



ORDINARY COUNCIL MEETING

22 June 2021

Late Item – June 2021

ATTACHMENT: ID02

Review of RV Overnight Stay Town Oval and Seven Mile Beach

Attachment 1
Consultant's Survey Report dated 21 June 2021

REPORT

Aha! Consulting

When will you have your next Aha! moment?

PROJECT		OVERNIGHT RV CAMPING SURVEY
CLIENT		SHIRE OF IRWIN
DATE		21/06/2021

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Executive Summary

In June 2020, the Shire closed the Dongara Town RV Overnight stay facility to support local accommodation providers during the COVID downturn. This closure came with a commitment to review this decision in 12 months.

As part of this review, a survey was distributed to local businesses to gather information from some businesses potentially affected by this decision, to better understand the impacts and benefits of re-opening this facility to tourists. The analysis separated caravan park providers from other businesses.

Caravan park operators suggested that the closure of Dongara generally had a positive impact on business and that re-opening the facility would have an overall negative impact on their business, though this could be relieved by having a nominal fee associated with the use of the facility.

Other businesses suggested that the closure of the Dongara facility generally had a neutral impact on their business, and there was slightly more negative sentiment towards the closure. Opinions about re-opening the facility with a nominal fee were mixed, with equal numbers of businesses reporting that the impact would be either neutral, negative or positive. There was generally positive sentiment about re-opening the facility on a 12-month trial basis, but there was also a high number of responses that were neutral. Businesses suggested that most travellers expect free facilities, and that the closure resulted in fewer customers. Most businesses suggested that a free facility would cultivate the Shire's reputation of being an RV Friendly Town.

Overall, the data suggests caravan park operators are less optimistic about re-opening the facility and that other business owners generally have a more positive outlook, with the facility boosting their business.

Methodology

The survey was collected online and over the phone. An initial survey was distributed to local businesses, and a subsequent survey was sent out to collect data on an additional question.

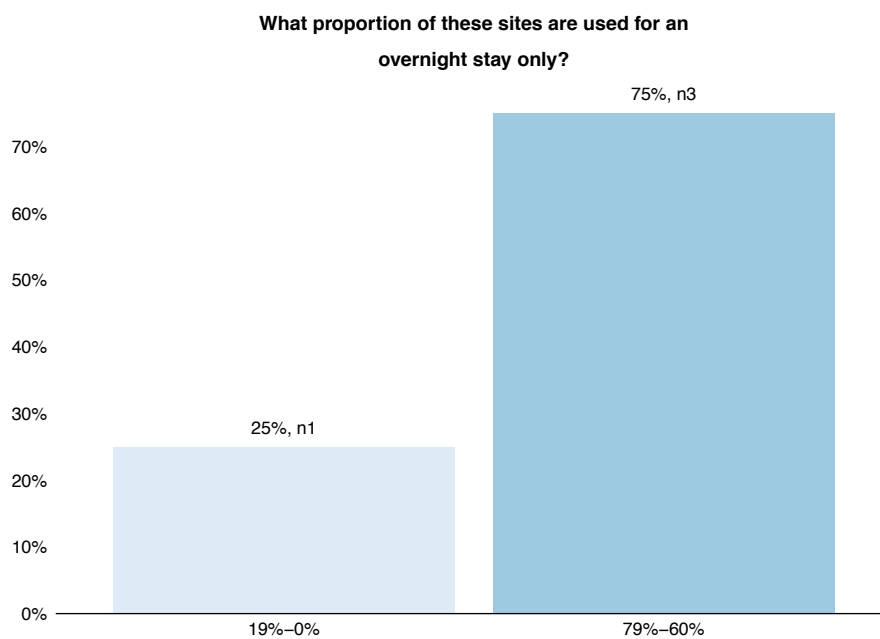
The survey included questions about the nature of the business (e.g., location, business type), qualitative questions about the impact of RV facilities as well as open-ended questions to provide further feedback. The questionnaire was tailored to two subgroups: Caravan Park Providers and Other Businesses.

