based on the number of people who participate in your tours times the number of tours you operate per day/week/month. It is imperative to make a decision on the minimum number required to run a tour and the maximum number of participants you can accommodate.

Units available for sale (month)  

<table>
<thead>
<tr>
<th>A: number of people per tour</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
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<tbody>
<tr>
<td></td>
<td>6</td>
<td>10</td>
<td>15</td>
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<table>
<thead>
<tr>
<th>B: number of tours per day</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
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<table>
<thead>
<tr>
<th>C: days per week</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>D: number of tours per month (B x C x 4)</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4</td>
<td>16</td>
<td>36</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>E: number of people per month (A x B x C x 4)</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
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<tbody>
<tr>
<td></td>
<td>24</td>
<td>160</td>
<td>540</td>
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</table>

Total units available for sale (TUAS)  

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<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
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<tbody>
<tr>
<td></td>
<td>24</td>
<td>160</td>
<td>540</td>
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</table>

Fixed Costs:
Fixed costs are costs that you are liable to pay regardless of whether you sell one unit or 1,000 units. The level of activity does not affect fixed costs. For e.g. the annual PEP license fee is $250 per year regardless of how many tours you operate or how many people participate in your tours. Fixed costs can be weekly, monthly, quarterly or yearly expenses. You will need to average them out to apply to each unit.

Fixed Costs (FC) monthly  

<table>
<thead>
<tr>
<th>Fixed Costs (FC) monthly</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks Eco Pass ($250 p.a /12)</td>
<td>21.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Liability Insurance ($1,200 p.a. /12)</td>
<td>100.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td>60.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Car Rego ($1,300 p.a. /12)</td>
<td>108.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Tourism Organisation Fees ($300 p.a. /12)</td>
<td>25.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising</td>
<td>50.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total FC per month  

<table>
<thead>
<tr>
<th></th>
<th>364.00</th>
</tr>
</thead>
</table>

Total Fixed Cost (TFC) per unit (FC/TUAS)  

<table>
<thead>
<tr>
<th></th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$15.17</td>
<td>$2.28</td>
<td>$0.67</td>
</tr>
</tbody>
</table>
Variable Costs:

Variable costs are costs that increase depending upon the level of activity. The higher the level of activity the greater the cost. That is the more tours you do the more your costs increase as a whole. Variable costs may increase per tour, for e.g. wages and fuel or they may increase per person, for e.g. the parks per head per day fee. You may need to average them out to apply to each unit.

<table>
<thead>
<tr>
<th>Variable Costs (VC) monthly</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>F: per head per day fee ($4.10 x A x D)</td>
<td>98.40</td>
<td>656.00</td>
<td>2214</td>
</tr>
<tr>
<td>G: average fuel cost per trip ($20 x D)</td>
<td>80.00</td>
<td>320.00</td>
<td>720.00</td>
</tr>
<tr>
<td>H: wages per tour ($100 x D)</td>
<td>400.00</td>
<td>1,600.00</td>
<td>3,600.00</td>
</tr>
<tr>
<td>I: booking fee ($2 x A x D)</td>
<td>48.00</td>
<td>320.00</td>
<td>1,080.00</td>
</tr>
<tr>
<td><strong>Total VC per month</strong></td>
<td><strong>626.40</strong></td>
<td><strong>2,896.00</strong></td>
<td><strong>7,614.00</strong></td>
</tr>
<tr>
<td><strong>Total Variable Cost (TVC) per unit (VC/TUAS)</strong></td>
<td>$26.10</td>
<td>$18.10</td>
<td>$14.10</td>
</tr>
</tbody>
</table>

Total Cost per Unit:

Determining your total amount of fixed and variable costs is important when pricing your products. You must ensure all of your costs are covered so you are able to meet the costs of your business expenses.

<table>
<thead>
<tr>
<th>Total Cost per Unit</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>TFC per unit + TVC per unit</td>
<td>$41.27</td>
<td>$20.38</td>
<td>$14.77</td>
</tr>
</tbody>
</table>

Desired Profit per Tour:

Desired profit refers to the amount of money you would like to take home in your pocket (excl. income tax payable) after expenses are paid.

