



# NED KELLY ALIVE

CONCEPT DEVELOPMENT AND  
BUSINESS CASE

May 2018



Sidney Nolan  
Glenrowan, c 1970s

Woven by Tapeçaries de Portalegre,  
Portugal from the original painting of 1946  
Woven wool tapestry

In the collection of the Benalla Art Gallery  
Image credit: Benalla Art Gallery

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## Executive Summary

### Project Introduction

While Victoria's High Country is home to some of Ned Kelly's most memorable moments, the current tourism experiences associated with this story are failing to connect with the region's primary visitor markets and meet current consumer expectations for contemporary and immersive cultural tourism experiences. Those Kelly products that are available are limited in their offer and lack cohesion, but offer great opportunity for improvement.

The *Ned Kelly Alive Concept Development and Business Case* looks to reimagine the region's Ned Kelly tourism experiences to create an engaging, immersive and connected offer that brings the Kelly story to life. This project provides the direction required to consolidate and enhance the region's Ned Kelly history into a contemporary and economically leverageable tourism product that champions the pillar of Art and Cultural Heritage across Victoria's High Country. Delivered effectively, the Ned Kelly tourism experience has the ability to attract both domestic and international visitors, and drive strong outcomes to the local visitor economy.

This project maintains strong alignment with a range of key tourism policy objectives and strategic planning initiatives at both State and regional levels, including the Victoria's High Country Destination Management Plan 2013-2023, Victorian Visitor Economy Strategy 2016-2020, Creative State 2016-2020, along with the regional economic growth and investment direction of State Government.

### Project Drivers

There are a number of drivers that support and provide impetus for the Ned Kelly Alive project in terms of concept development and the business case:

- **Tourism is an important contributor to North East Victoria's economy.** The implementation of an effective Ned Kelly tourism offering that intersects with the region's product pillars has the ability to accelerate forecast visitation levels.
- **Cultural heritage tourism is growing,** providing strong market opportunities for the Ned Kelly product.
- **Tourists are actively seeking engaging and immersive cultural heritage experiences.** Incorporating new technologies and experiences into the Ned Kelly product will provide opportunity to capture this high-value market.
- **The North East has the ability to own the Ned Kelly tourism experience,** creating a compelling tourism driver that will act as a competitive differentiator for the region.
- **There is unmet demand for Ned Kelly tourism experiences.** Developing Kelly tourism products will activate this latent demand.

## Project Problems

The concept of re-imagining the Kelly story is predicated on four problems identified through an Investment Logic Mapping Framework:

- **Problem 1:** A nationally significant story is losing relevance with the next generation of travellers, thus reducing the dispersal of visitors across the High Country
- **Problem 2:** Many townships are facing economic decline, with a growing reliance on tourism and a need to create reasons for visitors to stop.
- **Problem 3:** Tourism agencies have tended to steer away from sharing the story as previous attempts to use the Kelly story as a tourism experience have created division between the families and between consumer groups, making it difficult for tourism agencies to promote the experience without generating negative responses.
- **Problem 4:** A lack of collaboration between multiple SMEs and public authorities has led to a failure to effectively market and promote a coherent set of visitor experiences.

## Project Benefits

By addressing these problems, there are several key benefits that are expected to be realised:

- The development of new tourism experiences will attract additional visitors and expenditure, and also provide new commercially leverageable tourism products, delivering strong benefits to the visitor economy.
- Changing the perspective from which the story is told enhances the inclusiveness of the story. It creates authentic and attractive experiences linked to the story that allow more townships to participate in a meaningful way to increase the dispersal of economic value.
- Creating experiences which have mass appeal - and are not likely to create division - will allow tourism agencies to actively promote the Kelly story to new audiences, and increase the reach of the story to existing visitors.
- Developing experiences that not only meet but surpass the expectations of existing customers will drive greater opportunities for yield and repeat visitation (not only from existing visitors, but also by positive word of mouth promotion amongst potential visitors).

## Project Objectives

This project looks to position Victoria's High Country as the home of the Kelly story – a story that is part of the country's national story and a 'must-do' Australian experience. The project will:

- Bring the story to life through the use of cutting edge-technology and interpretation techniques that make learning easy for visitors;
- Tell the Kelly story from a range of perspectives (such as the policeman, hostages, gang members, etc.)
- Increase visitors, spend and length of stay;
- Promote dispersal and repeat visitation throughout the region;
- Create local job opportunities by becoming a tourism and economic driver for the region;
- Complement the region's existing product offering;
- Create an immersive, engaging and informative cultural visitor experience with international appeal; and
- Motivate operators to incorporate the story and final concept ideas into their individual visitor offering and enable them to develop commercial tourism offerings that leverage the Kelly story.

A series of KPIs have been established around these goals associated with visitation, visitor nights, events, visitor engagement, partnerships and marketing.

## **Response Framework**

The development of this Business Case has involved a robust methodology that includes a detailed product audit and experience gap analysis, stakeholder engagement and consultation, concept creation and market testing.

This work included an analysis of current trends, best practice case studies and current market demand that will be key in shaping concept development and project outcomes. Some key learnings are as follows:

- Museums need to be increasingly market-focused with a clear understanding of their target audiences, and a need for interactive exhibits that actively encourage engagement.
- There are strong opportunities to capitalise on film and movie tie-ins, which drive demand.
- The importance of sustained investment in refreshing the experience offering to visitors.
- The importance of a facility being a focal point for blockbuster events and exhibitions.
- Value is generated for a destination by linking with a broader set or regional experiences.

- Successful application of new technologies can play a leading role in expanding heritage access.
- Introduction of a major new cultural visitor experience can provide an impetus for the destination as a whole.

These learnings guide the development of Ned Kelly concepts, which have been created to target the region's key markets – Lifestyle Leaders domestically, and Experience Seekers internationally.

## **Project Options**

This project has adopted a strategic approach to deliver the identified market potential in the form of:

- An experience development framework, which provides a strategic basis for investment in interpreting the complex Kelly story, identifying the hero and signature experiences which will underpin development. Without the framework, new concepts and investments would be considered in isolation without an underpinning narrative.
- Identification of a small number of game-changing investments in new or improved Kelly story visitor experiences across the four local government areas. These investments will be game-changers, dialling up the appeal and economic impact of the Kelly story.

As part of this process, a range of potential signature Ned Kelly tourism concepts have been developed and explored for the region. These experiences have been assessed against weighted criteria that includes their ability to deliver regional economic impact, 10-year payback period, demonstrated demand, significance to the Kelly story, ability to bring a new perspective to the Experience Framework and sound business plan and project viability.

These criteria were then overlaid with the regional lens, with the aim of developing a signature experience for each LGA associated with the story. Based on this assessment, the region's Priority Projects are as follows:



## 1. Indigo Shire

Priority Project	Old Beechworth Gaol Kelly Experience
Implementation Cost:	\$7 million
Visitor Economy Outcomes:	100,000 visitors creating a cumulative economic impact over 10 years of \$14,416,600, supporting 169 jobs

The historic town of Beechworth is home to the Old Beechworth Gaol, which is the most intact and significant building from the Kelly story. The town also features the Kelly Vault, which manages one of the most significant collections of genuine artefacts from the Kelly story. Both are proven tourism experiences that act as strong tourism drivers.

This concept involves combining the physical assets of the Old Beechworth Gaol and the Vault's genuine artefacts (amongst others), and then surrounding these with immersive, contemporary experiences including a theatre space and AR/VR technologies. The Kelly Experience will be able to host a world class collection of art, music, motion pictures and discussions that keep the Kelly story alive now and into the future.

This project is expected to link with a second concept explored for Indigo Shire - the Beechworth Courthouse Activation. Also located in the historic precinct, this concept will create a high quality, immersive digital interpretation of the Kelly Gang and family's trials and experiences at the Courthouse. The experience will be based on audio-visual projections and recreations, culminating in a powerful digital experience of the committal hearing in the main courtroom.

## 2. Rural City of Wangaratta

Priority Project	Contemporary Viewing Tower and Siege Site Experience with AR/VR
Implementation Cost:	\$2.1 million
Visitor Economy Outcomes:	<i>Tower</i> - 11,000 visitors creating a cumulative economic impact over 10 years of \$9,727,258 supporting 114 jobs. <i>Siege Site</i> - 5,500 visitors creating a cumulative economic impact over 10 years of \$2,652,401 supporting 31 jobs.

To assist visitors in understanding key points of interest at Glenrowan, a contemporary, architecturally-designed tower containing different viewing areas will be installed in the centre of town, on a site that would overlook the key locations of the Kelly story. The tower will feature

different look-outs that essentially frame the Glenrowan landscape, providing an elevated vantage point from which to see the locations that were pivotal to the Ned Kelly story.

These landscapes will then be enhanced with Virtual Reality (VR) overlays, accessed via VR viewfinders that will be available to visitors to bring the story to life. This VR experience will be complemented by an augmented reality offering, an interactive map located within the tower, and audio elements triggered as visitors enter certain areas. There will also be a role for some static interpretive elements.

Augmented reality will also be used to bring the Siege Site to life, allowing visitors to immerse themselves in the siege via their mobile devices. It will provide those interested in history with a tangible, hands on experience, where they can control the narrative and explore the intricacies of the stories of all characters and the physical space.

<b>3. Benalla Rural City</b>	
<b>Priority Project</b>	Benalla Art Gallery Expansion and Installations
<b>Implementation Cost:</b>	\$4.4 million (gallery and three sculptures)
<b>Visitor Economy Outcomes:</b>	25,000 visitors creating a cumulative economic impact of \$38,507,220 over 10 years and 494 jobs

Benalla Rural City Council is looking to expand the existing Benalla Art Gallery to optimise tourism opportunities for the destination. This concept proposes moving key Costume and Kelly Museum artefacts (including the Kelly sash), currently located in the Visitor Information Centre, into the Gallery. It will then become part of a new permanent exhibition at the Benalla Art Gallery under the direction of a professional curator, in a space that both preserves and presents the Kelly Sash appropriately. These artefacts will be accompanied by Kelly related artwork and sculptures delivering a professional, engaging and accessible Kelly tourism experience.

The internal space will be complemented by the activation of the broader lake precinct and surrounds, through public sculptures located in close proximity to the Gallery, that also interpret the Kelly story.

#### 4. Mansfield Shire

Priority Project	Mansfield Police Memorial and Tour Operator Hub
Implementation Cost:	\$450k
Visitor Economy Outcomes:	25,000 visitors creating a cumulative economic impact of \$1,506,847 over 10 years and 18 jobs

This concept involves the creation of sculptural artworks in the town of Mansfield and development of a hub from which tour operators can conduct Kelly-based tours. This space will be designed to tell the stories of the police and their families based in Mansfield, before visitors head out to Stringybark Creek to go on a Kelly Trail that shows untold perspectives of the Kelly story. In particular, it will follow the story of Sergeant Michael Kennedy, Constable Thomas Lonigan, and Constable Michael Scanlan, who tracked and were eventually killed by the Kelly Gang.

The sculptures will include visual elements representing these three policemen and explore how their families were impacted by the Kelly story. The design of the sculptures will be respectful and dignified, with consideration for their surviving family members, as well as being engaging to visitors.

#### 5. Regionwide

Priority Project	Marketing and promotion
Implementation Cost:	<i>Marketing - \$660k (\$220k pa over three years)</i> <i>Interactive map and technology platform - \$150k</i>

Given the challenges of re-establishing awareness of the Kelly story in the marketplace and presenting a coherent marketing proposition to consumers, investment in a three-year regional marketing program is prioritised. This scale of investment provides the necessary quantum to generate the required level of impact in target markets, complementing and adding value to local operational investment.

To assist visitors in navigating the Kelly offering once in-region, an interactive map and technology platform is required. The map will represent key Kelly tourism sites in a mobile-responsive, interactive manner with geo-marked points of interest. It is envisioned that the map will act as a platform to explore the 'many perspectives' of the Kelly story enticing regional dispersal.

The technology platform, in the form of an app, will link the sites, stories and perspectives by providing the ability to engage with Augmented/Virtual Reality. This technology is key to some of the in-region concepts (like Glenrowan and Beechworth) but could also be used in both the Melbourne Gaol and State Library as a way to showcase the 'chapters' available in the North East.

## Preferred Investment Scenario

Three investment scenarios – low, medium and high – were considered as part of this report, which considers the packaging of Priority Products to reflect varying levels of potential State/Federal funding. The level of funding that can be secured will dictate how many Priority Projects are delivered, as opposed to reducing the scale of experiences that may impact their game-changer status.

The medium investment scenario is the preferred option, which includes the implementation of three Priority Projects, supported by a secondary LGA project that has local financial support. Collectively, this scenario offers a strong suite of Kelly experiences in destinations known for the Kelly story, and captures both supply and demand initiatives crucial for success at a regional level, including:

- Old Beechworth Gaol Kelly Experience
- Beechworth Courthouse Activation
- Glenrowan Viewing Tower and Siege Site
- Marketing and Promotion

This scenario will cost \$6.91 million to implement, reduced to \$4.35 million with Local Government and private sector funding commitments. This is the preferred investment scenario based on:

- A BCR of 3.0 (the best achieved return of the identified low, medium and high investment scenarios)
- Development of a collection of new and improved Kelly story experiences which has the critical mass necessary to influence the market and generate new visitation and associated expenditure
- The funding commitments of stakeholders which ensures project deliverability and minimises project risk.

Investment in this group of Kelly story experiences will result in a tangible economic impact, delivering;

- The attraction of 55,637 visitors in 2029
- A cumulative visitation of 468,998 over the 10-year period
- Expenditure and associated economic impact which supports 41 jobs in 2029

# 1.0

## NED KELLY ALIVE — PROJECT INTRODUCTION



# 1. Project Introduction

## 1.1 Background

The Ned Kelly story is considered one of Australia's most iconic historic tales – one that has helped shape part of the Australian narrative and has served as the inspiration for some of the country's most treasured artworks, music and film.

With Victoria's High Country being home to some of the Kelly story's most memorable moments, the region is well-placed to create a suite of iconic visitor experiences that will help to lift the profile of the High Country on both a national and global stage.

However, the current tourism experiences associated with the Kelly Story are failing to connect with the region's primary visitor markets, and meet current consumer expectations for contemporary and immersive cultural tourism experiences. While the Ned Kelly offering has strong potential, few destinations within the High Country currently laying claim to the Kelly experience have moved beyond the traditional interpretation of his story.

What does exist is largely limited in its offer and connectivity, and lacks a cohesive approach. While there exists a variety of Kelly tourism product, including a touring route, it is often poorly activated, and does not meet the expectations of the visitor or the High Country's key customer segment – Lifestyle Leaders.

In addition, private sector leverage and investment of the current product offer is limited, and could not be categorised as

being cohesive or connected, nor capable of providing a premium 'iconic' visitor experience.

To address these disconnects, Tourism North East (TNE), the Victorian High Country's Regional Tourism Board, in conjunction with a range of stakeholders, is looking to reimagine and connect the Kelly story and associated experiences, with the aim of developing an engaging, immersive and contemporary tourism product. This includes looking at new ways of displaying existing artefacts, developing dynamic interpretive experiences, effectively linking all relevant components of the experience, securing/creating new assets, and using technology to bring the Kelly Story and legend to life.

The Kelly story resonates with domestic and international visitors, ensuring widespread cohort demand for this type of cultural and heritage visitor offer. If delivered effectively, the Ned Kelly tourism experience has the ability to drive strong outcomes to the local visitor economy.

## 1.2 Project Overview

While Victoria's High Country is rich in Kelly story history, heritage sites and artefacts, the region currently lacks cohesive story linkages between the people and places that have made the overall Kelly Story famous. As a result, the region has not been able to capture the same high share of the arts and heritage visitor market as a number of other leading regional competitor destinations such as Ballarat, Bendigo and Hobart.

This project develops a business case that provides the direction required to consolidate and enhance the region's Ned Kelly history into a contemporary and economically leverageable tourism product that champions the pillar of Art and Cultural Heritage across Victoria's High Country.

The goal is to create a connected network of significant Ned Kelly/bushranger cultural tourism products and experiences for Victoria's High Country that will appeal to regional, national and international visitors. This includes identifying new ways of displaying existing artefacts, developing dynamic interpretive experiences, effectively linking all relevant components of the product, securing/creating new assets, and using technology to bring the Kelly story to life.

In order to deliver on these project objectives, this report looks to identify and develop game-changer projects in association with the Kelly story, and develop a business case associated with priority projects.

## 1.3 Strategic Alignment

This project maintains strong alignment with a range of key tourism policy objectives and strategic planning initiatives at both State and regional levels, including:

### *Victoria's High Country Destination Management Plan 2013-2023*

The region's Destination Management Plan identifies the strategic tourism direction of the region with the aim of uniting marketing, investment, product development and industry development efforts to achieve strong outcomes for North East Victoria's visitor economy. The Plan notes that the Victorian High Country is defined by its product strengths and unique offerings, as outlined in the five product pillars shared across the region. Arts and Cultural Heritage is one of these pillars, and visitors associate the High Country with culturally enriching products and experiences that draw from the history and culture of the nation, the region and local areas.

However, research has shown that visitors are often disappointed by the Arts and Cultural Heritage product offered in the region; and to this end significant work and investment is required to provide an improved customer experience and create new and/or enhanced sources of visitor value for High Country tourism within the Arts and Cultural Heritage pillar.

This business case looks to deliver on two priority areas noted within the Destination Management Plan – Arts and Culture Invigoration and Digital Excellence – offering contemporary and innovative tourism experiences that fill this product gap.

## ***Victorian Visitor Economy Strategy 2016-2020***

The Government's Victorian Visitor Economy Strategy sets a goal of increasing visitor spending to \$36.5 billion by 2025 and identifies nine priorities to achieve this goal. This business case for the reimagining of the Kelly Story will directly contribute to four of these priority areas:

- Build on the potential of regional and rural Victoria
- Develop better tourism infrastructure
- Improve branding and marketing
- Generate more private sector investment
- Improve experiences for visitors from Asia

The Strategy identifies Victoria's High Country as being highly dependent on tourism, and notes that it suffers from a range of challenges in trying to grow its tourism industry, including low international visitation, low awareness of regional experiences in the domestic visitor market, restricted internet access in some areas, a limited range of accommodation offerings and a lack of investment.

This project also answers the need identified in Victoria's 2020 Tourism Strategy (July 2013) "to raise awareness of regional destinations, experiences and attractions", which notes culture as a key driver within these targets.

## ***Creative State 2016-2020***

This Plan represents Victoria's first creative industries strategy, and features five major areas of focus. This project maintains strong links to three of these areas:

- Stimulating innovation to deliver economic impact;
- Increasing participation and access by engaging more Victorians in cultural endeavours. This includes via increasing the availability of cultural activities and experiences, and promoting the consumption of arts and culture.
- Extending Victoria's impact and profile amongst global visitors, where Victoria is renowned for its cultural infrastructure and experiences including events, exhibitions and visual arts. The plan notes that this cultural offering draws tourists from across Australia and the world.

A focus in these areas is expected to drive business growth, employment, tourism and investment across the State.

### **Regional economic growth and investment**

Tourism is an important industry sector for regional Victoria. The economic contribution and potential of tourism to Victoria is recognised by the Government, and Premier Daniel Andrews has noted that "ultimately, more tourism in our state means more jobs and opportunities for our people."



In 2015-16, tourism contributed directly and indirectly to \$5.9 billion of regional Victorian Gross State Product (GSP), representing 6.7 percent of overall Gross regional product (GRP). This is a significantly higher proportion than Melbourne, where tourism directly and indirectly accounted for 5.4 percent of GRP in the same year.

“The visitor economy is particularly important to regional and rural Victoria, with 56% of Victoria’s total tourism employment located in the regions. Some parts of regional Victoria are highly dependent on tourism including Victoria’s High Country.”



# 2.0

## PROJECT DRIVERS

Dear Sir

I wish to acquaint you with  
some of the occurrences of the present past  
and future, In or about the Spring of  
1870 the ground was very soft, - a  
Hawker named M. Gould got his waggon  
bogged, between Greta and my mother's  
house, and the place was a great

## 2. Project Drivers

There are a number of drivers that support and provide impetus for the Ned Kelly Alive project in terms of concept development and the business case:

### 2.1 Tourism is an important contributor to North East Victoria's economy

In 2025, Victoria is forecast to receive 101.3 million visitors. This forecast represents a 6.3% p.a. growth in international visitors, 3.5% p.a. growth in domestic overnight visitors and 4.3% p.a. growth in domestic day trip visitors from 2016.

China, New Zealand and the United Kingdom are expected to be Victoria's top three international markets in 2025, comprising 36%, 10% and 7% of total international visitors to Victoria respectively. Across both domestic markets (day trips and overnight), holiday will remain the primary purpose of visit (45% of total domestic visitors to Victoria in 2025) followed by Visiting Friends and Relatives (VFR) (34%).