Caravan Park Operators

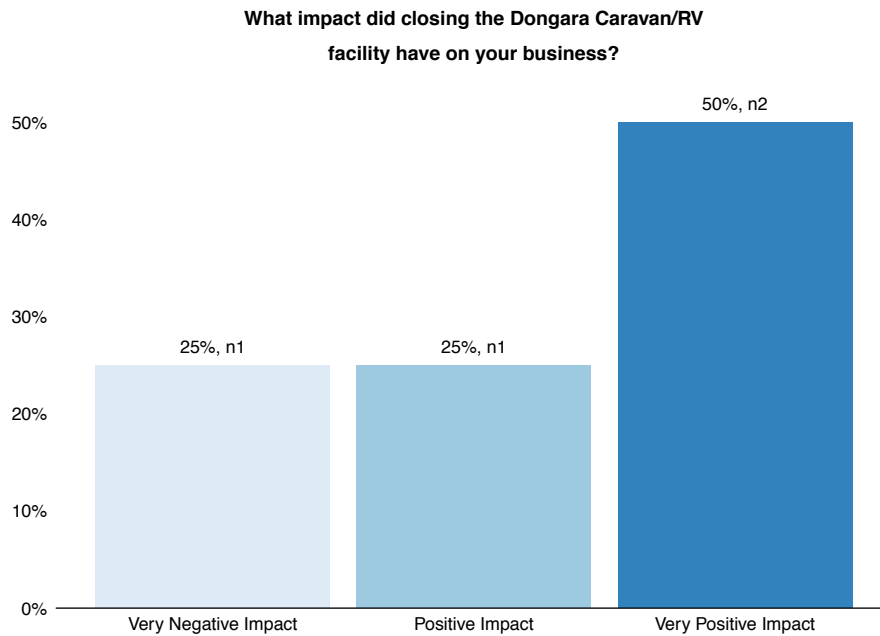
The following questions were tailored to gain insight into the opinions or views of caravan park operators. Four operators completed this section of the survey.

In total, the four businesses operated 164 RV sites, though there was considerable variability across the four businesses (range = 4-85 sites).

Three businesses reported that 60-79% of the sites are for overnight stay only, and one site reported that 0-19% of their sites are for overnight stay only.

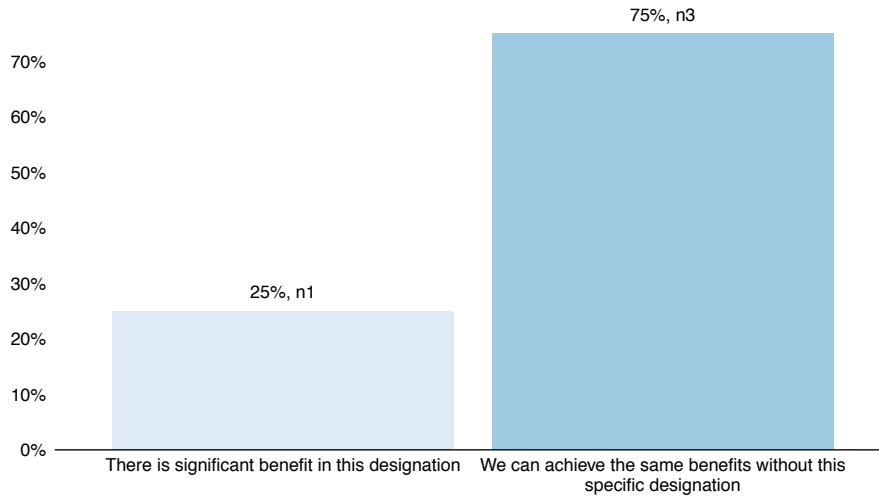


Two operators said that closing the Dongara facility had a very positive impact on their business, whereas one operator said it had a positive impact and another operator indicated it had a very negative impact.