<table>
<thead>
<tr>
<th>Desired Profit per Tour = $200.00</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>J: Profit per month ($200 x D)</td>
<td>800.00</td>
<td>3,200.00</td>
<td>7,200.00</td>
</tr>
<tr>
<td>Desired Profit (DP) per unit (J/E)</td>
<td>$41.27</td>
<td>$20.38</td>
<td>$14.77</td>
</tr>
</tbody>
</table>

Unit Price:

Unit price based on - average 10 people per tour, 2 tours per day, twice a week total fixed cost per unit + total variable cost per unit + desired profit per unit.

\[
(FC) \times 2.28 + (VC) \times 18.10 + (DP) \times 20.00 = 40.38 \text{ per person}
\]
### ACTIVITY - Pricing

**Step 1.** Work out your *units available for sale.*

<table>
<thead>
<tr>
<th>Units available for sale (month)</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A: number of people per tour</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B: number of tours per day</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C: days per week</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D: number of tours per month (B x C x 4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E: number of people per month (A x B x C x 4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total units available for sale (TUAS)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Step 2.** Work out your *Fixed Costs.*

<table>
<thead>
<tr>
<th>Fixed Costs (FC) monthly</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks Eco Pass ($250 p.a /12)</td>
<td>21.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Liability Insurance ($1,200 p.a. /12)</td>
<td>100.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total FC per month</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Fixed Cost (TFC) per unit (FC/TUAS)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Step 3.** Work out your *Variable Costs.*

<table>
<thead>
<tr>
<th>Variable Costs (VC) monthly</th>
<th>Min.</th>
<th>Avg.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per head per day fee ($4.10 x A x D)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total VC per month</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Variable Cost (TVC) per unit (VC/TUAS)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Step 4. Work out your **Total Cost Per Unit**.

\[
\text{TFC per unit + TVC per unit}
\]

Step 5. Work out your **Desired Profit Per Unit**.

\[
\text{Desired profit per tour} = \$ \quad \text{Min.} \quad \text{Avg.} \quad \text{Max.}
\]

\[
\text{J: Profit per month (profit per tour x D)}
\]

\[
\text{Desired Profit (DP) per unit (J/E)}
\]

Step 6. Work out your **Unit Price**.

\[
\text{Fixed Costs (FC)} + \text{Variable Costs (VC)} + \text{Desired Profit (DP)} = \text{Unit Price (PP)}
\]

Min.

\[
\text{= }
\]

Avg.

\[
\text{= }
\]

Max.

\[
\text{= }
\]
THE IMPORTANCE OF NETWORKING

Networking is the most cost effective means of ‘spreading the word’. By meeting with others and talking about your business and its products and services and listening to others talk about their business and its products you create synergies and links (often in the most unexpected places). Word of mouth is still powerful!

Networking opens doors, provides introductions and creates opportunities both for you and from you. Networking must be a 2-way process. It cannot be ‘all take’ and ‘no give’.

You can arrange meetings independently and there are many industry events, workshops and meetings that you can attend. These include, tourism events, such as information seminars and workshops run by your local RTO and Destination NSW, trade events, as well as many other local events such as local industry and council meetings. Many of these events are free to attend, however some require registration and payment.

Spotlight On: Sand Dune Adventures

At one of the Destination Port Stephens industry workshops, the SDA team met one of the speakers, who they then contracted to re-develop their website. SDA attended the first Aboriginal Operator workshop, organised by Destination NSW held at the Royal Botanic Gardens in 2013. It’s a great event to get to know all the other Aboriginal operators in NSW and share tips and knowledge. SDA hosted the second workshop, held in March 2014.

Spotlight On: Mutawintji Eco Tours

Have attended the Australian Tourism Exchange and New Product workshops, but not recently. They can be very expensive and time consuming; you need to ensure you are going to get a benefit from attending.
ACTIVITY - Networking and Your Calendar of Events

Develop a calendar of events that you could attend throughout the year that could provide good networking opportunities.

<table>
<thead>
<tr>
<th>EVENT</th>
<th>FREQUENCY HELD</th>
<th>MONTH/S HELD</th>
<th>CHARGE TO ATTEND</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>
Alliances and partnership agreements are formal agreements to cross-promote with other businesses. They can also include bundling (grouping) your product with other tourism products to create tourism packages.

