

About Tourism and Events Queensland

Tourism and Events Queensland is Queensland's lead tourism marketing, destination and experience development and major events agency. In partnership with Government, Regional Tourism Organisations, industry and commercial stakeholders, we aim to build Queensland's tourism and events industry to foster innovation, drive industry growth and boost visitor expenditure.

Our vision

Inspiring the world to experience the best address on earth

INSPIRING	through brand, integrated marketing and events
THE WORLD	in priority domestic and international source markets
TO EXPERIENCE	Queensland's signature experiences and events
THE BEST	through quality and innovation, enhance destination offerings
ADDRESS ON EARTH	showcasing the best of Queensland

Our purpose

Achieving economic and social benefits for the State by growing the tourism and events industry.

Our mission

We are a consumer-led, experience-focused, destination-delivered organisation that connects people and places like never before through innovation and collaboration with the tourism and events industry.

Our role and functions

Established by the Queensland Government in December 2012, Tourism and Events Queensland (TEQ) is a statutory body under the *Tourism and Events Queensland Act 2012* and part of the portfolio of Tourism, Major Events, Small Business and the Commonwealth Games.

The primary functions of TEQ are:

1. to attract international and domestic travellers to travel to and within Queensland through –
 - a) the promotion and marketing of Queensland; and
 - b) tourism experience and destination development; and
2. to identify, attract, develop and promote major events for the State that –
 - a) contribute to the Queensland economy; and
 - b) attract visitors to Queensland; and
 - c) enhance the profile of Queensland; and
 - d) foster community pride in Queensland; and
3. to work collaboratively with the department and other public sector units and Queensland tourism industry participants to identify opportunities to increase tourism and travel to and within Queensland; and
4. to conduct research into, and analysis of, tourism in Queensland.

Executive management

In 2015-16 TEQ's senior executive team comprised five Group Executives, led by the Chief Executive Officer, Leanne Coddington. Responsibilities of the Chief Executive Officer include:

- Provide leadership and direction to TEQ staff to deliver on TEQ's objectives;
- Establish relationships with key industry partners, Government and business representatives to strengthen relationships and deliver strategic benefits to Queensland;
- Work with the Queensland tourism industry and assist them to grow through cooperative and collaborative partnerships;
- Manage the development and implementation of current and long-term plans and objectives in accordance with the Board's directions; and
- Manage the operations of TEQ in compliance with the *TEQ Act*, Board policies, strategic plan and budget.

The key areas of focus for each Group Executive are outlined below.

Global Marketing

(Group Executive – Steve McRoberts)

- Lead the implementation of the global marketing strategy for Queensland;
- Identify, showcase and support the development of Queensland's signature experiences; and
- Develop consumer driven activity that delivers increased overnight visitor expenditure for industry.

Destinations and Global Partnerships

(Group Executive – Rick Hamilton)

- Work in partnership with Regional Tourism Organisations and industry to deliver their Destination Tourism Plan, with a particular focus on maximising the opportunity that each destination's hero experiences offer consumers;
- Lead international source market engagement with trade and industry;
- Partner with airports, airlines and industry to support aviation route development and increase route capacity;
- Focus on multi-year strategic trade partnerships to deliver increased visitor expenditure to Queensland's experiences and products; and
- Manage cross-Government projects in partnership with the Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESSB), State, Local and relevant Federal Government agencies.

Events (Group Executive – John Drummond Montgomery)

- Deliver a world-class calendar of events for Queensland, guided by the *Events Strategy 2020*; and
- Attract people to visit the best address on earth through optimising the value of Queensland's event calendar and leveraging the competitive advantage provided by Queensland's unique event experiences.