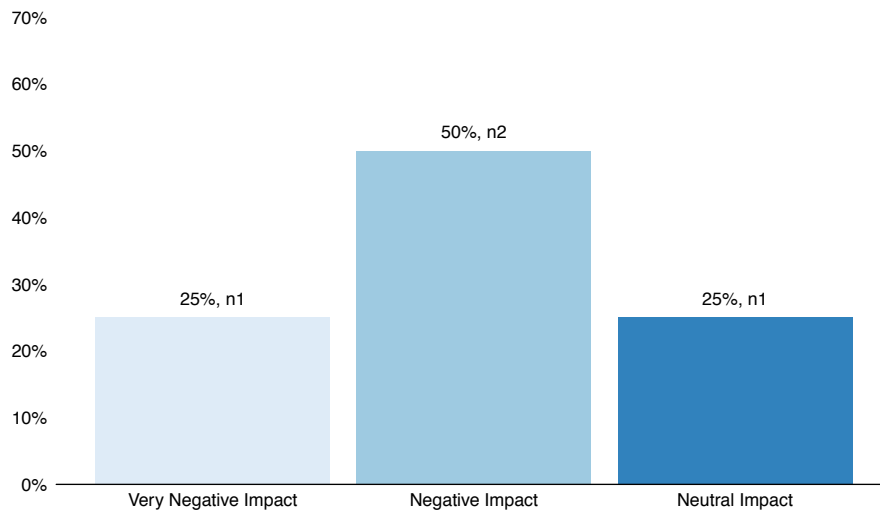
Three of the caravan businesses believed that they could achieve the same tourism benefits without the free overnight RV facility, whereas one business reported that there would be significant benefits.

There are a number of requirements to secure the designation of RV Friendly Town. This designation was to offer tourism benefit for business in the Shire. The free Overnight Caravan/RV facility was one of these requirements. Please select most appropriate response for you.



Three of the businesses believed that there would be a negative impact to some extent if the Dongara facility were to re-open on a 12-month trial and one business reported neutral impacts.

What impact would reopening the Dongara Caravan/RV facility have on your business, if done as a 12mth trial?



Caravan businesses were provided open-ended questions to report on the nature of the **negative** impacts of re-opening the facility for a 12-month trial:

- Two businesses reported that the trial would add competition to business, with one comment suggesting that 20-30% of RV sites would be negatively impacted.
- One business reported having a negative impact on the long-term 'confidence with park investment'.
-

When asked what could be done to mitigate some of the **negative** impacts, the following comments were made:

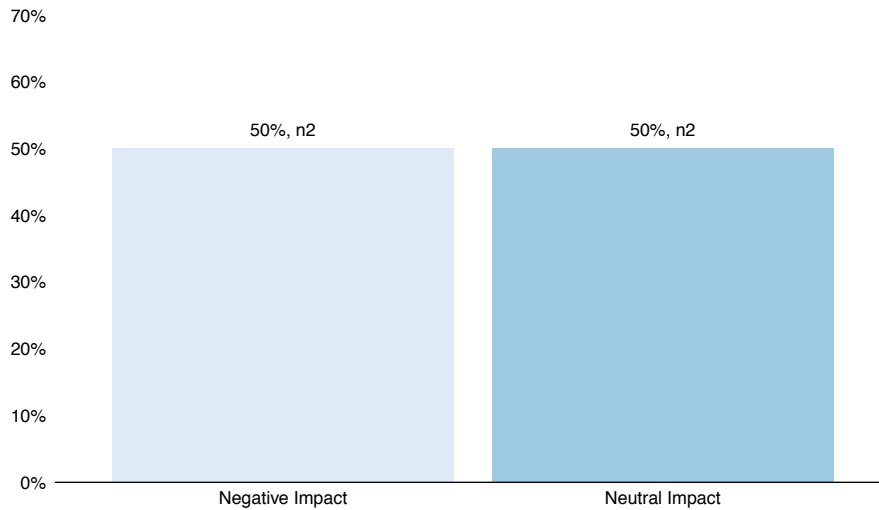
- Transfer capacity to other areas not marginalised.
- Could better advertise parks where RVs frequently stop.
- Park operators should be required to prove a negative loss in revenue, and the Shire could then reduce rates if the loss was considerable.

Caravan businesses were also asked to report on the nature of the **positive** impacts of re-opening the facility for a 12-month trial:

- One business reported that it would boost the time and money travellers spend in the town, as well as boosting word of mouth recommendations about the tourism available in the area.