Within this context, it is estimated that visitation to Victoria's High Country could reach upwards of 4.2 million visitors in 2026 (Table 1.1). Compared to current performance in 2016, this would equate to an additional:

- 1 million visitors and 1.7 million visitor nights
- \$235.8 million in visitor expenditure (supporting 3,432 jobs)

If Victoria's High Country could lift its profile through the development of a suite of contemporary visitor experiences around the Kelly story that intersect with the region's existing product pillars, it has the potential to exceed these base forecast visitation values by 2026 – generating increased local spend and helping to create additional job opportunities for the wider community.

Table 1.1 Ten-year visitor forecast to Australia's High Country (at TFC rates)

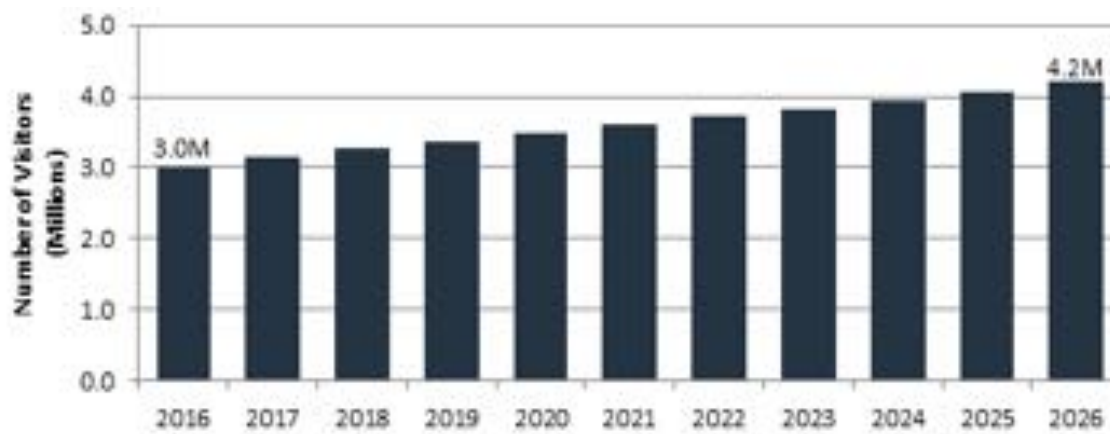


Table 1.2 High Country Visitor Economy Statistics



Victoria's High Country received *just over 3 million* visitors, growing at a rate of *4.6% per annum (p.a.)* – above State and National growth rates



Visitors spend approximately *4.8 million nights* in the region (*92% domestic*)



*Average length of stay (ALOS)* across all markets is *1.5 days*  
(Domestic Overnight ALOS is 3.0 days, International ALOS is 14.9 days)



*Main purpose of visit is for a holiday (61%) or to visit friends and relatives (24%)*



Tourism Expenditure in the region was *worth \$808.8 million* in 2016



*80% of domestic visitors* to Victoria's High Country come from *Victoria*, with over half of this group (45%) originating from Melbourne



The *UK, New Zealand and the USA* are the region's top international markets

## 2.2 Cultural Heritage Tourism is Growing

The Kelly story, as a set of visitor experiences, operates in the context of global and national market trends for Cultural Tourism. Factors such as visitor motivations and preferences, trends in attendance and participation, as well as expenditure drivers, are key inputs in informing demand forecasts for the proposed development concepts and experiences.

Cultural Tourism is defined as:

*“the movement of persons to cultural attractions (such as heritage sites, artistic and cultural manifestations, arts and drama) in places other than their normal place of residence, with the intention to gather new information and experiences to satisfy their cultural needs” (Association of Leisure and Tourism Education).*

In the context of this study, cultural tourism is taken to include the following activities (in alignment with the National and International Visitor Surveys conducted by Tourism Research Australia):

- Attend theatre, concerts or other performing arts.
- Visit museums or art galleries.
- Visit art / craft workshops / studios.
- Attend festivals / fairs or cultural events.
- Experience aboriginal art / craft and cultural displays.
- Visit an aboriginal site / community.
- Visit history / heritage buildings, sites or monuments.

Analysis of market trends shows that heritage tourism in Australia is growing at a faster rate than nature-based tourism – an average growth of 17% per annum over five years versus 15%. ‘Visiting heritage sites’ is the second fastest growing activity nationally over the past five years. When combined, visitor participation in heritage and cultural activities has grown from approximately 33 million in 2012 to 43 million in 2016 – growth of 25% - contributing to the feasibility of combining effort and focus of these two important sectors to drive efficiencies and outcomes.

Successfully capturing these markets during the re-imagining of the Kelly story will be critical to the success of the project outlined in this business case.

## 2.3 Tourists are actively seeking engaging and immersive cultural heritage experiences

Cultural tourism in Victoria has steadily increased over the past decade, with long-term growth particularly forecast among domestic visitors who currently dominate this market segment. The complete Kelly story is both diverse and inspiring, and is seen as a potential conduit and connector to engage with and capture this market.

Looking to the future, the younger visitor cohort is expected to be a key driver for cultural tourism growth, looking to engage with destinations or experiences with modern and innovative offers including the use and integration of digital technologies. The Kelly story, and therefore Victoria’s High Country, is extremely well positioned

to facilitate this cultural experience through enhanced product delivery, increased integration of technology, and a more dynamic and engaging visitor experience.

Cultural tourism represents a valuable market segment and typically this cohort remains at a destination longer, and has a higher than average spend by comparison with 'non-cultural visitors'. As such, developing tourism experiences that connect with this market has the potential to drive strong outcomes to the local visitor economy.

#### **2.4 The North East has the ability to own the Ned Kelly tourism experience**

The High Country is in a unique position in that it effectively owns the Ned Kelly story, with the most pertinent parts of the Kelly history occurring within the region. As such, it has the potential to develop a Kelly tourism experience that is a distinctive selling proposition for the region – a competitive differentiator that will act as a compelling tourism driver if developed and delivered to meet market demand.

Indeed, the *North East Victoria Tourism Gap Analysis* (2012) delivered by SGS Economics on behalf of Tourism North East identified that one of two key gaps in the region's cultural heritage offering was experiential and bookable Ned Kelly tourism experiences. This report notes that the Kelly history provides an opportunity to create a cultural drawcard for the region with potential to attract experience seeking families and international visitors. Revitalising the Kelly tourism offering would provide the High Country with a distinct point of difference through leveraging the iconic status of Ned Kelly,

and effectively move the region's cultural heritage product into the 21<sup>st</sup> century. Furthermore, the Gap Analysis points to Tourism Research Australia's visitor profile and satisfaction report for the High Country that recommends focusing on developing Australian history experiences for first-time and repeat visitors to the region.

#### **2.5 There is unmet demand for Ned Kelly tourism experiences**

The preliminary findings of consumer segmentation research commissioned by Tourism North East into the cultural tourism market (Quantum Research, 2018) illustrates that there is market demand for the Ned Kelly tourism experience. That is, between 50% - 60% of the High Country's target cultural tourism consumer segments indicated that they are highly interested in discovering more about the Ned Kelly story. The development of an immersive, contemporary and engaging Kelly tourism product will activate latent demand for the offering, as well as meet current consumer expectations associated with High Country cultural tourism experiences.

Furthermore, global cultural tourism trends show that there is a growing demand for experiences developed around popular movies. The filming of a new feature film titled *The True History of the Kelly Gang*, which will be directed by award winning Justin Kurzel, commenced filming in March 2018. The movie will star George MacKay, Russell Crowe, Essie Davis and Nicholas Holt and is being filmed in Victoria. It's set to be a "bold uncompromising film about one of the world's greatest outlaws" and "will shatter the mythology of the notorious bushranger, Ned Kelly". The popularity and attention that will inevitably arise from the movie is also likely to fuel further product demand.

3.0

PROJECT  
PROBLEMS



### 3. Project Problems

While Victoria's High Country is rich in Kelly story history, heritage sites and artefacts, the region currently lacks cohesive story linkages between the people and places that have made the overall Kelly story famous. Furthermore, the current tourism offering in Glenrowan does not meet the accepted industry standard.

As a result, the region has not been able to capture as high a share of the arts and heritage visitor market as a number of other leading regional competitor destinations, which includes Ballarat (Sovereign Hill), Bendigo (Bendigo Art Gallery) and Hobart (Port Arthur Historic Site). Lack of visibility and visitor awareness (in the region's target markets and segments) of the Kelly story is a recognised challenge for the region.

A review of Google search trends suggests a steady decline in searches for Ned Kelly since 2012. The decline in search volumes does not necessarily reflect a declining interest in the Kelly story but is reflective of a period where there has been limited new news or experiences to stimulate consumer interest i.e a gap period in interpreting the Kelly story (no major film/tv adaptations), and limited investment in new visitor experiences. The learnings from other contemporary stories and heritage assets is that sustained investment is required to generate consumer interest and awareness (see Global Best Practice case studies Section 6.4).

The concept of re-imagining the Kelly story is predicated on four problems identified through an Investment Logic Mapping Framework:

**Problem 1:** A nationally significant story is losing relevance with the next generation of travellers, thus reducing the dispersal of visitors across the High Country

**Problem 2:** Many townships are facing economic decline, with a growing reliance on tourism and a need to create reasons for visitors to stop.

**Problem 3:** Tourism agencies have tended to steer away from sharing the story as previous attempts to use the Kelly story as a tourism experience have created division between the families and between consumer groups, making it difficult for tourism agencies to promote the experience without generating negative responses.

**Problem 4:**  
A lack of collaboration between multiple SMEs and public authorities has led to a failure to effectively market and promote a coherent set of visitor experiences.



# 4.0

**PROJECT  
BENEFITS**



## 4. Project Benefits

By addressing these problems, there are several key benefits that are expected to be realised:

- The reimagining of the Kelly story allows a new audience to embrace the story and seek out associated tourism experiences. This will drive economic benefits through additional visitors, visitor nights and visitor expenditure as people travel to or extend their stay in the region. Additional economic opportunities will be created through existing businesses developing commercially leverageable tourism products associated with the Kelly story, and new investment in alternate visitor economy related industries.
- Changing the perspective from which the story is told enhances the inclusiveness of the story. It creates authentic and attractive experiences linked to the story that allow more townships to participate in a meaningful way to increase the dispersal of economic value.
- Creating experiences which have mass appeal - and are not likely to create division - allows tourism agencies to actively promote the Kelly story to new audiences, and increase the reach of the story to existing visitors.
- Developing experiences that not only meet but surpass the expectations of customers will drive greater opportunities for yield and repeat visitation, not only from existing visitors but by positive word of mouth promotion amongst potential visitors.

This project will generate additional economic value to the North East of Victoria through increased visitation, as well as social benefits through improved connectivity between the city and regional towns.



# 5.0

## PROJECT OBJECTIVES

# £8000 REWARD

## ROBBERY and MURDER.

**W**HEREAS EDWARD KELLY, D. and STEPHEN HART and JOSEPH BYRNE have been declared OUTLAWS in the Colony of Victoria, and whereas warrants have been issued charging the aforesaid men with the WILFUL MURDER of MICHAEL SCANION, Police Constable of the Colony of VICTORIA, and whereas the above-named offenders are STILL at LARGE and have recently committed divers felonies in the Colony of NEW SOUTH WALES; Now, therefore, I, SIR HERCULES GEORGE ROBERT ROBINSON, the GOVERNOR, do, by this, my proclamation issued with the advice of the Executive Council hereby notify that a REWARD of £4,000 will be paid, three-fourths by the Government of NEW SOUTH WALES, and one-fourth by certain Banks trading in the Colony, for the apprehension of the above-named Offenders, or a reward of £1000 for the apprehension of any one of them; and that in ADDITION to the reward, a similar REWARD of £4000 shall be offered by the Government of VICTORIA, and I do hereby notify that the said REWARD will be equally apportioned between any persons giving information which shall lead to the apprehension of the offenders or assist in their arrest.

(Signed) HENRY PARKES.

## 5. Project Objectives

Goals were set during an initial project visioning workshop with representatives from Tourism North East, Rural City of Wangaratta Council, Benalla Rural City Council, Mansfield Shire Council, Indigo Shire Council, Regional Development Victoria and associated industry operators to ensure that maximum benefit would be delivered to all stakeholders involved across region. Based on the outcomes of the visioning workshop, the proposed direction for the Kelly experience was outlined as follows:

### *Vision*

*To position Victoria's High Country as the home of the Kelly story – a story that is part of our national story and a 'must-do' Australian experience.*

### *Mission*

To re-imagine the tourism storytelling approach to Kelly story in a way that will lift the profile of Victoria's High Country and appeal to new markets.

### *Goals*

- Bring the story to life through the use of cutting edge-technology and interpretation techniques that make learning easy for visitors;
- Tell the Kelly story from a **range of perspectives** (such as the policeman, hostages, gang members, etc.)
- Increase **visitors, spend and length of stay**;
- **Promote dispersal and repeat visitation** throughout the region;
- Create local **job opportunities** by becoming a **tourism and economic driver for the region**;
- Complement the region's **existing product offering**;
- Create an immersive, engaging and informative cultural visitor experience with **international appeal**; and
- **Motivate operators** to incorporate the story and final concept ideas into their individual visitor offering and **enable them to develop commercial tourism offerings** that leverage the Kelly story.

Key Performance Indicators (KPIs) have been developed to ensure the delivery of these goals. The KPIs for this project are as follows:

Table 2.1  
Key Performance Indicators

KPI	Recommended Target
<b>Visitation</b>	Once actions have been completed, aim for a for a 10% year-on-year increase in independent (not accommodation related or events related) visitors over a five year period
	Aim to increase overnight visitors by 5% year-on-year over the next 5 years
<b>Events</b>	Aim to increase events bookings by 5% year-on-year over the next five years
<b>Visitor Engagement</b>	Using visitor surveys, measure visitor engagement with the key messages of the Ned Kelly brand and the key pillars of story, aiming for an increase on baseline levels
<b>Partnerships</b>	Victoria’s High Country will be actively engaged in appropriately local, regional and State partnerships in line with the Ned Kelly story’s strategic objectives
<b>Marketing</b>	Aim to increase Victoria’s High Country presence on key regional tourism websites utilising key messages

# 6.0

## RESPONSE FRAMEWORK



## 6. Response Framework

### 6.1 Methodology and Criteria

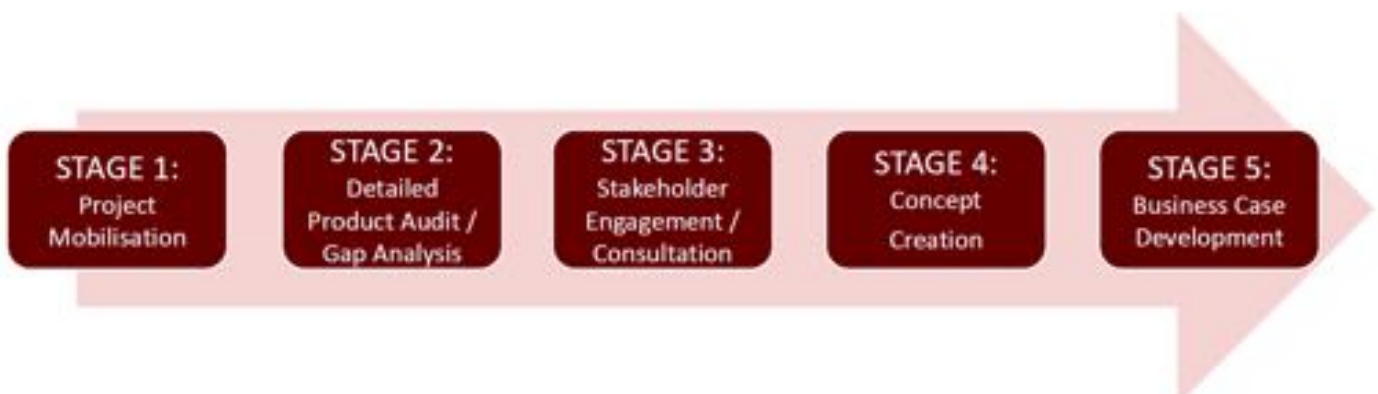
In response to the identified problem, this project looks to develop new concepts for the delivery of contemporary, engaging and immersive Ned Kelly tourism experiences that drive strong outcomes to the local visitor economy.

The development of the business case has involved a robust methodology that included a detailed product audit and experience gap analysis, stakeholder engagement and consultation, concept creation and market testing (Figure 1).

The project is led by a set of guiding principles that were developed as part of a visioning workshop with key stakeholders in-region, who agreed that the project will:

- Provide the visitor with **experiential moments of national importance**;
- Be **historically accurate** and respectful to the families involved;
- Recognise and **protect significant places and stories**;
- Embrace the story from **different perspectives** (including context and culture);
- Ensure **satisfied customers from across a range of segments** (youth, education, nature-based, etc.) and **inspire them** to share the story from their real emotional connection;
- Encourage visitors to go to **more than one location**;
- Create **mutually beneficial partnerships**;
- Be underpinned by **sound business principles**; and
- Be a **'game changer'** for Victoria's High Country visitor economy – one that **integrates with the existing High Country product pillars** (food, wine and craft beer, nature, cycling, etc.) and **drives economic value** to the region (including jobs and flow-on effects).

*Figure 1 Project Methodology*



## 6.2 Review of Current Offering

The table below identifies the Strengths, Opportunities, Weaknesses and Threats (SWOT) in relation to the region’s Kelly offering. It takes into consideration the feedback received through stakeholder

consultation, background research and the current Kelly story product audit. It should be noted that this analysis covers all locations of the Kelly story except Melbourne.

Table 3.1 SWOT analysis for the Kelly story offering in region

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Authentic sites and artefacts that played a role in the story</li> <li>• An iconic Australian story that has inspired people from a variety of mediums (including art, music and film)</li> <li>• A wealth of information and research is available (so the region is not starting from scratch)</li> <li>• The story plays out in nature, which can appeal to a broad market</li> <li>• Strong family linkages that are still around locally today</li> </ul>	<ul style="list-style-type: none"> <li>• Under-exposed and utilised heritage assets (i.e. lots of imagination required with little support)</li> <li>• Lack of products and experiences which meet current visitor needs and expectations (e.g. interactive elements, engaging interpretation panels, etc.)</li> <li>• Lack of cross promotion between sites</li> <li>• Lack of commercial opportunities associated with the story</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Inspiring the visitor to look at the story from a variety of perspectives (i.e. discover much more beyond the hero versus villain debate).</li> <li>• Improve partnerships and collaboration across the story locations</li> <li>• Increase visitation out of Melbourne and create repeat visitation through contemporary and compelling experiences</li> <li>• Link the story into all of the identified product pillars (not just arts and cultural heritage)</li> <li>• Create an emotional connection for visitors in a way that creates brand ambassadors</li> </ul>	<ul style="list-style-type: none"> <li>• Polarising story that creates strong opinions</li> <li>• Continuing need for general reinvestment over time to maintain visitor satisfaction</li> <li>• Melbourne-based product already has a contemporary version of the story that supersedes the current need to leave the city</li> </ul>



### 6.3 Cultural Tourism Trends

In order to determine the best solutions to the problem, it is imperative to understand the global tourism landscape. Analysis of current trends, best practice case studies and current market demand will be key in shaping concept development and project outcomes.

#### a) Museum Demand

Museums are well placed to satisfy the demands of the broad range of visitors that make up the overall cultural tourism market. More than just brands and buildings, they can also be the storytellers who purvey distinctive forms of inspiration and information through their collections, exhibitions, events and narratives. At their best, museums are the natural focal points for delivery of a region or nation's cultural heritage stories and narratives.

A number of current trends are apparent in the museum space:

- Blockbuster exhibitions are key drivers of peak attendance numbers;
- Overall museum attendance in many western economies have either plateaued or remained stable, with some evidence of growth failing to keep pace with overall tourism sector growth;
- Museums are competing for disposable leisure time with the ever-increasing range of virtual and real-world leisure options; and
- Museums across Asian destinations continue to experience strong growth (3.1% attendance growth in 2016), driven by factors such as large population size, free admission, and being located in major tourist destination cities.

It should be noted that what works in a major metropolitan area may not necessarily work in a smaller city. Larger cities are able to capture a visitor market with ease due to lack of access issues and capturing the interest of passing foot traffic. Exhibitions and events in smaller cities need to be able to draw on the existing visitor market.

Museums need to be increasingly market-focused with a clear understanding of their target audiences. Some future challenges include increased competition and pressure on attendance figures due to a wide range of education and leisure experiences available; and the demand of the 'information age' has encouraged museums to move from 'suppliers of information' to providing tools for visitors to reach their own conclusions.

Museums operate in an increasingly competitive funding environment, with both public sector and philanthropic support needing to be outcome driven. Public sector stakeholders need to achieve demonstrable returns from their investment, and philanthropic supporters increasingly expect clarity in terms of the programs they are investing in. The millennial generation approaches philanthropy differently from previous generations. Studies show that millennials do engage in charitable giving, but they tend to expect certain kinds of results and accountability in return.

Today's museum visitor market is increasingly looking for education and entertaining attractions. No longer do static exhibits draw and retain the crowds in the ways they used to. Leveraging technology focuses on how the user interacts with the exhibit and can inspire engagement.

