

Kinglake Ranges Foundation

Kinglake Ranges Cultural Centre

Business Plan

A business case of a proposed Kinglake Ranges Cultural Centre operation through which a sustainable existence is achievable.

June 2015

Developed for:
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Background

The Opportunity

According to Tourism Victoria daytrip visitation during 2000-2014 increased year on year by 22.3% in Yarra Valley and Dandenong Ranges¹. According to Goulburn River Valley Tourism almost 7,000,000 people visit their region annually, more visitors than Yarra Valley and Dandenong Ranges in the same period². Of these 1,430,256 are daytrip visitors to Murrindindi, 85% of these from Melbourne. Goulburn River Valley Tourism also state that their region has no destination product targeting large markets while their natural attraction product has tourism “drawcard potential”. This specifically includes Kinglake National Park².

According to Tourism Victoria cultural tourism is a major drawcard to Victoria and this market is predominately domestic visitors³. Also the top two cultural tourism activities in 2008 were visiting heritage buildings, sites or monuments and visiting museums and art galleries⁴.

For the purpose of this business plan the target market opportunity is generally ‘domestic daytrip visitors from Melbourne’. Based upon the above we will assume that more than 1,200,000 of this target market visit Murrindindi each year with almost 7,000,000 visitors passing through the area.

Community Benefit

Part of this business plan development included a stakeholder workshop, where a Value Proposition for this centre was agreed upon. This was described as ‘Where the Kinglake Ranges stories are documented & told’; ‘The town that didn’t die’; ‘The place visitors know of but want to know more’. See Appendix 1 the ‘Kinglake Culture Centre Business Model 2018-20’ for more information.

Community consultations by others since 2008 and since the Black Saturday bushfires of 2009 identified a community need for appropriate space for performing, visual arts and crafts and to archive and exhibit the communities’ historical artifacts. Other needs identified during this time have since been satisfied by new facilities constructed across the Kinglake Ranges.

A number of community organisations have produced summaries of the facilities that now exist across the Kinglake ranges. Generally these show an excess of spaces for community use and lifelong education up to a maximum capacity of 100 people. They also show that there is still no appropriate auditorium space suitable for performance, gallery space suitable for exhibitions or a space suitable for a museum.

The monthly produce and artisan market and a number of large annual events are currently held outdoors because there is no indoor suitable space. These events run regardless of weather conditions and their success is limited when the weather is bad. There is general community support for an indoor space or an indoor-outdoor flexible space suitable for large community markets and events.

For the purpose of this business plan maximum community benefit will come from a new facility containing space suitable for:

- More than 100 people. 300-400 people is generally accepted by the community as the ideal capacity⁴
- Film, theatrical and musical performance
- Visual art and craft exhibition
- A museum including artifact archives

- All weather indoor-outdoor events such as the produce and artisan market and Christmas Carols

Site Options

During the stakeholder telephone survey phase of this business plan project it became clear there are two preferred site options for this Centre. The Rebuilding Advisory Centre or RAC and a vacant site acquired by Kinglake Ranges Foundation on Gangelhoff Hill. Decisions regarding which site best suits which Centre facility are for others however the following should be considered:

- Gangelhoff Hill will require considerable site preparation
- Gangelhoff Hill is a beautiful site with views at least equaling the best in Melbourne
- Gangelhoff Hill is outside the commercial area of Kinglake township
- The RAC site has considerable existing facilities and infrastructure
- RAC is within the commercial area of Kinglake township
- The RAC site will require additional land acquisition to accommodate the centre facilities and a suitable carpark
- The RAC lease will need to be purchased to compensate the lease Workspace for lost opportunity
- The RAC site will need to be purchased from Murinndindi Shire Council at full valuation
- RAC buildings were constructed post Black Saturday and are considered to require a high level of repairs and maintenance and are likely to be below the required building standards

Sustainable Demand

Target Customer Segments

During the stakeholder telephone surveys and workshop, target customer segments were identified. These all generally fall into the target market 'domestic daytrip visitors from Melbourne'. For more information see Appendix 1 the 'Kinglake Culture Centre Business Model 2018-20'. Potential target customer segments identified are:

- People interested in our culture and arts
- People interested in our disaster stories
- People interested in the Kinglake National Park and the bush
- People interested in our history stories
- Big event participants
- Soft adventurers
- Schools
- Corporates
- Local community groups, performers and artists
- Visiting family and friends

Sustainable Operations

Governance

The stakeholder telephone survey identified a number of governance considerations. These are:

- For many in the community the Kinglake Ranges Foundation seems to only be about this Community Cultural Centre. Community views are divided about many aspects of this centre and this is damaging the Foundations image in the community

- The Community Cultural Centre will need to operate as an independent business. As such it will require governance separate to and isolated from other Foundation business
- Foundation considerations of funding or supporting the centre should be separate to and isolated from the governance and management of the Centre

For the purpose of this business plan it is recommended that Kinglake Ranges Foundation and Kinglake Ranges Community Cultural Centre governance is separated.

Management and Staffing

The stakeholder telephone survey identified a number of management and staffing considerations. These are:

- For the Centre to attract performances, exhibitions, events and experiences that will attract existing regional visitors and contribute to visitor growth, an appropriately skilled and connected manager will be essential
- For the Center's attractions to reach the target customer segments and generate high visitation with a relatively small budget an appropriately skilled manager will be essential
- If the Centre manages the café itself an appropriately skilled manager will be essential
- If the Centre operates the café itself appropriately skilled and qualified cooks and customer service staff will be essential
- For the Centre to be economically viable all the facilities except the café will need to be staffed by appropriately skilled customer service and storytelling volunteers and community groups

Facilities

The facilities required must deliver the spaces identified in Community Benefit above. For economic viability and sustainability a café will be essential. See the budget assumptions for details. In addition facilities required for public amenity and access will be required. The scope and design of these facilities is for others.

Operation

The stakeholder workshop undertaken for this business plan documents the business model for the Centre in 3-5 years' time. This document's format is called a 'Business Model Canvas'. The Business Model Canvas defines why the target customer segments will value and choose this Cultural Centre over competitors (the Value Proposition), how the demand for the Centre can be easily understood (right hand side of canvas), key aspects of the operation that deliver upon what the customers value (the left hand side of the canvas) and the key financial implications of the business model (bottom of canvas). Where items on the canvas have question marks these need future work. Refer to Appendix 1 the 'Kinglake Culture Centre Business Model 2018-20.

A number of important aspects of the future business model are mentioned above. What is imperative from the canvas for the Centre to be viable and sustainable are the following aspects of the operation:

Key Activities

- Tourism quality food and customer service
- Tourism quality management and marketing
- Selling our stories, culture and produce
- Consistent but constantly changing

Key Resources

- Quality professionals and volunteers

- Tourism quality facilities and site
- Tourism quality access and visibility
- The view and the national park

Key Partnerships

- Residents and community groups
- Kinglake Ranges tourism sites and operators
- Goulburn River Valley Tourism
- Parks Victoria
- Kinglake Ranges Foundation
- Local government

Most important to the success of the Centre will be the people. This business plan defines the business viability and sustainability that is realistically achievable if the right people with the right skills and experience are involved in the governance, management and operation.

Budget Estimates and Assumptions

This business plan has developed a business model and set of assumptions that achieve a sustainable existence of the Kinglake Ranges Community Cultural Centre and its attendant activities. The key assumption is that the operation defined above is established. The operation defined can be used by the Centre's governing body and management as a plan of what must be achieved.

This budget estimate and assumptions document represents what is reasonable within the first year of operation assuming all facilities are available and operations required are achieved.

Table 1 identifies the source of a sustainable level of revenue. The relevant Centre events providing income are estimated where supporting information exists along with the source. The number of visitors making purchases are estimated according to the key customer segments and budget assumptions. Income is estimated according to the number of visitors and budget assumptions of the visitor capture rate and average spend values.

Table 2 is the Annual Operating Budget Assumption. This uses rounded values of income by key customer segment based upon Table 1, assumed cost of goods sold values and estimates for the assumed operating expenses. Table 2 is basically a one year cash flow estimate as all extraordinary income and expenses such as depreciation are excluded.

Table 2 included two operating options. One where the café is operated by the centre management and the second where the café is leased to an independent operator. The operating financial outcome for both options is similar however leasing is marginally better. The decision on café operation should be made based upon retaining the best people for the type of café operation. Skill and experience in operating a tourism quality food service will be essential.

Table 2 includes a \$50,000 special income from a corporate sponsor. This business plan assumes that the level of this income will decrease over two to three years of operation to zero. However an accurate forecast of this performance improvement is beyond what can be practically estimated without a comprehensive financial analysis of final facility scope and design and key customer segment research. This is for others.