Corporate Affairs

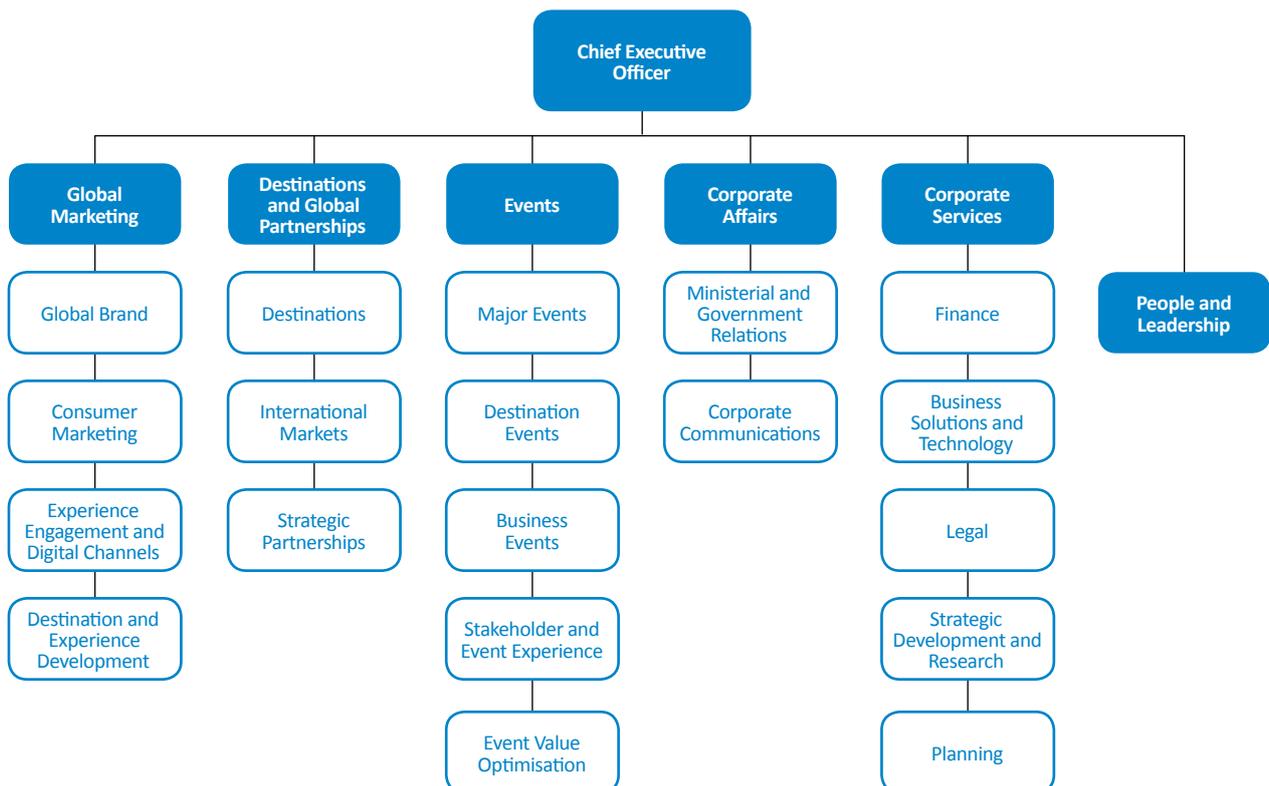
(Group Executive – Megan Saunders)

- Lead media and corporate communications activities across all areas of TEQ; and
- Manage effective relationships with key stakeholders, providing effective and timely liaison to support TEQ business activities and raise the profile of Queensland's tourism industry through communications and advocacy.

Corporate Services

(Group Executive – Nick Elliott)

- Support TEQ's senior management and Board in the delivery of the organisation's operational, strategic, people, research and financial activities;
- Provide tourism research and insights to TEQ's senior management and Board to monitor industry performance and to identify emerging opportunities and trends; and
- As the Chief Financial Officer and Board Secretary, manage the organisation's financial activities including reporting and financial planning.



Our values

TEQ's organisational values support the company's strategic framework, culture and purpose. The values guide employee behaviour and interactions with internal and external stakeholders and provide a framework for achieving TEQ's objectives.



Lead together

Guided by the Minister and the Board, we are clear on our purpose, direction and priorities and our team is empowered to implement.