## b) Increased emphasis on experience delivery

In many instances, arts, culture and heritage sites have become key partners in the tourism industry, and an important part of the creative and cultural industries. As a result, successful sites have evolved to deliver experiences that meet the current expectations of visitors. That is, interaction is now key, with visitors favouring exhibits that actively encourage engagement. Visitors expect these sites to deliver experiences that offer both education and entertainment, delivered in innovative ways.

‘Look and read’ displays have limited visitation in today’s interactive, fast paced and technology-centric world. Product offerings must be able to tell an authentic and immersive story that drives visitors to and around a region. If the story is not interactive or immersive enough, a visitor will trade it with another, so attractions must be able to appeal to mainstream markets.

Museums and galleries have incorporated tools of themed entertainment and experience design, adopted and applied new technology, and embraced blockbuster exhibitions and storytelling. The role of the collections displayed in these sites has likewise shifted — including how they are presented and can be accessed.

Until comparatively recently, only a handful of museums and heritage sites utilised Virtual Reality (VR) and Augmented Reality (AR). Now, it is pervasive with sites of all sizes considering how to use VR and/or AR to either create visitor experiences or access their collections in unique ways.

As is the case with most consumer-oriented environments, museums and galleries must continue investing in new exhibitions, physical assets and experiences to maintain and develop audiences. Failure to reinvest — whether through temporary exhibits, expansions, or through the renovation of existing exhibits - runs the risk of attendances being eroded. In this regard, flexible and innovative approaches to engaging audiences are required, either through expanding programming to attract new audiences or extending opening periods.

Queensland Art Gallery/Gallery of Modern Art’s (QAGOMA) signature Up Late events bring major exhibitions to life after hours to broaden the art experience. The Gallery’s iconic spaces are filled with live music by cutting edge and emerging musicians from around the world, and informal talks by local identities introduce unexpected tangents on exhibition artworks and themes. Up Late has hosted exclusive live performances from artists such as Wolfmother, Katie Noonan and Bonnie ‘Prince’ Billy.



*Figure 2 Performance at MONA*

## 6.4 Global Best Practice

In order to develop appropriate Project Options that will be 'Game Changers' in leveraging the Kelly story, extensive research was conducted in the form of developing case studies for global best practice examples around product development.

Ned Kelly visitor experiences will be competing for visitors' disposable leisure time against a wide range of cultural tourism and leisure experience from across the globe. It is important to consider an array of engaging and interactive experiences in this space from around the world, which should be seen as industry benchmarks for contemporary visitor experiences.

Key areas of best practice include:

- Capitalising on film and movie tie-ins.
- The importance of sustained investment in refreshing the experience offering to visitors.
- The importance of a facility being a focal point for blockbuster events and exhibitions.
- Value is generated for a destination by linking with a broader set or regional experiences.
- Successful application of new technologies can play a leading role in expanding heritage access
- Introduction of a major new cultural visitor experience can provide an impetus for the destination as a whole.
- Museum or heritage clusters can play a role in build overall visitor appeal.

Following are a range of case study exemplars in the cultural and heritage fields, which provide learnings that guide the development of the Ned Kelly Alive concepts. These learnings showcase successes in leveraging different forms of media and experiences that have been developed around a theme, similar to the Kelly product offering that could be created through the projects proposed in this report.

## A. Capitalising on film/movie tie-ins

### Experience: Hobbiton, New Zealand

The Hobbiton movie set opened in 2002 and is one of the most popular tourist attractions in New Zealand, drawing in more than 350,000 visitors a year - a 10-fold increase since 2010. The majority (84%) of visitors are from international markets. Hobbiton has been credited with helping diversify the local economy and generating a 'feel-good' vibrancy for Matamata, the host location.

Additional direct expenditure to other businesses within the district equates to NZ\$5 million and an overall impact (direct and indirect) of NZ\$51.3 million.

17% of the international holiday visitors surveyed indicated that the Hobbit films were a factor influencing interest in New Zealand. 68% indicated they wanted to see the scenery from the film, 44% indicated they wanted to see where the film was made, 40% wanted to visit Hobbiton, and 37% were Tolkien fans.

#### **Key Learnings:**

New Zealand has fully capitalised on being the setting for the *Lord of the Rings* and *Hobbit* movie trilogies. While the movies were based on works of fiction rather than heritage and stories unique to the locations, this has not stopped the development of a major tourism success story.

The Hobbiton movie set is recognised as a major factor in building success, providing visitors with a core visitor attraction which they can associate directly with the movies. Hobbiton has been successful in acting as a magnet for visitor attraction, providing the opportunity to cross-sell and promote other movie site locations throughout the region.

The Kelly product offering has the potential to leverage the success and exposure that the previously and newly filmed Ned Kelly movies have created.

Figure 3 Hobbiton



## B. The importance of sustained investment in refreshing the experience offering to visitors

### Experience: Te Papa Tongarewa Museum and Art Gallery, New Zealand

Te Papa is the national museum and art gallery of New Zealand, located in Wellington. It aims to visually represent and tell the story of New Zealand, spanning art, history, natural history, and Maori and Pacific cultures, thus enhancing and personalising the experience for visitors to the museum. Spanning over Te Papa's six floors are; dynamic education programs, events and interactive and interdisciplinary exhibitions. Notable longstanding features of Te Papa include the colossal real squid and the earthquake simulator.

After opening its doors in 1998, it attracted 1 million visitors within the first five months. Since then, the number of visitors each year to the museum has been steadily increasing, with the museum consistently attracting over 1.3 million visitors each year.

Over 2014-15, Te Papa had a record year in visitation, with over 1.5 million attendees. Acclaimed exhibitions such as Gallipoli: The Scale of Our War, and Air New Zealand: 75 Years have appealed to many visitors and encouraged record numbers to the capital. This spend mostly occurs in Wellington City (NZ\$38m) and with an additional NZ\$7.8m across the rest of the region and NZ\$15.8m across the rest of New Zealand.

The opening of Te Papa has also had a considerable impact on Wellington's local and regional economy. For Wellington City, Te Papa generates a contribution to GDP equivalent to \$91.3m annually. This level of activity equates to almost 1,500 job years.

At the Wellington regional level, Te Papa generates a contribution to GDP of approximately NZ\$98.5m annually, equating to 1,595 job years. In total, the direct injections of operational spend, including wages and salaries of NZ\$61.8m in the New Zealand economy along with the NZ\$59m of tourism related spend generates total gross output of NZ\$255m at the national level (once the funding is accounted for).

#### **Key Learnings:**

A museum with constantly changing attractions that focuses on telling the story of New Zealand through various forms of media is a good model for the Ned Kelly story to seek to replicate.

Te Papa has been able to increase visitor numbers through regularly updating exhibitions and experiences, generating a significant economic return for Wellington.

While Te Papa is located in a large urban area and has benefitted from large-scale public sector funding support - both of which are important factors in driving the overall scale of visitation and impact - the principle of continued refreshing of exhibitions and experiences is a valuable transferable learning and has the potential to be replicated on a smaller scale with the correct vision and funding opportunities.

## C. The importance of a facility being a focal point for blockbuster events and exhibitions

### Experience: Omaka Aviation Heritage Centre, New Zealand

The Omaka Aviation Heritage Centre was established to provide a world-class destination for the appreciation of historic aircraft. The facility provides a range of exhibits, tours and special events. Opening in December 2006, the Omaka Aviation Heritage Centre has now become the region's most significant tourist attraction and has been announced as the second ranked museum in the Southern Hemisphere in TripAdvisor's annual Travellers' Choice Awards 2015.

Weekly numbers to the Omaka Aviation and Heritage Centre range from 200 in winter to 1000 during the peak summer period, and both international and national visitor numbers are showing sustained growth.

The attraction is already an important component in the Marlborough area's tourism economy, with the Centre's extension being a focus point in the Marlborough Visitor Economy Growth Plan to grow the area's overall tourism value to NZ\$446 million by 2025.

The collection at Omaka Aviation and Heritage Centre is managed by the Aviation Heritage Trust and chaired by renowned movie director, Peter Jackson.

Omaka Aviation and Heritage Centre has a significant impact on the local economy and is demonstrated at its bi-annual fundraising event, Classic Fighters air show. In 2013 the event attracted 13,000 visitors to Marlborough generating 27,000 visitor nights at an average 2.08 nights per visitor. The event also increased regional

visitor expenditure to NZ\$3.21m and generated \$1.89m of GDP in the Marlborough economy. The reported return on the NZ\$0.30 million investment was over 600%.

#### **Key Learnings:**

Although the classic fighters air show is the Omaka Aviation and Heritage Centre largest event, it provides strong evidence of the potential impact of blockbuster event-driven visitation.

Creating a focal point for all things Ned Kelly can enhance the importance of hosting events surrounding the upcoming movie release - an exciting marketing and exposure opportunity.

The Centre's governance model also warrants consideration - management via an independent Trust, with a high profile Chair.

Figure 4 Omaka Aviation Heritage Centre



## Experience: Australian Centre for Moving Image, Melbourne

The Australian Centre for the Moving Image (ACMI) was officially established in January 2002. Located in the heart of Melbourne in Federation Square, ACMI is a purpose-built facility for the preservation, exhibition and promotion of the moving image in all forms - film, television and digital culture. The facility went through major development in 2009, creating a second exhibition space, state-of-the-art production studios and screens, and a resource centre.

ACMI is a major cultural venue, hosting exhibition spaces, galleries, two state of the art cinemas, access to collections and archive plus a shop and cafe. ACMI's vision is "To be recognised as the world's leading museum of the moving image, delivering a bold and multifaceted year-round program that is unique, ground-breaking and unmissable".

ACMI is a major visitor attraction and has grown to be the most visited moving image or film cultural centre in the world, and in 2014/15 the museum attracted 1.14 million visitors. Evidence suggests that its role as a driver of new visitation, longer trips and expenditure is event-oriented, with high profile contemporary exhibitions triggering decisions to visit. The Centre's history also demonstrates the benefits of ongoing investment in new experiences which renew market interest and profile.

ACMI is a major museum supported predominantly through Victorian Government funding. In 2014/15, ACMI generated total revenue of \$27.1m, \$20.3m (84%) of which was State Government grant. 16% of revenue was self-generated.

### Key Learnings:

ACMI's business model also provides similar learnings to the Omasaka centre, with special events and attractions run on a regular basis encouraging length of stay and triggering visitation. Its business model is also based on the principle of mostly free-entry to exhibition spaces with ticketed special events generating revenue. This model reflects some of the project options presented in this report.

Figure 5 &6 ACMI exhibitions



## D. Value is generated for a destination by linking with a broader set or regional experiences

### Experience: Robin Hood visitor experience planning, Nottinghamshire

Nottinghamshire is globally known as being the home of folk hero Robin Hood, who similarly to Ned Kelly, was branded as an outlaw and made famous for his bold acts against the establishment. Robin Hood's 800-year-old adventures have intrigued people for generations, and it is no surprise that his story has been consistently told and retold from medieval ballads to Hollywood blockbusters.

Over the years, effective tourism planning by local tourism organisation Experience Nottinghamshire has successfully managed the story of Robin Hood through a series of interpretive trails and events – helping to boost the Robin Hood brand in a way that is continuously evolving.

In addition to promoting a variety of Robin Hood related products, packages and experiences on an easy to find, dedicated page of the Experience Nottinghamshire website, visitors have access to the following:

- The Robin Hood Audio Trail, which provides a downloadable audio guide, interactive map and Tom-Tom Sat Nav guide to help visitors take a self-guided tour across 12 key locations in the Robin Hood story.
- A printable Sherwood Forest Adventurers Map, a fantasy-style map that looks like it was made back in the 12th century.
- Annual Robin Hood themed events, who draw into the broader selling points of the region.

#### *Key Learnings:*

The 'Sat Nav' guide and interactive map allows users to plan their journeys more accurately as they can assess the travel times and distances between trail points - giving them their own personalised Robin Hood experience. As is the case with the Ned Kelly story, many of the legends, myths and stories associated with Robin Hood are dispersed across the large rural region.

The Robin Hood story at times has struggled with a lack of genuine 'tourism product' that visitors can experience. A robust events calendar that capitalises on the Robin Hood brand has allowed the destination to link in with some of its broader offerings to attract a wider visitor market, particularly during slower visitation periods.

Providing regional Victoria with technology and experiences that connect experience and drives tourism to different destinations, will allow visitors to plan their journey more accurately and visit the places that they are interested in. As the region will offer genuine Ned Kelly programs, the success of a technology platform is more likely.



Figure 7 Anne Frank virtual program



Figure 8 Robin Hood guided tours in Nottingham



Figure 9 Themed events at Nottingham Castle



## E. Successful application of new technologies can play a leading role in expanding heritage access

### Experience: Anne Frank – Secret Annex Online

The Secret Annex Online (SAO) is a 3D virtual online version of Anne Frank's famous secret hiding place during World War II. Presented exactly as it looked when it was used by Anne and her family in 1940s, visitors are granted intimate virtual access from around the world to this important historical site and story.

Visitors are able to “discover Anne Frank's hiding place” as they virtually wander throughout the furnished spaces of the Annex while the stories of Anne's famous diary are brought to life. By clicking on the various objects found in each of the rooms, visitors are given short narrated videos that provide insight into the lives of one of the eight members of the house, their helpers or others involved in the story and written about by Anne in her diary.

Financial contributions are made by state and private institutions such as the European Commission, the BankGiro Lottery, the VSB Fund, the Anne Frank Fund and the Dutch ministry of Health, Welfare and Sports.

There is no charge associated with accessing the SAO, however the site is used as a platform to generate visitor interest in visiting the actual site, highlighting why a visit to the real secret annex in Amsterdam is a must, as well as related news, past and current exhibitions and acting as a ticket point of purchase.

In the first year after its launch in 2010, it was reported that more than 800,000 people visited the SAO, with an average dwell time of 17 minutes – 77% of which

were international visitors from over 197 countries. That same year, visitation to the actual Anne Frank House in Amsterdam saw a 65,000 increase in visitor numbers from the previous year, and this number has steadily risen to almost 1.3 million visitors in 2016.

The SAO has won a multitude of awards, including a Webby Award (given to the best websites in the world) in the category of Best Cultural Institutions by the International Academy of Digital Arts and Sciences.

#### **Key Learnings:**

This globally-accessible online platform allows visitors to share in the Anne Frank story even if they are not physically able to visit themselves. The SAO also provides access to areas that are physically inaccessible on-site for public safety reasons. Introduction of the SAO has helped provide an alternative to physically visiting Anne Frank's House in Amsterdam, providing a solution to the increasing visitor pressures that are already being witnessed on-site (currently operating at its maximum daily capacity). The platform provides great transferable learnings for heritage properties of all types, the principle of which can be valuable in developing a new suite of Ned Kelly experiences.

The opportunity to create personal video stories using ordinary household objects helps the pages of Anne Frank's diary to be brought to life, and visitors can better understand and connect to the story across a range of perspectives. This is a good example of an interpretative technique that can be applied with success to elements of the Ned Kelly story.

## **F. Introduction of a major new cultural visitor experience can provide an impetus for the destination as a whole**

### **Experience: The Museum of Old and New Art (MONA) – Tasmania, Australia**

The Museum of Old and New Art (MONA) opened in January 2011 and is the largest privately funded museum in Australia. MONA is a privately owned and run museum and art gallery – founded and funded by businessman David Walsh. Operational costs of \$8 million annually are privately covered. There is no government involvement in MONA.

MONA houses a varied collection ranging from thought-provoking and controversial contemporary art to ancient Egyptian mummies. It is located within the former Moorilla winery and vineyard, offering visitors a unique experience. MONA houses over 400 artistic works from the owner, David Walsh's, private collection. The site also includes a wine bar, restaurant and eight accommodation pavilions. Entry is free for Tasmanians, \$20 for concession visitors and \$25 for adult visitors.

The Tasmanian Government estimated that in 2017, the facility attracted 338,000 interstate and international visitors, contributing about \$760m to the State's economy annually. MONA's impact has also been shown to benefit regions outside Hobart, with MONA visitors spending an average of 10 nights in Tasmania.

The indirect impact of MONA is also significant, with Lonely Planet declaring Hobart the seventh best city in the world to visit and MONA the best art gallery in 2013. MONA has been credited in driving a perception change in Tasmania as a

destination, building confidence and helping to drive new investment in the hospitality, accommodation and restaurant sector. MONA has provided an all important 'reason to visit', with other experiences throughout the visitor economy also benefiting from increased visitation. Events such as MOFO and Dark MOFO have been established, broadening impact throughout Tasmania, and reinforcing the new trendy destination credentials.

### **Experience: Titanic Belfast – Titanic Visitor Experience, Northern Ireland**

Titanic Belfast is the world's largest Titanic themed attraction. Paying homage to Belfast's rich maritime heritage and shipbuilding past, the 12,000m<sup>2</sup> attraction sits 100 metres in front of the actual site where the RMS Titanic was built and launched in 1912 within the famous Harland and Wolff Shipyard.

Since its inception, the aim of Titanic Belfast has been to "explore the Titanic story in a fresh and insightful way". The attraction is comprised of nine interactive exhibition galleries that use the latest technology and special effects to immerse visitors in the sights, sounds smells and stories of the RMS Titanic, including the stories of the city and people who made her. Visitors can be transported to the depths of the ocean to learn about the Titanic legend, take an electronic dark ride tour through the shipyard during its heyday, or climb aboard and explore the SS Nomadic in the adjacent dock – the world's last remaining White Star vessel (and the Titanic's original tender

ship) restored to how she was in 1911. Hand-held multi-media guides are also available for a small fee, offering audio and visual accompaniments to further enhance the visitor experience.

Titanic Belfast is the most expensive tourism project completed in Northern Ireland to-date, costing in excess of £100M (AUD \$173M) and co-financed through a public/private partnership between the national Government, Northern Ireland Tourist Board, Belfast City Council, Belfast Harbour Commissioners and Titanic Quarter Limited. Funds are generated through visitor tickets, event space hire and retail, food and beverage sales.

Since opening on the Titanic's centenary in 2012, Titanic Belfast has rapidly grown to become a significant economic driver for Northern Ireland, welcoming over 3.5 million visitors from over 145 countries and generating £105M (AUD \$181M) in additional out of state tourism spend in its first three years alone.

The attraction has also acted as a catalyst, forming the centrepiece of the Titanic Quarter, a mix of residential, commercial, education and retail space across 135 acres of master-planned heritage site, which is one of the world's largest urban waterfront regeneration projects.

### ***Key learnings:***

MONA is an example of a thought provoking and potentially controversial contemporary art offering that offers a unique visitor experience. In the case of MONA, it introduced a new market to Hobart as a destination.

The transformational impact of MONA's success has been such that it has played a large role in driving perception change in Tasmania as a destination, providing destination managers with a springboard to showcase other experiences. Evidence has shown that surrounding regions also are benefiting from increased visitation.

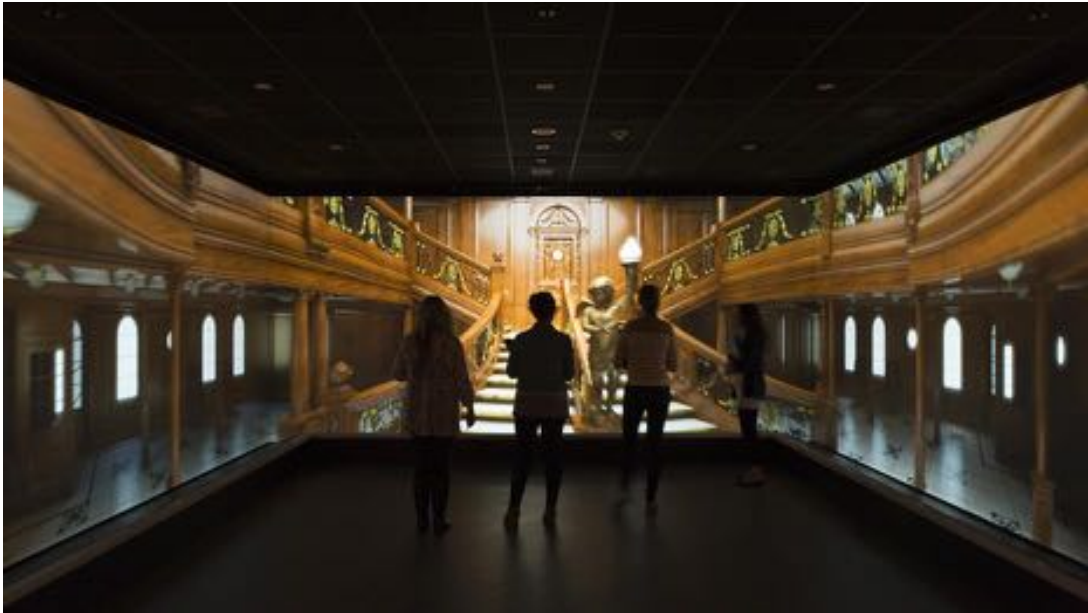
The circumstances of MONA being developed and supported by a private benefactor cannot be ignored, however the transformational impact is clear to see.