Two of the caravan businesses believed that there would be a negative impact if the Dongara facility were to re-open with a nominal fee to recover costs, whereas two businesses reported neutral impacts.

If the Dongara Caravan/RV facility was re-opened with a nominal fee per vehicle to recover costs what impact would this have on your business?



Businesses were asked if a different location for the overnight facility would improve all outcomes.

- One suggested a location out of town (Seven Mile Beach)
- One suggested keeping the existing location site
- Two did not comment

The following final comments were provided to help the Shire understand businesses' view on the overnight facility:

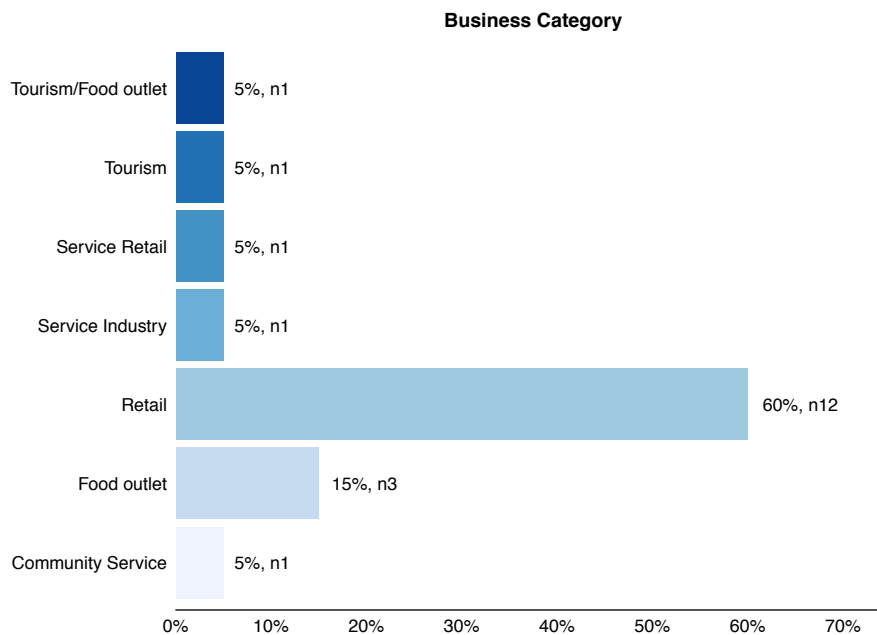
- One business reported being invested in the idea of re-opening the facility and that the Shire understands their view.
- Three businesses provided comments that did not address the question.

Caravan park operators suggested that the closure of the Dongara facility generally had a positive impact and that re-opening the facility would have an overall negative impact on their business, though this could be relieved by having a nominal fee associated with the facility. Overall, the data suggests that current park operators do not support the re-opening of the Dongara facility.

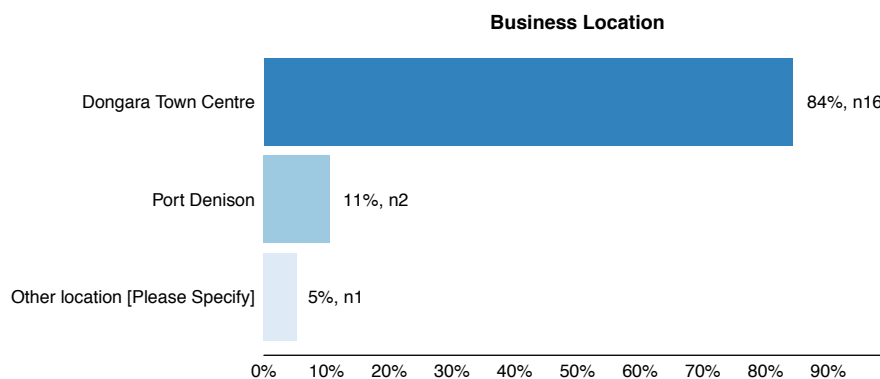
Other Business Owners

The following questions were tailored to gain insight into the opinions and views of other business operators. Nineteen businesses responded to the complete survey, and three additional businesses completed a subsequent survey with two follow up questions.

