

# ECONOMIC IMPACT OF TOURISM

## In the Bass Coast Shire

*Tourism and economic consultants Urban Enterprise Pty Ltd have recently completed a major study into the economic impact of tourism in the Bass Coast Shire on behalf of the Bass Coast Shire Council.*

### What did the Study Involve?

*The study is based on primary research undertaken by the consultants including:*

- A survey of visitors to the Shire identifying visitor expenditure, influence of visit, length of stay, activities undertaken and visitor satisfaction;
- A survey of accommodation providers, identifying room nights, guest nights, takings and employment;
- A survey of holiday home owners, identifying reasons for purchasing the holiday home, period of ownership, number of visits, number of days the holiday home was used and activities undertaken;
- A survey of tourism businesses and businesses likely to benefit from tourism identifying: type of business, persons employed, capital investment and income trends.

### Why was the Study Undertaken?

*The Study was undertaken for the following reasons:*

- To establish baseline information regarding the size and nature of the tourism industry in the Shire;
- To provide quantitative information that would facilitate investment in tourism infrastructure by both public and private sectors;
- To provide relevant information about the tourism industry and its performance to prospective investors in the Shire;
- To measure the effectiveness of existing marketing and promotional campaigns;
- To inform future marketing and promotional campaigns in the Shire.

### Headline Results

- An estimated 3.4 million people visit Bass Coast Shire each year;
- Visitors spend more than \$440 million in the Shire each year;
- The holiday home sector is a significant economic driver in the Shire, with over 10,000 holiday homes in the Shire (over half of the housing stock), contributing 1.1 million visitors annually, and \$219 million in direct visitor expenditure in the Shire;
- More than half of all businesses in the Shire rely on tourism for their income;
- Over 2100 jobs in the Shire are directly attributed to tourism;
- Half of all tourism related businesses expect to increase earnings this year;
- Almost all visitors to Bass Coast Shire were either satisfied or very satisfied with the attractions and accommodation.

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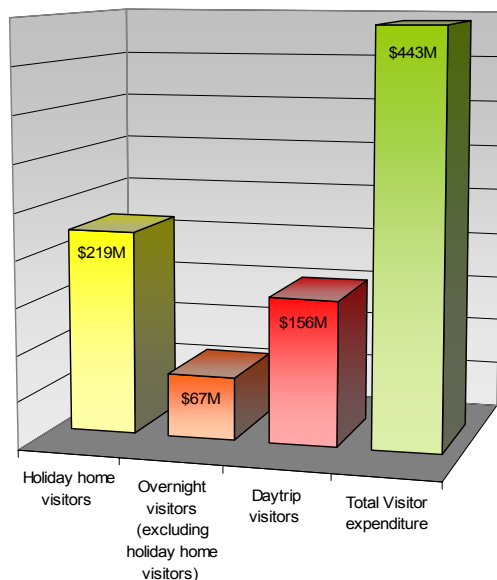
## Total Visitation

*The Bass Coast Shire attracted an estimated 3.4 million visitors in 2004.*

*The Bass Coast Shire attracted an estimated 2 million day trip visitors and 1.4 million overnight visitors.*

*1.1 million visitors stay in holiday homes when visiting Bass Coast Shire.*

## Direct Visitor Expenditure



*Visitors to the Bass Coast Shire spend an estimated \$443 million in the Shire annually.*

*Visitors staying in holiday homes spend \$219 million in the Shire annually.*

*Other overnight visitors spend \$67 million in the Shire annually whilst daytrip visitors spend \$156 million.*

## Visitor Expenditure per Person

*Visitors staying in holiday homes spend \$189 per person per visit.*

*Other overnight visitors spend \$260 per person per visit and daytrip visitors spend \$78 per person per visit.*

## Businesses Benefiting From Tourism

*Tourism underpins the business income of almost 600 businesses in the Bass Coast Shire (over half all businesses).*

## Percentage of Business Turnover Generated From Visitors

*Accommodation businesses and specialised tourism businesses clearly generate all or most of their income from visitors.*

*Other businesses that benefit from tourism include grocery stores, sport and recreation and specialised food retailing. These businesses estimate that one quarter of their income comes from visitors.*

## Employment in Tourism

*More than 2,100 persons in the Bass Coast Shire are employed as a result of tourism. This represents one quarter of the labour force in the Bass Coast Shire.*

## Capital Investment

*Tourism related businesses in the Bass Coast Shire invested over \$14 million in 2004 in capital improvements.*

## Visitor Satisfaction

*Almost all visitors to Bass Coast Shire were either satisfied or very satisfied with their overall attractions experience and with their accommodation experience.*

*Almost all visitors were satisfied or very satisfied with the Visitor Information Centres in Bass Coast Shire.*

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## Visitor Activities

85% of visitors to the Bass Coast Shire went sightseeing.