Titanic Belfast is an excellent example of how a destination can make optimal use of a recognised historical site and event to develop a game-changing tourism attraction.

The success of the broader Titanic Quarter demonstrates how a well-designed tourist attraction can provide overarching economic, social and community benefits to a destination.

This is a good learning experience for the Kelly product offering as it shows that museums are usually only successful when unique visitor experiences are provided that are thought provoking and regularly updated. If a product is able to do this, the positive impact it can have on a region or destination can be quite substantial as well.

Figures 10-12 Titanic Belfast interactive exhibition and displays



## G. Museum or heritage clusters can play a role in building overall visitor appeal

### Experience: The Great War Exhibition – Wellington, New Zealand

Opening in April 2015, The Great War Exhibition provides visitors with an immersive experience commemorating New Zealand's role in the First World War. The Exhibition was created by Peter Jackson and will remain open until the centenary of Armistice Day (November 11) in 2018. It cost approximately NZ\$10 million to build.

The Exhibition boasts an impressive collection of war memorabilia as well as up-close experiences that allow visitors to walk through a European street setting and into recreated battle scenes.

The Exhibition is located in Pukeahu National War Memorial Park and resides within the Dominion Museum. The Exhibition's central Wellington location makes it easily accessible for visitors. To date, the Great War Exhibition has received approximately 25,000 visitors from New Zealand regions outside of the greater Wellington area in the first year of opening. Of this number, it is estimated that around 10% of all visitors have come to Wellington specifically to see the Exhibition.

It is estimated that approximately 1,500 visitors coming from outside the region have been independent visitors who have heard about the Exhibition through referrals or media and have made the trip to Wellington based on the Exhibition's growing reputation.

Qualitative visitor survey feedback indicates that the Exhibition has

encouraged people to spend extra time in Wellington. Furthermore, with the Exhibition currently attracting large bus groups from outside the region (e.g. senior citizen, community and school groups coming to Wellington specifically to see the Exhibition), there has been increased business for bus companies, accommodation providers and restaurants.

#### *Key Learnings:*

The exhibition's central location within an area with other museums and attractions helps draw visitors in. This is a case of success breeding success rather than museums and heritage experiences competing for trade. Similar examples can be seen in destinations such as London, where the V&A and several other national museums are located in Kensington within easy walking distance of one and other. Another UK example – the Ironbridge Gorge Museums - also takes a clustering approach to visitor management and attraction, with ten museums and heritage experiences across a region managed as a single entity.

The clustering principle is also successfully applied in other tourism sectors, including the Gold Coast, where the clustering of theme parks has been used to great effect to help the Gold Coast be known as 'famous for fun'.

Presenting a product offering of Kelly story experiences that span across region, will help to strengthen and support one another, and to ensure success of all projects that are developed. There is also an increased possibility of rebranding or repositioning the region as 'Home of the Kelly Story'.

## 6.5 Target Markets

When developing new concepts for the Ned Kelly offering, it is important to consider the potential markets for these experiences.

### a) Domestic Market

#### *Lifestyle Leaders*

Visit Victoria's extensive research into the domestic market has identified *Lifestyle Leaders* as its broad target market, giving valuable insight into the emotional connection domestic visitors are seeking as well as what they expect from a Victorian holiday. The High Country similarly targets this key market segment.

*Lifestyle Leaders* are considered to be progressive, curious, socially and technologically active through a broad range of platforms, seek status and follow and propagate trends. This segment makes up 40% of visitors to the High Country, and can be segmented into four broad categories:

- **Creative Opinion Leaders** are trendsetters, not followers. They like to be among the first to discover new places and experiences to satisfy their desire to explore. Their extensive social networks and extroverted nature means that once they have visited a destination, the latest exhibition or experience, they will generate positive word of mouth promotion among friends and family.
- **Food & Wine Lifestylers** seek to enhance their sophisticated palate and culinary knowledge through an understanding about everything food and wine. They enjoy breaks where they can indulge in food and wine experiences with friends, often combined with other cultural and soft
- **Inspired by Nature** individuals seek adventure activities (such as gentle walking and cycling activities). This segment regularly dines out locally and on weekends away and likes to get to know the characters and stories behind the food and wine from the winemaker or chef.
- **Inspired by Nature** individuals seek active breaks where they can enjoy opportunities connecting with one another and with nature. They often seek destinations away from city life where there is the time and space to appreciate simple pleasures together, yet still offer the creature comforts they are accustomed to. They regularly get away for weekends and want a choice of activities that allow them to get active to varied degrees. Their genuine environmental concerns lead them towards preferring an eco-tourism experience where respect for natural surrounds is paramount, albeit with creature comforts still provided for – glamping is a good example of the type of experiences that are growing in popularity.
- **Enriched Wellbeing** individuals seek luxurious breaks to indulge personal passions within a culturally rich, natural or rejuvenating setting. They want to enrich their mind, body and soul, seeing an authentic nature escape as an antidote to busy city life, and value quality over price.

Lifestyle Leaders represent around 4.1 million people, across all socio economic groups and make up 29% of Australia's population. Lifestyle Leaders have more discretionary spend that allows them to travel more frequently (taking an average of 4.1 trips annually, greater than the Australian average). They can also be targeted through their motivational drivers, specific passions and interests.

Lifestyle Leaders are based on a mindset and they cut across all regions, ages and lifecycle groups. The key dimension that differentiates the market is life stage. Where people are at in their lives, their roles and responsibilities and their goals and ambitions, are key drivers in how they view travel and breaks and the various options on offer.

### ***Habituals***

Domestic Habituals are travellers who visit the High Country at least once each year and account for 28% of the region's visitor market. These visitors tend to return to a consistent location and often travel with the same group. They are heavily influenced by the recommendations of friends and family members, prioritise value for money, and are often driven by familiarity with a destination.

While they are not a marketing focus for the High Country – as there is limited scope to influence their travel decisions – it is important to update the regional offering to maintain their interest and loyalty.

The ongoing development and revitalisation of regional products, infrastructure and tourism services, including those around the Kelly story, will be vital in helping to ensure the ongoing destination satisfaction of Habituals with the High Country.





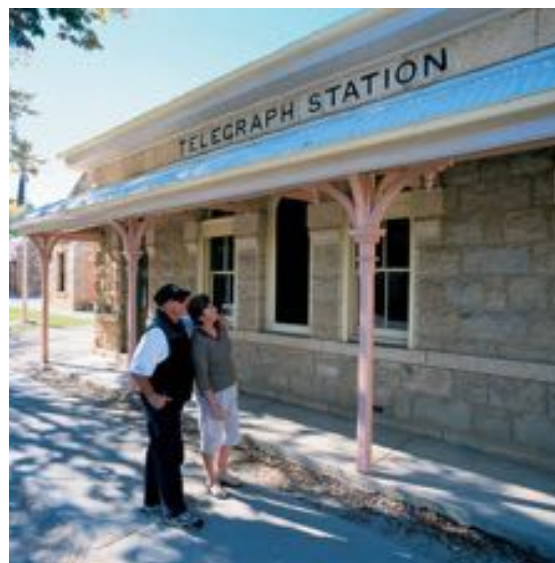
## b) International

Internationally, Victoria's High Country delivers on four of the seven experience themes (the region does not deliver on *Outback Australia*, *Australian Coastal Lifestyle* or *Australian Major Cities*) – all of which have the potential to link with the Kelly story given the right product development.

Tourism Australia has defined its international target market as the 'Experience Seeker' who is a globetrotter looking for authentic interactions and brag-able locations that get them off the beaten track to immerse themselves in local culture. Experience seekers are Australia's highest yielding market and are more likely to increase their length of stay and spend in comparison to others.

To promote the vast array of unique Australian adventures to this target market, seven key Australian 'Experience Themes' have been identified by Tourism Australia.

1. Nature in Australia
2. Aboriginal Australia
3. Journeys
4. Outback Australia
5. Australian Coastal Lifestyle
6. Australian Major Cities
7. Food & Wine



# 7.0

## PROJECT OPTIONS



## 7. Project Options

A strategic approach is required to deliver the identified market potential, in the form of:

- An experience development framework which provides a strategic basis for investment in interpreting the complex Kelly story, identifying the hero and signature experiences which will underpin development. Without the framework, new concepts and investments would be considered in isolation without an underpinning narrative.
- Identification of a small number of game-changing investments in new or improved Kelly story visitor experiences across the four local government areas. These investments will be game-changers, dialling up the appeal and economic impact of the Kelly story.

## 7.1 Experience Framework

The Cultural Heritage Tourism Experience Framework below has been developed to provide strong strategy consistency whilst maintaining local flexibility in creating new cultural heritage tourism experiences to bring the Ned Kelly story to life. This is intended to promote brand promises while encouraging places such as Victoria's High Country to align its unique selling propositions (USPs) with the unique Kelly story.

Global elements of the brand promise and USPs should be common across all businesses involved across the region. This creates the integrated and seamless context for staff, volunteers and guests.

The specific elements help to bring the higher-level messages to life within their respective local area, right down to specific products and supporting activities.

The following table shows how each concept will be incorporated within the Experience Framework, specific to the Kelly story. The framework is integral to preparation of the business cases for the identified concepts - this framework provides the strategic basis for their development - in simple terms, the game changer projects will deliver on the identified hero and signature experiences.

To inspire visitors to experience and share the Kelly story requires more than just a good idea. It requires a consistent application of key messages and an engaging story that keeps the audience emotionally connected to the ideas that underpin it.



*Table 4.1  
The Kelly Story Experience Framework*

<p><b>Brand Promise</b> The promise of what visitors are expected to receive in the destination based on what is being delivered</p>	<p>Every visitor will have the opportunity to experience an authentic Australian story and leave as an ambassador though an inspiring experience. <i>Discover the storyline that connects Kelly Country</i></p>
<p><b>USPs</b> The unique selling features of the destination - features that the visitor cannot find anywhere else</p>	<p>A nationally important story Authentic sites and artefacts A story embedded in a natural setting A story that has inspired art, music and films for generations Gateway to the internationally renowned stories Sense of discovery Authentic places, uplifting experiences <i>Original places and artefacts, untold stories, authentic experiences</i></p>
<p><b>Themes</b> The stories visitors can connect with which showcase the destination USPs</p>	<p>More than just food and wine A place of unique collaborations and innovation Deep community connections</p>
<p><b>Hero Experiences</b> The visitor can access these experiences through Hero Products</p>	<p>Stand where it happened Connect with the original artefacts Look at the story from a new perspective Understand its contribution to the Australian story Family links Food and wine Landscapes</p>
<p><b>Signature Experiences</b> What the visitor assesses through the hero experiences</p>	<p>Pick your role in the story Take a moment of reflection Find a remarkable new part of the story Take away a story or make a personal connection with an artefact Look at a well-known scene from various perspectives See how the story has inspired others through science, art, music and film Have an ‘aha’ moment on the Australian story Reflect on your own story</p>
<p><b>Supporting Products &amp; Experiences</b> How the wider tourism offering supports the themes</p>	<p>High Country product pillars: cycle tourism; food, wine and craft beer; snow; nature-based tourism; arts and cultural heritage</p>

The game changer concepts explored within this report have been developed within this Framework to ensure that each experience is upholding the Regional Story and Brand Promise, while also being able to shine through individually to offer strong and unique experiences for the visitor. This framework can be applied to any operator within the region that would like to leverage the Kelly story.

The following framing and messaging should be used for the Kelly story brand:

### ***Immerse Yourself in the Story***

In order to drive regional dispersion from the traditional tourist locations and capitalise on current visitor trends, it is necessary to reframe and extend the messaging and supporting infrastructure (product, packaging, access, partnerships) to the Kelly story and Country.

### **The Message**

You've heard of the Kelly Gang – now discover the foundation to the infamous story, the unravelling of events, the untold community stories and the impact on modern Australian culture.

### **Infrastructure**

Leverage existing assets and connect them through new integrated routes, based on the common story. Trails between related properties which already attract visitors and are related to the Kelly story can increase exposure and context. Expanding the suite of amenities on the site can increase visitors for both accommodation and events purposes.

### **Partnerships**

Bringing the untold story to light will establish regional links between related properties, producers and additional stakeholders which will strengthen the Kelly story and enrich the visitor experience.

### **Messaging**

Increasing visibility of the Kelly Gang and the Victorian High Country, and delivering a central and consistent message across social media and sites that visitors utilise for pre-trip planning, can increase understanding of its relevance and significance to the region and increase interest in the Kelly story.

### ***Taking the Story Wider***

Going beyond the traditional, widely known story helps to accelerate the opportunity for regional dispersion in tourism activity. In turn, this naturally leads to:

- Longer length of stay;
- Higher average spend; and
- Growth in visitor numbers due to broader appeal.

### ***Where to Tell the Story?***

To widen the appeal of the experience of authentic Australian stories associated with Ned Kelly, the following locations are integral to the Ned Kelly story to ensure success within the region by leveraging the current product offering:



### Melbourne CBD

- The beginning of the Ned Kelly visitor journey and end of the Kelly story
- Home to the Old Melbourne Gaol and State Library
- The highest visitor numbers
- Ability to capture interest in the story and extend length of stay



### Beechworth

- Home to the Beechworth Gaol and Ned Kelly Vault
- Opportunity to create a heritage precinct for the Kelly story – still lots to be uncovered



### Glenrowan

- Glenrowan arrival experience and site where the siege took place
- Opportunity to showcase sites of significance



### Mansfield

- Shows another side to the Kelly story – focus on the police officers
- Opportunity for a Touring Hub and memorial site for the police officers
- Stringybark Creek - the site of the murder of 3 police officers by the Kelly Gang



### Benalla

- Home of the Benalla Art Gallery
- Currently where the Kelly sash is located
- Opportunity for Kelly themed art experiences

## 7.2 Game Changer Concepts

Three themes have been developed to ensure all game changer projects are held together; support the vision, mission and goals of re-imagining the Kelly story; and align with the Kelly story Experience Framework.

### Theme 1

#### Stand Where It Happened

*Retrace the actual scenes of the Kelly story as you immerse yourself in the sights, smells and sounds of this iconic piece of Australian history.*

*Home to some of this country's most famous historical moments, it's no wonder why people come to this place for an authentic heritage experience while indulging in a plethora of outdoor adventure activities, art and gourmet food, wine and craft beer experiences – all set against the stunning backdrop of Victoria's High Country.*

Figure 13 Glenrowan Siege Site





## Signature Experience A— Glenrowan Viewing Tower with VR/AR

*Immerse yourself in an arrival experience*

Set the tone of a weekend trip to the region. Engage in the headspace of the era, the events and the environment.

### Signature Experience Snapshot

#### Concept

Contemporary viewing tower featuring virtual reality and augmented reality components

#### Implementation Cost

\$2 million for construction and \$50,000 for the technology (\$100,000 split between the Viewing Tower and the following Siege Site experience)

#### Ongoing Operational Cost

\$120k per annum including maintenance

#### Return on Investment (ROI)

Additional 11,000 visitors generating a 35% ROI in year one of operation

### Concept Description

To assist visitors in understanding key points of interest at Glenrowan, a contemporary, architecturally-designed tower containing different viewing areas will be installed in the centre of town, on a site that would overlook the key locations of the Kelly story. The tower will feature different look-outs that essentially frame the Glenrowan landscape, providing an elevated vantage point from which to see the locations that were pivotal to the Ned Kelly story (see figures 15-17 as examples of similar towers globally).

These landscapes will then be enhanced with Virtual Reality overlay, accessed via VR

viewfinders (see Figure 14) will be available to visitors to bring the story to life. This VR experience will be complemented by an augmented reality offering, an interactive map located within the tower, and audio elements triggered as visitors enter certain areas. There will also be a role for some static interpretive elements.

Around the base of the Tower, further design and paving will allow for a public area that can also be used for pop-up food vans, events and functions that help add vibrancy to Glenrowan and profile to the Ned Kelly story (particularly if Kelly related events can be secured).

This concept will be positioned as the gateway product for the regional Ned Kelly story, allowing visitors to immerse themselves in the Kelly story and appreciate the events, environment and personal stories of the era.



*Figure 14 Virtual reality goggles*

Figure 15 The 'periscope tower', Finland



Figure 16 A viewing tower in Qunli Stormwater Wetland Park, China



Figure 17 Brown Brother's Devil's Corner Cellar, Tasmania



### **Visitor Economy Outcomes**

Implementation of this concept is expected to attract 11,000 visitors under a medium visitor scenario (or 60% of new visitors). This will lead to an additional stay of 0.2 days, creating an estimated cumulative Economic Impact of \$9,727,258 over 10 years. This will support 9 jobs in the first year of operation and 114 by the 10th year. Year 1 return on investment is calculated at 35%.

### **Economic Considerations**

Similar structures have been successfully implemented in other tourism sites nationally, which allows for comparative costs to be determined (see figure 16, Devil's Corner Cellar Door at Brown Brothers, Tasmania). It is envisaged that the tower will cost \$1.8-\$2million to construct.

The development of the augmented and virtual reality overlays will cost approximately \$75-\$90,000 (excluding hardware) with final cost dependent on the content developed. The hardware will also require power and upkeep.

An annual budget of \$120,000 will ensure that the tower is well maintained and that funding is allowed for the updating of technology as required. This figure includes an allowance for an initial staffing resource to guide interaction with the VR technology, which may not be required (depending on the VR unit implemented) or may be minimised after launch.

### **Concept Rationale**

The Glenrowan Viewing Tower will be a striking architectural landmark that appeals to Ned Kelly enthusiast and general tourists alike. Architecturally impressive and offering unique views of the High Country,

it will be a point of interest for a broad range of visitors.

As access to the tower will be cost free and available 24 hours a day, 7-days a week, it will be an accessible tourism experience that is likely to act as an entry point for the entire regional Ned Kelly offering, providing visitors with a taste of the unique Kelly experiences available across the High Country. It will also provide a strong reason for visitors to leave the Highway and engage with the Glenrowan offering, generating yield through spend in local supporting businesses.

While upfront investment in this attraction is required, it has relatively low ongoing operational costs.

## Signature Experience B— Siege Site Augmented Reality Experience

*Relive the moments of the Final Siege*

See how the story unfolds by transporting back in time to some of the most defining moments of the Kelly story.

### Signature Experience Snapshot

#### Concept

Siege Site VR/AR Experience

#### Implementation Cost

\$50,000 (\$100,000 split between the Viewing Tower and the Siege Site Experience)

#### Ongoing Operational Cost

\$20,000 per annum

#### Return on Investment (ROI)

Additional 5,500 visitors generating a 48% ROI in year one of operation

### Concept Description

Virtual and Augmented Reality (VR-AR) technology is revolutionising the way that the tourism industry delivers tourism experiences. By incorporating virtual platforms such as Timelooper to relatively static heritage sites, visitors are able to use their smartphones to transport back in time and witness some of the world's most iconic historical events as they are brought to life in front of their very eyes.

Visitors will be able to immerse themselves in the length of the siege by using a slider back and forward on their mobile devices, transporting them through time, beginning at the time of their arrival through to the

unfolding of the whole story. This will be a key attraction as it will provide those interested in history with a tangible, hands on experience in which they can control the narrative and explore the intricacies of the stories of all characters and the physical space.

### Visitor Economy Outcomes

A medium visitor scenario of 5,500 (20% of new visitors) will lead to an additional stay of 0.3 days, creating an estimated cumulative Economic Impact of \$2,652,401 over 10 years. This will support 1 job in the first year of operation and 31 by the 10th year. Year one return on investment is calculated at 48%.

### Economic Considerations

The development of an AR and/or VR app will cost approximately AU\$50-\$100,000 excluding any hardware (provided by users). It will cost an estimated \$30,000 per annum to maintain, which includes the cost of ensuring the site/App is available on new devices as they are released. This app will align with a regional map and technology platform that links the High Country Ned Kelly tourism experiences (see 7.3 for more detail) for maximum exposure for this concept and the broader Kelly offering.

### Concept Rationale

The AR experience will enable visitors to engage and interact with what is currently a very static offering. Glenrowan currently receives an estimated 29,396 day and overnight visitors per annum, based on the National and International Survey statistics. It is assumed that as many as 85% of visitors to the town visit the siege site.

This equates to 24,987 visitors; the majority are only staying for a few hours as the number of rooms in the town and average occupancy suggests just a small percentage stay overnight. The ability to delve deeper into what happened at the site and particularly see the events as they play out at the 'real time' of the day would provide a strong reason to increase the length of stay.

The Viewing Tower and Siege Site Experience (Theme 1, Signature Experiences A & B) should be considered as combined projects due to their proximity and linkages with technology platforms. This will ensure a more robust economic model and drive visitation into the Glenrowan area.



*Figure 18 & 19 Augmented reality platforms that bring the existing landscape to life*



## Signature Experience C— Ned Kelly Interpretive Centre

*Find a remarkable new part of the Story*

Discover one of the many hidden gems within the Kelly story that help to make this tale truly remarkable.

