Destination Visitor Survey
Strategic Regional Research – Western Australia

Eco accommodation product development research: Summary of results

Introduction

Anecdotal evidence suggests there is a gap in Western Australia's (WA) eco accommodation offering, with potential demand for higher-end eco retreat accommodation. As a result, research was conducted with target markets to assist in the development of an eco accommodation product and a marketing strategy for eco accommodation offerings. This research was conducted by Tourism Research Australia (TRA), Tourism Western Australia (Tourism WA) and the Department of Environment and Conservation (DEC) in partnership with Metrix Consulting.

Naturebank is a Western Australian government initiative, involving Tourism WA and DEC. This initiative is aimed at identifying and promoting premium eco and nature-based tourism opportunities located in regional WA in order to drive tourism activity.

As a result of the initiative, accommodation and activities are developed on chosen sites to showcase the natural landscape, while having the lowest possible impact on the surroundings. The majority of these sites are located within National Parks or protected areas. It is expected that successful Naturebank sites will stimulate the regional economy by developing employment and enterprise opportunities in remote parts of WA and also by attracting affluent target markets (identified by Tourism WA) to regional WA.

A requirement of Naturebank is to ensure appropriate due diligence for physical site selection (i.e. including park management plan requirements, site selection, infrastructure provision or Traditional Owner requirements) is carried out prior to land release. There is also a requirement to understand visitor needs and expectations for Naturebank sites.

Research approach

The research was conducted in two stages:

- Stage 1 – Qualitative evaluation of the eco accommodation concepts
- Stage 2 – Quantitative testing of the refined eco accommodation concepts

Stage 1

Six focus groups (Table 1) were conducted with Tourism WA's key target markets, specifically:

- Dedicated Discoverers (Australians travelling primarily for learning and new experiences)
- Aspirational Achievers (Australians travelling primarily for relaxation and indulgence)
- Experience Seekers (International visitors that prefer to travel to new and different places)

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Table 1 Focus groups

	Perth	Melbourne	Germany	UK
Dedicated Discoverers	1	1		
Aspirational Achievers	1	1		
Experience Seekers			1	1

Stage 2

An online survey was conducted with 1,206 respondents (+/- 3% at the 95% confidence level) from the key target markets (Table 2):

Table 2 Sample breakdown

	Perth	Sydney & Melbourne	Germany	UK
Sample size	n=300	n=303	n=301	n=302
Sample composition	Mix of Dedicated Discoverers and Aspirational Achievers	Mix of Dedicated Discoverers and Aspirational Achievers	Experience Seekers	Experience Seekers

To participate in the survey, respondents had to consider travelling to WA in the future and be open to travelling to regional or remote areas.

'Choice' modelling was used to evaluate a range of possible product scenarios. This technique predicts consumer behaviour based on the choices consumers make. Each respondent was asked to evaluate 48 product scenarios and this data was used to calculate their likely response to all potential scenarios.

Key findings

Perceptions of regional travel in WA

- A unique offering at the destination and a mix of active and passive activities were the key factors in motivating people to consider regional travel in WA.
- Key barriers to visiting regional WA included the perceived high cost for transport and accommodation, and the significant amount of travel time required to reach a destination.
- The majority of respondents would only consider driving to a regional destination more than 10 hours away if the trip included interesting places to stop along the way and places to stay overnight (Table 3).

Table 3 Consideration of road travel

	Domestic (n=603)	International (n=603)
Would consider travelling by road for 10 or more hours if there were interesting places to stop along the way and stay overnight	56%	68%
Would consider travelling by road for 10 or more hours away from the city for a holiday	34%	19%
Would not consider travelling by road for 10 or more hours	10%	13%

- About three in five international travellers (62%) would not travel by road 10 or more hours after flying to Australia for a two-week holiday.
- Overall, there was strong consideration for regional flights (73%), particularly from the international target markets (78%). While respondents were keen to reduce travel time, the qualitative findings indicate this decision is very price sensitive. Those respondents who were aware of the approximate cost of Regional WA flights, considered the cost to be too high.

Awareness, understanding and perceptions of eco accommodation

- Respondents learnt about eco accommodation via one or more sources, including the media, friends and family, personal research and personal experience.
- The domestic markets were more aware of the term ‘eco accommodation’ than the international markets (Table 4).