Packaging can improve business and provide customers with well priced, attractive and convenient holiday options, which often encourages longer stays in the region.

A package combines two or more products so the customer and market segment being targeted gain an advantage compared with buying the items separately. Core holiday components, such as transport, accommodation, meals, attractions and entertainment, can be carefully combined into a complete packaged experience. Packages provide the customer with greater convenience, more exciting experiences and often a more competitive price.

For example:

- You set up an arrangement with the local hotel to provide accommodation and meals for your clients whilst you provide the tour, guiding experience and transport.
- The hotel promotes your tours to its customers as part of its value-add.

**ALLIANCES AND PARTNERSHIP AGREEMENTS**

SDA website recommends several local businesses, SDA has a partnership with several hotels in the local region whereby customers can book a tour. The customer pays the hotel and takes a voucher for the tour, after the tour has taken place SDA invoices the hotel for the ticket price including a commission for ‘selling’ the tour.

Mutawintji Eco Tours work with many ITOs and wholesalers, mainly TrainLink. They can also be booked through most accommodation properties in Broken Hill, as well as the Local VIC.
List all the businesses operating in your area that you think could be potential partners. Who are they, what service do they provide and how would you work together?
ACTIVITY - Marketing Action Plan

Just like with your business plan, you need to create an action calendar for all your marketing activities.

In the first column write down all the types of marketing activities you plan to undertake.

1. Draw a green border around those months which represent your ‘high’ season (i.e. trading season, for e.g. Spring and Autumn, dry season).
2. Draw a red border around the 3 months in front of your season. This is the period in which your marketing will be most concentrated and strategic/targeted.

In columns 2-13 (i.e. January to December) list each of the marketing activities that you will undertake for each month.

- Many activities will occur at regular cycles
- Some will occur pre-season only
- Others such as website development will be a one-off task

Beside each task identify who is responsible for managing it, and write down the maximum amount you can afford to spend.

For those things that require external expertise circle them in red. They will likely cost you more, and it may be that you cannot afford to do them all in your first year. Use an orange marker to circle those activities you must do. This is where your budget must focus.

Scenario:

You have $5,000 for your marketing budget. The ‘must haves’ include:

- A website, brochures and membership for a couple of industry associations

The ‘would have if could haves’ include:

- T-Qual accreditation, billboard sign when driving into town, logo on side of 4WD, logo on uniforms, etc.

Get 2 quotes for the cost of your ‘must haves’ and 1 quote for the ‘could haves’. The ‘must haves’ add up to $4,300 so you have $700 left over. Put $400 (approx 10%) aside for any over costs. Have a look at your ‘could haves’ and see what you can still afford to do and add these to your list of ‘must haves’.

Write onto your calendar the ‘must haves’ with their costs beside them. In a different colour write on your ‘could haves’ with their costs. Remember if your business goes to plan, you want to be able to action some of these other marketing activities as you can afford to.
<table>
<thead>
<tr>
<th>MARKETING ACTIVITIES</th>
<th>JANUARY</th>
<th>FEBRUARY</th>
<th>MARCH</th>
<th>APRIL</th>
<th>MAY</th>
<th>JUNE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>JULY</th>
<th>AUGUST</th>
<th>SEPTEMBER</th>
<th>OCTOBER</th>
<th>NOVEMBER</th>
<th>DECEMBER</th>
<th>NOTES</th>
</tr>
</thead>
</table>

ACTIVITY - Marketing Action Plan - Continued
WHY SOME BUSINESSES FAIL

The main reason businesses fail is because they don’t plan. They fail to go through the steps that we have been talking about:

- Business planning
- Product development
- Market research
- Skills development
- Financial planning

The other common reason that businesses fail is lack of capital. They simply don’t have enough money to operate during the establishment phase (first 6-18 months). But this really comes back to planning. They failed to get a strong understanding of what it was going to cost and what sort of business activity they might expect.

The other big reason for business failing is poor decision making. There is no such thing as a natural, business guru or genius when it comes to building and maintaining a successful business. It is about hard work, constant monitoring, being informed, seeking assistance wherever and whenever possible, and being honest with yourself.

