

AXSIA ORGANIZATION

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“Re-Booting the Visitor Economy”



The hotel, tourism and leisure sectors have endured considerable hardship over the last 6 months. Having experienced a devastating summer bushfire season on a national level, the sector then became the first significant casualty of the COVID-19 pandemic. The impact of current lockdowns and travel restrictions over the last six weeks has been disastrous for everyone involved in hotels, tourism and leisure.

Our Visitor Economies interconnect an extremely diverse group of stakeholders. Its collective influence reaches deep into our communities and in particular, cascades across the hospitality, travel, retail and supply chain networks.

Whilst capital cities have principally been under the media spotlight, Australia's regional communities have also been affected by COVID-19 albeit primarily economically.

Up until December 2019, Australia's Visitor economy had increasingly grown in value and significance. It's role in underpinning the future prosperity of our economy should not be underestimated.

In Axsia's view, the fundamental pillars of our Visitor Economies provide an important pathway to support the nation's financial and social recovery. It is considered timely and necessary to audit Visitor Economies on a national and regional basis. Development of appropriate strategies and plans led by State and Local Government (and their supporting agencies), have the ability to pivot Visitor Economies and lead economic recovery post COVID-19.



A MESSAGE FROM OUR CHAIRMAN

Axsia Organization is a professional advisory firm specialising in the hotel, tourism and leisure sector. Led by myself and David Simpson our Managing Director, we bring deep industry experience combined with my commercial background in banking, finance and mergers and acquisitions.

In addition, we have a team of highly experienced Directors and Consultants with strong hotel operating and management skills that have managed through SARS and 9/11. We also bring market analytics, finance, property development and diversified corporate experience.

We have local offices in Melbourne and Sydney as well as regional offices in Singapore and Auckland.

Axsia is well positioned to help Government and stakeholders in the Visitor Economy navigate through this very difficult period and more importantly the recovery post COVID-19.

For more information about Axsia Organization see our website www.axsiaorg.com.

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State and Local Governments (including key support agencies) have been placed under enormous pressure to assist stakeholders and provide leadership in a most challenging environment. This is particularly the case in regional markets that rely heavily on visitor economics.

Strong communication with stakeholders is vital in keeping industry connected, providing guidance and support and establishing pathways for recovery.

At an operator level, businesses are experiencing a range of pressures. The immediate focus is the ability to navigate through the Post COVID-19 recovery period.

Difficult times also have the ability to inspire creativity. This can be nurtured with experienced mentoring. Working in partnership with the private sector, Regional Councils and Government agencies can supplement limited in-house resources with industry specific experience.

The Axsia Team has a passion for Regional tourism and understand stakeholders' challenges from an operator and Government perspective. Combined with its considerable experience in the hotel sector, Axsia is able to support hotel, tourism and leisure businesses as well as related regional industry agencies. Industry specific mentoring can extend across a range of critical areas of business including operational and financial reviews, operator vision compliance, annual business plan reviews, capital expenditure (capex) planning reviews, sales and marketing reviews, legal and regulatory compliance oversight.

David Herman as principal author of this edition of the Axsia Report brings extensive experience in the tourism, retail and entertainment sectors, having previously held positions of GM Commercial Legal and Property for Village Roadshow, Director Pacific Rim Borders Books and Music, CEO of Falls Creek Alpine Resort Management and Board Member of Tourism North East (Victoria). He has a particular interest in visitor economics and the impact/influence of demographics on market demand.

Critical Planning for Recovery

There are considerable advantages to investing time and resources now into strategic planning.

It is becoming increasingly apparent that market recovery will be led by the sectors currently most affected by COVID-19 including hotels, tourism, leisure and across the hospitality sector. With international travel (both in and out of Australia) likely to be restricted for an indefinite period of time, domestic travel (for business, tourism, visiting friends and relatives as well as local/regional events) will become a critical economic pillar to recovery.

Those regions with well-defined strategies and updated plans are likely to benefit the most during the recovery phase. A typical review of a region's Visitor Economy includes:

- Development of Recovery Plans to "Kick-Start" visitation to the Region
- Profiling a Region's Visitor Economy. This can include the development of a Visitor Economy Profile (i.e. identifying the demand drivers supporting a Region) or a benchmarking a Region's Visitor Economy if a Visitor Economy Profile already exists
- Alignment of Economic Development Strategies with Population and Industry Growth projections as well as Visitation and Tourism Planning
- Review, Audit and/or development of Destination Management Plans
- Undertaking market gap analysis including development of accommodation investment strategies
- Identification of potential development sites
- Identification of potential developers and investors

These initiatives can be undertaken on a collective or individual basis. Ideally however, a Visitor Economy Strategy should align with the Regions strategic vision and master plan. This strategy that should be considered by Local Government as a means to springboard recovery in their Regions.