Table 1

Kinglake Ranges Community Cultural Centre									
Facility Annual Revenue Sources									
Products/Services:									
Facilities:	Exhibitions	Performances	Produce/ artisan markets	Nature/ adventure experience	Food sales	Art sales	Book sales	Produce sales	
Gallery	6-7 events ¹								
Auditorium		32 events ⁴							
Kitchen/Eatery									
Museum									
Visitor Info Centre									
Indoor-outdoor space		2 events ⁴	12 events ⁴						
Customer Segment Annual Visits Revenue Sources									
Products/Services:									
Customer Segments:	Annual Info Centre Visitors	Exhibitions	Performances	Produce/ artisan markets	Nature/ adventure experience	Food sales ⁶	Art sales ⁵	Book sales ⁵	Produce sales ⁵
Art & Culture People ³	25,000	14,000	11,000			8333	25,000		
History/Disaster People ³	5,000	5,000				1667		5,000	
Big event people									
Artisans & foodies									
Nature people ²	26,000				26,000	8667			
Soft adventurers ²	18,000				18,000	6000			
Schools									
Family & friends ²	36,000					12000			36,000
Government/Corporates									
TOTAL	110,000	19,000	11,000	0	44,000	36,667	25,000	5,000	36,000
Income assumption ⁷	22,022	6,000	55,000	3,000	22,000	275,000	12,500	1,000	36,000
TOTAL INCOME	432522								
1. krvpaa Inc. information									
2. Daryl Brooke & Associates, assumption 1/3 nature and soft adventure and 100% family & friends per Parks Vic. Kinglake National Park Masterplan. Pre 2009 fires estimates									
3. Daryl Brooke & Associates, assumption visitors 14k art, 5k film, 6k theater, 5k museum. Considering no. of events estimated above & Di Marzio Research, Research Report									
4. Daryl Brooke & Associates phone research June 2015									
5. Daryl Brooke & Associates, assumption that Info. Centre will attract all visitors per 2. and 3.									
6. Daryl Brooke & Associates, assumption that 1/3 visitors will purchase food & drink									
7. Daryl Brooke & Associates, assumptions of capture rate and average spend: Info Centre- 11%, \$1.82 (Ref. Deloitte Private Business Case); Exhibitions 6 x 4 weeks @ \$250/week hire; Performances- 100%, \$5; Markets 12 @ \$250 hire; Nature/Adventure- 10%, \$5; Food Sales- 100%, \$7.5 (Ref. Deloitte Private Business Case); Art Sales- 1%, \$50; Book Sales- 1%, \$20; Produce Sales- 10%, \$10.									

Table 2

Kinglake Ranges Community Cultural Centre			
Annual Operating Budget Assumptions			
Café operated by centre		Café leased to independent operator	
Income:		Income:	
Info Centre	22,000	Infor Centre	22,000
Exhibitions	6,000	Exhibitions	6,000
Performances	55,000	Performances	55,000
Markets	3,000	Markets	3,000
Nature/adventre Experience	22,000	Nature/adventre Experience	22,000
Food Sales	275,000	Café Lease	50,000
Art Sales	12,500	Art Sales	12,500
Book Sales	1,000	Book Sales	1,000
Produce Sales	36,000	Produce Sales	36,000
TOTAL	432,500	TOTAL	207,500
Product Purchases COS:		Product Purchases COS:	
Food Sales (30%)	82500	Art Sales (55%)	6875
Art Sales (55%)	6875	Book Sales (55%)	550
Book Sales (55%)	550	Produce Sales (55%)	19800
Produce Sales (55%)	19800	TOTAL	27225
TOTAL	109725		
		GROSS MARGIN	180,275
GROSS MARGIN	322,775		
Expenses:		Expenses:	
Accounting Fees	5,000	Accounting Fees	5,000
Marketing/Advertising	30,000	Marketing/Advertising	30,000
Fees/Subscriptions	3,000	Fees/Subscriptions	3,000
Insurance	5,000	Insurance	5,000
Phone/Internet	3,000	Phone/Internet	3,000
Rates	1,500	Rates	1,500
Consulting/Training	5,000	Consulting/Training	5,000
Utilities	7,000	Utilities	7,000
Insurance	5,000	Insurance	5,000
M Vehicle:-	2,500	M Vehicle:-	2,500
Repairs/Maintenance	20,000	Repairs/Maintenance	20,000
Travel	1,000	Travel	1,000
Staff Costs		Staff Costs	
General Manager F/T	100,000	General Manager F/T	100,000
Cooks (P/T x2)	80,000	Staff on-costs	15000
Customer Service (P/T x3)	55,000	Volunteers (P/T x14)	10,000
Staff on-costs	35250	TOTAL	213,000
Volunteers (P/T x14)	10,000		
TOTAL	368,250		
OPERATING PROFIT/LOSS	-45,475	OPERATING PROFIT/LOSS	-32,725
Corporate Sponsorship	50,000	Corporate Sponsorship	50,000
PROFIT	4,525	PROFIT	17,275

Risks

RISK	MANAGEMENT
1. Confliction of interest	Separate governance of Centre & foundation
2. Community rejection	Create independent governance for Centre
3. Events not attracted	No compromise on Centre management
4. Visitors not attracted	No compromise on Centre management & marketing
5. Tourism quality not achieved	No compromise in staff & volunteers
6. Visitor capture rate not achieved	No compromise in staff & volunteers
7. Visitor average purchase low	No compromise in staff & volunteers
8. Visitor average purchase low	No compromise in suitability of products and services
9. No suitable products & services	No compromise on Centre management
10. No suitable products & services	Develop required partnerships
11. Financial performance not achieved	No compromise on Centre governance

References

1. Domestic Visitor Estimates to Victoria, Year ending December 2000-2014, Tourism Victoria
2. TOURISM DEVELOPMENT PLAN 2011-2016, GOULBURN RIVER VALLEY TOURISM
3. AN AUDIT AND MARKET ASSESSMENT OF ARTS, CULTURAL AND MEETING VENUES IN EASTERN MELBOURNE, A Melbourne East Regional Development Australia report
4. Daryl Brooke and Associates telephone survey of stakeholders June 2015

Appendices

2018-20 Business Model

See next page.

Key Partnerships



Key Activities



Key Resources



Value Propositions



Customer Relationships



Customer Segments



Cost Structure



Revenue Streams



**Kinglake Ranges Community Cultural Facility
Launch Marketing Plan**

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November 2014

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About this Document

This document is a strategic marketing plan, including timings, for the 12 months leading up to the planned launch of the Kinglake Ranges Community Cultural Facility (KRCCF), and includes recommendations for marketing plan implementation.

This launch marketing plan will cover four areas:

- An overview of the KRCCF and the environment it will be operating in
- Features and attributes of the KRCCF that will appeal to its potential audiences, and who those audiences might be
- A practical campaign with implementation timeline
- An outline of how to measure and evaluate the planned marketing activities

Assumptions

This marketing plan has been created for the launch of the Kinglake Ranges Community Cultural Facility. All goals and actions are intended for the lead up to the launch event. Some activities will be ongoing and will continue after the launch as the KRCCF enters the operational phase.

It is envisioned that an updated marketing plan will be established once the venue is up and running and information has been gathered about how the venue is being used.

Costs of marketing tasks have not been included. Many tasks will be done on a project basis using external consultants and costs will be dependent on the consultant chosen. Some tasks can be done internally depending on the staff resources available. Discussions will need to happen around budget allocation and marketing priorities.

This marketing plan assumes a launch date of November 2015 and activities have been timed accordingly. If this date moves, the timeline will need to be adjusted.

It is assumed there will be a launch event for the public which will run over at least one weekend in November 2015, and an official launch event for council, media, prospective hirers, and prominent members of the community.

1 The Organisation

1.1 About the Kinglake Ranges Community Cultural Facility

The Kinglake Ranges Community Cultural Facility (KRCCF) aspires to be a vibrant and contemporary community centre providing opportunities for artistic, cultural, learning and environmental experiences.

About Kinglake

Kinglake, comprising forest, farmland, a national park and a township, is located 45 km north east of Melbourne, in the Kinglake Ranges, part of the Great Dividing Range. Many areas of Kinglake overlook the Melbourne skyline to the south west and the Yarra Valley wineries to the south.

The population of the Kinglake District in 2012 was 3,740 residents with a median age of 38 years. *(Source: Australian Bureau of Statistics)*

The town was one of the main affected towns in the 2009 Black Saturday bushfires, with over 40 people confirmed dead and over 500 homes destroyed or damaged.

About the KRCCF

The KRCCF is currently being designed by Yarra Valley based company, Soft Loud House Architects. Their organic architectural style offers a deep connection with nature, minimises negative environmental impact and creates a sense of delight in movement, space and form.

The KRCCF will be built on Whittlesea-Kinglake Road, adjacent to Frank Thompson reserve and the Kinglake National Park. There will be views to central Melbourne across Yan Yean Reservoir and the nearby ranges.

The venue will incorporate function and meeting rooms, exhibition gallery, café and gift shop, and there will be a Bushfire Memorial within the grounds.

Function and meeting rooms will be suitable for corporate conferences, workshops and training sessions. Community usage will include meetings, arts workshops, environmental training and learning sessions, school presentations and working groups.

The licensed café will serve drinks and light meals using produce and products from local suppliers. The gift shop will sell local wines, produce, art and crafts.

The venue will have the capability of running small music, comedy and poetry events, indoors or outdoors.