Agile and responsive

We embrace emerging trends and opportunities. To thrive in a competitive industry environment we are proactive, flexible and adaptable.



One team

We work in partnership with our teammates and always act for the good of the whole.



Go beyond

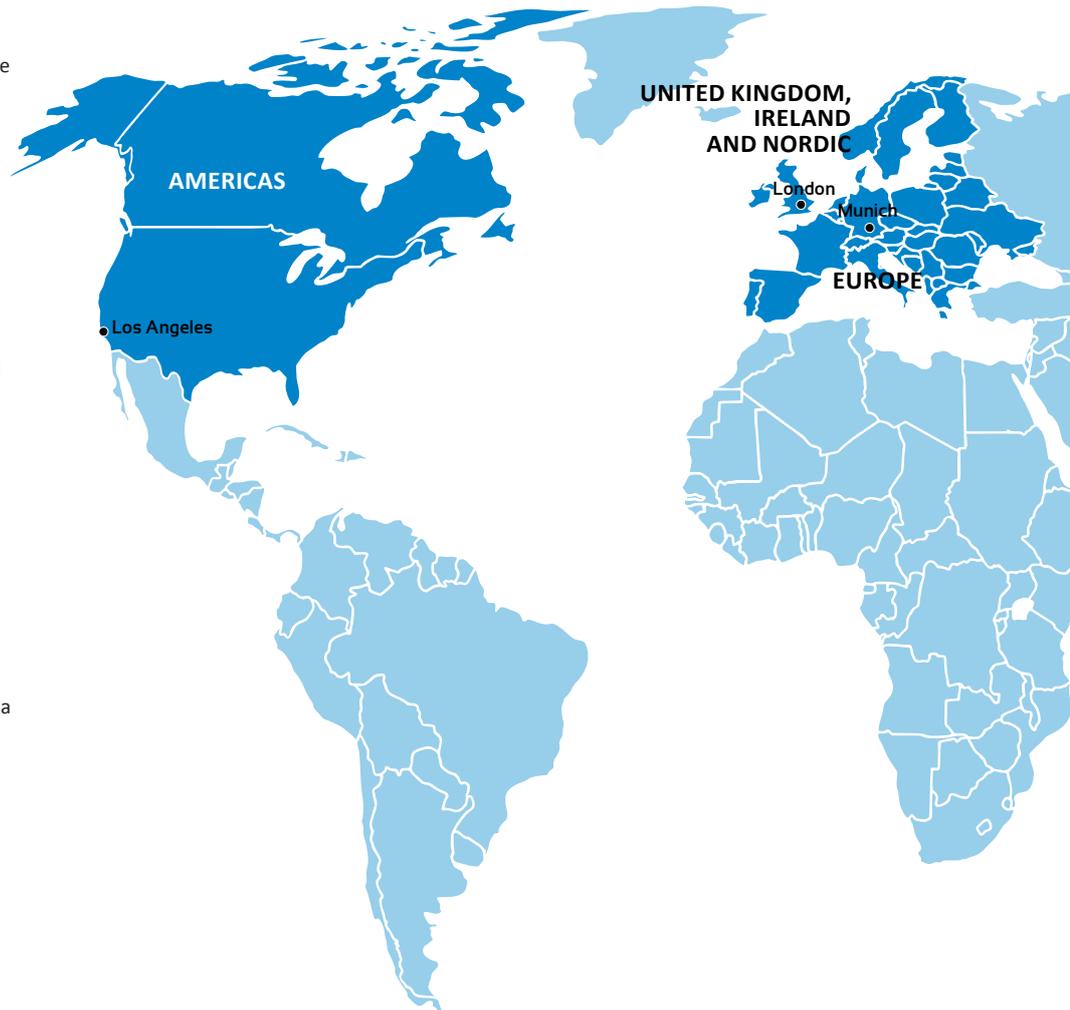
We are creative, innovative and solutions-driven. We strive for continuous improvement, and make a difference where it really counts for Queensland.

