

2018 Regional Telecommunications Review Secretariat
Department of Communications and the Arts
GPO Box 2154
Canberra ACT 2601

3 August 2018

QTIC response to the 2018 Regional Telecommunications Review

The Queensland Tourism Industry Council (QTIC) welcomes the opportunity to respond to the consultation on the Regional Telecommunications Review.

QTIC is the state's peak body for tourism in Queensland and represents the interests of the tourism industry. QTIC is an independent membership-based organisation with more than 3,000 members, operating in all sectors of the tourism industry, including business operators, Regional Tourism Organisations (RTOs), sector associations and education providers.

The tourism industry in Queensland contributed \$25.0 billion to Queensland's Gross State Product (GSP), representing 7.8% of total GSP (Tourism Research Australia, 2016-17). Tourism generated \$7.4 billion in export earnings, year ending June 2017, making it one of the state's largest export industries accounting for 11.1% of total Queensland exports. The tourism industry consists of over 54,000 businesses across Queensland; nine out of ten of these businesses are small to medium enterprises.

The ability for businesses to operate online is integral in the tourism industry. Research indicates that 65% of travel planning begins with an online search. In regard to making a booking, 92% of travellers are influenced by online travel reviews. On average an individual will search 38 websites prior to committing to a travel booking. A strong online presence is now becoming a necessity of business operators rather than an option. As such, it is integral that infrastructure supports the online presence of businesses.

Whilst the Mobile Black Spot Program has come some way in addressing the access to telecommunication issues in regional Queensland there are still a number of regional areas across the state that battle with inconsistent, or a complete lack of, connectivity. In an online society a lack of connectivity influences a business' ability to communicate with consumers and suppliers. It hinders the online reputation of organisations and negatively damages the perception of certain regions around the state. From a business management perception it encumbers a businesses ability to seamlessly collect bookings, convert consumers and manage payments associated with the business.

Globally, Australia is ranked 7th in the world in the *Travel and Tourism Competitiveness Index*. Australia is not performing as well in ICT readiness, ranked 18th overall. ICT use for biz-to-biz transactions is ranked 27th globally and mobile network coverage ranked 65th. These rankings indicate that improvement is needed across these areas to enhance Australia's global travel competitiveness.

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Benefits of utilising digital technologies are well documented within the tourism industry. Efficient use of digital technology reduces barriers to consumer conversions therefore increasing bookings. With the vast majority of consumers actively seeking experiences through their online presence, a strong e-business plan is now an integral part of business planning.

If digital marketing and online review efforts are managed effectively by tourism and hospitality businesses, research conducted by Review Pro and Cornell University indicates that experiences are able to increase their revenues by up to 11% whilst maintaining the same occupancy. An effective use of online booking systems also facilitates a business to collect upfront payments, collect consumer details that can be utilised to build loyalty and generate analytics to improve cash-flow management and business planning strategies.

There have been a number of state and federal inquiries recently into transitioning rural and regional economies. Tourism has the potential to provide opportunities for regional communities that need to diversify economies. However, to ensure that a destination is competitive, domestically and internationally, there needs to be strong supporting infrastructure to enable this transition. Specifically, it is important that there is infrastructure to support the development and online sales of businesses. This is currently not the case in a number of Outback locations.

Areas such as Lark Quarry and Dig Tree are major tourist attractors for the Outback Region, yet they have no connection. In addition, Kynuna, Cooladdi, Middleton and Corfield have no connectivity. Other areas across the region have limited connectivity with major routes that have large areas of no connectivity. These include:

- Longreach to Winton on the Matilda Way----large areas of no connectivity
- Longreach to Barcaldine on the Matilda Way----large areas of no connectivity
- Emerald to Alpha on the Capricorn Way-----large areas of no connectivity
- Charleville to Quilpie on the Warrego Way-----large areas of no connectivity
- Quilpie to Windorah on the Warrego Way-----large areas of no connectivity
- Windorah to Birdsville on the Warrego Way-----large areas of no connectivity
- Charleville to Cunnamulla on the Matilda Way-----large areas of no connectivity
- Winton to Hughenden ----no connectivity on the route
- Winton to Kynuna----no connectivity
- Cloncurry to Mount Isa -----large areas of no connectivity
- Mount Isa top Camooweal-----large areas of no connectivity
- Most areas of the Gulf outside of the towns have no connectivity.
- Morven has poor connectivity
- Cunnamulla to Thargomindah and west to the border-----large areas of no connectivity
- All National Parks----no connectivity
- Kynuna to Julia Creek-----large areas of no connectivity
- Hughenden to Mount Isa-----large areas of no connectivity

Implications of partial connectivity extend beyond business productivity but can also impact on wayfinding and (perceived) safety of visitors to the region.

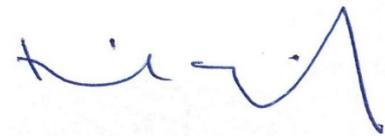
For those with some access and connectivity, barriers to effective use of digital technologies include lack of reliability across access to infrastructure and lack of knowledge. In a number of cases stakeholders may not avail themselves to resources as they are unaware of where to seek them. It is important that when engaging on programs to support businesses that clear communication is provided outlining where they access the support and resources required to adopt emerging technologies and practices. To assist in disseminating knowledge, resources such as business-to-business mentoring and engaging local champions are demonstrated as successful strategies to

engage tourism and hospitality businesses. Business mentoring and linking organisations can assist in enhancing knowledge, assisting businesses in identifying and capitalising on opportunities available to them and can help develop innovative solutions for challenges faced by organisations.

Continued investment in telecommunications is required to ensure that Queensland, and Australia, is competitive and that businesses are able to operate seamlessly.

For all enquiries regarding the points raised in this letter, please contact me or the QTIC Policy Team on (07) 3236 1445 or email policy@qtic.com.au.

Kind regards

A handwritten signature in blue ink, appearing to read 'Daniel Gschwind', with a stylized, flowing script.

Daniel Gschwind

Chief Executive