Main foyer will include brochures for other arts and culture facilities, local tourist attractions and accommodation.

1.2 Audience reaction to the KRCCF

The KRCCF will be a space that embraces community and makes all feel welcome. It is expected that visitors will find the KRCCF to be a warm, friendly and inclusive venue. People will use the venue for many different reasons including learning, entertainment, art appreciation, socialising and community meetings.

The architectural firm has been briefed to design a multi-use space that reflects a number of values.

- **Common:** A place for everyone to meet and share as a community.
- **Welcoming:** A place that invites and acknowledges a versatile and diverse community, with spaces for a wide range of activities and community interest.
- **Sharing:** A place where the community has a shared space to collaborate and be resourceful, to be supported and informed.
- **Memorial:** A place that allows reflection with the Black Saturday Bushfire Memorial.
- **Reflective:** A place to remember those lost in bushfire and war.
- **History:** A place that embraces and acknowledges the historical events of the area, and of the people from the area.
- **Natural:** A place that embraces the natural world and the views.
- **Respect:** A place that shows respect for the landscape and the natural highlights of the area.

1.3 Attractions in Kinglake and Surrounding Areas

Kinglake Attractions

Kinglake National Park

Sugarloaf Reservoir Park

Karma Kinglake Accommodation

Walking and cycling tracks

Raspberry and Berry farms

Farmers and Artisan markets

Cultural Attractions in surrounding areas

TarraWarra Museum of Art, Healesville

Acme et al, Yarra Glen

Art at Linden Gate, Yarra Glen

Yarra Ranges Regional Museum, Lilydale

The Memo, Healesville

Shepparton Art Museum, Shepparton

Riverlinks, Shepparton

Toolangi Castella Community House

Karralyka Centre, Ringwood

Tourist Attractions in surrounding areas

Yarra Valley Chocolaterie

Gulf Station Pioneer Working Farm, Yarra Glen

Alowyn Gardens, Yarra Glen

Healesville Sanctuary, Healesville

Yarra Valley wineries

Goulburn Valley wineries

Yarra Valley Racing, Yarra Glen

Tramways Museum, Bylands

Whittlesea family events and markets

Conference Facilities in surrounding areas

Yarra Valley Conference Centre, Dixons Creek

Foothills Conference Centre, Mooroolbark

RACV Country Club, Healesville

Melba Lodge, Yarra Glen

Chateau Yering, Yering

1.4 SWOT Analysis

A SWOT analysis looks at the Strengths, Weaknesses, Opportunities and Threats associated with the venue. It includes internal and external factors that impact KRCCF, and provides a summary of areas that KRCCF should concentrate on developing.

STRENGTHS – Internal

- New centre – many people will be interested in attending a brand new venue
- Great location and views
- Parking for cars and bicycles
- Full disability access
- Professional, friendly and dedicated staff
- Market niche in the Kinglake area
- Art Gallery – presenting touring exhibitions and local artists
- On site, outsourced licensed cafe – food, functions, ambience
- Gift shop selling local produce and wines – a one-stop shop for locals and tourists
- Meeting facilities – suitable for large or small meetings or conferences
- Gardens – perfect for socialising and enjoying the view
- Close proximity to the Yarra Valley region
- Rooms available to hire for community use

WEAKNESSES – Internal

- New centre – unsure of how the public will use it
- Lack of awareness of the facility in the local and wider community
- Geographic position – tourists need to be coming to the venue, it isn't on a main tourist route
- Staffing resources limited – may limit marketing and programming opportunities
- New staff structure – need to ensure all tasks are completed to a high standard in time for venue opening
- All processes (including marketing, operations, IT, venue hire, admin) to be created prior to opening
- Small local industry or business base limits opportunities for local sponsorship, business support / collaboration and usage
- Local community groups will be the main hirers – are there enough groups to regularly hire the venue to make it sustainable?
- The venue experience is unproven and may not encourage return visitation

OPPORTUNITIES – External

- Develop partnerships with other tourist attractions and tourism bodies
- Great marketing opportunity – brand new centre
- Programming opportunity: Music concerts for day-trippers and local community – Sunday afternoons, November, December, January and Easter.
- Community Arts Projects
- Utilise land / gardens for events
- Develop programming and activities which further the use of the venue by the community
- Engage with Parks Victoria and offer nature-based activities
- Tap into tour operators / guides
- Develop partnerships with media
- Capitalise on the half-day and day-trip markets from Melbourne
- Market venue hire to corporates for day conferences and meetings
- Encourage school use: displays, concerts, speakers, meetings

THREATS – External

- Out of sight / out of mind location
- Community may not engage with centre
- Small local population
- Corporates may not hire venue for conferences and meetings
- Many other tourist attractions in surrounding areas
- Competition from other regions
- Natural disasters – bushfire threat may discourage visitors in summer
- Region is not geared to short break stays due to lack of accommodation
- Early stage of tourism development places region at a disadvantage with more mature tourism regions that have established infrastructure and developed business and industry contacts and consumer awareness
- Need to market whole region, not just KRCCF

SWOT Summary

Being a brand new venue brings many unknowns as to how people will engage with the centre. There are a range of opportunities to build partnerships, successful programming and engagement for the centre. Customer service, operations, marketing and programming for the venue need to be set up effectively in time for the opening. People are likely to visit the centre when it opens from curiosity; the challenge is to encourage them to want to return.

2 Goals and Strategy

2.1 KRCCF Direction

Launch Goals

- To create awareness of the venue across a wide range of potential visitors and hirers
- To encourage people to visit and experience the venue
- Attract over 1,500 people to the venue launch weekend
- Build community relationships and marketing partnerships

Future Goals

Once the centre is open and operational, and a base line indication of the people using KRCCF is ascertained, SMART objectives (Specific, Measureable, Achievable, Realistic and Timetabled) for the future can be established covering:

- Visitation numbers (initial goal is 50,000 visits per year)
- Number of returning visitors
- Venue hire – Community and Corporate
- Customer Satisfaction
- Website and email statistics
- Café and gift shop sales
- Artwork sales
- Community engagement projects
- Programming and workshops

2.2 Recommended Actions

- Develop marketing tools to spread the word about the venue
- Create marketing collateral communicating reasons to visit
- Build relationships and investigate partnerships with local businesses, tourism bodies and media
- Establish marketing platforms and processes to see the venue past the launch and into the initial operational phase

3 The Audiences

3.1 Target Audiences

Three key target audiences have been identified:

- Local Community
- Corporates
- Cultural Tourists

Local Community

Many people in the Kinglake area will be interested in using and visiting the venue. They will visit for a variety of reasons including socialising with friends and family, attending meetings, workshops and events, visiting the gallery, or buying wine and produce.

Small businesses, schools and community groups are likely to hire the venue for meetings or workshops.

Adults 18+ who reside in the Kinglake region are the primary target, but the reasons people visit will be varied.

Corporates

There will be a variety of companies and small businesses within Melbourne, Shepparton and surrounding areas that will need a venue to hold conferences, meetings, workshops and team building events. It will be useful to be able to recommend accommodation and transport options to companies, to help solve some of the logistic issues about having a conference or meeting in Kinglake.

Cultural Tourists

Attracting the tourist market is essential for KRCCF. Expenditure from domestic day-trip visitors has grown each year since 2008, to reach over \$2.5 billion in the year ending June 2013. This reflects the growing trend for visitors to travel to regional areas for short breaks. *(Source: Victoria's Regional Tourism Strategy 2013-2016)*

The Yarra Valley and Dandenong Ranges region had 12.8% of day-trips to regional Victoria in the year ending June 2014, totalling 3,482 000 day-trips.

Among the top reasons for taking a day-trip to the Yarra Valley and Dandenong Ranges:

# 1	55.5%	Eat out at restaurants
# 2	37.7%	Visit friends and family
# 3	25.7%	General sight seeing
...		
# 7	8.0%	Visit national parks
...		
# 14	3.0%	Visit museums or art galleries

(Source: National Visitor Survey, Tourism Research Australia YE June 2014.)

The Kinglake area boasts a National Park and many walking and cycling routes that are frequented by tourists.

KRCCF is able to access these cultural tourists through targeted marketing campaigns aimed at:

- The local population and their visiting friends and relatives – word of mouth is essential
- Melbourne day-trip market
- Special interest groups – walking, cycling, art lovers
- The education segment

About the Culture Market

The current market for arts and culture in Victoria is large – 4.03 million people (94% of adults) in Victoria are in the current market for arts, culture and heritage. That is, they have attended at least one culture event or site with the past three years. Of this population, 74% live in Melbourne while the remaining 26% live elsewhere in Victoria.

Awareness of regional visual arts venues is relatively low among the Visual Arts market (those adults who have ever visited an art gallery or exhibition). 64% are aware of the National Gallery of Victoria, while only 8% are aware of the TarraWarra Museum of Art in Healesville.

(Source: Audience Atlas Victoria, April 2014, Arts Victoria, Morris Hargreaves McIntyre)

3.2 Key Messages

By identifying commonalities that are relevant to KRCCF, the marketing message to different groups of people can be tailored, to ensure KRCCF is speaking to them about the right things and in the right way. The key question to consider here is: What will motivate each target audience to visit / patronise / hire the venue?