Locations

TEQ's Head Office is located at 30 Makerston Street, Brisbane, with some staff based throughout Queensland and internationally. TEQ delivers a range of initiatives in partnership with Queensland's 13 regional tourism organisations (RTO) through the structure outlined on page 7.

Global reach

TEQ has a presence in 13 strategically important international markets including Greater China, Europe, the United Kingdom, India, the Americas and New Zealand. TEQ's international offices are detailed in the directory on page 78 of this report.



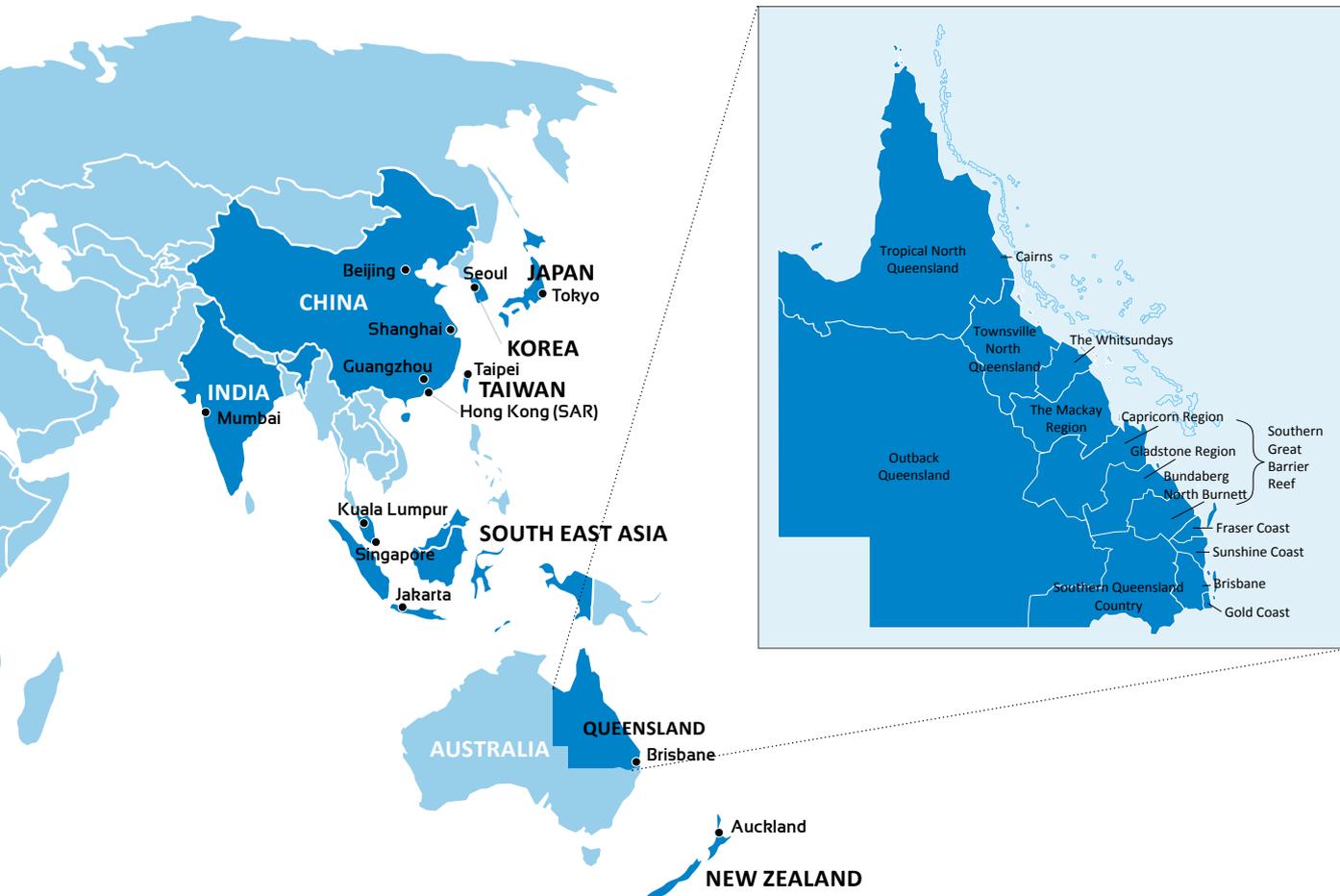
Our operating environment

The coming decade will bring enormous opportunities for Queensland's tourism and events industry. Rapid growth in Asian countries, especially China and India, means the Asian middle class will grow from around 500 million to 3.2 billion by 2030.¹ Asian tourism to Australia is growing at an unprecedented rate, assisted by increasing wealth and favourable economic conditions. Double-digit growth is also being experienced in key western markets such as Canada and the United States of America.

Queensland's tourism industry will continue to be influenced by changes in technology and consumer preferences. The Queensland Government has renewed its focus on innovation through the Advance Queensland initiative. The tourism and events industry must continue to innovate and is well paced to take advantage of these opportunities, delivering on jobs and advancing tourism.

In 2015, the Queensland Government committed to a four-year funding approach. This funding enables TEQ to enter into multi-year partnerships and take a long term view on strategic investment in marketing and events. Through the Tourism Network Funding Program 2016-19, TEQ will provide multi-year support to the State's Regional Tourism Organisations.