Table 4 Awareness of terms

	Perth (n=300)	Sydney/ Melbourne (n=303)	Germany (n=301)	UK (n=302)
Aware of the term ‘eco accommodation’	75%	65%	42%	49%
Aware of the term ‘nature-based tourism’	24%	22%	37%	17%
Not aware of either term	25%	34%	49%	50%

- The domestic market perceived eco accommodation in Australia to be expensive even compared to premium offerings in other countries. Conversely, international respondents perceived eco accommodation to be basic and cheap.
  - Of the domestic respondents that were aware of eco accommodation, 59% agreed it is expensive to stay in.
  - Of the international respondents that were aware of eco accommodation, 33% agreed it is expensive to stay in.
- The term ‘eco accommodation’ created some confusion in the UK and Germany due to ‘eco’ having a number of possible meanings (i.e. ecological or economical). The qualitative findings indicated the term ‘nature-based accommodation’ was better understood and considered a better fit to the concept.
- Key motivators for considering eco accommodation included the nature-based experience, green credentials, the feeling of tranquillity and the exclusive nature of the product.

Eco accommodation concept evaluation

There was an expectation that eco or nature-based accommodation would be environmentally friendly, with respondents placing a high level of importance on ensuring that the development would protect the surrounding environment and incorporate features to minimise the site’s carbon footprint (Table 5).

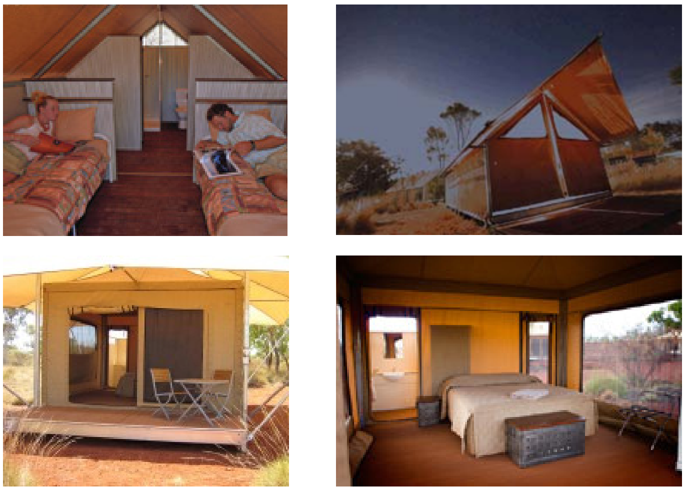
Table 5 Expectations of environmentally friendly initiatives

Initiatives	% of target market (n=1,206)
Low carbon footprint	92%
Low impact on surroundings	73%
Sustainable practises	46%

Four accommodation type concepts were tested qualitatively and formed the basis of the choice modelling in the quantitative phase:

Basic Eco Tents

The basic eco tents are individual, semi-permanent structures with canvas walls built to accommodate 1 or 2 people.



Upmarket Eco Tents

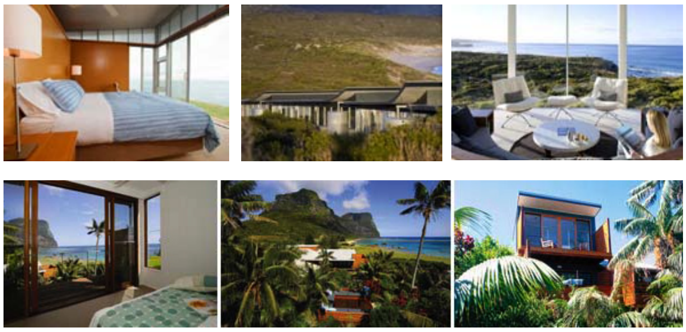
The basic eco tents are individual structures with canvas walls, built to accommodate 1 or 2 people. The tent includes a lounge area and high quality bed linen.

Eco Cabin / Lodge

Eco cabins/lodges are individual structures built to accommodate 1 or 2 people. The cabin/lodge includes high quality finishings, a lounge area and high quality linen.

Eco Resort

The eco resort is a boutique accommodation offering, with each room built to accommodate 1 or 2 people. All rooms have premium finishings, a lounge area and high quality linen.