Local Community

- Stunning views to Melbourne
- Local art, produce and wine to enjoy and buy
- Art gallery with wonderful exhibitions to enjoy
- Regular music events
- Café with great wine and food
- Affordable rooms to hire
- Embrace nature
- Perfect stop off on your bike ride
- Family friendly
- Be part of something special

Corporates

- Unique venue for conferences with brand new, modern facilities
- Stunning views to Melbourne and a beautiful drive to get to Kinglake
- Local art, produce and wine to enjoy and buy
- Embrace nature and retreat from the busy city or office
- Be part of something special
- Great café / catering available onsite
- Affordable rooms to hire

Cultural Tourists

- Combine a visit to KRCCF with other Kinglake, Yarra Glen, Toolangi and Healesville attractions
- Art gallery with wonderful exhibitions to enjoy
- Local art, produce and wine to enjoy and buy
- Stunning views to Melbourne and a beautiful drive to get to Kinglake
- Regular music events
- Café with great wine and food
- Perfect stop off during your bike ride
- Embrace nature
- Family friendly
- Be part of something special

4 Implementation Plan

It is important to not promote KRCCF until key aspects of the venue have been confirmed including venue design, services offered, venue hire pricing and conference facilities. If promotion occurs before key elements are confirmed, there is the risk of disappointing customers and of creating ill will rather than a positive reaction.

4.1 Marketing Tools

Branding

It is vital to establish the brand prior to any marketing tools being implemented. Venue name, logo, brand guidelines, visual identity and corporate voice should be a priority to confirm. By having a defined corporate voice, KRCCF's online presence and printed collateral will come across as consistent and will help strengthen the brand.

It is much easier for audiences to engage with a brand if messaging is clear and consistent about the brand's vision, purpose and objectives. A strong identity encourages trust and respect. This identity is built up by KRCCF's values, approach, passions and attitudes, and ideally the whole organisation will share these characteristics.

Recommendation: As soon as a venue name has been confirmed, engage and brief a graphic designer. This designer will need to start by designing a logo and developing brand and corporate voice guidelines. These will assist with website and email designs, advertising brochures, corporate presentation packs, as well as external and internal wayfinding signage.

Timing: January / February

Public Relations

KRCCF will need publicity in the lead up to the launch. Media releases will need to go to local and surrounding media including Kinglake Ranges Radio 94.5FM, Mountain Monthly, Leader and Mail newspapers, and tourism bodies. This will help get community buy-in, and the community and supporters can feel part of the launch process. A 'face of KRCCF' spokesperson should be appointed and this is the person quoted in media releases at all times and whose contact details are consistently provided.

As well as sharing news of how the building is progressing, some PR opportunities might be to have a competition to name the venue or key

meeting rooms, suggest people sign up to an email newsletter, announce staff appointments, details of exhibitions or events for the launch weekend, attract music / comedy acts or request local artists to supply goods for the gift shop.

Recommendation: Contract a PR specialist to carry out publicity for the venue. Ideally this will be someone with experience in community and arts publicity, and someone local with knowledge of the area would be an advantage.

Launching the PR campaign in February to coincide with the anniversary of the 2009 Black Saturday bushfires would be appropriate timing to remind the community of why KRCCF is being built.

Timing: January / February, then ongoing Media Releases throughout the year leading up to the launch

Website

A well-designed website is a must - more than 80% of tourists find information online. The website will allow tourists to get information to plan their trip, and give corporate clients all the information they need to discover and choose the venue for their conference. The site should also be optimised for mobile devices to enable people to view it on mobile phones and tablets.

Recommendation: As soon as a venue name has been confirmed, decide on and purchase your domain name. It is recommended to purchase 'similar' domains also, to capitalise on peoples' spelling errors and to prevent 'cyber-squatters' from profiting from your brand.

Contract a web designer to create your website. Ensure it will be easy for KRCCF staff to update. (eg: a WordPress site) The web designer also needs to be proficient in Search Engine Optimisation and keywords, to ensure the KRCCF website shows up in relevant searches.

Read the *Australian Tourism Data Warehouse – Tourism eKit* for helpful hints and tips around websites, emails and social media.

Updating the website regularly with new photos, videos and event information is required, and this task should not be underestimated.

Timing: February – May. Website to launch in May, 6 months out from launch date.

Blog

The website will take a few months to design, build, test and launch. In the meantime it is recommended that KRCCF create a simple blog that can be updated regularly with what is happening.

Recommendation: Create a content calendar and ensure the blog is updated regularly. Once a week would be fine until a couple of months before the launch date, when more frequent updates are recommended.

Once the website is launched, the blog posts can move to being a section on the website. This is a great way to keep a historical record of the events leading up to the launch, as well as providing a rich source of findable content for search engines.

Timing: March – November (Launch)

Email

Regular emails (monthly or fortnightly) are essential to keep supporters informed. It is invaluable to have an active and engaged email list, as it will give KRCCF direct access to people interested in the venue. Initially these emails will be about how the building is progressing, and then move into product sourcing, artists on board, café details and workshop / event information.

Recommendation: Create an account with MailChimp. Ensure the website and blog have a sign-up page for the email list. Two email lists are recommended – one for visitors and tourists, and one for the corporate market. This way email content can be targeted to each list and ensures the information sent is relevant to each audience. All marketing material should encourage people to sign-up to the email newsletter list and have a short, friendly web URL that takes people to the sign-up page.

Create an email section in the content calendar and ensure an email is sent out at least once a month. Once an idea of the amount of content within the email is reached, then the frequency of emails should be reviewed.

MailChimp can link to the blog, and automatically send a monthly email using KRCCF's blog posts (via an RSS Feed). This can be a great way to save time and resources, and avoid doubling up information handling. MailChimp can also automatically post the email on Facebook.

Part of KRCCF's email strategy also needs to include procedures, language and timings for replying to email and phone enquiries. If people are interested in hiring the venue, their custom should not be lost by failing to reply in a timely fashion. Generally hirers would expect a response within 24 hours, and ideally the same business day. Pre-formed replies and professional PDF attachments should be created as soon as possible to assist with the most common enquiries.

Timing: March onwards

Social Media

Tourists combine mobile technology with social media and send photos, share reviews, take and upload videos, 'check in' to popular locations and update their favourite social media sites as they travel.

The most popular social media site is Facebook, so it is worthwhile creating a Facebook account for the venue. The aim of a Facebook page is to create a community of supporters for KRCCF. Be mindful of what is posted and ensure lively debates are responded to with care. The page will keep supporters up to date with what is happening, and can let them know of upcoming events at the venue.

Recommendation: As soon as a venue name has been confirmed, create a business Facebook page. Create a Facebook section in the content calendar and ensure posts are made at least once or twice a week – these may tie in with the blog posts. Images and videos are a great way to get attention in news feeds.

Timing: March onwards

Content Calendar

It may seem that the same information will be shared across many different platforms. Remember that people get their information in different ways: the goal is to make it simple for visitors to find information in their preferred way. A content calendar is a great single reference point to help visualise information dissemination across many different channels.

The content calendar may be done on a whiteboard, a spreadsheet or online. Some online options offer a tool which will integrate with Facebook and WordPress automatically. (eg: www.coschedule.com)

There are 3 key steps to creating a content calendar:

- Start with an annual overview and consider major events in the venues' calendar. (eg: venue launch, music programming dates, school holidays, seasonal products in the café)
- Then begin collecting ideas for these events – posts are not always just about the event itself, but include background information that the target audience might find interesting or relevant - maybe the products featured in the café have won an award or been reviewed in a magazine.
- The final step is to put all this information into a detailed monthly calendar which shows what days you will do posts, which medium will be used and what you will talk about.

Marketing Collateral

Promotional brochures and posters will need to be created, plus a venue hire information pack should be created to post and / or email to prospective hirers.

Recommendation: Brief a graphic designer and supply copy and images to create promotional material, including:

- Launch Brochure – suitable for locals and tourists, promoting the centre and inviting people to the launch event
- Poster – suitable for putting up at visitor centres and local businesses
- Venue Brochure – ongoing brochure aimed at locals and tourists
- Corporate Brochure – ongoing brochure aimed at the corporate conference market
- Venue Hire Information Pack – suitable for corporate and community hire
- Business Cards – these are useful for all your corporate clients and business and media partnerships

Ensure digital versions for download (eg: a PDF format) are created as well as printed ones. It may be worth including a QR (Quick Response) code on the brochure. Customers scan the code with their smart-phones and can be immediately taken to KRCCF's website, newsletter sign-up page or social media as appropriate.

Once the building has been completed and is in use, engage a professional photographer to take shots of people engaging with the venue and insert these into the brochure and website.

The venue hire pack may be able to be completed in-house, or brief the graphic designer on this also. These types of packs often need regular updating (at least seasonally), so it would be best to be able to make small changes in-house.

Timing: April (create the database). Distribute from May onwards.

Distribution

Once collateral is printed, it is time to spread them far and wide!