### Signature Experience Snapshot

#### Concept

Ned Kelly Interpretive Centre

#### Implementation Cost

\$15 million

#### Ongoing Operational Cost

\$3 million per annum including Maintenance, Wages, COGS, Utilities and Marketing

#### Return on Investment (ROI)

Additional 75,000 visitors generating a 3% ROI in the first year

### Concept Description

The Ned Kelly Interpretive Centre based in Glenrowan, will allow the visitor to step directly into history. Using an exciting mix of museum artefacts, high-tech experiential displays, contemplation spaces, educational programs and research resources, visitors will explore this iconic story through displays that bring the story to life, demonstrate the heritage of the area, and provide a real sense of the times (mid-late 1800s).

Visitors will start the journey with a story-card of a real historical person and see the story through their eyes. Before leaving, visitors will have the chance to register an opinion on this iconic and often

controversial part of our country's history.

An Australian-first, with contributions from the descendants of all key players -family, sympathisers, policemen – the Ned Kelly Interpretive Centre is a unique living history experience.

### Visitor Economy Outcomes

Under a medium visitor scenario of 75,000 (30% of new visitors) this concept will lead to an additional stay of 0.3 days, creating an estimated cumulative Economic Impact of \$9,054,215 over 10 years. This will support 6 jobs in the first year of operation and 106 by the 10th year. Year 1 return on investment is calculated at 3%.

### Economic Considerations

Current figures indicate the Ned Kelly Interpretive Centre could attract a minimum of 65,000-85,000 visitors per annum, based on equivalent attractions in regional Victoria. Attractions with a high technology-base require significant re-investment to ensure the technology remains up-to-date and relevant. With a planned investment of up to \$15 million, the centre will require revenues of up to \$3 million per annum to break even and fund the reinvestment in the building and technology to avoid falling behind as other attractions in Glenrowan have done. This level of revenue will be challenging to secure without innovation, strong partnerships and successful events.

A clear Business Plan and Operational framework is in development by the Ned Kelly Centre group separate to this report, which should look to address these items.

### **Concept Rationale**

A purpose-built attraction provides the opportunity to establish displays which include replicas of items that visitors can interact with. The Ned Kelly Interpretive Centre could be a launch-pad for visitors to the region to explore other Kelly related activities in the region. The concept can also be expanded to consider the general times and history of the region.

Building on the passion of the family members and location near the siege site, the Centre will pull together many of the elements of the Kelly story.

In keeping with the findings about global museum trends (Section 6.3) it will be essential that allowances are made for this experience to be maintained to be on trend and relevant to consumers.



There are also a range of other regional experiences that can be developed in association with Theme 1:

*Table 4.2 Supporting Experiences Theme 1*

Destinations/Products Supporting Theme 1	Experience Gaps
<p>Ann Jones Inn            Glenrowan Historic Precinct            Stringybark Creek            Aaron Sherritt's Hut            Power's Lookout            Old Bootmaker &amp; Saddler Shop            Site of Sebastopol / Woolshed Valley Drive            Beechworth Stone Lockup, Police Reserve and Stables            Mansfield Courthouse            Benalla Costume and Kelly Museum            Kelly House / Greta Cemetery            Greta Police Lock-up and Hotel</p>	<ul style="list-style-type: none"> <li>• Lack of interpretive media at the Old Bootmaker and Saddler Shop sites - adding an audio marker in front of the Old Bootmaker and Saddler Shop can provide multiple perspectives of Ned's attempted escape (Ned, policemen, William Magennis etc.)</li> <li>• The Ann Jones Inn site offers few opportunities to help visitors picture or experience the original setting - consider the adoption of a range of options in terms of interpretive materials to evoke the original setting</li> <li>• Beechworth Gaol is an important location in the Kelly story but interpretation can be improved - create a VR experience at the Beechworth Gaol to improve visitor engagement with the story</li> <li>• Signage to existing attractions is poor in places - improving existing Kelly-related signage (such as at the Mansfield Courthouse) can aid connections with visitors</li> <li>• The Vine Hotel cellar experience is a 'hidden gem' - active promotion of the experience can deliver on its potential</li> </ul>



## Theme 2 –

### Connect with the Original Artefacts

*Victoria's High Country is rich with artefacts from the Kelly story, most of which still reside within the region today.*

*Whether your interest lies in seeing the green silk sash that Ned kept as a prized possession from the age of 10 and wore in the Glenrowan Siege, or one of the original 'WANTED' posters printed by the police, the region is home to a wealth of authentic artefacts that are sure to leave you in awe.*



## Signature Experience A— Old Beechworth Gaol Kelly Experience

*Take away a story or make a personal connection with an artefact*

Don't just hear about the Kelly story, see the actual artefacts that were used up close as you discover how even the smallest of items have helped to play a role in shaping this fascinating story.

### Signature Experience Snapshot

#### Concept

Co-locate the Ned Kelly Vault within a new Beechworth Gaol Kelly Experience

#### Implementation Cost

\$7 million

#### Ongoing Operational Cost

\$1.8 million per annum including maintenance, COGS, Wages, utilities and marketing (increasing at 1% real growth over time).

#### Return on Investment (ROI)

100,000 visitors per annum generating 6% ROI in year one of full implementation

### Concept Description

The historic town of Beechworth is home to the Old Beechworth Gaol, which is the most intact and significant building from the Kelly story. The Beechworth Gaol has strong appeal as an existing historic site where visitors can immerse themselves in days gone by. There is already strong interest in the site amongst both Ned Kelly enthusiasts, cultural tourists and general visitors, which provides the base for the development of a contemporary Kelly experience.

Beechworth is also home to the Kelly Vault, which manages one of the most significant, predominantly private, collections of genuine artefacts from the Kelly story. It is a proven cultural tourism experience that has the ability to become a stronger tourism driver. The display has outgrown its current home and the owners are excited to expand into a larger, purpose-built facility that optimises its artefacts and displays. With an existing curator team, established authentic collection with proven visitor appeal, and Ned Kelly experts already engaged, the collection is well positioned to make a valuable contribution to the re-imagined Kelly experience.

By combining the physical assets of the Old Beechworth Gaol and these genuine artefacts, and then surrounding these with immersive, contemporary experiences including a theatre space and AR/VR technologies, the *Kelly Experience* will be able to host a world class collection of art, music, motion pictures and discussions that keep the Kelly story alive both now and into the future.

This experience will explore the intricate and thrilling backstory of Ned Kelly and the profound influence that the Kelly saga has had on Australia, a young country still trying to establish its identity. It will be a confronting look at the Australian psyche and explore Kelly's impact as an icon of art and popular culture. An expanded Ned Kelly Vault will also feature a very strong focus on the policing and justice aspects of the story, creating a logical link with the broader Beechworth Historic Precinct<sup>66</sup> (courthouse, police paddocks and more).



From top: Figure 20 Old Beechworth Gaol aerial shot; Figure 21 Inside the Old Beechworth Gaol; and Figure 22 Beechworth's historic streetscape

### Visitor Economy Outcomes

Implementation of this concept is expected to attract 100,000 visitors under a medium visitor scenario. This will lead to an additional stay of 0.5 days, creating an estimated cumulative Economic Impact of \$14,416,600 over 10 years. This will support 5 jobs in the first year of full operation and 169 by the 10th year. Year 1 return on investment is calculated at 6%.

### Economic Considerations

This experience will require the construction of a new exhibition space (450m<sup>2</sup>), theatre (150 seat capacity), and stage area (70 m<sup>2</sup>) with a retractable movie screen and toilet facilities (for events) in the Beechworth Gaol. Construction budget for this development is approximately \$7 million. It will require \$90,000 to maintain every year (increasing at 1% real growth over time) and will cost \$1.71 million in operational costs annually (increasing at 1% growth over time).

### Concept Rationale

This concept effectively combines and amplifies two existing and proven tourism products to deliver an exciting and contemporary experience that will act as a strong collective drawcard. That is, the concept is based on the known performance of the two current tourism experiences relevant to this concept:

1. Old Beechworth Gaol Historic Tours , which attract 10,000 paying customers annually to the daily guided walking tours
2. Ned Kelly Vault, which has attracted over 80,000 paying customers since it commenced operation in August 2014 as part of the Burke Museum

Located a short walk from the Beechworth Historic Precinct and historic Beechworth main street, this signature experience will be supported by a robust tourism offering encompassing accommodation, food/wine and array activities, so will complement and leverage an established tourism trade. Focus group concept testing showed a desire for visitors to have a multitude of activities as part of a holiday experience, with the proposed combination of tourism elements providing a highly attractive proposition and reason to visit.

In keeping with the findings under the museum trends identified in item 6.3, it will be essential that allowances be made for this experience to be maintained, so that it remains on-trend and relevant to consumers.



## Signature Experience B— Beechworth Courthouse Activation

*The Kellys in the Dock at Beechworth Courthouse*

See the story come to life right in front of your eyes while being transported back to some of the most defining moments of the Kelly story.

### Signature Experience Snapshot

#### Concept

Narrated projections overlay the Beechworth Courthouse, re-enacting Kelly court proceedings

#### Implementation Cost

\$1,000,000

#### Ongoing Operational Cost

\$50,000 per annum

#### Return on Investment (ROI)

58,000 visitors per annum generating a total ongoing impact of \$7,330,000. Benefit to cost ratio of 5:1.

### Concept Description

The Beechworth Courthouse is at the centre of the Beechworth Historic Precinct. It is a key site of the Ned Kelly story, and was home to some of the most significant moments impacting Ned's life.

The Courthouse is an historic building, rare in Victoria for the completeness of its surviving fabric and fittings. It was built in 1858, ceased operation 131 years later and the historic precinct now receives 35,000 visitors a year. Many personalities have appeared there, including Sir Redmond Barry, Sir Isaac Isaacs, Robert O'Hara Burke, Ned's mentor Harry Power, and many members of the Kelly family.

Ned's mother Ellen was sentenced to prison there in 1878, and most significantly the Courthouse was the venue for the committal hearing that sealed Ned Kelly's fate.

In 1880 Ned Kelly was taken to Beechworth after the siege at Glenrowan. The wounded and defeated Ned was held at Beechworth Gaol, and for the next eight days sent to the Courthouse where evidence was heard for the Stringybark Creek murders. The eager public and media packed the Courthouse each day to see the infamous outlaw and his suit of armour for the first time, and the Court was full of friends, family, sympathisers and enemies of the Kellys. The evidence against Ned was reported from Beechworth to a mesmerised Australian public. Afterwards, Ned was sent to the Supreme Court in Melbourne for trial and sentenced to death.

The concept proposes to create a high quality, immersive digital interpretation of the Kelly gang and family's trials and experiences at the Courthouse, inspired by the trial of Joan of Arc in Rouen Cathedral in France (Historial Jeanne d'Arc). The experience will be based on audio-visual projections and recreations, culminating in a powerful digital experience of the committal hearing in the main courtroom. The key characters of the Kelly hearing will be projected in their places in the courtroom. Further trial experiences will also be developed, including the trial of Ellen Kelly and other sympathisers. This will allow a changing suite of experiences for different audiences and times. Displays of court documents and objects linked to the trial will also provide tangible links to the past.

### **Visitor Economy Outcomes**

Implementation of this concept is expected to attract 22,877 new and 35,000 existing visitors (additional ALOS) for a total of 58,000 visitors under a medium visitor scenario. This will lead to an additional stay of 4 hours, creating a total ongoing Economic Impact of \$7,330,000. This will support 39 FTE jobs per annum. Year 1 return on investment is calculated at 19%.

### **Economic Considerations**

Costs for this project include full creative scoping and direction, creation of digital content, upgrading the entrance area and signage, design and install of object displays and information panels and the purchase, installation and ongoing management of all digital equipment. Total estimated cost for this project is \$1,000,000.

Please note: this concept was proposed late in the Stakeholder Consultation and Economic Modelling phase and therefore has been modelled in a different manner to the other projects and signature experiences presented in this report. The economic impact modelling has been provided by Indigo Shire Council (delivered via Urban Enterprise) and forms part of a larger separate tourism strategy and business case.

### **Concept Rationale**

This experience will place the audience at the centre of some of the Kelly family's most thrilling and significant moments, and allow an exploration of the legal elements of the Kelly story in their natural home at the Courthouse.

This experience will allow the Beechworth Courthouse and Historic Precinct to complement the development of the Old Beechworth Gaol, providing visitors with a

geographical and interpretive link between the Gaol and the town. The project will cater for group and educational visitors as well, and will build on the Courthouse's existing education audience.



Figure 23 *Beechworth Courthouse*



Figure 24 *The courtroom in Beechworth Courthouse*



Figure 25 *Projections in the Historial Jeanne d'Arc trial experience*

Other regional Ned Kelly experiences associated with Theme 2:

*Table 4.3  
Supporting Experiences Theme 2*

Destinations/Products Supporting Theme 2	Experience Gaps
<p>Stringybark Creek/Kelly Tree Kelly House/Greta Cemetery Mansfield Cemetery Beechworth Heritage Precinct Mansfield Police Memorial Robert O’Hara Burke Memorial Museum Glenrowan Siege Site Kate’s Cottage/Kelly Museum Ann Jones Inn</p>	<ul style="list-style-type: none"> <li>• The State Library of Victoria is an important link with Beechworth Gaol, however, their related stories are not as easily accessible to visitors as they could be - create a listening experience at the State Library of Victoria (outside of region) by having someone record a narration of the Jerilderie Letter</li> <li>• The green sash and the Ned Kelly Vault artefacts are important first-hand links to the Kelly story, however some of the artefacts could be at risk of being lost through deterioration over time - preserve the artefacts in museum-grade storage and lighting conditions (for sensitive artefacts) to prevent deterioration over time</li> <li>• Presentation of the Kelly-related pieces at the Victoria Police Museum could be improved - move the pieces to the back of the Victoria Police Museum, light the armour in a similar way to the State Library for effect and include armour presentation in the context of what the policemen were up against</li> <li>• Elevate the level of some experiences to create special visitor moments - develop VIP experiences which allow visitors to handle or get close to key artefacts (run during existing cleaning/preservation activity times)</li> <li>• The opportunity to actively participate in uncovering the history of the region and the story (archaeological digs, school excursions etc.)</li> <li>• Research partnerships with university and corporate research institutions in better understanding the story and where it happened</li> <li>• Lack of a place to map the family history of people of the region from that era</li> </ul>



### Theme 3 – Look at the Story from a New Perspective

*Ned Kelly and his armour have become a well-established part of Australian pop-culture, but what about the rest of the story? Why did Ned most fear the aboriginal trackers working with police? How have we been able to verify the accounts of Constable McIntyre using modern technology? What aspects of the Kelly story served as the inspiration for Sidney Nolan's most notable works?*

*What makes this story truly remarkable is just how multifaceted it is, allowing visitors to uncover a new part of the story each time they visit and guaranteed to provide them with a fascinating perspective that they likely would had never thought of before their visit.*



## Signature Experience A— Kelly Story Inspired Art Trail

*See how the story has inspired others – through science, art, music and film*

Discover how the Kelly story has become a fixture of modern pop culture, and see how it has been interpreted by some of the world's most beloved artists, musicians, actors, scientists and even and local foodies.

### Signature Experience Snapshot

#### Concept

Create a touring trail based on Kelly related artworks

#### Implementation Cost

\$250,000 to commission and \$21,000 per annum in maintenance

#### Return on Investment (ROI)

5,500 visitors and 26% ROI in the First Year

### Concept Description

Given the growing importance of the short-break market, particularly the Lifestyle Leaders interested in art and culture, there is an opportunity to create a new experience (building off existing artworks) that meets the needs of this market, in a way that intersects with other elements of the Kelly story.

Creating a self-drive and town walking art trail through the communities of the High Country that have art inspired by the various parts of the Kelly story, there is an opportunity to grow visitation and dispersal throughout the region through this contemporary interpretation of the Kelly story. As a related initiative, there is

also an opportunity to work with local arts clusters to encourage new artworks inspired by varying elements of the Kelly stories.

New art works have the potential to present unique perspectives and generate discussion about new elements of the Kelly story, adding value to the overall narrative.

### Visitor Economy Outcomes

Under a medium visitor number scenario, with 20% of new visitors leading to an additional stay of 0.3 days, this will create an estimated cumulative Economic Impact of \$861,650 over 10 years, will support 1 job in the first year of operation and 10 by the 10th year. Year 1 Return on Investment is calculated at 26%

Complementing existing art assets and collections, a partnership with organisers of the Wall to Wall Festival offers the opportunity to extend the Kelly Art series into new forms of art and new locations, encouraging visitors in the region to extend their stay.

Artworks alone are unlikely to attract a large new visitor market, but could increase the market who travel for arts, cultural or nature-based activities.

### Economic Considerations

New artworks will cost \$250,000 to commission and approximately \$21,000 per annum to maintain.

## Concept Rationale

Art trails have successfully been implemented across Australia, including the Silo Art Trail in western Victoria and the Heidelberg School Artists Trail in the Melbourne suburbs, which seamlessly connect history, nature, food and wine, and outdoor adventure activities.

A series of commissioned contemporary murals based around the Kelly story, starting in Benalla and linking through Mansfield, Glenrowan and Beechworth would allow each location to tell a different part of the Kelly story.

The artworks will act as a consistent branding device, creating a visual link between all the towns that make up the 'Kelly Trail'. They highlight 'instagrammable' items that can become a destination driver for those with a strong interest in art.



## Signature Experience B— Mansfield Police Memorial and Tour Operator’s Hub

*Have an ‘aha’ moment on the Australian story*

Find your light bulb moment as you finally make sense of why this story has become so iconic for Australia.

### Signature Experience Snapshot

#### Concept

Create Mansfield Police Memorial and Tour Operator’s Hub

#### Implementation Cost

\$450,000 in construction and \$37,500 in maintenance

#### Return on Investment (ROI)

25,000 visitors and 29% ROI in the First Year of Operation

### Concept Description

This concept involves the creation of sculptural artworks in the town of Mansfield and the development of a hub from which tour operators can conduct Kelly-based tours. This space will be designed to tell the stories of the police and their families based in Mansfield, before visitors head out to Stringybark Creek to go on a Kelly Trail that shows untold perspectives to the Kelly story. In particular, following the story of Sergeant Michael Kennedy, Constable Thomas Lonigan, and Constable Michael Scanlan, who tracked and were eventually killed by the Kelly Gang.

The sculptures will include visual elements representing these three policemen and explore how their families were impacted by the Kelly story. The design of the sculptures will be respectful and dignified, with consideration for their surviving family members, as well as engaging to visitors.

The sculptures and hub will be best located in the Mansfield Courthouse grounds, where Ned was proclaimed an outlaw, or down the main street of Mansfield for high visibility and visitor interaction.

### Visitor Economy Outcomes

Under a medium visitor number scenario, with 2% of new visitors leading to an additional stay of 0.1 days, this will create an estimated cumulative Economic Impact of \$1,506,847 over 10 years, will support 2 jobs in the first year of operation and 18 by the 10th year. Year 1 Return on Investment is calculated at 29%

### Economic Considerations

The sculptural artworks will cost approximately \$100,000 to commission and the Tour Operators Hub will cost approximately \$350,000 in construction costs, which will create an area where industry partners can operate their businesses from.

### Concept Rationale

This offering will highlight a different perspective of the Kelly experiences that focuses on law and justice. Mansfield has a strong affiliation with the police impacted by the Kelly story, as the site of the graves

of the aforementioned policeman murdered by the Kelly Gang. A police memorial is located in the Mansfield township, however this concept will allow for greater opportunity for interpretation and reflection via the dedicated hub and sculptures.

The sculptures can also become part of the Kelly Inspired Art Trail, acting as a visual link between towns involved with the tourism experiences, and also attract tourists with a more artistic leaning.



*Figure 26 Mansfield Courthouse*



*Figure 27 Mansfield main street*

## Signature Experience C— Benalla Art Gallery Expansion

*Reflect on your own story*

Discover how the events of the Kelly story have helped to shape your own Australian story.

### Signature Experience Snapshot

#### Concept

Building a fit for purpose location with the Benalla Art Gallery to preserve/view the Kelly sash, and create contemporary Kelly story artworks in public spaces around the gallery

#### Implementation Cost

\$3.8million for gallery floor space dedicated to Kelly offering plus \$200,000 each for exterior artworks (not included in the Economic Evaluation)

#### Return on Investment (ROI)

Additional 25,000 visitors with a 102% ROI in the First Year

### Concept Description

Benalla is currently developing a new city-wide Tourism Strategy that looks to entice travellers off the Hume Highway to visit Benalla, build on the region's popularity with event visitors, and capitalise on the region's strengths including arts and culture and the Kelly story. As such, creating a compelling reason to visit - particularly in association with the Kelly story - is key to delivering on these strategic areas.

This Strategy includes a proposed expansion of the Benalla Art Gallery, with plans to move the Costume and Kelly Museum collection that currently resides in the Visitor Information Centre building into the gallery. The current Costume and Kelly Museum will become part of a new permanent exhibition at the Benalla Art Gallery under the direction of a professional curator, in a space that both preserves and presents the Kelly Sash appropriately. This exhibit will be part of a larger infrastructure project (up to \$20 million subject to funding).