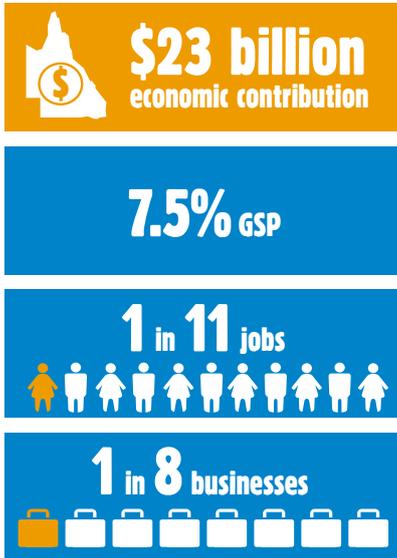
Additional funding announced in 2016 to continue TEQ's four-year funding guarantee provides added certainty to strengthen TEQ's negotiating capacity with commercial partners over the longer term and boosts its ability to acquire and retain high value events with longer planning cycles that will deliver visitation growth. Through the *Advance Queensland: Connecting with Asia* funding package announced as part of the 2016-17 Queensland State Budget, TEQ will target key Asian source markets to drive visitor growth and dispersal throughout the State.



¹ Source: PriceWaterhouseCoopers, *Australia's Jobs Future*, 2015

Tourism landscape

Tourism is vital to Queensland's overall economic prosperity, currently a \$23 billion industry which supports 220,000 Queensland jobs, 52,200 businesses and is the State's second largest export industry.²



Industry performance

TEQ provides tourism and events research and insights to industry and Government to inform strategic decision-making for tourism growth in Queensland. Primary research is undertaken to better understand consumer and industry perceptions and the needs of Queensland's key source markets, as well as the experiences that each Queensland destination can offer to meet those needs.

TEQ also leads the analysis and publication of Queensland results from major national tourism surveys including the National Visitor Survey, International Visitor Survey and Overseas Arrivals and Departures.

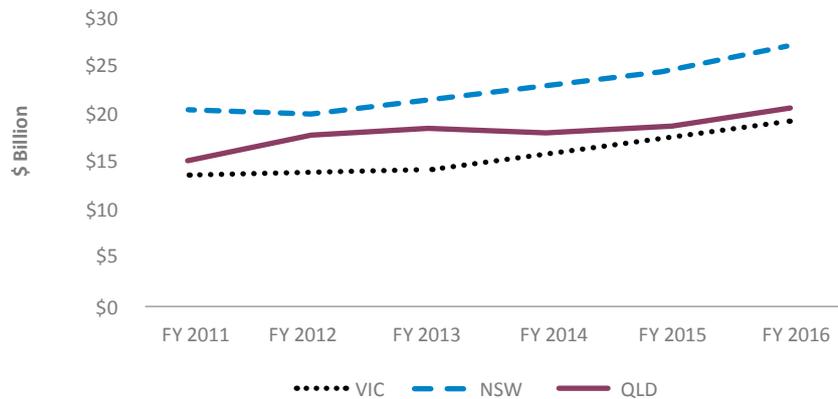
Overnight visitor expenditure³

Total overnight visitor expenditure in Queensland reached \$19.7 billion for the year ended June 2016 according to Tourism Research Australia's (TRA) international and national visitor surveys. This was a 7.9 per cent increase compared with the same period in the year prior.