Recommendation: Create a database of companies to distribute the brochure to, and follow up with them a month later to see if they require more brochures. Include the following companies:

- Visitor Information Centres
- Council offices and Community Links
- Libraries
- Schools – be included in a school newsletter
- Media
- Accommodation
- Cafés
- Other arts and cultural facilities

Distribution should occur once the website is live and fully operational. All marketing materials will be directing people to the website, so ensure it is correct prior to putting collateral into the market.

A corporate database should also be created. Call the companies in the first instance to ensure their correct details are stored along with the name of the best person to send information to. Then the brochure and venue hire pack can be mailed or emailed to them. A follow up call could be made a week later to see if the venue is of interest, and suggest that they be kept up-to-date with conference offers through joining the Conference email list.

Timing: April - May (Ensure website is live prior to distribution.)

Mail Drop

To ensure everyone in the Kinglake Region is aware of the centre and the launch, it may be useful to do a mail drop. This means information is 'pushed' to the people, rather than hoping they locate the information some other way.

Recommendation: Print enough launch brochures for every home in the Kinglake Region. To get these delivered, the Australia Post Unaddressed Mail system (paid service) can be used or a team of people / volunteers can be organised to distribute the flyers to each letter box in the region. An idea of how useful this marketing tool is can be achieved by including an offer on the flyer. (eg: free cup of coffee if you bring the flyer to the launch weekend. 20% off gift shop items over the launch weekend.)

Timing: October (Flyers to be distributed 1 month prior to launch.)

Advertising - Paid

There are a number of publications and websites that would be valuable to be part of including:

Tourism Victoria's Official Visitors Guide and Cultural Guide. These brochures have extensive distribution via Visitor Information Centres, Federation Square, Melbourne City Hotels, Melbourne Airport and consumer tourist shows.

Yarra Valley Official Visitors Map. Produced by Yarra Ranges Tourism, this map has wide distribution throughout the region.

Art Almanac and other art magazines. Depending on the exhibition, it may be worthwhile to advertise or list the exhibition in art magazines. These are great to raise awareness among the art lover market and other galleries.

Corporate magazines and websites. Place ads in publications and on websites that the corporate target audience frequently use. These might include The Age, Financial Review, specialised industry publications and websites. Purchasing ads through Google will also mean KRCCF comes up on the first page in searches for generic terms like 'conference venue melbourne'.

Once an advertising budget has been decided upon, an advertising plan can be created. There are traditional and digital advertising options available, but these are all budget dependent.

Timing: March (confirm budget), April / May (book advertising), October - December (advertising occurs)

Digital Marketing

There are many external websites to list the venue and events on - this is another way that people will find out about KRCCF online. Paid online marketing is also an option using Search Engine Marketing (SEM).

Companies can increase visibility in search engine results by using tools like Google AdWords or Bing Ads.

Recommendation: Create a database of relevant websites and list the venue and events. Ensure you have professional photos to use.

Some websites to list on are:

Tourist: visitvictoria.com

Once you list on the Visit Victoria site, it feeds through to most other tourist sites, so you only have to enter it once.

Arts: artshub.com.au
art-almanac.com.au

Events: au.timeout.com/melbourne
eventfinda.com.au/exhibitions
weekendnotes.com/melbourne/exhibitions/

Conference Venues: cvent.com
hiddencitysecrets.com.au
melbournevenues.com.au
alistguide.com.au
venuemob.com.au
venues2events.com.au
bestvenues.com.au

SEM is worth investigating – feasibility will depend on the budget available and which groups can be targeted.

Timing: May - July (Ensure website is live prior to listing.)

Listing events and exhibitions will be an ongoing task.

Tourist Signage

KRCCF will need to arrange for tourist signage to be erected on the main roads into Kinglake to ensure visitors can easily find the venue. These brown signs are organised via the relevant local council.

Recommendation: Start discussions with Murrindindi Shire Council and establish when the forms need to be submitted to ensure signs are erected at least 4 weeks before the launch event.

Timing: Meet with council in February / March and establish a timeline based on their information.

Partnerships

The more partnerships KRCCF can form the better! This will help with word of mouth publicity, and may give better access to databases and networks.

Recommendation: Meet with and start discussions with relevant companies and see how a mutually beneficial partnership may work. A 'Partners' page could be included on the website, and KRCCF could offer to link its website to partners' websites.

Some companies to consider are:

- Yarra Ranges Tourism – join Arts and Culture Working Group, it may be possible to participate in regional advertising campaigns
- Parks VIC
- RAV – Exhibitions
- Other facilities – some of the Attractions in Kinglake and Surrounding Areas listed here may be interested in meeting with you
- Schools

Timing: January – April (create target list), start meetings from May onwards.

Customer Experience

Getting the marketing tools right, and letting people know about KRCCF is only one step in achieving visitation goals. Exhibitions, events, activities and facilities have to be continually attractive to ensure repeat visitation. It is valuable to imagine KRCCF events from the audiences' point of view and remember that there are many elements to a visit that influences whether someone returns.

KRCCF may be able to 'add value' to visits – eg: a visitor to the gallery can experience a gallery talk by the artist; someone paying to see live music gets a free beverage from the café; corporates hiring the venue for more than one day qualify for a free bottle of wine over lunch – something that gives the customer a little bit extra than what they were expecting.

Every contact a customer or potential customer has with KRCCF can impact on their impression of the venue and ultimately whether or not they will choose to engage or re-engage. This means that everyone involved with the venue plays a part in ensuring that the customer has the best possible impression of KRCCF - the venue, the processes and the staff all need to reflect KRCCF values.

4.2 Timeline Overview

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Venue Name	█	█										
Engage Graphic Designer	█	█										
Design Logo/Brand Guidelines	█	█										
Engage PR Specialist	█	█										
Create target Partnership database	█		█	█								
First Media Release		█										
Purchase domain name		█										
Meet with Council re: Tourist Signage		█	█									
Engage and brief Website designer		█	█									
Website is being developed			█	█	█							
Create Content Calendar			█									
Commence Blog			█									
Setup MailChimp account			█									
Design Email template			█									
Establish Advertising Budget			█									
Create Facebook page			█									
Regular Facebook posts			█	█	█	█	█	█	█	█	█	█
Monthly Media Release			█	█	█	█	█	█	█	█	█	█
Continue Blog until launch				█	█	█	█	█	█	█	█	█
Commence Monthly Emails				█	█	█	█	█	█	█	█	█
Brief Collateral Design				█								
Create Distribution Databases				█								
Start Liquor License Process				█								
Create Advertising Plan				█	█							
WEBSITE LAUNCH					█							
Complete Brochures / Posters					█							
Confirm Venue Launch Date					█							
List venue on external websites					█	█	█					
Distribute Launch Brochures					█	█	█	█	█	█	█	█
Partnership meetings					█	█	█	█	█	█	█	█
Confirm programming for 2015/16 (music/exhibitions)						█	█	█	█	█	█	█
Complete Venue Hire Pack							█	█				
Plan launch weekend							█	█				
Create invite launch for official launch							█	█				
Start contacting Corporate Hirers							█	█	█	█	█	█
Send out official launch invites								█	█	█	█	█
List events on external websites									█	█	█	█
Advertising										█	█	█
Mail Drop to Kinglake Region										█	█	█
Tourist Signage in place										█	█	█
OFFICIAL LAUNCH WEEKEND											█	█
Engage Photographer												█
Update Collateral, Hire Pack and Website with new images												█
Distribute Venue Brochures												█

5 Monitoring and Evaluation

When a new venue opens, marketing is a learning process. It will take time to learn exactly who is attracted to visiting KRCCF, why they are visiting or hiring the venue, and which marketing tools get the best responses.

5.1 Monitoring Success

In regards to the launch marketing plan, success will be monitored by meeting timeline goals, creating relevant partnerships and achieving high visitation numbers for the launch weekend.

5.2 Evaluation Tools

Collect as much data as possible - this will assist in creating future marketing targets and plans. Possible data to collect includes:

Visitor Information

- **Collect Postcodes from visitors** - use this information to target advertising to popular areas.
- **Ask all visitors “how did you hear about our venue?”** - use this information to learn which marketing tools are working effectively.
- **Visitor Count** - keep a track of the number of visitors walking through the door and their reason for coming to the venue (no need to ask them, just have the front counter staff take note of where visitors go in the venue).

Hirer Feedback

- **Ask hirers to complete a feedback form** - gives feedback on all aspects of the hirers experience including staff and facilities.
- **Ask all hirers “how did you hear about our venue?”** - use this information to learn which marketing tools are working effectively.
- **Hirer Record** - keep track of the number and types of hirers - schools, meetings, corporate conferences, workshops etc.

Online Marketing Information

- **Google Analytics** - use this information to determine if the website is working effectively. Can people find the website? Are people able to find the information they are after, or are they leaving the site (‘bouncing’) within a matter of seconds? Which pages are most popular? Are people coming to the site by searching, or referral from another site?
- **Facebook** - track likes and shares, and level of engagement with posts.