Evaluation of the eco accommodation concepts

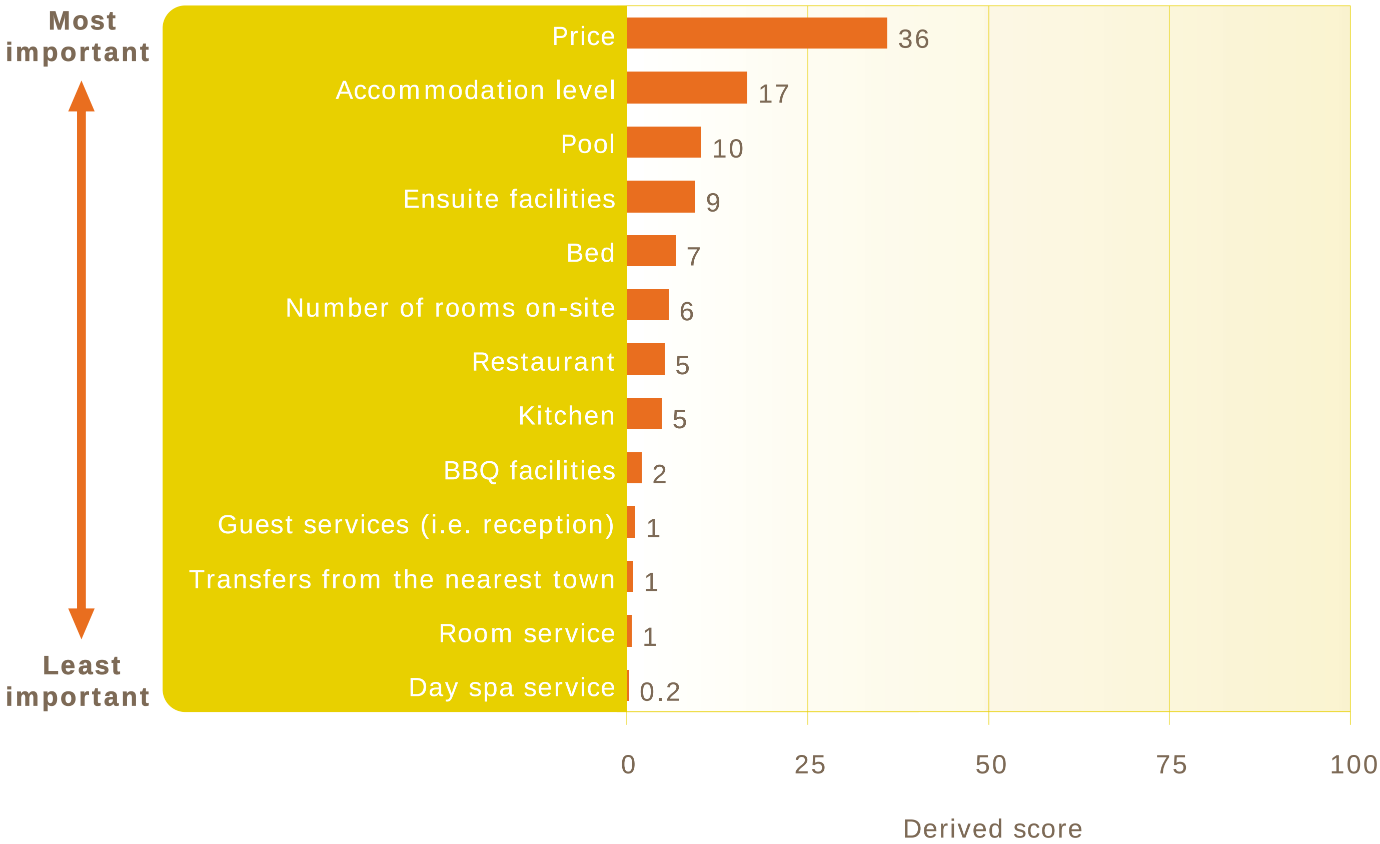
- International travellers were more likely to consider eco accommodation compared to domestic travellers (82% versus 62%).
- Respondents seeking reward, pampering and comfort (luxury seekers) had a preference for the premium options (i.e. Eco Resort or Eco Cabin/Lodge), while respondents seeking constant stimulation and action (adventure seekers) had a preference for the more basic options (i.e. Basic Eco Tents or Upmarket Eco Tents).
  - Many couples had conflicting needs (i.e. one person a luxury seeker and the other person an adventure seeker), and the majority indicated they would likely reach a compromise with their partner for the middle option (i.e. Upmarket Eco Tent or Eco Cabin/Lodge).
- The qualitative research identified that the majority of the target market do not view eco accommodation as a destination driver. Affluent luxury seekers viewed eco accommodation as an experience and would evaluate the accommodation and destination as a package when making a decision.