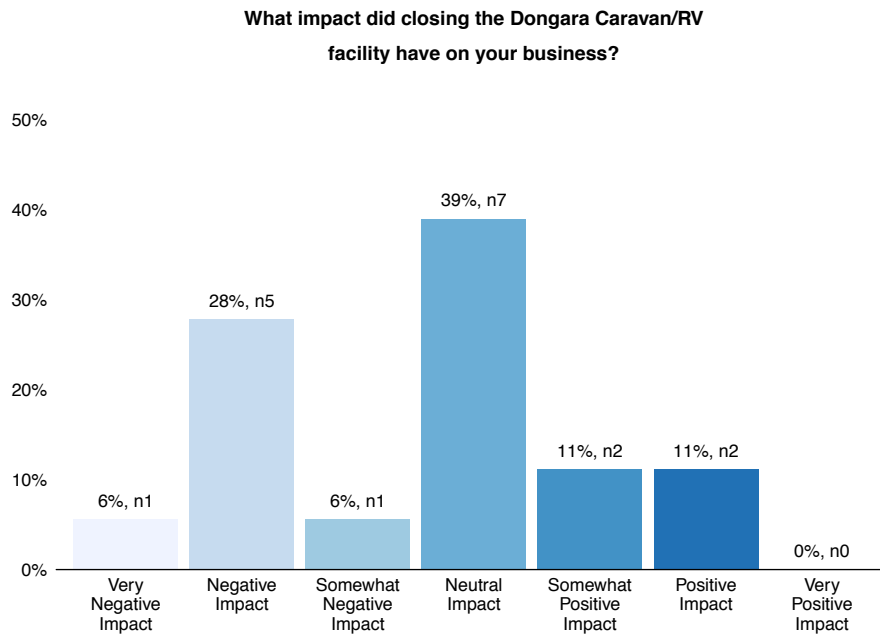
Most businesses (60%) were retail and food outlets (20%).



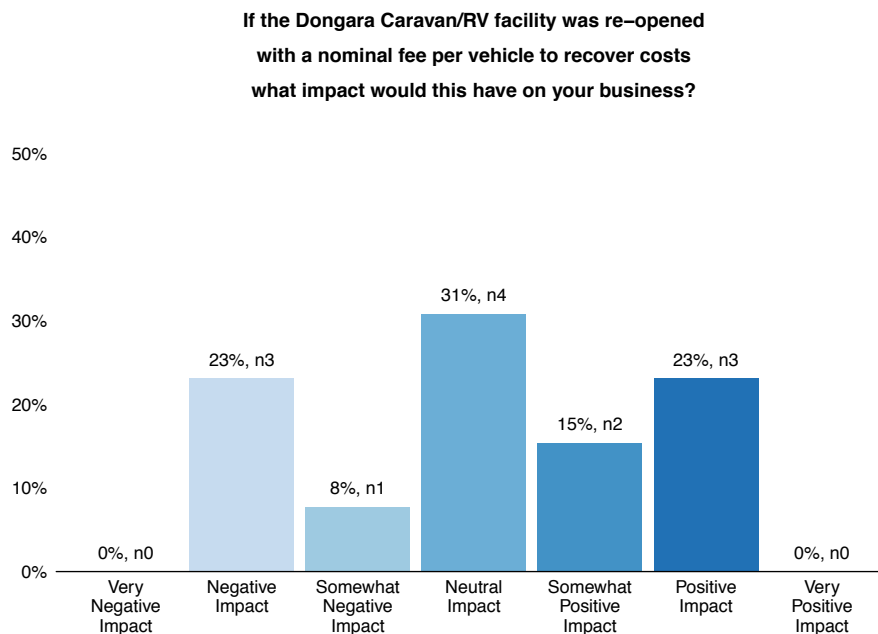
Most businesses (84%) are in the Dongara town centre.



The majority of businesses (39%) said that closing the Dongara facility had a neutral impact, followed by 28% reporting a negative impact. Overall, n7 businesses reported a negative impact to some extent, whereas n4 businesses reported a positive impact to some extent.