- **Email List** - keep an eye on the sign up, click through and unsubscribe rates. Emails should be pointing people to the website and should be relevant to them. People will unsubscribe if they are not getting any value from emails.

Marketing Collateral

- **Distribution** - keep a record of which places are moving through brochures quickly. Don't keep spending time and energy distributing to venues where brochures aren't moving. The aim is to establish the most effective places for brochures to be.
- **Offers** - if offers can be included on marketing collateral and advertisements, be sure to keep track of redemption rates.

Customer Experience

- **Survey** - once the venue has been open for a year, it is recommended that a survey around customer service, venue facilities, café usage, exhibitions, events and marketing activities is constructed and sent to both databases to complete. Yearly surveys will ensure KRCCF remains in-touch with audience perception of the venue and facilities.

NOTES ON THE CCF SCOPING BUSINESS PLAN

INTRODUCTION

Earlier work had been done on the development of business plan for the CCF around the time the project was first conceived. However, It was felt that, given the significant changes to available funding and to the intended range of activities, that a new plan development process was needed.

Consultants were therefore engaged to produce scoping Business and Marketing plans for the project in its' current form. These identify respectively the main intended activities and their projected impact on the financial viability of the CCF, and the main target groups for such usage.

The plans which have been produced would be equally applicable to the project regardless of where it is ultimately located. One exception to this is the coverage of direct costs associated with the facility or facilities. In the case of the use of the RAC Kinglake site, the possibility exists for these to be met through a co-tenancy arrangement which includes Parks Victoria. If the project is entirely sited on land which has been provided on Ganglehoff Hill, all direct costs would have to found through revenue generated by project activities. It has been suggested by the VBAF panel that this impost could be reduced by the setting aside a long term R and M fund from the project grant monies.

One decision taken by the PCG in response to the scoping business plan findings was to adopt the option of a leased cafe arrangement , rather than attempting to set up and run a cafe under community control.

Since the Scoping Business and Marketing Plans for the Kinglake Ranges Community Cultural Facility were completed, further work has been undertaken by the PCG aimed at substantiating the projections of both revenue and cost items. The following notes are a summary of this ongoing work and connect to line items in the scoping business plan.

1. Information Centre

A major requirement beyond the scoping business plan was to define exactly what the information centre would be doing and how it would generate revenue. It was seen as self evident that it would become a significant point at which visitors could seek information about local attractions as well as a portal to those on offer in the CCF. In this way it would be tourism oriented, in contract to the MSC info centre which offers information about services.

Examples of public museums found by PCG members in Maryville and Kyneton led to consideration of charging entry fees and including a Black Saturday record in the displays. This would then constitute a major part of revenue generated, with other streams based on gift and produce sales.

2. Exhibitions

Based on the outcomes for sales and artist entry fees from the past the three annual Kinglake Ranges Art Exhibitions, we would expect the projected amount of \$6000 per year to be at least met and probably exceeded. This year's show resulted in some \$600 in fees, and 14 sales totalling approximately \$4000. The business plan is projecting two such shows per year, with the second one being open to more widely located artists.

3. Performances

The scoping business plan includes a line item in which 32 performance events per year result in a revenue of \$55,000. This generic item has been disaggregated by the PCG work into a number of event types in order to test the business model and projected financial outcome for each.

- Music and theatre performance events set at 10 per year and benchmarked against Regional Arts Victoria data for small to medium events in similar communities and venues to the CCF.(Karen)
- Red Plate events in collaboration with classic car and motorcycle clubs set at 10 per year. Revenue would be generated through a business model based on a small entry fee and moderate attendance.

There are many hundreds of classic car and motorbike clubs in Victoria and elsewhere. Their organised tours and day trips average 6-8 per weekend or public holiday year round. In the Kinglake Ranges you will see hundreds of classic cars and motorbikes passing through on these days. While some club members might book a lunch at the Kinglake or Toolangi pubs, most will only stop for a coffee at Kinglake or Pheasant Creek, or not stop at all.

The CCF project presents an opportunity to give car and motorbike enthusiasts, and other visitors, a reason to stop and interact. On 10 weekends per year, one or more classic car or motorbike clubs would be offered indoor/ outdoor display space for their vehicles and other display materials. The CCF would then charge a small entry fee (gold coin or \$5) and provide lunch and a memento to club exhibitors. The CCF would realize \$1000 per event, based on 200 visitors at \$5 each or 500 visitors at \$2 each. These events would also impact on cafe, gift and art sales. The information centre would also connect them to other attractions in the Kinglake Ranges.

- A small number of community events, which would take advantage of the larger seating capacity of the auditorium, are likely to occur. This assumption is based on the broad community recognition that the Kinglake Ranges currently lacks such a space. The venue would be hired out for such events with the cost set in recognition of the hirer's ability to pay.
- Film screenings (perhaps monthly) of films of particular interest and relevance to Kinglake Ranges people would be held with ticket admission.

4. Markets

The Kinglake Ranges has well established markets which operate regularly on weekends. The Kinglake Ranges also has challenging weather which can negatively impact on some markets or render them impractical on bad days. The CCF would offer an indoor alternative at times when the weather has closed in making an outdoor market impractical. CCF would levy a stallholder fee of perhaps \$20 for use of the indoor spaces and market attendees would also be expected to impact on cafe, art and gift sales. Flexible but clear management arrangements would need to be established to accommodate markets alongside other facility commitments such as exhibitions and displays.

5. Nature /adventure experience

Forest interpretive sessions would be offered to the visitors and school groups of up to 50 people and charged out at \$10 per head. We will be seeking a collaborative arrangement with Parks Victoria for these activities as there is an obvious shared interest in presenting such sessions to Kinglake Ranges Park visitors. The projected revenue in the scoping business plan for this activity of \$22,000 translates to an average weekly result of some \$500 or 50 participants. This looks realistic given the numbers of visitors with this interest coming to the Kinglake Ranges Park and the earlier experience of the Forest Discovery Centre in Toolangi.

6. Food sales

The projections in the scoping business plan are based on the consultant's background as an owner manager of a cafe and food produce business in Hurstbridge. His business is in scale to the intended operation in the CCF.

7. Art Sales

Further work has been done, drawing on the knowledge of the working artists based in the Kinglake Ranges and the commercial galleries with which they interact. The projected sales volumes and revenue amounts are based on five contexts in which artwork is offered for sale within the operation of the CCF.

- Work displayed for sale in the information centre, cafe and walkthrough areas of the facility throughout the year. Local and other artists would be rostered into time slots during which their work would be displayed. A commission of 30% of sales price would return to the CCF. 3D pieces could also be offered in landscape settings or as floor pieces in suitable areas of the facility.
- A smaller gallery space (perhaps a foyer to the auditorium) would be offered as a venue for solo or small group shows. Each show would run for 2-4 weeks before bump out and replacement. CCF would charge a \$700 venue and promotion fee and take a 30% commission on sales. For 10 shows per year and average sales of 5 pieces per show at an average price of \$200, the total revenue generated from gallery fees and sales commissions would be \$10,000.
- Two larger scale exhibitions would be held in the auditorium and other areas of the facility each year:

The Kinglake Art Show- 100-150 pieces.

A Regional Art Show- 100-150 pieces with Regional Arts Victoria involvement.

- Giftware pieces would be offered for sale in the information centre and cafe area. These would be relatively inexpensive and portable and could carry a Kinglake Ranges theme.
- The CCF would also establish an artist's directory to allow artists to be commissioned by CCF visitors to produce work. This would facilitate the participation of a wider range of artists, including those who work in larger scale formats such as heavy wood carvings, architectural glass design, or mosaic work. A small annual fee (say \$20) would be charged for participation as well as a 5% commission on work resulting from the directory.

8. History displays and book sales (Deidre)

As already stated, this area of CCF activity would be supported by the information centre to allow entry fees to be charged. The fees would be of the order of \$5 for adults and \$2 for children. A key attraction could be a Black Saturday record. Kinglake Ranges histories have already been compiled and would be available for sale.

9. Produce sales

Produce sale estimate is based on the consultant's experience in running a cafe/ produce sale business of similar scale to that envisaged for the CCF.

10. Product purchases

The percentage mark up has been reduced to 30% for the three categories presented in the scoping business plan, in line with average practice in regional outlets. Food sales are not relevant because the cafe operation would be leased out.

11. Direct facility costs

These include the following items on the scoping business plan: Insurance \$5000, Rates \$1500, Utilities \$7000, Repairs and Maintenance \$20,000. A total of \$33,500.

Two scenarios were outlined in the introduction of this document which would need to be further explored with stakeholders. These were the idea of the costs being met through a co-tenancy arrangement with Parks Victoria, and that of addressing them through direct project revenue or a combination of this revenue and a repair and maintenance fund lifted out of the project capital.

12. Staff costs

Our investigation of currently operating centres which are of comparable scope and purpose has identified the level of staffing as the main driver of costs.

We are proposing a highly slimmed down staffing arrangement of a manager plus volunteers to keep this cost as low as possible. If revenues allow it the staffing levels can be reviewed as the project proceeds. Such reviews would be based on the cost benefit of any additional staff according to the increase in project revenue which would result.