The most successful businesses are those that:

- Plan > Review > Respond > Revise > Review > Respond
- Keep good business records (not just financial)
- Identify your goals and your limitations
- Have an effective mentor
  - Probably the best advice to give anyone going into business is to find a mentor. A mentor is someone at a distance from the business (they have no interest in the actual business activity) who you can talk to. A mentor is someone who really listens, who can be objective. They don’t need to understand your business or product segment, but it is helpful if they have a general understanding about small business.
- Surround yourself with the people who have the skills

Tri State Safaris has faced several challenges including managing cash flow, budgeting (especially the marketing budget), hectic and constant administration work, organising custom tours, staff training and paying high commissions to travel agents. However, most of these challenges have been overcome by employing external advisers and accountants, getting advice from industry peers and building credibility with customers and other stakeholders. In addition, winning a range of tourism awards helped increase the credibility and reputation of the business.
LOOKING AFTER YOURSELF

The ‘me’ factor. When it comes to looking after yourself you can’t be too selfish. If you are not functioning on all 8 cylinders then you cannot do the job properly or to the level required. You become vulnerable to stress and prone to making inappropriate or wrong decisions.

In looking after yourself you need to understand what it is you want from your business. Why did you go into it? Was it to do with lifestyle or a passion? If it was about lifestyle then make sure you are being faithful to this motivation.

“I recently met a guide in Australia’s ‘top end’. He went into business on his own mainly for lifestyle reasons as well as the opportunity to share his culture with others. He identified up front what income he needed to live the life he desired. He then worked out how much work this would require and how much time he was willing to invest into work. After 16 years he has a guiding business that operates 6-7 months a year during the dry season and requires a small ongoing investment of time to promote his product during the wet (off) season. He is highly successful and is in enormous demand. He could expand his business, employ extra guides, market internationally and build a multi-million dollar business. But that is not his lifestyle choice. He continues to operate on his own and still earns more money than he needs. He is healthy and stress free and very, very happy.”

To operate your own business you need to be both physically and mentally healthy. Body and mind need to be fit. It is a demanding task, and can be most unforgiving at times. Make sure you take time for yourself and those who are important in your life. Don’t let the business take over your life.

Identify what things cause you stress and what activities de-stress you. Monitor your stress as much as you monitor your business. There is a strong correlation between personal stress and business performance.

When you are stressed the business is less likely to perform to expectations and when the business is under-performing you are most likely to become stressed.

(Please see appendix for series of articles on stress management and work-life balance.)
In establishing and developing your tourism business, you will require the assistance of a number of different people and organisations. The organisations and services listed on the following pages will give you a good starting point.

You may need to speak to or meet with these people more than once as you develop a better understanding of the industry and your business. To be clear on what you have to do, it is better to invest your time before you start operating your business. However, if you have already started your business it is never too late to contact these organisations to ensure you have all the information you need.

When considering utilising the services of any organisation, it is good practice to seek referrals from trusted colleagues or to contact the organisation’s existing clients. This allows you to verify the organisation’s credibility, professionalism and expertise in the areas in which you are seeking their assistance.
Support Service Examples