The majority of businesses (31%) said that re-opening the facility with a nominal fee would have a neutral impact. There was an equal number of businesses who either reported a negative impact to some extent (n3) or reported a positive impact to some extent (n3).



The businesses were given an opportunity to provide additional details to support their response.

- Seven comments from businesses that reported negative/neutral feedback suggested that collecting a fee would negatively impact tourism as most travellers seek free camping sites and introducing a fee would compromise the ‘friendly town’ image of the area.
- Three comments from businesses that reported positive feedback suggested that collecting a fee would increase the number of customers (but did not explain how) and would be a great opportunity to show the renovations and improvements in the area.

Businesses were provided open-ended question to report on the nature of the **negative** impacts of closing the site:

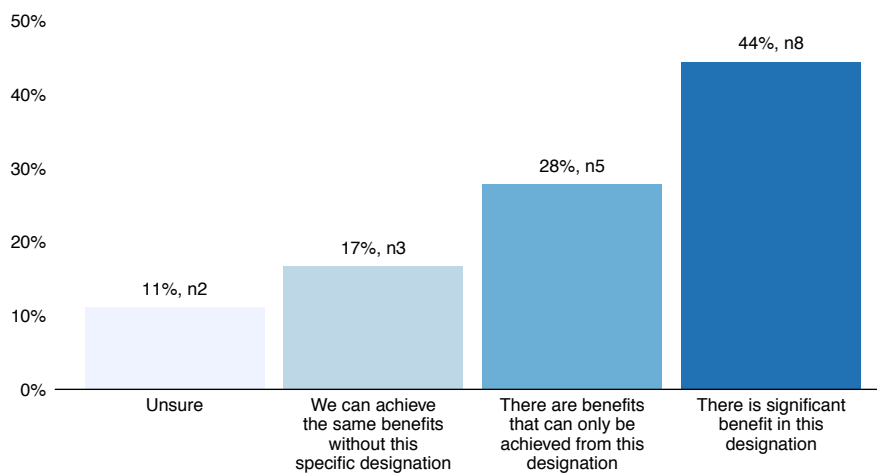
- Eight businesses reported that fewer people visited their business, largely due to travellers deciding to not stop in the town.
- One business reported that they receive a lot of questions from travellers as to why there is no longer a free camping ground.
- Two business reported that the town appears less welcoming.

Businesses were provided open-ended question to report on the nature of the **positive** impacts of closing the site:

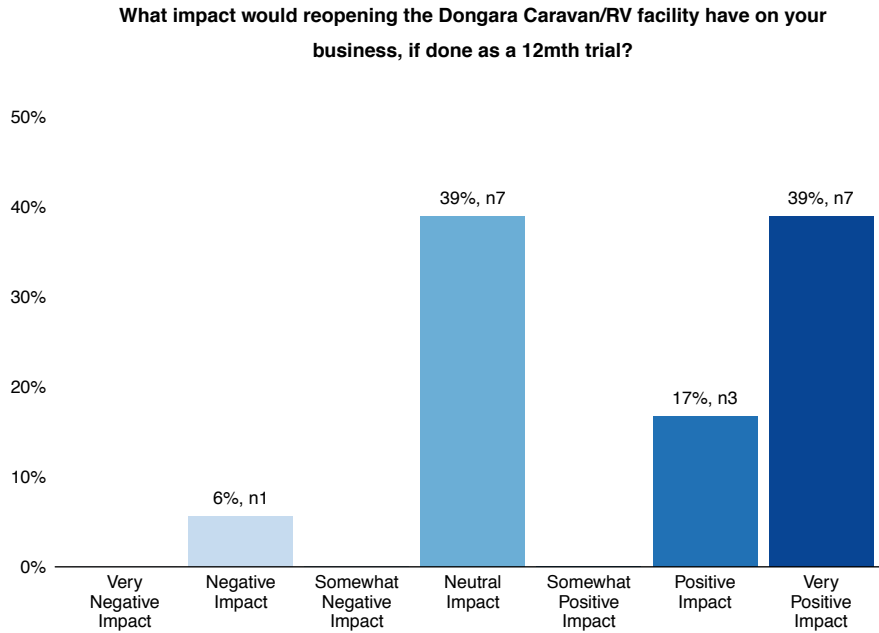
- One business reported that they saved money but did not provide additional details.
- Two businesses reported that they had fewer customers who wanted things for free and said that such expectations reflect travellers' unwillingness to spend money in the town.
- One business reported less traffic in surrounding sites.
- Six businesses took the opportunity to re-state that there were no positive impacts.