The Kelly sash is the key artefact in Benalla's current Kelly Collection. The sash was presented to Ned Kelly when he was 11 by the parents of a 7-year-old boy he had saved from drowning, in recognition of his bravery. Kelly was wearing the sash under his armour at his last stand in Glenrowan, which also features some drops of his blood. It has been a popular relic amongst tourists, so presenting it more professionally and making it more accessible within the Gallery environment is sure to increase its status.

Works and stories which reference the lesser known characters could also be a component of the regular exhibition programs and rotation of works on display.

The area around the lake and Botanic Gardens also provides a great precinct development opportunity – its offers potential to extend Kelly-themed public art into these open spaces to play a role in interpreting the Kelly story.

Linking the artworks to the technology platform will allow the visitor to gain a deeper understanding of the artists and the meaning behind the works.

### **Visitor Economy Outcomes**

The expansion of the Benalla Art Gallery is expected to attract 25,000 visitors under a medium visitor scenario (or 30% of new visitors). This will lead to an additional stay of 0.2 days, creating an estimated cumulative Economic Impact of \$38,507,220 over 10 years. This will support 45 jobs in the first year of operation and 494 by the 10th year. Year 1 return on investment is calculated at 102%. Installations of artworks have not been included in the calculations.

### **Economic Considerations**

The Ned Kelly specific component of the expansion will require approximately \$3.8 million to complete. Operating costs are expected to be \$770,000 per annum including maintenance, COGS, utilities and marketing. Any artwork installations will require approximately \$200,000 per artwork to commission.

### **Concept Rationale**

The Benalla Art Gallery is a respected art institution with an existing visitor base, and expertise in the management and display of art and artefacts. Moving key historic pieces associated with the Kelly story into the Gallery, complemented by Kelly related artwork and sculptures (both within and exterior to the gallery building) will deliver a professional, engaging and accessible Kelly tourism experience.

This concept also has the potential to support complementary Kelly artworks byway of Benalla's dynamic street art offering – something that the town is currently well known for.



Figure 28 Benalla Art Gallery



Figure 28 An example of how sculptures could be feature around the lakeside precinct



Figure 30 An example of the type of Kelly sculpture that could feature on the Gallery exterior



Figure 31 Kelly inspired street art at Benalla



## Signature Experience D— North East Republic Gourmet Trail

*Reflect on how the Kelly story inspires others.*

See how the Kelly story's drive for regional independence has continued to motivate the region's producers today.

### Signature Experience Snapshot

#### Concept

Link independent producers and food/drinks experiences throughout the region via a touring route

#### Implementation Cost

\$200,000

#### Ongoing Operational Cost

\$25,000 for maintenance

#### Return on Investment (ROI)

3878% over 10 years

### Concept Description

North East Republic Gourmet Trail provides the opportunity to align local produce with the Kelly stories – two sets of complementary experiences.

This concept will showcase local and independent food producers in the region who dare to be different. This also encourages visitors to think locally and creates authentic experiences that visitors will want to share with friends and families.

Local producers, such as Bridge Road in Beechworth, have embraced the story of Ned Kelly into their brand. The brewer, who prides itself on being locally owned and operated, has incorporated the local story of Ned Kelly into the logo for their beers and merchandise. The brewery offers weekly tours and food through its pizzeria

and bar.

The region can also follow in embracing the story of regional independence as motivation for recognising local producers. Linking similar sites together would allow for visitors to support local and independent visitors and enjoy authentic visitor experiences.

### Visitor Economy Outcomes

Under a medium visitor number scenario, this concept will attract approximately 17,000 people (2% new visitors) and lead to an additional stay of 0.1 days. This will create an estimated cumulative Economic Impact of \$48,214,670 over 10 years, will support 91 jobs in the first year of operation and 564 by the 10th year. Year 1 Return on Investment is calculated at 3878%.

### Economic Considerations

As the food/drinks product largely already exists, the costs associated with this concept are marketing related, providing a way for visitors to engage with and digest this offering.

### Concept Rationale

The food/drinks pillar is one of the High Country's strongest tourism product categories. This concept leverages that strength, offering a unique way to unite an existing offering and link producers. This concept can be actioned quickly to leverage a growth in demand expected to result from the new Kelly movie scheduled for launch at the end of 2018.



Other regional Ned Kelly experiences associated with Theme 3:

*Table 4.4  
Supporting Experiences Theme 3*

Destinations/Products Supporting Theme 3	Experience Gaps
<p>Beechworth Gaol Victoria Police Museum (outside of region) Stringybark Creek Glenrowan Siege Site Benalla Art Gallery Bridge Road Breweries Beveridge Tavern Kellyland Glenrowan Events (Ned Kelly Weekend, Ned Kelly Chase) State Library of Victoria (outside of region) Mansfield Cemetery / Monument Kate’s Cottage / Kelly Museum Old Court House and Survey Office Old Boot maker and Saddler Shop Benalla Costume and Kelly Museum The Kelly House / Beveridge Tavern Benalla Costume and Kelly Museum Avenel Bridge (Hughes Creek) Kelly House (Beveridge)</p>	<ul style="list-style-type: none"> <li>• Take advantage of the stories and experience available from new artefacts - artefacts found during the Inn site archaeological dig, particularly those featured in the ABC documentary (such as the shell casing from Ned’s gun) can be showcased to generate fresh visitor interest</li> <li>• As a whole, the visitor experiences in Glenrowan are tired - investigate the opportunities for a rolling investment program to refresh and improve experience delivery</li> <li>• The forensic experience is largely untold - create a suite of forensic experiences at key locations (e.g. both Gaols) in partnership with the Victorian Institute of Forensic Medicine. This should be limited to weaponry and/or search</li> <li>• The Kelly House in Beveridge offers potential as a more significant visitor site - investigate options to restore the property</li> <li>• The story of the many Australian Japanese WWII prisoners of war who signed their non-escape documents under the false name of Ned Kelly is not told - investigate options to tell the story, perhaps interpreted as a public art piece</li> <li>• The Indigenous police tracker story is largely a static story at present - there is a potential opportunity to reinvigorate it as an interpretive tracker experience</li> <li>• The “Keep Out’ sign at the Kelly House in Greta is a valuable nostalgic sign - repaint the sign</li> </ul>

### 7.3 Considerations for success of Project Options

This business case document is based on identifying game changing investments which deliver on the hero and signature experiences identified in the Kelly story Experience Development Framework (See Section 7.1). Successful connection and cross-promotion of these experiences requires a coordinated program of marketing and promotion to drive demand.

A range of local stakeholders (Councils and operators) will be responsible for developing, managing and promoting the individual signature experiences and separate components of the Kelly story. However, an underpinning strategic regional marketing program is required to deliver the full potential of the Kelly story, drawing together and adding value to the discrete experiences and components. Tourism North East is ideally placed to perform this function.

This marketing program directly addresses a market failure in that the tourism industry and communities are unable to collaborate effectively without external intervention.

This strategic marketing program will incorporate two key elements:

1. Regional marketing program
2. Interactive map and technology platform

#### a) Strategic Marketing Program

**Cost** \$220,000 p.a. for a three-year period

Delivery of the medium investment scenario identified in section 10.3 of this report requires an estimated capital investment of \$6,910,000. Tourism industry norms for marketing investment

provide for a typical annual investment between 5% and 10% of turnover, with investment at the upper end of this scale during initial phases of operation, as a business or experience establishes itself in the marketplace.

Given the challenges of re-establishing awareness of the Kelly story in the marketplace, and presenting a coherent marketing proposition to consumers it is recommended that an additional investment in regional marketing is prioritised. A strategic marketing program valued at \$220,000 p.a. (representing the equivalent of 3.2% of capital investment p.a.) for a three-year period has been identified. This scale of investment provides the necessary quantum to generate the required level of impact in target markets, complementing and adding value to local operational investment.

The strategic marketing program will incorporate investment in the following areas:

- Above the line consumer marketing, leveraging the investments of Tourism Australia and Visit Victoria
- Brand development, building ownership among stakeholders in marketing a coherent Kelly story
- Support collateral – imagery, trade and consumer marketing materials
- Investment in building awareness of the Kelly story among tourism industry
- PR and communications, including a rolling program of famils

## **b) Create an Interactive Map and Technology Platform Linking the Kelly Story Regions**

**Cost** \$80-\$150,000 in development and \$30,000 p.a. to maintain

While the existing Ned Kelly Touring Route website and several Council brochures have begun to map the various locations involved in the Kelly story, listings are not yet fully comprehensive. As such, there is an opportunity to incorporate this information into a more user-friendly tool by developing a mobile-responsive, interactive map with geo-marked points of interest. It is envisioned that the map will act as a platform to explore the 'many perspectives' of the Kelly story providing just enough information and written in such a way that it entices the user to want to venture into the region to explore the full story (or uncover new parts of the story). The map should also be linked to the High Country's broader product pillars to widen market appeal and drive visitation.

The technology platform, in the form of an app, will link the sites, stories and perspectives by providing the ability to engage with Augmented Reality (AR) or Virtual Reality (VR). This technology is key to some of the in-region concepts (like Glenrowan and Beechworth) but will also be used in both the Melbourne Gaol and State Library as a way to showcase the 'chapters' available in the North East.

AR will be integrated into an App to make the Ned Kelly experience come to life. Printed or digital media can come become animated using movements, sound, 3D objects or animations. This technology can be applied to brochures,

posters or physical exhibits in the Old Melbourne Gaol or the State Library for a highly engaging experience.

The app will also be able to be used at multiple locations throughout the different sites, taking the visitor on a journey through Ned Kelly Country. This technology will be highly engaging for tourists, locals and school groups and will translate across different ages and interests. Placing the technology within the State Library and the Old Melbourne Gaol will connect the two exhibits and allow the story to begin to flow across different geographical locations.

The technology platform will encourage visitors to discover the rest of the story by visiting the High Country, home to the most pertinent parts of the Kelly history. This will appeal to locals, domestic and international visitors to these locations as it presents a modern side of the story never heard before.

An app with compelling AR components will cost between \$80,000-\$150,000 to develop, depending on breadth and depth of content. It will cost an estimated \$30,000 per annum to maintain, which includes the cost of ensuring the site/App is available on new devices as they are released.

## 7.4 Prioritising Signature Experiences

The proposed Signature Experiences have been developed in alignment with themes, which allows for coordinated marketing and product development efforts, and an accessible and meaningful way for visitors to interpret and connect with the various Kelly story perspectives.

The reimagining of the Kelly story must go beyond the messaging - it must deliver enriching experiences that shift perceptions and stand alone as visitor experiences.

Each of the ten game changer projects has the potential to achieve this; however the projects need to be developed in stages. To assist in identifying both priority and readiness to execute, a project selection criteria has been developed. These criteria related directly to the project objectives and guiding principles outlined in this report, including:

- Regional Economic Impact - the cumulative economic impact of the projects (calculated in Appendix 2)
- Payback - 10 year payback period (calculated in Appendix 3).
- Demonstrated Demand - projects with an existing track record of market demand and those that ranked highly in the focus group, and align with the High Country target market seeking a mix of cultural, food and wine and nature-based experiences.
- Significance to the Story - projects that fill an essential 'experience gap' in the delivery of the story and extend the offer to appeal to a broader target audience than is currently reached.
- New Perspectives - projects which bring new perspectives to the Kelly story in line with the Experience Framework outlined in Section 7.1.
- Sound Business Plan - projects with an established Business Plan and financial model that demonstrates the project's viability.

The following criteria have been applied to the Game Changer projects, which have then been ranked in Table 8 according to the weighting criteria.

*Table 4.5  
Signature Experiences Criteria & Weightings*

	Weighting				
Criteria	1	2	3	4	5
Regional Impact	\$0-\$500,000	\$500,000 - \$1mil	\$1 mil - \$3 mil	\$4 mil - \$5 mil	\$6+ mil
Payback	Less than \$0	\$0 - \$1 mil	\$1 mil - \$5 mil	\$5 mil - \$10 mil	\$10+ mil
Demonstrated demand	Limited market demand	Concept with some market demand	Concept with potential market demand	Proposed concept with clear market demand study	Existing concept with strong visitation
Significance to the story	No relevance	Some relevance	Medium relevance	Strong relevance	Hero experience
New Perspectives	No new perspectives	Some new perspectives	Partially introduces new perspectives	Strong new perspectives	Hero experience perspectives
Sound Business Plan	No business plan	-	Business plan in development	-	Written business plan

The criteria were systematically applied to the identified preferred options. The multi-criteria rating process assists LGAs to prioritise projects for action, with the outcome as follows:

**Table 4.6**  
*Signature Experiences Ranke for Prioritisation*

Game Changer	Regional Impact	Payback	Demonstrated Demand	Significance to the Story	New Perspectives	Sound Business Plan	Total
Old Beechworth Gaol Kelly Experience	5	4	4	4	4	5	26
Viewing tower and siege site with VR/AR *	5	4	4	5	5	2	25
Beechworth Courthouse Activation**	5	4	4	3	4	4	24
Benalla Art Gallery expansion	5	5	4	2	2	5	23
Ned Kelly Interpretive Centre	5	1	3.5	4	4	3.5	21
Mansfield police memorial and tour operators hub	5	3	2	4	3	1	18
North East Republic Gourmet trail	5	5	3	2	1	1	17
Map and technology platform	2	2	3	3	3	1	14
Kelly inspired art trail	2	2	1	2	1	1	9

\* Please note that the Viewing Tower in Glenrowan and the AR/VR experience at the Siege Site have been bundled into a project together to provide a more robust Signature Experience offering.

\*\* Please note that the economic impact analysis for the Beechworth Courthouse Activation has been included for comparison purposes, however statistics are based on cost benefit analysis provided by the project proponent.



## 7.5 Ned Kelly Alive Priority Projects

The implementation of the Signature Experiences needs to be considered at an LGA level, reflective of resource and capacity of public and private sector in each Shire.

Furthermore, this project aims to disperse visitors throughout the region in association with the Kelly story, which necessitates consideration of a hero product for each LGA associated with the Kelly tourism experience - Benalla, Indigo, Mansfield and Wangaratta. Cross-referencing this criterion with consideration of establishing a Signature Experience in each LGA, the recommended priority projects for Ned Kelly Alive are as follows (Table 4.7):

As Priority Projects, these Signature Experiences will progress through to the economic evaluation stage of the Business Case, with the only exception being the Kelly offering at the Benalla Art Gallery, which forms part of a broader gallery expansion that is currently being explored in a business case driven by Benalla Rural City Council.

While only a limited number of Signature Experiences have been identified as Ned Kelly Alive Priority Projects, it does not preclude any of the other signature or supporting experiences progressing independently. Indeed, the development of these products in each LGA is expected to form a solid visitor base that will support ongoing investment in Kelly story products and experiences.

*Table 4.7  
LGA Priority Projects*

LGA	Priority Projects
<b>Benalla Rural City</b>	Benalla Art Gallery Expansion and installations
<b>Indigo Shire</b>	Old Beechworth Gaol Kelly Experience
<b>Mansfield Shire</b>	Mansfield Police Memorial and Tour Operator Hub
<b>Rural City of Wangaratta</b>	Glenrowan Viewing Tower and Siege Site Experience with AR and VR technology
<b>Regionwide</b>	Marketing and promotion, including the map and technology platform

## 7.6 Strategic Implementation

An ideal scenario where all regional partners were in a position to invest in project delivery, would see a three-stage roll-out program over a five year implementation period. The recommended staged implementation is presented under immediate, medium term and longer term phases as follows:

### Stage One – Immediate Priorities

#### *Year One*

The immediate priorities to reimagine the Kelly story are:

- Build stakeholder and partner support for the approach outlined, especially from the State Library and Old Melbourne Gaol.
- Seek funding support for the immediate Priority Projects (see 7.5), including the regionwide marketing and technology platform - these are recognised as being the key enablers and connectors required to fully realise the potential of individual experience investments.
- Begin development of the Gourmet Trail as an immediate low cost priority to deliver a new visitor experience, following the release of the next film (filming commenced in 2018).
- Reposition the Ned Kelly Trail in light of the recommendations of this report, including the development of an experience development program for new and existing businesses using the Experience Framework.
- Work with an interpretation company to develop an interpretation plan to redesign the existing signage.

### Stage Two – Medium Priorities

#### *Years two – three*

The second stage of delivery assumes the successful delivery of Stage One priorities, including securing funds to progress the priority projects:

- Develop the web and social media platforms that link the projects and experiences.
- Undertake experience development training with new and existing operators and guide major project proponents in delivering the hero experiences.
- Begin design and roll-out of updated Ned Kelly Trail signage to be more interactive and connect the story across new locations.

### Stage Three – Long-term priorities

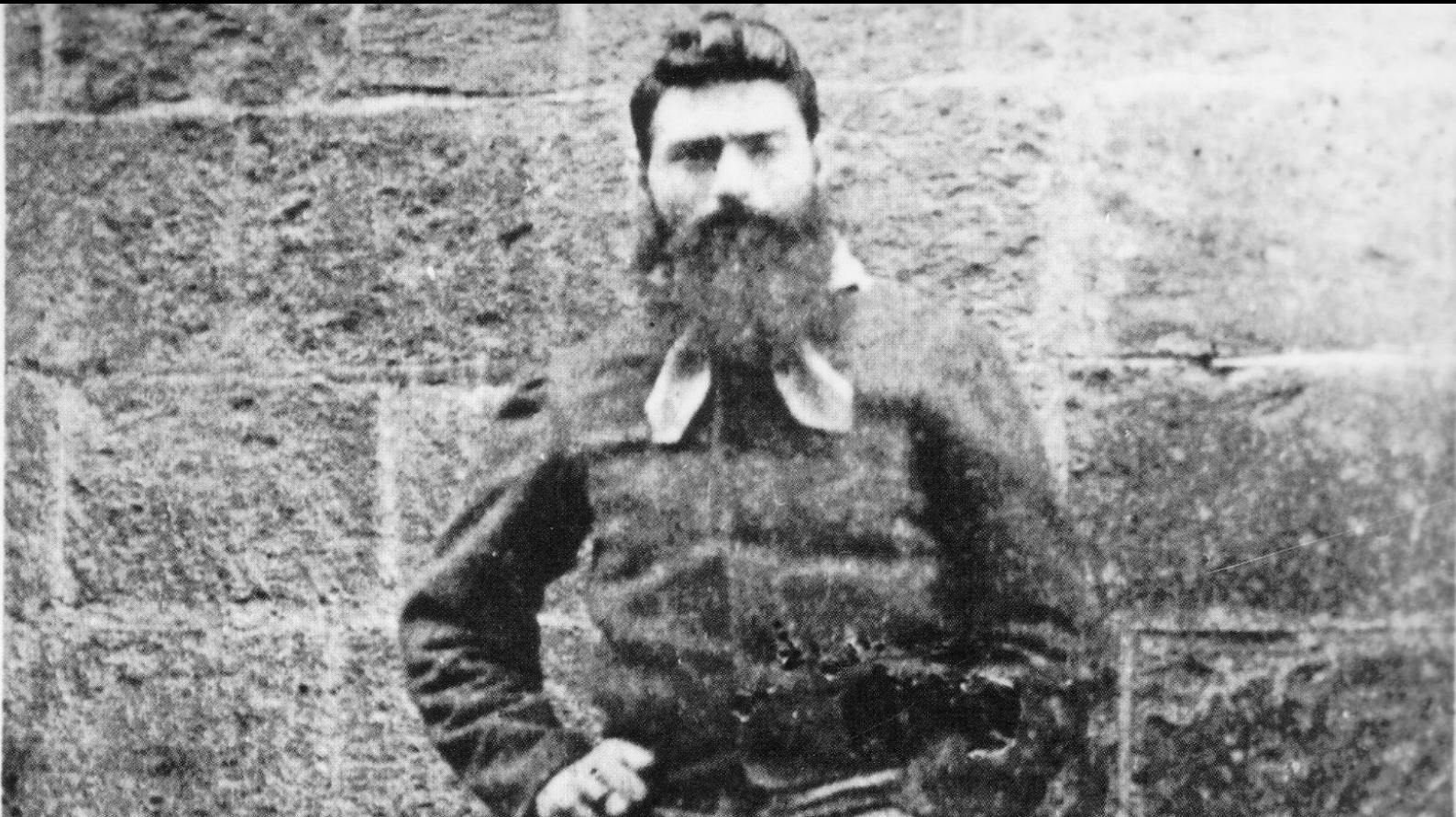
#### *Four-Five Years Plus*

Stage three assumes the successful delivery of the Stage Two priorities:

- Deliver the Priority Projects in partnership with public and private sector partners. In order to help facilitate this partnership, it will be critical to ensure that the regional Kelly story product and experience range delivers on the Kelly story promise, delivering high quality experiences and instilling confidence among operators.
- Undertake an economic impact assessment of the Priority Projects and track performance against the benchmarks and measures of success outlined in this report.
- Develop the next stage of technology-enhanced interpretation and visitor engagement using the next era of Augmented Reality platforms.