Three quarters of visitors to Bass Coast Shire went to the beach.

Over half of visitors to Bass Coast Shire ate out when visiting.

Almost half of all visitors to Bass Coast Shire visited man made attractions.

Activity	% of Total Visitors
Sightseeing	85%
Beach	73%
Eat Out	55%
Man Made Attractions	48%
Shopping	45%
Wildlife	42%
Touring	38%
Picnics	30%
Bushwalking	25%
Outdoor Activities	24%

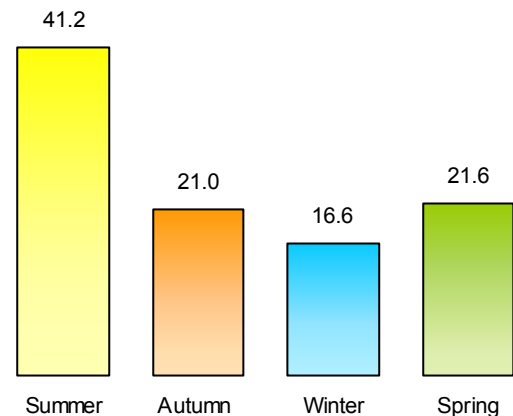
## Holiday Homes

### Number of Holiday homes

There are almost 10,000 holiday homes in the Bass Coast Shire. This is over half of all residential properties in the Shire.

Almost one quarter of all holiday homes are located in Cowes.

### Average Number of Days Holiday Homes Are Used By Season



41% of visitor days spent in holiday homes are in the summer months. This is around double that of any other season.

### Reason for Purchasing a Holiday Home in Bass Coast

Two thirds of holiday home owners purchased a holiday home in Bass Coast Shire due to the natural beauty of the area.

### Permanent Use of Holiday Homes

47% of holiday homeowners intend to live permanently in their holiday home in the future.

### Future Intentions of Holiday Home Owners

Of those who intend to live permanently in their holiday home in the future, 15% intend to do so in the next 1 to 5 years.

Of those who intend to live permanently in their holiday home in the future, 86% plan to retire to Bass Coast, with only 14% intending to work and live in Bass Coast.

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## Visitor Perceptions

### Characteristics Associated with Bass Coast Shire

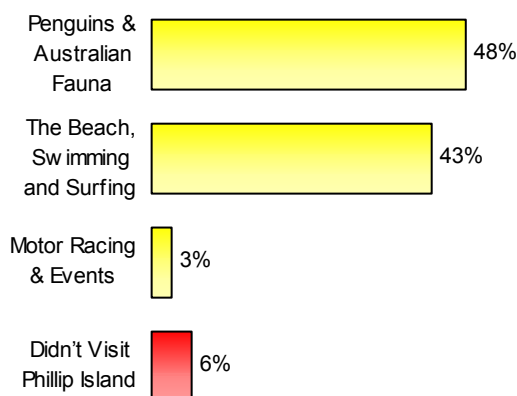
**57% of visitors most closely associated Bass Coast Shire with Phillip Island.**

**38% of visitors specifically associated Bass Coast Shire with the Coast.**

### Characteristics Associated with Phillip Island

**48% of visitors associated Phillip Island with "Penguins and Australian Fauna".**

**43% of visitors associated Phillip Island with "The beach, swimming and surfing".**



## The Significance of Phillip Island

**Phillip Island attracts over 3.1 million visitors per annum (including visitors staying in holiday homes).**

**Phillip Island was the "primary destination" for 81% of visitors to Bass Coast Shire.**

**It was the only destination for 69% of visitors to Bass Coast Shire.**



Bass Coast Shire, Economic Impact of Tourism  
Urban Enterprise Pty Ltd, 2005

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