International visitors increased their spending and contributed a 25.7 per cent share in total overnight visitor spending. The balance, 74.3 per cent, was contributed by domestic visitors, of which Queenslanders contributed a 53.6 per cent share.

The total overnight visitor expenditure generated by leisure visitors, the combination of visitors on holiday and those visiting friends and relatives, to Queensland increased 10.1 per cent to \$12.1 billion over the year ended June 2016.

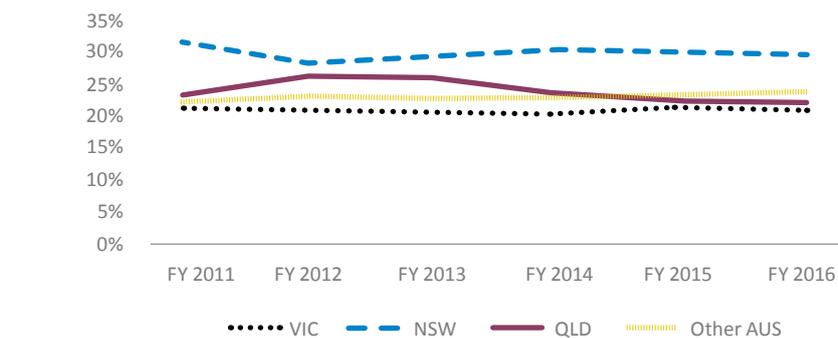
Figure 1: Total overnight visitor expenditure in Queensland, Victoria and New South Wales



Source: TRA

The market share of overnight visitor expenditure across Australian states remained relatively stable during the year. Queensland achieved 23.4 per cent of all overnight visitor expenditure in Australia, ranked second in individual states behind New South Wales.

Figure 2: Market share of total overnight visitor expenditure in Australia



Source: TRA

Nationally, \$59 billion was spent by domestic overnight visitors during the year, of which a record \$14.6 billion was spent in Queensland.

International overnight visitor expenditure in Australia reached \$25.3 billion, including \$5.1 billion spent in Queensland.

²Sources: TRA, *State Tourism Satellite Accounts 2014-2015* and *Tourism Businesses in Australia, June 2011 to June 2015*; Australian Bureau of Statistics, *Counts of Australian Businesses, including Entries and Exits, June 2011 to June 2015* (ABS Cat. No. 8165.0).

³Source: TRA, *National and International Visitor Surveys*, year ended June 2016 (see 'Note regarding research data' on page 12) Further information on tourism research and insights in Queensland can be located at www.teq.queensland.com Please note 'FY' denotes Financial Year

Overnight visitation³

Queensland welcomed 22.7 million overnight visitors which represented a 23.6 per cent share of the 96 million overnight visitors to Australia.

Table 1: Market share of total overnight visitation in Australia - FY2011 to FY2016

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
QLD	24.5%	25.3%	24.7%	23.7%	23.8%	23.6%
NSW	36.0%	34.3%	34.5%	34.8%	34.3%	33.8%
VIC	24.6%	25.0%	24.5%	25.5%	25.5%	25.2%
Rest of Australia	21.2%	21.8%	22.6%	22.2%	22.7%	23.9%

Source: TRA

International visitation and expenditure³

With more than one third of all international travellers to Australia visiting Queensland, international visitation remained strong. International overnight visitor expenditure in Queensland reached a record \$5.1 billion during the 2015-16 financial year. China had the highest expenditure at just over \$1 billion, followed by New Zealand at \$581.5 million, the United Kingdom at \$451.6 million, the United States at \$379.8 million and Japan at \$364.1 million.