8.0

**PRIORITY PROJECT  
ECONOMIC EVALUATION**



## 8. Priority Project Economic Evaluation

### Economic Impact – Cost Benefit Analysis

This project does not comply with the VCC Framework, as it is not categorised as a High Value High Risk (HVHR) project (>\$100M AUD).

The project would generate additional economic value in the North East Victoria region through increased visitation, as well as social benefits through improved connectivity between the city and regional towns.

Cost-Benefit Analysis (CBA) is an analytical tool used to inform decisions regarding complex investment projects. A CBA has advantages over other modelling techniques (like an Economic Impact Assessment), in that a CBA seeks to measure not just the net benefits but also the net costs of a project. Equally, through a CBA framework, it is possible to measure multiple costs and benefits derived from a project (as opposed to just the economic components).

This CBA was carried out using a discounted cash flow (DCF) approach to analyse all costs and benefits that would occur if the project were to proceed. In this sense, two scenarios were considered, a baseline ('without the project') scenario and a 'with the project' scenario. The CBA considered the effect of real costs and benefits, which excludes inflation, taxes or subsidies.

In a CBA framework, decisions are made based on two criteria, net present value (NPV) and the benefit cost ratio (BCR). The NPV shows the difference between the present value of all future benefits and all future costs. The BCR is calculated by dividing the present value of future

benefits by the present value of the future costs. In such a manner a project is deemed 'desirable' if the NPV is positive and the BCR is above '1'. In general, if the NPV is negative and the BCR is below '1', the project is deemed as undesirable as the future costs will outweigh the benefits.

The assets created by the Priority Projects are expected to have a useful life of 20 years, which forms the timeframe for this assessment.

The geographic boundary for this assessment was the local government area for each Priority Project considered under the economic evaluation.

There are a range of social benefits stemming from these projects, which are not valued as part of this CBA, including:

- Increased community pride.
- Improved amenity and aesthetic effects.
- Future potential leisure and entertainment opportunities.
- Increased access to educational assets.
- Increased access to cultural infrastructure and assets.

a) Glenrowan Viewing Tower and Siege Site Experience with AR/VR

The following table highlights the key inputs into the CBA for the Glenrowan Viewing Tower and Siege Site projects with AR/VR technologies.

Table 5.1  
Glenrowan Tower and Siege Site - Costs and Benefits

Impact	Description	Assumption	Source
<b>Costs</b>			
<b>Construction and Development Costs</b>	Cost to construct the viewing tower as well as purchase and develop the virtual reality experience at the siege site	<ul style="list-style-type: none"> <li>Cost of tower construction is estimated to be \$2.0m</li> <li>Cost of the equipment for the VR experience is estimated to be \$100,000</li> </ul>	EarthCheck, based on similar project Directors of the Extraordinary (2017)
<b>Maintenance Costs</b>	Cost to maintain the new infrastructure and equipment over their expected 20 year life	<ul style="list-style-type: none"> <li>Maintenance cost is estimated at \$140,000</li> <li>Increasing at 1% real growth over time</li> </ul>	EarthCheck based on similar project
<b>Operational Costs</b>	Cost to operate the new infrastructure	<ul style="list-style-type: none"> <li>Operational costs are estimated at \$120,000</li> <li>Increasing at 1% real growth over time</li> </ul>	EarthCheck based on similar project
<b>Benefits</b>			
<b>Increased Visitor Expenditure</b>	Increased visitor expenditure due to new visitors to the site	<ul style="list-style-type: none"> <li>\$1.48m in new visitor expenditure</li> <li>Increasing at 1% real growth over time</li> </ul>	Tourism Victoria Tourism Research Australia EarthCheck

The table below shows the results of the assessment and the present value (PV) of identified costs and benefits as well as the resultant net present value (NPV) at the real discount rates of 4%, 7% and 9% for the 20-year project timeframe. All scenarios deliver a positive NPV.

*Table 5.2  
Glenrowan Tower and Siege Site - Summary of Costs and Benefits 2018 – 2037*

	4% Discount Rate	7% Discount Rate	9% Discount Rate
<b>Benefits</b>			
Visitor Expenditure	\$29.99	\$22.44	\$19.95
<b>Costs</b>			
Construction Costs	\$1.91	\$1.66	\$1.83
Maintenance Costs	\$2.07	\$1.60	\$1.37
Operational Costs	\$1.48	\$1.14	\$0.98
NPV	\$24.53	\$17.84	\$14.67

*Table 5.3  
Glenrowan Tower and Siege Site - Costs and Benefits Analysis Results*

Discount Rate	PV Costs	PV Benefits	NPV	BCR
4% Discount Rate	\$5.46	\$29.99	\$24.53	5.5
7% Discount Rate	\$4.60	\$22.44	\$17.84	4.9
9% Discount Rate	\$4.17	\$18.85	\$14.67	4.5

At the selected real discount rate of 7% for this project, the analysis yields a Benefit to Cost Ratio (BCR) of 4.9, meaning that it is economically desirable and provides a net benefit to the community. The strength of the project shows that even at higher discount rates, the resultant NPV and BCR are positive.

b) Old Beechworth Gaol Kelly Experience

The following table highlights the key inputs into the CBA for the Old Beechworth Gaol Kelly Experience project.

*Table 5.4  
Old Beechworth Gaol Kelly Activation - Costs and Benefits*

Impact	Description	Assumption	Source
<b>Costs</b>			
<b>Construction and Development Costs</b>	Cost to construct the new gallery for the Vault and associated experiences	<ul style="list-style-type: none"> <li>Cost of Construction is estimated at \$7 mil</li> </ul>	EarthCheck based on similar project
<b>Maintenance Costs</b>	Cost to maintain the new gallery over the expected 20 year life	<ul style="list-style-type: none"> <li>Maintenance cost is estimated at \$90,000 (1.5% of capital expenditure)</li> <li>Increasing at 1% real growth over time</li> </ul>	Industry benchmark
<b>Operational Costs</b>	Cost to operate the new gallery	<ul style="list-style-type: none"> <li>Operational costs are estimated at \$1.71 mil</li> <li>Increasing at 1% real growth over time</li> </ul>	ABS (2009)
<b>Benefits</b>			
<b>Revenues</b>	Additional revenues created by the new gallery	<ul style="list-style-type: none"> <li>Revenue is estimated at \$7.2 mil</li> <li>Increasing at 1% real growth over time</li> </ul>	ABS (2009)
<b>Increased Visitor Expenditure</b>	Increased visitor expenditure due to new visitors to the site	<ul style="list-style-type: none"> <li>\$1.22 mil in new visitor expenditure</li> <li>Increasing at 1% real growth over time</li> </ul>	Tourism Victoria Tourism Research Australia EarthCheck

The table below shows the results of the assessment and the present value (PV) of identified costs and benefits as well as the resultant net present value (NPV) at the real discount rates of 4%, 7% and 9% for the 20-year project timeframe. As seen in the table, all scenarios deliver a positive NPV.

*Table 5.5  
Old Beechworth Gaol Kelly Activation - Summary of Costs and Benefits 2018 - 2037*

	4% Discount Rate	7% Discount Rate	9% Discount Rate
<b>Benefits</b>			
<b>Revenue</b>	\$32.50	\$25.10	\$21.51
<b>Visitor Expenditure</b>	\$50.48	\$38.33	\$32.45
<b>Costs</b>			
<b>Construction Costs</b>	\$7.69	\$7.48	\$7.34
<b>Maintenance Costs</b>	\$1.77	\$1.37	\$1.17
<b>Operational Costs</b>	\$25.25	\$19.51	\$16.72
<b>NPV</b>	\$48.26	\$35.09	\$28.73

*Table 5.6  
Old Beechworth Gaol Kelly Activation - Cost Benefit Analysis Results*

Discount Rate	PV Costs	PV Benefits	NPV	BCR
4% Discount Rate	\$34.81	\$82.97	\$48.26	2.4
7% Discount Rate	\$28.35	\$63.44	\$35.09	2.2
9% Discount Rate	\$25.23	\$53.96	\$28.73	2.1

At the selected real discount rate of 7% for this project, the analysis yields a Benefit to Cost Ratio (BCR) of 2.2, meaning that it is economically desirable and provides a net benefit to the community. The strength of the project shows in that even at higher discount rates, the resultant NPV and BCR are positive.

Under the baseline scenario (without project scenario), none of the identified benefits would be captured nor any of the costs incurred.



### c) Mansfield Sculptures and Tourism Operators Hub

The following table highlights the key inputs into the CBA for the Mansfield Sculptures and Tourism Operators Hub project.

*Table 5.7  
Mansfield Sculptures and Tourism Operators Hub - Costs and Benefits*

Impact	Description	Assumption	Source
<b>Costs</b>			
<b>Construction &amp; Development Costs</b>	Cost to construct the sculptures and tourism operators hub	Cost of construction is estimated at \$450,000	EarthCheck based on similar projects
<b>Maintenance Costs</b>	Cost to maintain the new gallery over the expected 10 year life of the sculptures and hub structure	Maintenance cost is estimated at \$6,750 (1.5% of the capital expenditure) Increasing at 1% real growth over time	Industry benchmark
<b>Benefits</b>			
<b>Increased Visitor Expenditure</b>	Increased visitor expenditure due to new visitors to the site	\$268,626 in new visitor expenditure Increasing at 1% real growth over time	Tourism Victoria Tourism Research Australia EarthCheck

The table below shows the results of the assessment and the present value (PV) of identified costs and benefits as well as the resultant net present value (NPV) at the real discount rates of 4%, 7% and 9% for the 10-year project timeframe. As seen in the table, all scenarios deliver a positive NPV.

*Table 5.8  
Mansfield Sculpture and Tourism Hub - Summary of Costs and Benefits, 2018 - 2037*

	4% Discount Rate	7% Discount Rate	9% Discount Rate
<b>Benefits</b>			
<b>Visitor Expenditure</b>	\$2.46	\$2.10	\$1.91
<b>Costs</b>			
<b>Construction Costs</b>	\$0.43	\$0.42	\$0.41
<b>Maintenance Costs</b>	\$0.10	\$0.08	\$0.07
<b>NPV</b>	\$1.93	\$1.61	\$1.43

*Table 5.9  
Mansfield Sculpture and Tourism Hub - Costs and Benefits Analysis Results*

Discount Rate	PV Costs	PV Benefits	NPV	BCR
4% Discount Rate	\$0.53	\$2.45	\$1.93	4.6
7% Discount Rate	\$0.50	\$2.10	\$1.61	4.2
10% Discount Rate	\$0.48	\$1.91	\$1.43	4.0

At the selected real discount rate of 7% for this project, the analysis yields a Benefit to Cost Ratio (BCR) of 4.2, meaning that it is economically desirable and provides a net benefit to the community. The strength of the project shows in that even at higher discount rates, the resultant NPV and BCR are positive.

Under the baseline scenario (without project scenario), none of the identified benefits would be captured nor any of the costs incurred.

# 9.0

## RISK ANALYSIS



## 9. Risk Analysis

### 9.1 Project Risk

The risks are identified below. This includes risks during the planning and design phase of the project, construction and operational risks. The 'level of risk consequence' indicates the impact if the risk was realised and does not refer to the likelihood of the risk occurring. The below risks apply to both projects proposed in this report.

Table 5.10 Project Risks

Risk category	Impact	Level of risk consequence
<b>Community stakeholder risk.</b> In particular, this would be realised where segments of the community at Beechworth and Glenrowan do not support the projects, the preferred development site, or other components of the project's concepts.	Stakeholder risks could result in: - A widespread loss of community support for the concept - Legal or other challenges from community groups to the project going ahead.	High
<b>Budget and finance risks.</b> - Priority Projects do not receive sufficient funding - Allocated funds run out before completion	Budget and finance risks could result in: - The project being delayed or halted, or the scope changed - The project outcome of the redevelopment does not reflect the project objectives.	High
<b>Construction risks.</b> - Construction delays result in the project operations occurring later than anticipated - Unforeseen site issues increase costs of works or cause delays - Main contractor or sub-contracting trades go into administration during construction.	Construction risks could result in: - Loss of revenue - Loss of State Government and Council reputation - Budget overruns	Medium
<b>Legal risks.</b> - Disputes could arise with key contractors and/or consultants about scope of works or implementation standards or methodology - Construction contract is inappropriate - Procurement model is not appropriate for project delivery or does not deliver requirements for the State Government.	- Legal action results in fees and budget overrun, project is delayed - Change of scope during construction too difficult or costly	High
<b>Environmental risks.</b> - Unforeseen environmental impacts associated with the construction of the building. - Unforeseen environmental impacts associated with the operation of the building.	Environmental risks could result in: - Delays in construction while environmental issues are resolved - Additional costs associated with operations to mitigate environmental impacts	Medium
<b>Planning and approvals risks.</b> - Planning approvals are delayed	- Project delay - Budget impact	Medium
<b>Operational risks.</b> - Expected demand for Project is not realised - Design does not meet expectations or requirements of the operators	- Lower demand than anticipated, resulting in revenue loss to the operator - Additional costs to address design limitations.	Medium

The projects were assessed against each of these risks. A rating system for each risk of 'Low', 'Medium' and 'High' has been used, signifying the likelihood of each risk occurring. These ratings are described below.

**5.11**  
*Risk Rating System for Project Options Assessment*

<b>Risk Rating</b>	<b>Definition</b>
<b>Low (L)</b>	There is little likelihood that this risk will be realised in the project
<b>Medium (M)</b>	There is some potential for the risk to be realised in the project
<b>High (H)</b>	There is a significant likelihood that this risk will be realised in the project

*Table 5.12*  
*Risk Assessment for the Priority Projects Chosen*

<b>Risk</b>	<b>Risk Level</b>
<b>Community Stakeholder Risk</b>	L
<b>Budget and Finance Risks</b>	M
<b>Construction Risks</b>	L
<b>Legal Risks</b>	L
<b>Environmental Risks</b>	L
<b>Planning and Approval Risk</b>	L
<b>Operational Risk</b>	M
<b>Overall Assessment</b>	L

## **9.2 Interdependencies**

The main interdependency will be the extent to which additional tourist services can be developed to meet the needs of touring visitors. This includes additional and/or a different mix of overnight accommodation, food and beverage and other offerings. While the Old Beechworth Gaol Experience and the Viewing Tower with Siege Site Experience will enhance the number and mix of visitors to both Beechworth and Glenrowan respectively, the sustainability of these new markets will also be a function of the quality of services and attractions at the destination. These will need to continue to develop to meet the needs of the expanding tourist market.

## **9.3 Uncertainties**

The major uncertainty relates to the management and maintenance of the future of the Old Beechworth Gaol Experience and Viewing Tower and associated technology equipment. Demand will depend on a number of factors including:

- The overall rate of growth in intrastate, interstate and international tourism in Victoria. If expected growth rates are not realised, this may in turn have an impact on the number of tourists travelling to Beechworth and Glenrowan, and the number of visitors to the new co-located attraction and Viewing Tower and the Siege Site.
- The rate of take-up for the recreational, arts and cultural services to be offered in the Viewing Tower, VR and Siege Site.
- As noted previously, there is a high level of support among residents and businesses for the Ned Kelly Alive concept. This may not, however, translate into use by residents or visitors.

# 10.0

## INVESTMENT OPTIONS



## 10. Investment Options

### 10.1 Investment Overview

The previous sections of the report provide commentary on the options for implementing a coherent set of high quality visitor experiences which deliver the Kelly story and maximise economic benefits across the region. Economic impact and cost-benefit analysis research has been carried out to assist in prioritising each of the individual projects, including quantification of the estimated economic benefits which will accrue.

In an ideal scenario, implementation of the individual project components would proceed on the basis of overall project priority. However, practical aspects also need to be considered, the most important of which is the readiness and capacity of individual project proponents and public sector stakeholders to have formally committed project resources and funding available to invest.

This section of the report, reflects stakeholders' investment readiness and commitments, re-presenting individual project components under low, medium and high investment scenarios.

These three investment scenarios also consider the packaging of Priority Products to reflect varying levels of potential State and/or Federal Government funding availability. The level of funding available will dictate how many Priority Projects are delivered, as opposed to reducing the scale of experiences that may impact their game changer status.

This includes:

- A low investment scenario of \$4 million, reduced to \$2 million with Local Government and private sector funding commitments
- A medium investment scenario of \$6.91 million, reduced to \$4.35 million with Local Government and private sector funding commitments
- A high investment scenario of \$11.41 million, reduced to \$6.35 million with Local Government and private sector funding commitments



## 10.2 Low Investment Scenario

The low investment scenario includes the delivery of the following Ned Kelly Alive projects:

- Old Beechworth Gaol Kelly Experience
- Beechworth Courthouse Activation

This scenario captures the Old Beechworth Gaol Kelly Experience, which is the Priority Project that stands to deliver the greatest return on investment in terms of visitor numbers and yield, and has the strongest CBR. Importantly, this low investment scenario is based on a strong private sector contribution, only requiring minimal government intervention to accelerate implementation.

At present, the Gaol owner is looking at a four-stage implementation program, and is seeking matched funding to deliver on the first three phases valued at \$3 million. This initial development will include:

- Establishment of museum standard artefact experience
- Establishment of museum standard pop-culture experience
- Development of AR/VR experiences
- A new gallery space in cellblock two
- 30 seat theatrette
- Education Space (incl. Gamification of story-telling)
- Enhanced authentic Gaol experience (Ned and Ellen's cells)
- Enhanced customer interaction points (Café and merchandise space)
- New tour options
- Site signage and interpretation

Stage four will build on the success and revenue derived from these initial stages. Valued at \$4 million, complete project implementation will deliver the optimal visitation and yield outcomes noted in this report.

The Gaol will be an icon attraction that acts as drawcard for the entire regional Ned Kelly story, and create a proven platform for future investment in the regional Kelly offering. Furthermore, it is located in a town with a strong supporting tourism offering that is well-known for its heritage experiences, amplifying the potential benefits of this investment.

Indigo Shire Council sees the implementation of the Old Beechworth Gaol Kelly Experience as the first step in activating the entire Beechworth Historic Precinct, which is an LGA strategic priority. As such, there is a desire to complement the Gaol activation with Beechworth Courthouse project led by Council. With this in mind, it has been packaged in this investment scenario to deliver a complementary suite of Ned Kelly experiences across Beechworth, and a significant regional attraction.

Table 5.13

Low Investment Scenario Outcomes Summary - a benefit to cost ratio of 2.7

Total Package Cost (\$m)	Regional Investment	Net Funding Requirement	Projected Visitors 2029	Cumulative Visitors (10 years)	Annual Jobs 2029	NPV (\$m)	BCR*
\$4,000,000	\$2,000,000*	\$2,000,000	30,000	270,000	21	\$39.51	2.7

\*Please note that the BCR calculation is based solely on the Old Beechworth Gaol Kelly Experience component due to the numbers for the Courthouse Activation being commissioned via a different supplier (Urban Enterprise).

Table 5.14

Low Investment Scenario - CBA Outcomes by Varying Discount Rates

	4% Discount Rate	7% Discount Rate	9% Discount Rate
<b>Benefits</b>			
Revenue	\$32.50	\$25.10	\$21.51
Visitor Expenditure	\$50.48	\$38.33	\$32.45
<b>Costs</b>			
Construction Costs	\$3.85	\$3.74	\$3.67
Maintenance Costs	\$0.89	\$0.68	\$0.59
Operational Costs	\$25.25	\$19.51	\$16.72
NPV	\$52.99	\$39.51	\$32.99

Table 5.15

Low Investment Scenario - CBA Outcomes by Varying Discount Rates

Discount Rate	PV Costs	PV Benefits	NPV	BCR
4% Discount Rate	\$29.98	\$82.94	\$52.99	2.8
7% Discount Rate	\$23.93	\$63.44	\$39.51	2.7
10% Discount Rate	\$20.97	\$53.96	\$32.99	2.6

### 10.3 *Medium Investment Scenario*

The medium investment scenario includes the delivery of the following Ned Kelly Alive projects:

- Old Beechworth Gaol Kelly Experience
- The Beechworth Courthouse Activation
- Glenrowan Viewing Tower and Siege Site with AR/VR
- Marketing and Promotion

As the Ned Kelly Alive project looks to activate a regional tourism offering, the implementation of multiple products in different destinations is required to create a critical mass of Kelly experiences that are worth travelling for. As such, the preferred investment scenario sees the implementation of both the Gaol (supported by the Courthouse) and the Glenrowan Viewing Tower and Siege sites – destinations that are already strongly connected to the Ned Kelly story and attract associated visitation.

The Viewing Tower and Siege Site concept offers a unique and contemporary way to first engage with the Kelly story. While initial capital investment is required, ongoing operating costs are low, particularly as staff are not required for operation. This concept has the ability to build the tourism profile of Glenrowan, creating a base for future tourism opportunities in a destination that embraces the Kelly story.

Collectively, this scenario offers a strong suite of Kelly experiences in destinations known for the Kelly story, with products that rated the highest of the priority projects in terms of visitation, yield and CBR.