NEXT STEPS

Once the MSC and Parks Victoria positions on relevant elements in the Refined business plan is determined, the PCG will then develop a 5 year implementation plan by which the CCF can achieve its' projected revenue streams and fully manage its' costs.

It will be necessary to provide subsidisation of revenue during this period, in line with any starting enterprise. The KRF will need to take on a facilitating role in this either as a fund provider or a fund raiser, of both.

One strategy, which has already been mooted by the VBAF panel is to lift a support fund out of the grant monies provided to alleviate the initial cost pressure on the project.

REVISED ANNUAL OPERATING BUDGET INCORPORATING PCG FINDINGS

INCOME

Income source	Activities involved	Scoping BP amount	PCG assessed amount
Info centre	gifts, produce, museum entry (A \$5, ch \$2)	22,000	24,000 based on 50,000 visitors p.a.
Exhibitions 2 p.a.	entry fees, sales, raffles workshops, sponsorship	6,000	15,000 KR art show figures x 2
Performances	1 Music and theatre 10 p.a.	55,000 generic	20,000 (Karen) RAV benchmarks
	2 Red Plate events 10 p.a.		10,000 (Peter) \$1000 per event \$5 or gold coin entry
	3 Community events		1,500 venue hire x2
	4 Film screenings		10,000 (Steve F) Monthly screenings to 100 people, \$10 tickets
Markets	Providing indoor venue 6 p.a.	3,000	3,000 \$500 stall fees per event
Nature/ adventure Experience	Forest interpretive sessions	22,000	22,000 50 participants per week at \$10 each
Food sales	Cafe lease	50,000	50,000 annual lease
Art sales	1 continuous display of work for sale in non-gallery areas	12,000 generic	26,000 \$500 per week average sales

2 Foyer gallery 17,000 \$700 gallery hire
 Solo and small group Average 5 sales at \$200
 Shows 2-4 weeks

3 Artist directory 2,000
 100 artists at \$20 each

Book sales Kinglake Histories, Black 2,000 2,000 (Deidre)
 Saturday?

Produce Sales 36,000 36,000
 Consultant has a cafe, produce business of similar scale

TOTAL INCOME 237,500

Product purchases

Art sales 70% 30,000
 Book sales 70% 700
 Produce sales 70% 25,000
 TOTAL 55,700

GROSS MARGIN 181,800

EXPENSES

Expense item	Scoping BP amount	PCG amount Co-tenancy at RAC	PCG amount Stand alone
Accounting	5,000	0 KRF to cover this item	0
Marketing	30,000	30,000	30,000
Fees, subscriptions	3,000	3,000	3,000
Insurance property	5,000	2,500	5,000

Rates	1,500	750	1,500
Utilities	7,000	3,500	5,000 solar power
R and M	20,000	10,000	0 R and M fund proposal
Phone/ internet	3,000	3,000	3,000
Consulting/training	5,000	5,000	5,000
Employee insurance	5,000	5,000	5,000
Travel	1,000	1,000	1,000
Staff costs			
General manager	100,000	100,000	100,000
Staff oncosts	15,000	15,000	15,000
Volunteers P/T x 14	10,000	10,000	10,000
TOTAL	213,000	185,000	183,500
PROFIT/ LOSS	-32,725	-3,050	-1,550

Museum Information for Kinglake CCF PCG

Marysville RAC building Visitors Information Centre

Phoenix Fire Museum - Barry Thomas

- * Story of 2009 fires: Entry \$5 - \$2.50 paid to management
- * Story of 2009 fires has the most significant appeal to visitors - first question to Visitor Centre staff is "Were you here?"
- * Visitors spend up to 2 hours - display, DVD presentation of fire recovery.
- * School groups average 2 per day and numbers are doubling, come from as far away as Flinders and Echuca. In 2016 and 2017, National Disasters will be on VCE and Year 5 & 6 curricula.
- * Operating about 3 years, intending to transfer to larger accommodation.
- * Developing a Bushfire Education Unit in former Marysville Bowls Club building.
- * Need high standard of presentation and also a Web presence.

March 2015 - 5,029 visitors through the Centre, one of the highest months.

Phoenix Museum had highest number of visitors of all Marysville tourist/visitor sites
- 323 people purchased tickets (at \$5 per head = \$1,615)

May 2015 - Visitor numbers very good, highest number for May in recent years, aiming at 50,000 visitors through the Centre for the year.

(See attached notes.)

Marysville population: 500 before 2009 fires

Kyneton Museum - Former Bank Building

Building owned by Council, entry fees governed by Council, recently increased:

Adults \$7 Concession \$6 Children \$3.50 Family \$15 (2 ad. & 2 or more ch.)

Hours: Open Friday - Sunday 11am to 4pm

One paid staff plus volunteers

Museum display on two levels: Upper - furnished rooms in 1900 style, Lower - exhibition and display space, 5 different layouts per year.

*No temperature or humidity controlled areas, storage unit like a container but not damp.

Museum participates in two Kyneton fund-raising events per year - Daffodil Festival, Antique Fair.

'Friends of Kyneton Museum' organise extra activities/displays as fundraising for the Festival and Fair - gold coin donation, also run workshops and contribute extra funds to the Museum.

Re-development program soon, funded by grant from Council.

July 2014 - June 2015:

2,059 general visitors, total of 2,744 including groups (approx. 700 in groups)

Groups: Senior Cits., Probus, etc. - entry \$5.50 per head, driver free.

Schools - \$3 per students, staff and parents free.

Total income for July 2014 - June 2015: \$13,500

Kyneton population: 6,629 (2011)

Gisborne & Macedon Historical Society - Former Gisborne Courthouse

State Government building owned by Parks Victoria, Council has 99 year lease. Council responsible for maintenance of building and insurance policy on building. Gisborne & Macedon Historical Society (GMHS) responsible for running costs (gas and electricity, stationery, etc.), public liability and personal accident insurance and contents insurance.

Building used for storage, research and changing displays. No paid staff, all volunteers.

Attendance figures are not kept as no entry fee is charged.

Funds raised by:

1. **Sale of GMHS publications**
2. **Membership fees** - \$20 single, \$30 double per year (entitles member to receive 4 newsletters per year by post or email)
3. **Research fees** - \$25 - Request for local or family information, GMHS members find relevant material, inform person what is available and charge fee for copies.
4. **Photographs** - A4 reproductions of photographs in collection, - \$15 for personal use, \$25 for commercial use but signed declaration that not to be used for re-sale to photocopies.
5. **Grants** - applications to Council, State Government, Bendigo Bank, etc.
6. **Fundraising events** - participating in town garage sale, conducted tour of cemetery, old-fashioned High Tea, etc.

(Annual report information re. annual income and expenses available Wed. 9 Dec.)

Gisborne population: 7,289 (2011)

Summary of meeting with Healesville Memo theatre manager.
Attended by Steve Fleming and Kath Stewart

Questions considered:-

What projection equipment is installed
What sound equipment
Do you have a business plan you can share
What population do you expect to be catering for
What are attendance figures for the year or month
Where do you advertise and what does it cost
What is the demographic you cater to mostly
What is your funding model
How is it staffed... What staffing model full time:part time:casual
If casual, what size is the pool of casuals and how is it managed
What staff are on each day
What is the shire contribution to the running money and staffing
What different events do you run
What floor space devoted to permanent exhibitions and how often do they change
Where do you source exhibition material
How do you access movies
What is the cost of showing them (rights payment etc) and staff
Is(are) the centre(s) self funding if not what's the shortfall picked up by the shire
What's your best money-making event
What would you steer clear of

Notes taken at meeting:-

Seating capacity 300
Aimed to serve the community
Owned by council run by council population 10,000
Projection equipment NEC 2k digital projector \$90,000 price is dropping
ATS won the tender. Cinema sound and PA sound. Total cost of projection, sound, screen about \$150,000
Screen was \$40,000
In the auditorium they have professional theatre music concerts formal and informal music, conferences. Music festival. Auditorium has doors at the side that open fully.
Open every day, except Monday open 11 to 4
Gallery display is changed every four weeks
They have group shows, touring shows. Roughly 30,000 public visitors in whole venue in a year
Theatre events include: 3 to 4 professional theatre, 2 TheatreWorks aimed at families, 4 music concerts, 4 classical concerts, lots of hire.
Six nights of community theatre run by council.
Biggest expense is staff which is 80% of the running cost
Cost to council is approximately \$600,000, Which is the running costs. Does not include maintenance.
Staff are multitasking. Includes front of house staff supervisor, admin staff, technical staff, casual staff, marketing person

Spend is roughly \$1 million, Take is \$400,000 leaving \$600,000 for council of which 80% is staff wages.

Because they are open every day staff are there every day. Staff look after the exhibition space and movie tickets.

Fees for the film typically \$300 per Film and 35%. Minimum guarantee is \$300 or 35% which ever is the greater.

They are an art house theatre. Look for good quality films.

Films are booked as sub run bookings you pay \$300 for the first week then 35% after that.

Sub run bookings are 4 to 6 weeks after release.

