



**Edition Number 21**

**December 2011**

## **ADS eNewsletter**

Welcome to the 21<sup>st</sup> edition of the China Approved Destination Status (ADS) eNewsletter. The eNewsletter is produced by the ADS Executive Officer (ADSEO) for the ADS scheme – with input from the Department of Resources, Energy and Tourism (RET), the Department of Immigration and Citizenship (DIAC) and Tourism Australia (TA) and State and Territory Offices (STO).

This edition's news:

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### **Future articles for RET's ADS eNewsletter...**

If you have an article you'd like to have considered for publishing in RET's ADS Quarterly eNewsletter, we would be happy to receive it. These can be emailed to [ads@ret.gov.au](mailto:ads@ret.gov.au).

**Reminder to ADS operators:** Absconder Reports are to be emailed to [ads@ret.gov.au](mailto:ads@ret.gov.au) and **not** to [ads.itinerary@ret.gov.au](mailto:ads.itinerary@ret.gov.au) as has occurred periodically.

We appreciate your feedback and comments regarding this newsletter and the ADS scheme in general. Please contact the ADS Executive Officer

Hotline: 1800 048 155

Email: [ads@ret.gov.au](mailto:ads@ret.gov.au)

Web: [www.ret.gov.au/tourism\\_ads](http://www.ret.gov.au/tourism_ads)

## Inaugural China Southern Airlines flight touches down in Perth

On Wednesday 9th November, the inaugural China Southern Airlines flight touched down in Perth. Departing from Beijing and travelling via Guangzhou, the flight was greeted by a ceremonial water cannon salute before Premier Colin Barnett and Tourism Minister Kim Hames officially welcomed the passengers, including the airline's chairman Si Xianmin.



Tourism WA plans to carry out a number of famils for key ITO's active in the Chinese market. In addition, a number of industry readiness projects are underway to ensure WA tourism operators are prepared for the Chinese inbound market.

Tourism WA has sponsored a range of China Readiness workshops which are currently being delivered throughout the state by the Tourism Council of WA.

Each workshop is broken into two sessions focussing on cultural awareness for frontline staff and distribution networks, business etiquette and negotiation skills for management. Tourism WA will also shortly roll out an online industry toolkit which will provide operators with a range of key information and templates to better enable them to service the Chinese visitor.

### Major campaign in China promotes Western Australia

Tourism Australia in partnership with China Southern Airlines and Tourism Western Australia has launched a major promotion to increase the number of Chinese visitors to Western Australia.



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The campaign will raise awareness of the airline's new service to Perth from Beijing and promote a range of holiday experiences in WA. Tourism Australia's There's Nothing Like Australia campaign creative will be used in outdoor, print, in-flight and digital channels across China with a focus on the major cities of Beijing, Shanghai and Guangzhou.

The promotion builds on Tourism Australia's three-year partnership agreement with China Southern which aims to help increase visitor arrivals from China – now Australia's most valuable and fastest growing inbound tourism market. It also supports Tourism Australia's 10-Year plan to realise the future potential of tourism from China. Figures from the Australian Bureau of Statistics show there were 506,000 visitors to Australia from China for the year ended 31 July, an increase of 23% on the previous year.

## ADS Training Forum 2011

The annual Training Forum was held on 6 December at the Hilton Sydney for ITOs approved to operate ADS tour groups in Australia. The training forum provides RET, Tourism Australia and the Department of Immigration and Citizenship with an opportunity to meet with and provide information to ITOs in regards to the ADS scheme.

Presentations from Tourism Australia, Tourism NT, Tourism WA and the SA Tourism Commission provided an opportunity for ITOs to further develop their product knowledge. The Compliance Monitoring Agency and RET also engaged with the group highlighting current issues.

There are a number of issues discussed in this eNewsletter that act as a reminder for including 'Flexible' and 'Free-time' arrangements in ADS tour itineraries.

Many thanks to all who attended and presented at this year's ADS Training Forum making it a valuable learning experience for all.

## Premier Aussie Specialists gather in China

Tourism Australia, alongside Australian state tourism organisations, met with more than 50 Premier Aussie Specialist agencies from 15 cities in China in October at the first ever China Premier Aussie Specialist Agency Assembly. The event, held in Guangzhou, provided a forum for key distribution partners in China to share product development insights, market trends and forecasts to 2012.