<table>
<thead>
<tr>
<th>Service</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigenous Business Australia (IBA)</td>
<td>Through its Business Development and Assistance Program, Indigenous Business Australia (IBA) assists eligible Indigenous Australians to establish, acquire and grow viable small to medium businesses, by providing, or facilitating access to business support services and business finance. For more information go to: <a href="http://www.iba.gov.au/business-ownership/">http://www.iba.gov.au/business-ownership/</a>.</td>
</tr>
<tr>
<td>Aboriginal Enterprise Development Officer Program</td>
<td>The Aboriginal Enterprise Development Officer Program (AEDOP), run by the NSW Department of Education and Communities, funds organisations to employ and train people to act as mentors and support for Aboriginal people who want to set up a business. For more information go to: <a href="http://www.training.nsw.gov.au/programs_services/funded_other/acp/aedop.html">http://www.training.nsw.gov.au/programs_services/funded_other/acp/aedop.html</a>.</td>
</tr>
<tr>
<td>The Australian Tax Office</td>
<td>The ATO has a range of online documents that act as a step-by-step guide to starting a business in Australia. For more information go to: <a href="http://www.ato.gov.au">http://www.ato.gov.au</a>.</td>
</tr>
<tr>
<td>Accountant or Financial Advisor</td>
<td>You may also want to invest in consultations with the following professional services. Always make sure you get an estimate of the costs involved prior to contracting their services.</td>
</tr>
<tr>
<td>Bank Manager or Financial Institution</td>
<td>These professionals will be able to forecast your running costs, cash flow, turnover requirements, etc. and determine if you have sufficient funds to invest or how much you will need to borrow. They can assist you to financially manage your business, your tax requirements, develop your budget and build your business for the future.</td>
</tr>
<tr>
<td></td>
<td>Make time to talk through your current financial situation and your business plan with your bank or financial institution. Determine what support they can offer, what credit facilities are available and at what cost, and whether they are willing to lend your business money etc.</td>
</tr>
</tbody>
</table>
A solicitor or other legal practitioner should be consulted regarding any contractual or other legal arrangement you need to make for your business, for example, lease agreements, sale of business contracts, etc. Operating a business that deals with people can leave you vulnerable to legal action from a dissatisfied customer. Your legal responsibilities will also be determined by your business structure (For e.g. sole proprietor, partnership or proprietary limited) and a legal practitioner can advise you regarding your rights and responsibilities.

Talk to an insurance company or broker to determine what insurance cover you will require for any public liability, property damage, loss of income, workers compensation, etc. to protect yourself, your employees and your customers.

These consultants usually have extensive local knowledge and may offer a variety of skills and experience in product development, marketing and operational management.

Talk to operators in similar or complementary businesses. They are valuable contacts.
• In 2009 an IBA mentor (Peter Van Herk) was appointed to assist with business development. The mentor was on-site for 26 days over two months and provided assistance with Business Planning, Policies and Procedures as well as some of the practical business development - setting up strategic alliances, trialling and purchasing equipment, getting the marketing together. Peter then handed over the reigns to Kyle to continue on.

• SDA currently has an IBA tourism Industry assigned mentor (Nicole Mitchell), who the team have been working with on a regular basis to continue to review the products, seek new opportunities, further develop marketing activities and open new industry doors. This is carried out during a couple of site visits per year, and via phone/email.
SECTION 3: Additional Information, Activities and Resources
SECTION 3
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USEFUL CONTACTS

Want to know more? Talk to your tourism manager, your RTO, your industry association or Destination NSW. Look at books and articles on tourism, and check out available TAFE and university courses.

Destination NSW provides an up to date contact list on their website, including:

- Regional Tourism Organisations
- Government Departments and Statutory Bodies (Tourism)
- Government Departments and Statutory Bodies (General)
- Business Enterprise Centres (NSW) Ltd (BECs)
- Tourism and events industry Groups
- Sources of statistical information
- Destination NSW key contacts


ADDITIONAL INFORMATION - DESTINATION NSW

Destination NSW has an extensive range of business development resources available to assist tourism operators and related businesses in the tourism and events industry. The collection is constantly being updated and enhanced in response to industry requests and the availability of new programs and multi-media options. You can view the current list on the website:


This includes information on and links to:

- Go Green: Environmental management practices
- Compliance information
- Other government support
- Funding and grants
- Visitor safety and security
- Government business programs
- Destination development and marketing
- Promoting your experience
- Online marketing
- Market knowledge, facts and figures
- Work with the industry: contacts
- Work with Destination NSW

Destination NSW has produced “The Tourism Business Toolkit” – an excellent resource designed for operators at every stage of their business, to help gain a better understanding of the tourism industry and develop sustainable tourism products.

Small Biz Connect (funded by the NSW Government) has developed The Small Business Toolkit - an excellent resource, allowing you to find the information and interactive tools to assist you to start, run and grow your business.


There is a dedicated Tourism Business Module:


It has lots of useful information on business planning, finance and cash flow, marketing and sales and HR and employee management, as well as check lists, planning tools and case studies.