Table 2: Market share of international visitors in Australia – FY2011 to FY2016

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
QLD	37.2%	35.9%	36.2%	34.1%	34.5%	34.7%
NSW	52.1%	51.1%	51.7%	51.4%	51.1%	51.1%
VIC	31.7%	32.3%	32.7%	33.8%	35.1%	35.9%
Rest of Australia	26.3%	25.6%	25.9%	25.8%	25.4%	24.6%

Source: TRA

Domestic visitation³

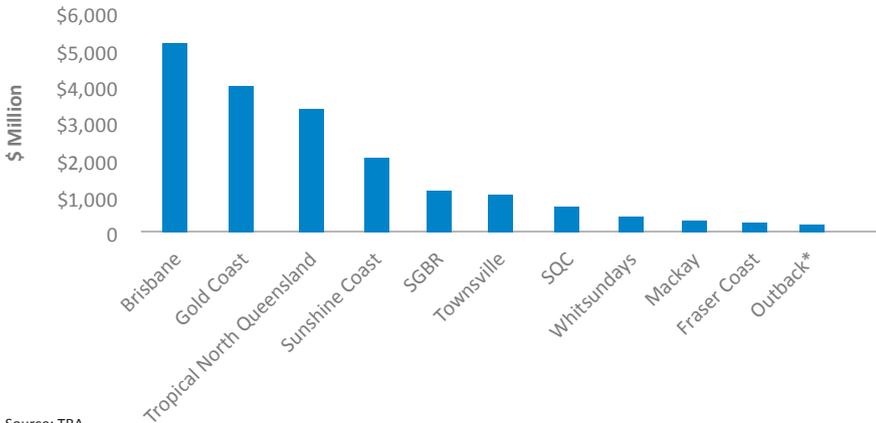
During the year ended June 2016, there were 20.2 million visits by Australians to Queensland. Holiday travel comprised 40.1 per cent of all domestic visitors to Queensland and 44.3 per cent of all domestic visitor nights.

Table 3: Market share of domestic visitors in Australia – FY2011 to FY2016

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
QLD	23.6%	24.5%	23.9%	22.8%	22.9%	22.7%
NSW	34.8%	33.1%	33.2%	33.6%	33.0%	32.5%
VIC	24.0%	24.4%	23.8%	24.8%	24.8%	24.3%
Rest of Australia	20.8%	21.5%	22.3%	21.9%	22.5%	23.9%

Source: TRA

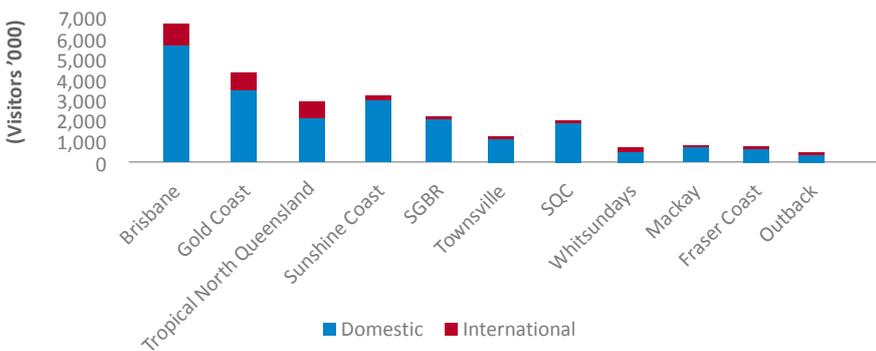
Figure 3: Total overnight visitor expenditure in Queensland regions, year ended June 2016⁴



Source: TRA

*Due to sample size, data for the Outback includes an average international expenditure over three years.

Figure 4: International and domestic visitors to Queensland regions, year ended June 2016⁴



Source: TRA

Southern Great Barrier Reef (SGBR) incorporates the Capricorn, Gladstone and Bundaberg North Burnett regions.