As this investment scenario captures a multi-destinational offering, it requires support from a regional marketing effort to optimise visitation, yield and dispersal opportunities for the High Country. While investment in marketing will directly benefit these assets and the public/private sector investment associated with their implementation, it will also provide an uplift for the entire regional Kelly offering, which would be encompassed in these promotional efforts. A three-year sustained marketing effort supported by the build of the interactive map and technology platform with a corresponding three years of maintenance has been included in this investment scenario.

Table 5.16

Medium Investment Scenario Outcomes Summary - a benefit to cost ratio of 3.0

Total Package Cost (\$m)	Regional Investment	Net Funding Requirement	Projected Visitors 2029	Cumulative Visitors (10 years)	Annual Jobs 2029	NPV (\$m)	BCR*
\$6,910,000	\$2,560,000	\$4,350,000	55,367	468,998	41	\$57.25	3.0

\*Please note that BCR calculations exclude the Beechworth Courthouse Activation

Table 5.17

Medium Investment Scenario - CBA Summary

	4% Discount Rate	7% Discount Rate	9% Discount Rate
<b>Benefits</b>			
Revenue	\$32.50	\$25.10	\$21.51
Visitor Expenditure	\$80.46	\$60.77	\$51.30
<b>Costs</b>			
Construction Costs	\$5.87	\$5.70	\$5.60
Maintenance Costs	\$2.95	\$2.28	\$1.96
Operational Costs	\$26.73	\$20.65	\$17.69
NPV	\$77.41	\$57.25	\$47.56

Table 5.18

Medium Investment Scenario - CBA Outcomes by Varying Discount Rates

Discount Rate	PV Costs	PV Benefits	NPV	BCR
4% Discount Rate	\$35.55	\$112.96	\$77.41	3.2
7% Discount Rate	\$28.63	\$85.88	\$57.25	3.0
10% Discount Rate	\$25.25	\$72.81	\$47.56	2.9

#### ***10.4 High Investment Scenario***

The high investment scenario includes the delivery of the following Ned Kelly Alive projects:

- Old Beechworth Gaol Kelly Experience
- Beechworth Courthouse Activation
- Glenrowan Viewing Tower and Siege Site Experience with AR/VR
- Marketing and Promotion
- Benalla Art Gallery Activation (Ned Kelly component - gallery space and sculptures)

Investment in the development of an array of Ned Kelly products in a variety of LGAs with an association with the Kelly story creates a truly regional product offering that optimises dispersal and yield opportunities for the High Country.

The Benalla Art Gallery offering will allow for the showcasing of significant artefacts in a contemporary and engaging setting, surrounded by art that further tells the Kelly story. However, it must be noted that the Kelly component proposed in this

report is part of a larger gallery development that has an estimated cost of \$20 million. As such, the Benalla Priority Project and associated LGA funding included in the below contribution summary is contingent on the bigger project progressing.

The Mansfield-based Priority Project has been excluded from the high investment scenario as – unlike all of the other priority concepts - a local contribution towards the project was unavailable at the time this report was developed. Furthermore, over the course of this project the recommendations for Stringybark Creek have been adopted and work commenced by the Department of Environment, Land, Water and Planning as the land manager for the site, ensuring that a Kelly experience associated with the policemen’s story is currently in development that provides strong links to the Mansfield offering. This is anticipated to be completed by Spring 2018.

Table 5.19

High Investment Scenario Outcomes Summary - a benefit to cost ratio of 2.4\*\*

Total Package Cost (\$m)	Regional Investment	Net Funding Requirement	Projected Visitors 2029	Cumulative Visitors (10 years)	Annual Jobs 2029	NPV (\$m)	BCR*
\$11,410,000	\$5,060,000	\$6,350,000	70,367	618,998	57	\$61.94	2.4

\* Please note that BCR calculations exclude the Beechworth Courthouse Activation

\*\*Economic impact calculations on the Benalla Art Gallery are based on the estimated floor space of the display (58m<sup>2</sup>), however the exact location and nature of the Kelly exhibition within the proposed Gallery redevelopment has yet to be determined.

Table 5.20

High Investment Scenario - CBA Summary

	4% Discount Rate	7% Discount Rate	9% Discount Rate
<b>Benefits</b>			
Revenue	\$37.51	\$28.98	\$24.83
Visitor Expenditure	\$101.44	\$76.98	\$65.18
<b>Costs</b>			
Construction Costs	\$9.52	\$9.25	\$9.08
Maintenance Costs	\$3.80	\$2.93	\$2.51
Operational Costs	\$40.03	\$30.93	\$26.50
NPV	\$85.60	\$62.84	\$51.92

Table 5.21

High Investment Scenario - CBA Outcomes by Varying Discount Rates

Discount Rate	PV Costs	PV Benefits	NPV	BCR
4% Discount Rate	\$53.35	\$138.95	\$85.60	2.6
7% Discount Rate	\$43.11	\$105.96	\$62.84	2.5
10% Discount Rate	\$38.10	\$90.01	\$51.92	2.4

## 10.5 Preferred Investment Scenario

All three investment scenarios generate a positive benefit to cost ratio, however the medium option consisting of: Old Beechworth Gaol Kelly Experience, Beechworth Courthouse Activation, Glenrowan Viewing Tower and Siege Site with VR/AR, and Marketing and Promotion represents the preferred investment option, based on:

- A BCR of 3.0 (the best achieved return of the identified low, medium and high investment scenarios)
- Development of a collection of new and improved Kelly story experiences which has the critical mass necessary to influence the market and generate new visitation and associated expenditure
- The funding commitments of stakeholders which ensures project deliverability and minimises project risk.

Investment in this group of Kelly story experiences will result in a tangible economic impact, delivering;

- The attraction of 55,367 visitors in 2029
- A cumulative visitation of 468,998 over the 10-year period
- Expenditure and associated economic impact which supports 41 jobs in 2029

# ILO

## APPENDICES





## Appendix 1

### Components of the Experience Framework

The Global elements of the brand promise, USPs and guiding principles and experiences should be common across all businesses involved across the region. This creates the integrated and seamless context for staff, volunteers and guests.

The Specific elements help to bring the higher-level messages to life within their respective local area, right down to specific products and supporting activities.

Figure 33 Cultural Heritage Tourism Experience Framework



Each component of the Framework is broken down into 'Global' and 'Specific'. The Global elements ensure that the all experiences within the region have common guiding principles, while the specific elements are the messages that uphold and promote the common guiding principles.

#### GLOBAL

##### Brand Promise

Your Brand Promise is the unique offering that sets you apart from your competitors and goes with you everywhere you go. From the idea of travel to post trip storytelling, your core message needs to be strong, clear, unique and memorable.

##### USPs

Your Unique Selling Propositions are the specific elements about your offering that set you apart.

##### Guiding Principles & Experience Lenses

The guiding principles set the overall core intent and messaging that we want to ignite for guests. The experiences form a menu of how to achieve each principle in practice.

#### SPECIFIC

##### Regional Themes & Stories

The opportunity to showcase the specific history of the region, by bringing to life heritage and cultural events.

##### Regional Experiences (Destination)

Regional Experiences form the primary cast and locations for the stories to take place. Sometimes these are not immediately apparent.

##### Signature Experiences (Product)

Within the region, these integrated products bring a unique offering for guests and visitors and form the backbone for supporting the stories and ongoing word of-mouth referral.

##### Supporting Experiences & Products

Bolting on to the primary experiences, ancillary products can be identified to enrich the overall experience, deliver enhanced advocacy and provide new revenue opportunities.

## Appendix 2

### Economic Impact Assessment Methodology

In order to assess the additional expenditure and regional impacts of the ten Signature Experiences identified in the Ned Kelly Alive project, a medium forecast conversion has been applied. This comprises:

- Spend from new visitors;
- Spend from existing visitors who increase their length of stay;
- Spend from existing visitors who increase their spend; and
- Spend from visitors who substitute a Kelly story experience for another (due to limited trip length).

Once the gross direct expenditure is estimated, the total net impact from the projects can be calculated. This is derived by deducting the estimated expenditure from existing visitors who substitute (as there is no overall net impact from these visitors, as their overall trip length or spend increases), deadweight loss (which is assumed to be negligible in this circumstance), and leakage of expenditure that does not stay within region or the nation.

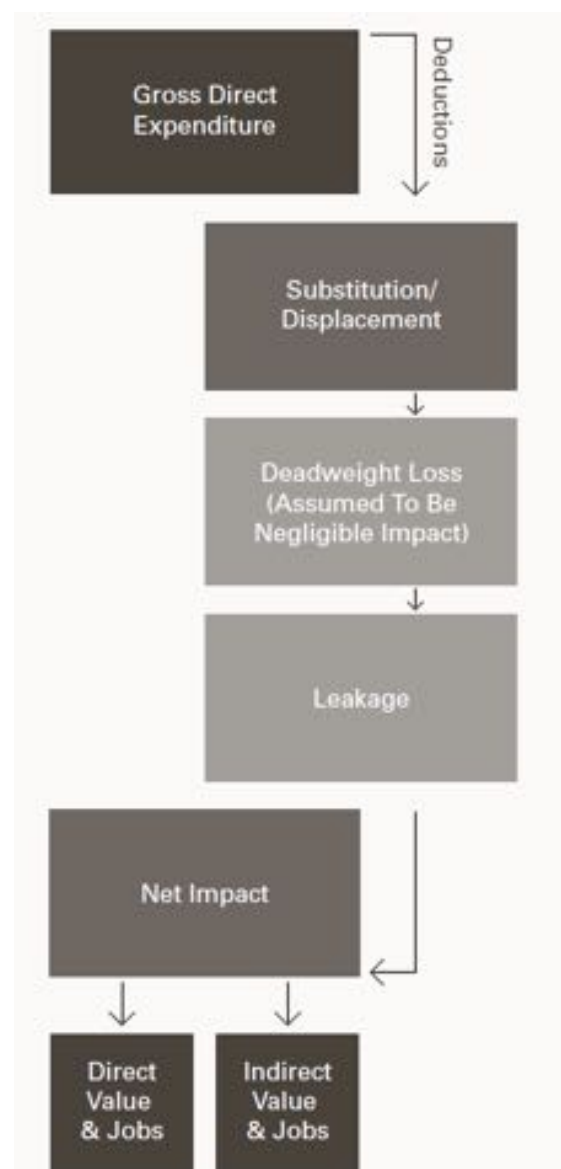
From the additional net impact expenditure value attributed to the projects an estimation of the indirect expenditure which flows through the economy across the region is calculated, along with the number of direct and indirect jobs supported from this flow of money.

Visitation analysis to the projects for the first three years of operation was estimated under high, medium and low forecast scenarios.

It should be noted that the medium scenario figures were used as a base for the first three years of operation.

For the purposes of this report, it has been estimated that the projects are likely to receive the estimated visitation and expenditure outlined under a Medium Scenario analysis.

Throughout the scenario modelling, necessary assumptions were made to forecast the projects combined economic impact into its first three years of operation under low, medium and high scenarios. A summary of these assumptions can be found in the following diagram



## Assumptions

Variable	Assumption
Visitors	Visitors to the area are included within overall visitation figures for all Game Changers.
Market Mix	The Market Mix (i.e. origin, purpose of visit) for projected visitors to all Game Changers, utilise the Victorian High Country cultural visitor profile. Victorian High Country Cultural visitors are defined as: <ul style="list-style-type: none"> <li>- Creative Opinion Leaders</li> <li>- Cultural/Heritage Interest</li> <li>- Food &amp; Wine Lifestylers</li> <li>- Nature Enthusiasts</li> </ul>
Average Length of Stay	Average Length of Stay for all visitors to Victorian High Country has been applied to each Game Changer visitor projection.
Visitor Spend per Night	Average Visitor Spend per Night for all visitors to Victorian High Country has been applied to each Game Changer expenditure projection.
Potential New Visitors to The Region	The propensity to attract new visitors who were specifically motivated to take a trip to the region, has been estimated for each market mix (origin, purpose) under low, medium and high scenarios. <ul style="list-style-type: none"> <li>- Based on analysis of the international Visitor Survey (IVS), the markets with the highest likelihood to attract new visitors were identified as being; holiday and Visiting Friends and Relatives (VFR) markets from China, New Zealand and the United Kingdom overseas markets.</li> </ul>
The Game Changers impacts on Extending Average Length of Stay among Existing Visitors	It is estimated that the following Hero Experience scenarios would influence existing visitors to increase their average length of stay (ALOS): <ul style="list-style-type: none"> <li>- Technology platform: Increase of 2% of existing visitors to State Library</li> <li>- Technology platform: Old Melbourne Gaol extends ALOS by 0.3 days</li> <li>- Interactive Map: Increasing existing visitors to State Library and extends ALOS by 2 days</li> <li>- Interactive Map: Increasing existing visitors to Old Melbourne Gaol extends ALOS by 2 days</li> <li>- Viewing Tower: Extend ALOS of existing visitors to Glenrowan by 0.2 days</li> <li>- Purpose built Kelly Attraction: Extend ALOS of existing visitors to Glenrowan by 0.3 days</li> <li>- Beechworth Gaol and Ned Kelly Vault: Extend ALOS to Beechworth by 0.5 days</li> <li>- Beechworth Heritage Precinct: Extend ALOS to Beechworth by 2 days</li> <li>- Mansfield Police Memorial and Tour Operators Hub: Extend ALOS of existing visitors to Mansfield by 0.1 days for 2% of visitors</li> <li>- Benalla Art Gallery Expansion: Extend ALOS of existing visitors to Benalla by 0.2 days</li> <li>- The Gourmet Trail could increase length of stay of 2% of food and wine visitors by 0.1 days</li> </ul> <p>Projections for The Game Changer's impact on increasing average length of stay of existing visitors under high, medium and low scenarios is drawn from a series of case study impacts can be found in the following table.</p>

Variable	Assumption
The Game Changer's impact on Increasing existing visitors to Victorian High Country's Average Expenditure	<p>Projections of additional expenditure from existing visitors are based on industry/sector expenditure averages, coupled with spending assumptions relating specifically to each Game Changer as follows;</p> <ul style="list-style-type: none"> <li>- Direct revenue would encompass profits from ticket sales, food &amp; beverage, events and merchandise sales where applicable to the Game Changer Concept.</li> <li>- Revenue from F&amp;B and merchandise were calculated based on the proportion of ticket sales, average spend per head and revenue of 15% after goods bought for F&amp;B.</li> </ul>
Visitor Substitution	<p>Substitution refers to the proportion of existing visitors who are projected to visit the region, but substitute it for a visit to an existing tourism/cultural attraction or experience.</p> <p>A substitution ratio of has been applied to the game changers where applicable, please see Table 5 below.</p>
Additional Expenditure	<p>The total additional expenditure generated by each Game Changer consists of expenditure from;</p> <ul style="list-style-type: none"> <li>- New visitors;</li> <li>- Existing visitors increasing their average length of stay, and;</li> <li>- Increased expenditure by existing visitors.</li> </ul> <p>The Game Changers are projected to generate increased expenditure and trip length from existing visitors to Victoria's High Country, however at national level; the Game Changers are not projected to result in an overall growth in average expenditure or trip length. The impact of the Kelly Story experiences is not thought to be sufficient to encourage visitors to extend their trip to Australia, however, the High Country region and Victoria do stand to benefit from the opportunity to capture increased market shares in their target international markets.</p>

It is assumed that each of these concepts are independent, and will not result in cannibalisation or substitution of visitors from existing Kelly attractions. Therefore, the modelling does not account for substitution.

## Signature Experience Project Measures and Assumptions

Signature Experience	Visitor Number Scenarios			% of new visitors	Additional Stay
	Low	Med	High		
Mapping and Technology Platform	3,500	5,500	7,500	20%	0.3 days
Viewing Platform with AR/VR	8,000	11,000	14,000	60%	0.2 days
Ned Kelly Interpretive Centre	65,000	75,000	85,000	30%	0.3 days
Old Beechworth Gaol Kelly Experience	85,000	100,000	115,000	30%	0.5 days
Kelly Story Inspired Art Trail	3,500	5,500	7,500	20%	0.3 days
Mansfield Police Memorial and Tour Operators Hub	20,000	25,000	30,000	2%	0.1 days
North East Republic Gourmet Trail	10,000	17,000	25,000	2%	0.1 days
Benalla Art Gallery Expansion	21,250	25,000	28,750	30%	0.2 days

## Appendix 3

### Summary of Economic Analysis

The following table presents an analysis of the tourism and economic benefits that would be expected to flow from each of the concepts. The analysis is based on assumptions of future visitation and expenditure associated with each concept. Given the depth and diversity amongst the concepts, each concept is considered in isolation and any positive or negative impacts that one concept may have on visitation to another have been excluded. The economic analysis leverages the regional tourism satellite accounts developed by Deloitte Access economics for Tourism Victoria for the High Country and identified a combined (i.e. direct and indirect) economic benefit for each concept in terms of Gross Regional Product (GRP) and employment. Increases in expenditure per concept over a ten year term was used as the key driver for the economic benefits.

As highlighted below, the table captures a number of metrics to compare concepts, including:

- **Expenditure Impact (Year 1):** highlights the increase in visitor expenditure expected in year one of operation. Some projects are expected to grow exponentially after year one. Other concepts maintain a more tempered growth rate over time.
- **Expenditure Impact (Cumulative):** highlights the undiscounted cumulative total of visitor expenditure per concept over a ten year period. For some concepts, future growth in expenditure is considerable and this can be witnessed in this column.
- **Economic Impact (Year 1):** highlights the GRP impact of the increase in visitor expenditure for year one for each concept. This figure includes the direct and indirect impacts of the added expenditure.
- **Economic Impact (Cumulative):** shows the undiscounted cumulative total GRP impacts over the ten year term.
- **Jobs Impact (Year 1):** highlights the number of jobs generated from the increase in visitor expenditure per each concept in year 1.
- **Jobs Impact (Cumulative):** shows the total jobs supported over a ten year term, where one job equals one employment position for the time frame of one year.
- **Capital Expenditure Required:** highlights the expected capital costs to develop the concept.
- **Year 1 ROI:** provides the year 1 GRP impact divided by the capital expenditure. This figure would be associated with an ROI or yield calculation for a property investment. Some concepts are expected to provide more significant benefits over time.
- **10 Year Payback:** provides the cumulative 10 year GRP impact, subtracting the capital expenditure, which reflect the longer-term benefits of many of the concepts.

### Summary Table of Economic Impact Analysis

Game Changer	Expenditure Impact (Year 1)	Expenditure Impact (Cumulative)	Economic Impact (Year 1)	Economic Impact (Cumulative 10 year)	Jobs Impact (Year 1)	Jobs Impact (Cumulative 10 year)	Capital Expenditure Required	Year 1 ROI	10 Year Payback
Map and technology platform	\$66,225	\$1,786,711	\$63,875	\$861,650	1	10	\$150,000	43%	\$711,650
Kelly inspired art trail	\$66,225	\$1,786,711	\$63,875	\$861,650	1	10	\$250,000	26%	\$611,650
Glenrowan Viewing Tower with AR/VR	\$1,508,010	\$20,170,374	\$727,246	\$9,727,258	9	114	\$2,100,000	36%	\$7,627,258
Siege site AR/VR experience	\$100,000	\$5,500,000	\$48,225	\$2,652,401	1	31	\$100,000	48%	\$2,552,401
Ned Kelly Interpretive Centre*	\$980,728	\$18,774,758	\$472,960	\$9,054,215	6	106	\$15,000,000	3%	(\$5,945,785)
Old Beechworth Gaol Kelly Activation	\$946,842	\$29,894,162	\$456,619	\$14,416,600	5	169	\$7,000,000	6%	\$6,416,600
Mansfield Police Memorial and tour operators hub**	\$268,626	\$3,124,587	\$129,546	\$1,506,847	2	18	\$450,000	29%	\$1,056,847
Benalla Art Gallery expansion and installations***	\$8,048,154	\$87,727,958	\$3,881,260	\$42,307,220	45	494	\$3,800,000	102%	\$38,507,220
North East Republic Gourmet Trail**	\$16,084,686	\$99,977,606	\$7,756,916	\$48,214,670	91	564	\$200,000	3878%	\$48,014,670

## Appendix 4

### Image Reference

Reference for images not owned by a project stakeholder or industry partner:

Figure 2	Museum of Old and New Art
Figure 3	Hobbiton Tours
Figure 4	Backpacker Guide New Zealand
Figure 5	Australian Centre for the Moving Image
Figure 6	Australian Centre for the Moving Image
Figure 7	Anne Frank House
Figure 8	Ezekial Bone
Figure 9	Nottingham Castle
Figure 10	Titanic Belfast
Figure 11	Titanic Belfast
Figure 12	Titanic Belfast
Figure 14	The Franklin Institute
Figure 15	OOPEAA
Figure 16	Turenscape Landscape Architect
Figure 17	Brown Brothers
Figure 18	Future Past
Figure 19	Darf Design
Figure 20	Old Beechworth Gaol
Figure 21	Old Beechworth Gaol
Figure 25	Istorylab
Figure 29	Travel Ask
Figure 30	AE Engineering