Workforce futures is an initiative from the Tourism and Hospitality Industries who are collaborating to improve the capacity and capability of the workforce.

With funding from the Australian Government, the Program will be rolled out across Australia and will address key workforce development priorities for tourism and hospitality businesses.

The following are links to resources already established.

Overview of workforce development:

Guide to selecting an RTO:

Key funded programs:

Useful links for recruitment, targeted skills development and marketing:

Workforce development case studies:
## ADDITIONAL INFORMATION - LEVELS OF THE INDUSTRY

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>TYPE OF BUSINESS</th>
<th>FUNCTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>Tourism Operators</td>
<td>Deliver tourism goods and services</td>
</tr>
<tr>
<td></td>
<td>Local Councils</td>
<td>Planning and Regulation</td>
</tr>
<tr>
<td></td>
<td>Visitor Information Centres (VIC’s)</td>
<td>Provide visitors with information and bookings</td>
</tr>
<tr>
<td></td>
<td>Local Tourism Associations (LTA’s)</td>
<td>Membership based Promote destination and tourism operators</td>
</tr>
<tr>
<td>Regional</td>
<td>Regional Tourism Organisations (RTO’s)</td>
<td>Package and promote products and services within their region</td>
</tr>
<tr>
<td>State</td>
<td>Destination NSW (DNSW)</td>
<td>Industry development Marketing</td>
</tr>
<tr>
<td></td>
<td>Office of Environment and Heritage (OEH)</td>
<td>Co-ordinate, manage and planning activities that work towards a healthy environment Includes NPWS</td>
</tr>
<tr>
<td></td>
<td>Trade and Investment (T&amp;I)</td>
<td>Attract domestic and international investment to NSW</td>
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<tr>
<td></td>
<td>Transport for NSW</td>
<td>Leading public transport agency of the NSW Government</td>
</tr>
<tr>
<td></td>
<td>NSW Fair trading</td>
<td>Safeguard consumer rights and advise business and traders on fair and ethical practice in NSW</td>
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<tr>
<td></td>
<td>Business Licence Information Service (BLIS)</td>
<td>Find information about licences, permits and other regulations</td>
</tr>
<tr>
<td></td>
<td>Forests NSW</td>
<td>Sustainably manage State forests</td>
</tr>
<tr>
<td></td>
<td>Roads and Maritime Services</td>
<td>Manage roads and road safety</td>
</tr>
<tr>
<td></td>
<td>Tourist Attraction Signposting Assessment Committee (TASAC)</td>
<td>Plan and implement tourist signposting systems</td>
</tr>
</tbody>
</table>
## ADDITIONAL INFORMATION - LEVELS OF THE INDUSTRY

<table>
<thead>
<tr>
<th>Level</th>
<th>Organization</th>
<th>Services and Functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Industry and Sector associations</td>
<td>Provide specific advice, training and networking opportunities</td>
</tr>
<tr>
<td>National</td>
<td>Tourism Australia (TA)</td>
<td>Marketing, deliver research forecasts</td>
</tr>
<tr>
<td></td>
<td>Tourism Research Australia (TRA)</td>
<td>Provide tourism research and data</td>
</tr>
<tr>
<td></td>
<td>The Department of Resources, Energy and Tourism (DRET)</td>
<td>Australian Government tourism policy and programs</td>
</tr>
<tr>
<td></td>
<td>Australian Bureau of Statistics</td>
<td>National statistics</td>
</tr>
<tr>
<td></td>
<td>Austrade</td>
<td>Assist international trade and investment</td>
</tr>
<tr>
<td></td>
<td>Tourism Quality Council of Australia</td>
<td>Tourism Accreditation programs - T-QUAL Accreditation</td>
</tr>
<tr>
<td></td>
<td>Indigenous Business Australia</td>
<td>Business development mentoring and finance programs</td>
</tr>
</tbody>
</table>

![Image of a coastal landscape](image-url)
ADDITIONAL ACTIVITY - Planning Part 1

List all the things you want from running your own business. It doesn’t matter how selfish, strange or insignificant they seem.
*For e.g. time, space, no boss, being outdoors, new car, sharing your culture, wealth, etc.*

Next, list all the things you want your business to do.
*For e.g. operate guided walking tour twice daily 4 days week during season; employ 3 staff; turnover $150,000 p.a.; win a regional tourism award.*

Turn these 2 lists into a couple of simple sentences – a *mission statement*. This is what drives you forward, keeps you on task and supports you when things are tough. If you can’t explain in a few words what you want to do and why, it will be even harder to deliver on this goal.
**ADDITIONAL ACTIVITY - Planning Part 1 - Continued**

Once you’ve created lists for the ‘wants and whats’ then you need to list all the skills required to deliver on this. Divide this list into 2 groups: skills I have and skills I need.