- With very few amenities likely to be near the proposed sites, there was an expectation that the accommodation would be self-contained, with supplies available for purchase on-site.
- The qualitative research indicated that the majority of respondents considered a balance between comfort and 'eco-friendly' to be important.
  - The canvas material used in the Basic Eco Tent and Upmarket Eco Tent caused concerns about comfort (i.e. too hot in summer, let too much light in, no blocking of noise).
  - The permanent structural features of the Eco Cabin/Lodge and Eco Resort created a perception that they are not as 'eco friendly' as the tent options due to the increased likelihood of impact on the surrounding environment.

Product features

- The choice modelling identified features that had the biggest influence on respondent decision making.
- The tested features are ranked from most important to least important to respondents, as shown in Figure 1. The derived score refers to the degree of impact each product feature has on a respondent's overall decision to stay in eco accommodation.

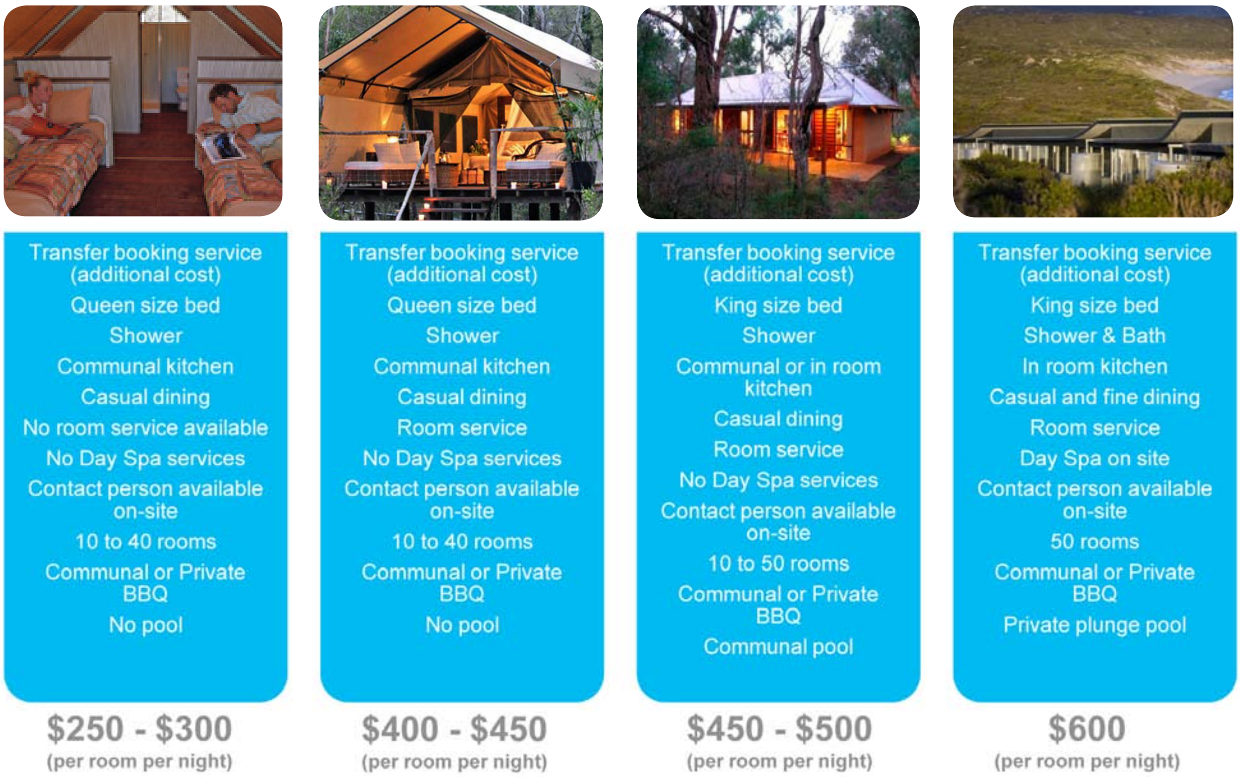
Figure 1 Features that influenced respondent decision making



Ideal eco accommodation design

- Choice modelling was used to evaluate different feature combinations in each accommodation type. The design for each of the eco accommodation types that have the potential to gain the highest take-up are outlined in Figure 2 (i.e. the ideal offers).