## ADS 'Industry Fitness' fact sheet

'Industry fitness' is one of the ADS Code of Business Standards and Ethics' (the Code) general requirements that ITOs need to consistently meet to remain approved to conduct ADS business. Industry Fitness demonstrates the Inbound Tour Operator's (ITO) commitment to, and ability to operate in, the China outbound tourism market.

A fact sheet was produced to provide some guidance and clarification on 'Industry Fitness' and is titled Requirements for the China Approved Destination Status (ADS) approval.



The fact sheet is available by contacting the ADS Unit by email ([ads@ret.gov.au](mailto:ads@ret.gov.au)) and will soon be available on the ADS section of RET website.

## **'Dream Come True' Consumer Marketing in China**

Dream Come True is a joint initiative by Tourism Australia, the leading travel TV channel in China with an audience reach of 400 million, Travel Channel TV, and Sina.com, the biggest online media company in China.

There were more than 1,600 entries for the competition to win a dream holiday to Australia across the categories family, friend and couple, and the campaign generated over 10,000 tweets during the four week submission period.

In November 2011, the winners of the 'family category' of Dreams Come True, visited Sydney and were filmed enjoying a variety of tourism activities, which will be broadcast through the partner channels during December 2011. The winners themselves are celebrities in China, as the father was the hand ball gold medallist at the 9th Asian Games and the mother was the Chinese national champion of motorboat racing. In addition to studying in New York, their daughter is a part-time host and reporter for a New York online TV company and the winner of the Miss Friendship of the Miss NY Chinese Beauty pageant 2011. The family will also travel to Tasmania during their 'Dream Come True' trip.

## **Greater China Travel Mission 2011**

The 2011 Greater China Travel Mission (GCTM), which targets the leisure travel market, held in Nanjing, China from

6 to 9 November was the largest GCTM ever held. The event attracted 86 sellers from 59 organisations who held a total 5,664 appointments with over 150 travel companies from Mainland China, Hong Kong, and Taiwan. Attendees included seven State/Territory tourism organisations, tour operators, attractions and hotels, and eight airlines that service the market between China and Australia.

## **ADS requirements where two ITOs are handling the one ADS tour group**

As discussed in the last edition of ADS eNewsletter, sometimes situations occur where an ITO may delegate part of a Tour to another ITO.



Please note that the Code requires that the tour only be delegated to an ADS approved ITO. Where there is no ADS approved ITO in that state/territory or the Approved ITO is unwillingly or unable to handle the group, approval to use another travel agent must be sought from the ADS Executive Officer. In this case, the travel agent will need to complete the ADS declaration and consent form.

For further information please contact the ADS Unit at [ads@ret.gov.au](mailto:ads@ret.gov.au) or 1800 048 155.

## Incorporating 'Free Time' in ADS itineraries

Free time is an optional component and allows ITOs to offer itineraries that provide Tour Group Members with free time to explore at their own pace, to catch up with family/friends in Australia, or to visit attractions not included in the standard Itinerary.

Free time is to be applied as per conditions the Code (Clause 22.2) whereby the usual ADS visa conditions apply, in addition to:

- ★ The maximum free time allowed is two blocks of up to 12 hours each.
- ★ The ITO booking the tour group's accommodation during the free time period and include the accommodation details in the itinerary.
- ★ The tour leader must be contactable during the free time period, and provide tour group members with their mobile phone number to provide any assistance required.
- ★ No business activities may be conducted on a tour during free time
- ★ Free time Itineraries must be clearly marked and advised in emails to ADS Unit (e.g. "B0100999004 Free Time").
- ★ The ITO must clearly indicate in the itinerary when the period of free time will occur with start times and end times clearly marked on the itinerary.
- ★ All tour group members must meet with the tour leader at the end time of the free time period, and if any tour group members have not arrived by that time, the ITO must complete

and email an Absconder report to [ads@ret.gov.au](mailto:ads@ret.gov.au).

## Tourism Victoria's Australian Open campaign

Tourism Victoria in partnership with Tennis Australia and Tourism Australia has just launched an integrated marketing campaign to promote the 2012 Australian Open (AO) featuring an interactive tennis match promoted to more than 300,000 people through Sina Weibo (the Chinese equivalent of Twitter).



The campaign will be supported by six Official Licensed AO tour operators - who will provide bookable travel packages, media / trade familiarisations, other social media activities and a range of other partnerships which include China Southern Airlines, Crown Melbourne and China Union Pay.

