

Unique Accommodation Success – Filling a North East tourism gap: A Case Study

Tourism North East conducted the *North East Product Gap Analysis* in mid-2012 involving stakeholder consultation and traveller research. This research provided an evidence based approach to prioritise investment into new tourism product within the region. Six key perceived gaps were identified:

Unique Accommodation in Sympathy with Nature

Visitors seek accommodation that is more than a functional requirement but adds richness to their stay. Accommodation that helps them to feel closer to nature is seen as a fit for the region. Operators that are able to deliver a quality experience among the unique forested environments, near water or showcasing the night sky should be rewarded with strong custom.



Iconic Resort Accommodation

It is acknowledge by visitors that a Saffire at Freycinet style experience does not exist in VHC with true five star resort accommodation yet to be invested in. There is mixed views as to the fit with the region. If this sort of development did go ahead the expectation is that it would be delivered in sympathy with the natural environment.



Nature Based Facilitation

The changing nature of the visitor to the North East means that a traditionally self-guided or facilitated nature experience in the region now calls for assistance from an operator at times. There is little guided walking, boat hire, fishing tutelage or the like available to assist lifestyle leaders in their desire to experience the full nature based offer of the region. This gap will be driven by private sector businesses and in pockets the need is already being met.



Cycle Facilitation

The breadth of cycle infrastructure available to access for tourists is appealing yet there is unmet demand for transport solutions, hire options, facilitated tours and guiding. This gap is rapidly being filled by the private sector but there is still capacity to increase the prevalence of these offers. Transport solutions remain limited. The Cycle Central project, auspiced by Indigo Shire, will investigate the ability for transport connections to substantively change cycle tourism usage patterns in the region. This project is being delivered by Tourism North East on Indigo Shire's behalf and will be completed in late 2013.



Experiential Cultural Heritage

While the history of the region is rich few operators or institutions have moved beyond the traditional interpretation of cultural heritage through museums, galleries and interpretive signage. Visitors want their immersive experiences to include rich and often interactive/experiential interpretations of the stories and legends of the past. Many of the horse riding operators in the region that tell the Alpine Cattleman's history, the Kelly story and the Man from Snowy River legend come closest to delivering this pillar in a modern and relevant way. There is potential to enhance the region's offer in this area.



Transport Connectivity – Intra-state and Intra-Regional

The North East depends on a self-drive tourism market as public transport connections to the region and within the region are poor and often unreliable. There is little ability for public transport to cater for the cycle tourism audience and the low frequency of services means it does little to overcome the transport need for visitors wishing to wine while they dine. Some private sector operators are starting to fill public transport gaps in select locations but these services are often seasonal.



Tourism North East will shortly release a *Destination Management Plan* that looks at these identified gaps and how we can fill them to create a stronger tourism experience for our visitors. There are many great examples both from within the region or more broadly in the global travel landscape that showcases these gaps well and the opportunities that exist. We will regularly feature small case studies of travel experiences or businesses that fill the tourism product gaps the region has.

Our first example is a local accommodation example that perfectly fits the identified gaps of “Unique Accommodation in Sympathy with Nature”.

THE CASE STUDY 1 : Unique Accommodation | The Kilnhouses – Porepunkah, Alpine Valleys

Background: Staying at the Kilnhouses is a unique experience where contemporary luxury and design is combined with the stunning beauty of the Ovens Valley high country landscape in Porepunkah near Bright in north east Victoria. Three houses – **Cavedon’s Kilnhouse**, **Chinaman’s Kilnhouse** and **The Sorting Shed** – are each in a separate part of a working Angus cattle stud. All of the houses fit naturally within the local rural environment and have spectacular views of Mount Buffalo, Feathertop and Bogong, with grape vines and sleek Black Angus cattle in the foreground.

What the research says:

- 83% of our “Lifestyle leader” visitor target market found unique accommodation appealing.
- Unique accommodation that celebrates “nature” provides travellers with a sense of tranquillity and peace.
- Unique accommodation stands alone as a reason to visit, not simply a place to sleep when visiting to do other things ie visit wineries
- 70% of respondents said they would be likely to undertake additional spending or increase their stay in the region based on staying in unique accommodation.



Quick Q&A with Clare Delany – Owner The Kilnhouses

What inspired you to build The Kilnhouses?

We were inspired to use the existing (abandoned) tobacco kilns because they were such unique and iconic buildings with high ceilings.

2. Can you describe the visitor booking the accommodation? Young, old, couples, families, foodies, cyclists etc

I would say a combination of all of these people. Once people stay in the kiln houses, they quickly tell their friends, and word of mouth is a big factor in our business. We have a number of return customers who are older people who are looking to stay in both comfort and style. We also have a number of families where the parents appreciate being able to have some luxury and style whilst also being able to bring their children. Another big selling point for us is local restaurants. People seem to first identify a place for the quality of food experiences and then if we are linked to the restaurant website, this is a strong source of cross referral. Cyclists are also an increasing market and we have regular bookings by groups of cyclists especially when cycling events are on but also for training (prior to the events). This market is potentially a very strong market for us. People who like expensive road bikes are also likely to appreciate and afford stylish and luxurious accommodation.

3. What have been the challenges?

Our biggest ongoing challenge is managing the laundry for the houses. However, we would ideally like to set up a laundry on site so we can manage the quality more closely.

Another emerging challenge is to ensure that the standards of the houses remain high —this requires careful attention to house fittings, furniture, and all amenities within each house and also ensuring that the houses continue to surprise and delight people during their stay. We have recently stayed at some lovely places in Provence, France and have come back with a few more ideas!!

4. What have been the successes?

The successes have been having an original concept of luxury, comfort and design and working with the one architect and interior designer to achieve those standards.

The successes have also been in developing a loyal and committed workforce (cleaners, onsite and locally based managers for bookings and organising breakfasts), maintenance for the gardens etc.

5. You have since built 2 more self-contained accommodation houses, what is the benefit with having additional beds?

Building a customer base and seeing many people stay in each of the houses. Another important advantage of having 3 houses is in enabling groups of people/families to come on the one weekend and to get together and also have their own space. There is also potential for a corporate retreat function and there are a few bookings along these lines

6. Can you tell me the average annual occupancy %

The average regional accommodation occupancy sits below 40%. At the Kilnhouses nearly every weekend is fully booked throughout the year and rooms during the week are booked out at an occupancy rate well above industry standard.

7. How do you market your accommodation?

We have been lucky that people who have stayed in our accommodation have spread the word. We have also linked ourselves (and are on their website) with Simone's restaurant in Bright. We have paid for some advertising in locally based magazines (Essentials and Alpine Style) but mostly we have been picked up by media (Gourmet Traveller, newspapers and some architectural magazines) via contacts who know about the houses. We are also listed on the MR, MRS SMITH website and have paid to be in the Beautiful Accommodation book

8. What % of bookings are made directly through your site vs 3rd party booking agencies?

I would say that about 90% of bookings are made directly through our site.

9. Do many people book cooking with Patrizia onsite? What is the visitor feedback for this experience?

A small percentage of people enquire about this —and we tend to direct them to Patrizia's cooking school or if there is a small group then they are able to have the cooking class at the kiln houses. There is quite a lot of interest expressed about this.

Check out The Kilnhouses website for more information and to see for yourself why this is a very successful example of unique accommodation that sits wonderfully within our North East environment. <http://www.kilnhouse.com.au/>

TNE would like to thank the owners of The Kilnhouses for taking the time to answer a few questions and letting us share some insights into their business and in providing us with some beautiful images of their property to show you all.

So the benchmark has been raised!