They run a "movie club" which costs \$10 to join. Gives cheap access to movies. 260 members of the Yarra Ranges Film Society. Film society runs Tuesday night once a month includes supper.

35mm is not used films are either digital or Blu-ray.

Need to establish a prime goal for the building, for example service to the community, or tourism.

Run activities that will fund your primary goal.

Are we really a tourist attraction?

2-3-4 staff members working front of house all multitasking. Manager looks at program, Manager makes decisions about exhibitions, films etc need to speak to Ross Farnell at Burrinja cultural centre, Upwey. They use volunteers.

Need to pay someone who has the expertise to go out and find exhibitions.

At Healesville they don't attract tourists. About 10% of visitors to musical exhibitions for example the Gregorian brothers, come from out of Healesville for example Melbourne.

Think more about galleries and exhibitions rather than performances if you have lots of big gallery exhibitions you may need to be climate controlled to get the big ones.

On a good night, about 70 people come to theatre productions. Theatre is not a big event music is bigger but you need a big act but they tend to be expensive, they will only do one night for about \$8000 so you might need to charge \$80 a ticket to make costs.

Looking to increase the amount of cinema. Cinema is a good money earner. Started a movie loyalty club where every 10th movie is free. Members of the movie loyalty club come from far and wide. They are looking to push theatre to the movie-goers.

They are handing out free double passes to the movies at the supermarket to people who fill out a survey.

They are hoping that people that come and use the free pass will come back again.

Advertising is difficult and expensive, they print large roadside banners, they use Facebook and social media, they use roadside banner poles. They print about 3000 brochures a month They print 10,000 books a year, the book has in it the whole years performances that are planned.

Need to get the community engaged, the cultural centre makes the community more liveable.

People looking to move into Healesville will do so because it has a cultural focus.

Many people consider access to cultural events as important or more important than sport.

Things to avoid: private parties, no BYO, Centre as a liquor license, alcohol should be seen as an enhancement to the experience, not the experience. The only time they would consider a party is if it was a sit down dinner. Alcohol sale is only beer or wine.

Primary demographic are people older than 50, mainly female.

Families with children are interested, any family shows that are run tend to sell out. Typically holiday programs are eight dollars a head for adults and children, Because they are seen as a service to the community.

Once again \$600,000 from council, 80% of that is wages. Council receives \$50,000 from creative Victoria to assist the running costs.

Film section could be leased out to a private company, but you lose control.
They suggest that we are community focused not tourism focused.

**Figures obtained from the following Public Document:
Ticketing and Marketing Benchmarking October 2015 Survey
results.**

Survey Designed by Jenny Ryssenbeek with support and analysis by Merryn Carter. 33 responses from the VAPAC (Victorian Association of Performing Arts Centres Members).

This survey covers marketing, business planning, ticketing evaluation and audience research + development.

Venues surveyed include:

Shepparton

Colac,

Sale

Burnie Arts and Function Centre

Swan Hill Town Hall

Upwey- Burrinja

Kyneton- Macedon Ranges Shire

Mansfield Performing Arts Centre

Results for programs only displayed for the lowest ranges to midpoints.

Highest revenue, from self-programmed show.

3 x \$1144 or less

14 in range between \$7,000 to \$13,000

Of these the average ticket price for the highest revenue show.

Bottom 3 \$9 to \$20

15 in range between \$24 to \$36

Capacity sold for highest revenue show, 17 x 75-99%

Single performances outperformed multiple performances in revenue.

Top 3 genre generating the highest revenue which were self-programmed.

1. Contemporary Music

2. Musical theatre/Opera/Cabaret

3. Children/Family (Highest Ticket sales overall).

Note: no significant difference in genre success observed between metro and regional venues.

Highest Ticket sales for self programmed show.

1x 94 sales

1 x 150 sales

4 x from 277 and 300 sales.

Highest ROI

1 x **-\$1563**

3 x ~ \$600

13 averaged \$2,600

Genre of commercial hire with highest ROI

1. Music contemporary
2. Children Family.

Total Box office revenue for 2014

16/33 reported up to \$550,000

22/33 respondents are regional .

Simple show costs as researched on the RAV.org.au Touring acts 2016.

Most shows offer community engagement activities, marketing materials, links etc.

Eg 1. Miles and Simone (90mins)

Genre- music and comedy.

Fees- \$3000 + GST, minimum stage size 2m x 2m, and PA required.

Eg, 2. The Listies 6D

Family/ Interactive/kids entertainment/Hilarious

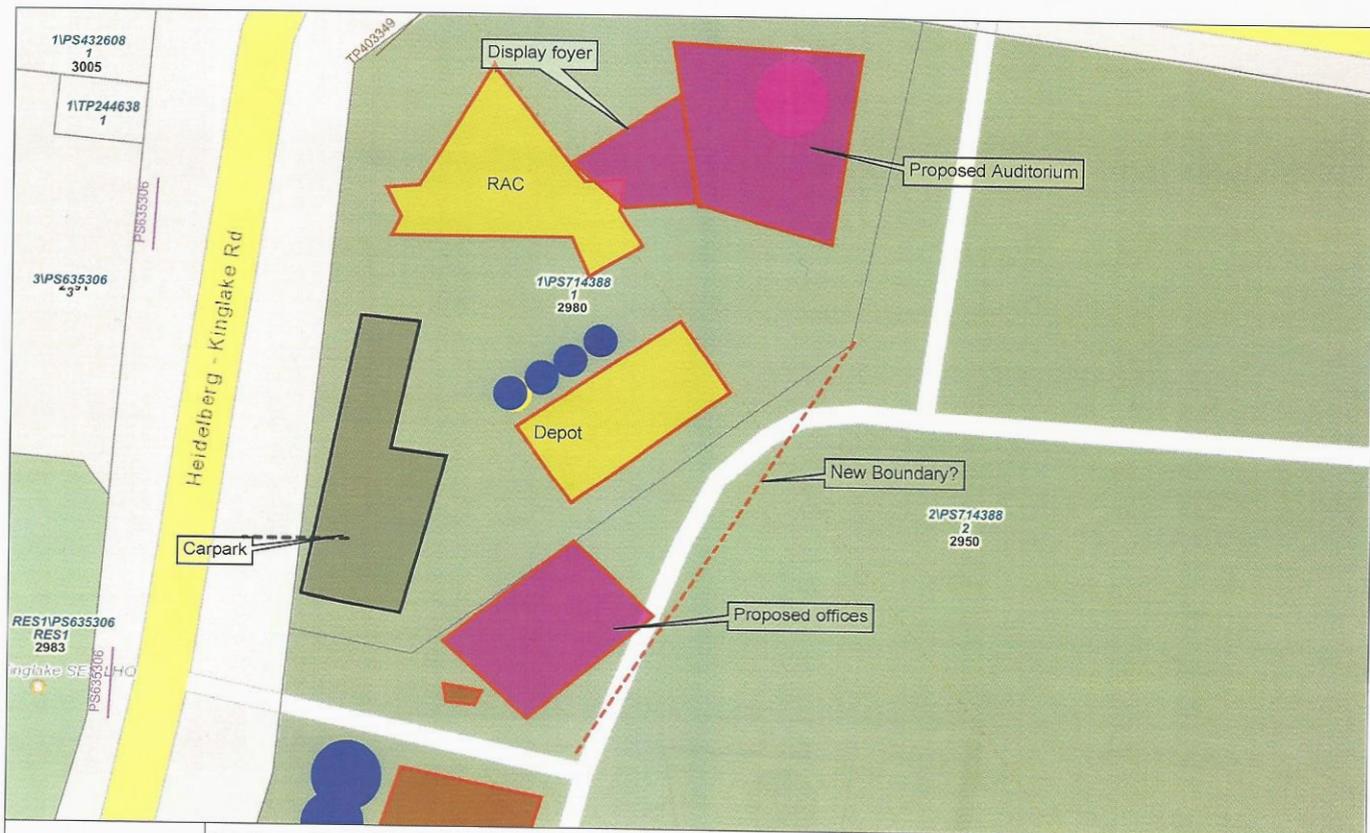
Fees- \$3300 +GST

Small musical performance costs would range from minimum of \$500 upward depending on popularity and reach for attracting both local and visitors to attend.

Amateur Theatre companies, usually use paid, directors, plus other costs such as costume, and technical staff and marketing and run for between 3 nights and 3 weeks after rehearsals of approximately 3 months.

Usually ticket prices are between \$15 +BF and \$25 +BF.

Aiming to sell a minimum of 100 tickets per night for 3 nights would be from break even to \$1500 profit.



Co-ordinates of Plot Corners		Data Source: Vicmap Property		Co-ordinates of Plot Corners		
NW	353371,5844696	<p>Scale of Metres (1:800)</p>		NE	353583,5844700	
SW	353374,5844568			MGA Zone 55	SE	353586,5844572
MGA Zone 55				Melways - 380 E11 Vicroads - 79 G2	MGA Zone 55	
		Created 12:22 PM on Dec 1, 2015				

WARNING: No warranty is given as to the accuracy or completeness of this map. Dimensions are approximate. For property dimensions, undertake a Title search.