**Skills I have:**

**Skills I need:**

**NOTES:**
**ADDITIONAL ACTIVITY - Planning Part 2**

**Step 1.** Write down everything thing that you want your business to be.
(see Additional Activity - Planning 1)

**Step 2.** Write down everything you can possibly think of that your business will need, no matter how minor it might be.

**Step 3.** Write down all the skills and qualities and experiences that you possess and have accumulated over your life time. It doesn’t matter if it is not especially relevant at this stage.

Now do this for anyone else that may potentially be involved in your business.
Step 4. The next step is to:

- Link all the wants and skills together (i.e. Step 1 & 3)
- Mark off any of the resources that you already have (Step2).

This is called a gap analysis as you are identifying what you do have versus what you need.

Circle all the things that match in green and highlight anything you don't have in red. Remember that at this early stage of planning you will probably not have listed everything that you think you need or everything thing that you think you have. The list of wants for your business in Step 1 will most likely change dramatically over the planning stage and even more so during the life of your business.

The next step in the planning process is to begin thinking about 2 critical things:

- How can I use what I have to best advantage?
- How can I access what I don’t have in a timely and cost effective way and what is the likely cost?

Step 5. Use different coloured pens to identify related things. For e.g. All the things you can get for free in blue and everything that will cost you money in orange. Those things that you can’t do or get yourself in green and anything that you have ‘no idea’ about in red.

What you are doing here is prioritising and ranking the key business elements.

This is the beginning of your plan.
ADDITIONAL ACTIVITY - Planning Part 2 - Continued

**Step 6.** There is one more thing to do before starting to write your actual plan. You need to make a list of all the tasks required to start a business.

*This may include such things as apply for an ABN, open a bank account, take out income protection and any required insurances, apply for your PEP, buy a laptop and printer, create Facebook page, and much more.*
Step 7. Take a large piece of butchers or art paper and divide it into 12 columns (one for each month of the year). The first month on your calendar is this month because now is when your business plan (and in fact your business) commences.

Now the fun begins!
Grab a pencil (and an eraser because you will change things more times than there are days in the year!) and start to write on your calendar all the things that you need to do each month. The first things should be those tasks required before you can actually commence trading (pre-trading tasks). Make sure that you allow enough time to do everything without rushing. When you think you have everything on your calendar go back to each of your lists and think “what have I missed?”. Don’t be afraid to add new things as this is actually a good habit to get into. Now return to your calendar and add any new items then walk away. Give yourself time to think things over and de-clutter your mind. Leave it a couple of days before returning and reviewing it again.

Review and revise:
- Add anything extra that you have thought of
- Move things around
- Add explanatory notes and extra details to improve the meaning
- Delete things

When you are comfortable that you have included everything you can currently think of and have covered off your ‘window lists’ then take a new sheet of paper draw it into 12 columns. Divide each of these columns into 4 separate columns (one for each week of the month).

Take your monthly plan and break it into weekly actions.
Instead of simply listing everything write them as “to do statements”.

For example:
‘Go on line to www.business.gov.au and register for an ABN’; ‘go to Office Works and buy stationary items’;

What you now have is the first part of a business plan – the operational component.
ADDITIONAL ACTIVITY - Planning Part 2 - Continued

There are 3 other components you need to integrate into your plan before you have finished:
- Marketing strategy: Needs and actions
- Financial components: Target business activity, estimated turnover (both by revenue and bookings), outgoings (estimated)
- Workforce development plan: Attraction, recruitment, training/skills development

The process by which you do each of these is very similar to what is done for the pre-operational and operational side of things.