The majority of the businesses (44%) believed that there would be significant benefits in the designation of being a RV Friendly Town via free overnight facilities, and 28% of businesses believed that this is the only way to do so. In contrast, 17% reported that they could achieve the same tourism benefits without the free overnight RV facility, and 11% of businesses were unsure.

There are a number of requirements to secure the designation of RV Friendly Town. This designation was to offer tourism benefit for business in the Shire. The free Overnight Caravan/RV facility was one of these requirements. Please select most appropriate response for you.



There was an equal split of businesses that believed that re-opening the Dongara facility would have a neutral impact (39%, n7) and a very positive impact (39%, n7).



Businesses were provided open-ended question to report on the nature of the **negative** impacts of re-opening the facility for a 12-month trial:

- One business commented on the increased cost to council for site maintenance.
- One business reported an increase in the number of customers who want goods or services for free.
- One business reported that the travellers would simply use the facility as a stopover and not add tourism to the town.

When asked what could be done to mitigate some of the **negative** impacts, the following comments were made:

- One business suggested better signage to promote the facility.
- One business suggested requiring people to stay more than one night.
- One business suggested moving the facility into town to generate more business.
- Allow businesses to advertise at the facility or engage with the travellers who visit it.

Businesses were also asked to report on the nature of the **positive** impacts of re-opening the facility for a 12-month trial:

- Ten business provided the same response: Re-opening the facility would boost time and money spent in the town, as well as boosting word of mouth recommendations about the tourism available in the area.

Businesses were asked if a different location for the overnight facility would improve all outcomes.

- Four businesses suggested keeping the site where it is.
- Three businesses suggested using the river space out the front of the property (similar to York).
- Two businesses suggested the Main Brand Highway.
- One business suggested the Irwin River Frontage.
- One business suggested the Marina.
- One business suggested a site that does not affect the views of local residents.

The following final comments were provided to help the Shire understand businesses' views on the overnight facility:

- Two businesses reported their desire for a local business advertisement or notice board at the facility.
- Two businesses reported that the overnight facility is important for providing a safe resting place for travellers.
- One business re-emphasised their desire to have the facility re-opened.
- One business reported their desire to have a local spend card. Another business suggested the idea of free overnight stay if the traveller has supported a local business.
- One business suggested that the Shire has a growing reputation of being non-welcoming and a non-friendly RV community.
- One business suggested that fee-paying facilities would be a deterrent for travellers to stay overnight and spend money in town.
- One business suggested that it would be difficult to quantify the effect of the RV facility closure, but overall, they suspect that the closure has a negative impact on businesses and travellers.

Other businesses suggested that the closure of the Dongara facility generally had a neutral impact on their business, and there was slightly more negative than positive sentiment. Opinions about re-opening the facility with a nominal fee were mixed, with equal numbers of businesses reporting neutral, negative, and positive impacts. There was generally positive sentiment about re-opening the facility on a 12-month trial, but there was also a high volume of neutral sentiment. Businesses reported that most travellers expect free facilities and that the closure had resulted in fewer customers. Most businesses suggested that a free facility would cultivate the Shire's reputation as being an RV Friendly Town.

Conclusion

Overall, there were mixed opinions between caravan park operators and other businesses.

Caravan park operators suggested that the closure had a positive impact and that re-opening the facility would reduce their business, regardless of whether a nominal fee was applied or not.

By contrast, other business owners suggested that the closure had a negative or neutral impact. Re-opening the facility on a 12-month trial would generally have a positive impact, though there were mixed opinions about whether a nominal fee should be introduced or not.

– END –

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