Figure 2 Ideal eco accommodation



Building the eco accommodation experience

- Preferences for free activities and services that could be supplied by eco accommodation providers aligned with general holiday expectations and consisted of a combination of active and passive experiences around nature and the local culture (Table 6).
- Domestic respondents were more open to self adventure (e.g. being provided with equipment for snorkelling or fishing) compared to international respondents. This may be driven by the fact that domestic respondents would naturally feel more comfortable undertaking these activities in their home country, than international respondents would.
- International respondents displayed a much higher level of interest in Indigenous culture.

Table 6 Preferences for free activities and services

	Domestic market (n=603)	International market (n=603)
Guided nature tours & walks	64%	74%*
Indigenous cultural tours	27%	64%*
Provision of snorkelling equipment	44%*	29%
Self guided nature tours	38%*	28%
Bird/nature watching	17%	33%*
Provision of fishing equipment	35%*	13%
Learn about environmental conservation and best practice	14%	21%*
Yoga classes	20%*	12%
Meditation classes	18%*	9%
None of these	2%	1%

* Indicates significant differences (95% confidence level) between different source markets

- Preferences for paid activities and services that could be supplied by eco accommodation providers were focused on indulgent and unique experiences (Table 7).
- Consistent with the qualitative research, domestic respondents were more likely to prefer relaxing activities than international respondents.
- International respondents were more interested than domestic visitors in tours— including guided nature tours and walks and Indigenous cultural tours—even when they cost extra.

Table 7 Preferences for paid activities and services

	Domestic market (n=603)	International market (n=603)
Chartered whale watching	49%	53%
Massage	56%*	34%
Guided nature tours and walks	35%	54%*
4 wheel driving though natural terrain	35%	48%*
Scenic flights/helicopter rides	42%	40%
Kayaking and canoeing	45%*	35%
Day spa treatments	48%*	28%
Wine tasting	37%	40%
Indigenous cultural tours	20%	52%*
Guided hikes through gorges and rock formations	39%	32%
Cooking classes	38%	34%
Scuba diving	41%*	28%
Chartered fishing tours	23%	27%
Yoga classes	33%*	16%
Surfing lessons	13%	10%
Meditation classes	12%	11%

* Indicates significant differences (95% confidence level) between different source markets

Recommendations

Product

- Based on the research, the recommended ideal scenarios are those outlined for the Upmarket Eco Tent or the Eco Cabin/Lodge. It is likely these accommodation types will generate the highest level of take-up based on the choice modelling analysis. Further analysis should be conducted to determine the feasibility of each option with regard to site suitability, construction costs, potential revenue generated and the associated return on investment (ROI).
- Investigate room designs and/or initiatives that allow for effective air flow, noise reduction and management of natural light in the morning.
- Consider all possible scenarios to minimise carbon output during site development and ongoing operation. Actions taken should be communicated to potential consumers.
- Investigate the ROI of gaining carbon neutral accreditation or other eco-based accreditation.
- Prioritise supporting activities based on consumer preference, taking into account the fit to the location and the type of accommodation (i.e. water activities should be considered only in coastal areas).
- If food and beverage is not to be included and the site is a significant driving distance (10 minutes or more) from local shops, strong consideration should be given to making accommodation self-contained with supplies available on-site.

Marketing

- Lead with strong destination messages, supported by promotion of eco accommodation as a unique experience.
- Conduct further research to determine what eco accommodation should be called in international markets.

Tourism Research Australia
Department of Resources, Energy and Tourism
GPO Box 1564
Canberra ACT 2601

Email: tourism.research@ret.gov.au
Web: www.ret.gov.au/tra

ABN: 46 252 861 927

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Courtesy of Tourism Western Australia

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