For your marketing strategy list all the tasks by type and by sequence. Many will actually be tasks that you repeat on a continuous basis as marketing is a continuous process.

For example:

Create Facebook page:
- Review page weekly
  - Post new comments
  - Reply to posts
  - Invite friends
  - Update images
  - Revise facts and figures
  - Create new links and groups
- ‘Like’ other complimentary pages and groups
- Post an advert or friend invite on the broader Facebook community linking to your page
- Approach organisations asking if they will post links to your page on their page and or website

Remember to include any associated costs as part of your financial planning component of your plan.
ADDITIONAL ACTIVITY - Build Your Tourism Business

MARKETING:
1. Will you be using the internet to sell your products?

2. How will your target market find you?

3. Who will provide design advice/software skills to develop and maintain a website?

4. How will you manage the ongoing accuracy and relevancy of your website?

5. How will you enhance your presence, including third party online travel providers?
ADDITIONAL ACTIVITY - Build Your Tourism Business - Continued

6. What is the total cost of the initial development of your online presence?

7. What is the total annual cost of maintenance?

8. Will you be developing brochures for your product? If so, describe.

9. Who will be responsible for the development of your brochure?

10. What is the total cost of developing your brochure?
11. How will your brochures be distributed?

12. Where will your brochures be displayed?

13. What other methods of distribution will you be using?

14. What do you want to achieve through advertising?

15. What is the most cost effective method of advertising your product?
16. How will your product be perceived in the marketplace by customers and your competitors?

17. What is the total cost of your advertising strategy?

18. How will you be measuring the success of your advertising campaign?

BUNDLING:
1. Will you be participating in co-operative marketing programs with transport carriers, major accommodation chains and government tourism authorities? If so, describe.
ADDITIONAL ACTIVITY - Build Your Tourism Business - Continued

2. Will you be packaging your product with other experiences? If so, describe.

YOUR CUSTOMERS:

1. Who would find your product most appealing?

2. What are the needs and desires of your potential customers?

3. What is the best way to reach these customers?

4. What creative methods can be utilised to generate interest in your particular product?
5. How do you connect with customers on an emotional level?

6. When is the best time to speak to these customers? This is affected by seasonality and identified through previous sales patterns.

7. What are the customer’s desired experiences? This relates to how, when and where people make their travel choices.

8. What are the best ways to contact your target market? Are they heavy users of the internet, do they use social networking sites or read local papers?
9. What are people prepared to pay for similar products?

COMPETITORS:
1. What are your competitors doing in this area?

2. What is the extent of product competition in the marketplace?

3. You have researched your competitor’s brochures? List and describe the good and bad features.
DISTRIBUTION:
1. Will you be using distributors for your product? If so describe.

2. How much commission will you be paying your distributors?

3. Will you be selling your product in international markets? If so, describe.

OPERATING PLAN:
1. What systems do you have in place to handle business enquiries?
ADDITIONAL ACTIVITY - Developing Your Tourism Business

1. Do you understand the importance of conducting market research? If so, describe.

2. What distribution channels have you selected for your products?

3. Do you understand the advantages of having a strong web presence?

4. Will you be developing brochures for your products?

5. Do you understand what is involved in using distributors such as ITOs, retail agents and wholesalers?
ADDITIONAL ACTIVITY - Developing Your Tourism Business

6. Will you package your product for consumers? If so, describe your package.

7. Do you understand the process of pricing your products?

8. Will you offer your products on the international market?

9. Will advertising be a focus area for your business?

10. Will you be working with the media as part of your promotional strategy?
APPENDIX

Please Note: Appendices provided in a separate folder.

- Glossary
- Destination NSW Tourism Business Toolkit Volume 1 and 2
- OEH - Principles for Aboriginal Cultural Heritage Interpretation
- Australian Taxation Office - home based business
- Articles on stress management
- Larrakia Declaration on the Development of Indigenous Tourism
THANK YOU

The Office of Environment and Heritage would like to thank everyone involved in the development of this Guide. We hope it assists with the establishment of some new and exciting cultural tourism businesses, who, together with us assist in raising the profile of Aboriginal Tourism in NSW.