Southern Queensland Country (SQC) incorporates Toowoomba, Southern Downs, Western Downs and the South Burnett.

Note regarding research data

International Visitor Survey (IVS) and National Visitor Survey (NVS)

Tourism Research Australia (TRA) implemented a change in the software used to analyse the IVS and NVS. As a result there were several minor technical changes to align the published results of TEQ with all state tourism organisations. Consequently, the IVS and NVS data prior to December 2014 has been updated in accordance with the change in publication practices.

TRA implemented a “dual frame methodology” to the NVS, effective from January 2014. This improved technique means the NVS telephone interviews are now conducted via both landlines and mobile phones, ensuring the NVS sample includes the growing number of “mobile phone only” households. Due to this, yearly comparisons are a guide only.

Figures in the market share tables may sum to more than 100 per cent as visitors may have visited more than one state during their trip.

⁴ Source: TRA, National and International Visitor Surveys, year ended June 2016

Further information on tourism research and insights in Queensland can be located at www.teq.queensland.com

Queensland brand health

The annual Nielsen study into Queensland's brand health⁵ for 2015-16 showed the Queensland brand performed well compared with competitors. While fewer than 15 per cent of the world's brands achieve a brand equity⁶ score of more than three out of a ten point index, the Queensland brand achieved a score of 2.6 nationally. By comparison, New Zealand scored 2.3 and the United States scored 1.4. The Queensland brand also out-scored similar international destinations such as Thailand, Hawaii, Fiji, and Bali.

Strategic risks

Queensland's tourism industry operates in a highly competitive national and international environment. TEQ conducts an ongoing risk identification and assessment process, classifies risks as either strategic or operational, and mitigates accordingly, including:

- Variable economic conditions within Australia and in key source markets that can impact visitor numbers, expenditure and average length of stay;
- Competition from other national and international event destinations to secure and develop events;
- Changing visitor expectations of tourism and events products, experiences and destinations in a highly competitive environment; and
- Crises and unexpected events, including adverse weather events, which can depress tourism demand and influence consumer perception.

Looking forward 2016-17

TEQ has identified the following strategic priority areas to deliver our objectives in 2016-17:

- Deliver and promote a world-class events calendar
- Market the best address on earth
- Focus on Asia
- Aviation access and strategic partnerships
- Destination and experience development.

Key focus areas for 2016-17 will include:

- Transitioning TEQ's strategic marketing approach to include a greater focus on Queensland as the master brand and signature experiences that leverage relevant destinations. The experience-based strategy will elevate the exposure of the Queensland brand and present a stronger platform to inspire, engage and attract more visitors to Queensland. Digital assets will be used as a key platform for marketing activities including social networks, smartphone and tablet applications and TEQ's consumer website;
- Accelerating efforts to target priority Asian markets and maximising the tourism potential and engagement for Queensland from these fast growing visitor markets. This will be supported through the new *Advance Queensland: Connecting with Asia* funding package and the continuation of the Attracting Aviation Investment Fund (AAIF);
- Strengthening Queensland's events calendar through: attracting and securing major events for Queensland; utilising the *It's Live! in Queensland* event marketing platform to convert awareness into visitation; and maximising tourism opportunities associated with the Gold Coast 2018 Commonwealth Games;
- Strengthening existing and identifying new strategic partnerships with airlines, travel trade and industry and delivering activities under established partnerships;
- Supporting TEQ's partnership with Queensland's 13 RTOs through the Tourism Network Funding Program 2016-2019; and
- Maximising opportunities from the international education market by promoting the benefits of studying in Queensland in line with the Queensland Government's international education strategy. A key focus will be identifying partnership opportunities with tertiary education institutions.

⁵ The Nielsen Company 2016 - Australian residents in Queensland, Sydney and Melbourne

⁶ The brand equity index (BEI) is calculated based on consumers' consideration of:

- 1) their favourite destination brand
- 2) brands they would recommend, and
- 3) willingness to pay higher prices.

Source: The Nielsen Company, *Campaign tracking research*, July 2016.