The Australian Open will be held in Melbourne from the 16-29 January. Visit Tourism Victoria's official Sina Weibo ([www.weibo.com/visitmelbourne](http://www.weibo.com/visitmelbourne)) and test your tennis skills.

## What are 'Flexible Time' arrangements and how it is applied to ADS itineraries?

Flexible Tour Arrangements are an optional component which can be used in an ADS itinerary to allow agents to provide their Tour Group Members with alternative accommodation, dining, sight seeing and places of interest to others on the same tour.

Under the supervision of a tour leader and tour guide, the Tour Group Members may:

- Eat at different restaurants,
- Stay at different hotels, or
- Attend optional tours.

This does not mean that a group can be spilt and travel to different cities at different times (e.g. half the group on the Gold Coast and half the group in Melbourne).

ITOs need to submit one itinerary, but with the flexible arrangements identified. These "options" must be outlined in an Approved Itinerary for the Tour Group (e.g. 12 March 2011 - Canberra: Group A visiting the National Gallery / and Group B is visiting the National Museum).

**IMPORTANT NOTE:** If it gets to the point where the two groups are doing separate tours then that would indicate that the group should have been considered as **two separate groups** and processed as two Post References, therefore using two tour leaders.

## ADS Approval Suspensions/Revocations

There are currently no operators under **suspension**.

The following ITOs had their ADS Approval **revoked** on 23 September 2011 for 12 months:

1. Chan and Lam Pty Ltd (T/a Package Travel)
2. Golden Wattle Travel Services Pty Ltd

If you are an ITO, and are considering doing business with another operator, you should check first to ensure they are ADS approved. The current list of approved ADS operators is published on the RET website at [www.ret.gov.au/tourism\\_ads](http://www.ret.gov.au/tourism_ads). If an ITO trades with another operator which has been suspended or had their approval revoked, the ITO will be in breach of the Code and may face ADS approval suspension or revocation themselves.

## ATEC's Industry Events Calendar for 2012

The Australian Tourism Export Council's (ATEC) Calendar of Events and Familiarisation Calendar covering the first half of 2012 is available at: [www.atec.net.au](http://www.atec.net.au).

Any queries should be forwarded to ATEC by telephone on 02 8262 5500 or by emailing [atec@atec.net.au](mailto:atec@atec.net.au).



## **ADS Mystery Shopper operations**

In January 2011, the Department of Resources, Energy and Tourism (RET) entered into an arrangement with Tourism New Zealand for the provision of Mystery Shopper operations on ADS tours that visit both Australia and New Zealand.

A Mystery Shopper operation involves a Chinese national purchasing an ADS tour from an Outbound Tour Operator (OTO) in China, travelling with the group as a normal tour group member, recording their experiences on the tour and providing a detailed statement at the conclusion of the trip.

Generally, the Mystery Shoppers reported that tour group members enjoyed their trip to Australia and New Zealand and that the trip met their expectations.



A number of Mystery Shoppers highlighted that Chinese meals in Australian could be improved, for example, Chinese style breakfast should

be served more widely in Australian hotels. There were also comments about the number of early morning flights and start times.

No tours were completely compliant with the requirements of the ADS Code, with free shopping not always being undertaken prior to commission shopping, and this is of concern.

Mystery Shoppers have been asked to comment specifically on shopping and whether they were given the opportunity to undertake free shopping.

ITOs are reminded that under the Code they are responsible for ensuring that Tour Guides follow the ADS approved itinerary.

There was no evidence of forced shopping or pressure having been applied to purchase goods from commission shops reported through the mystery shopper operations.

The ADS Unit has issued, and will continue to issue, 'show cause' letters in relation to the breaches of the ADS Code detected as a result of mystery shopper operations.

## **QLD ITO registration requirements**

Many ITOs may have been contacted recently by Queensland's Office of Fair Trading (OFT) to discuss registration of business activity in QLD.

Please be reminded that all ITOs operating in Queensland are required to be registered under Queensland law by virtue of section 12(1) of the *Tourism Services Act 2003* (TSA).

Any queries in relation to this should be forwarded to the OFT at the Queensland Department of Justice and Attorney-General:

- Telephone - 13 QGOV (13 74 68)  
Monday to Friday 8 am to 6 pm
- Email - [BrisbaneOFT@deedi.qld.gov.au](mailto:BrisbaneOFT@deedi.qld.gov.au)
- Post – Registration Services, Office of Fair Trading, GPO Box 3111, Brisbane QLD 4001.