

# MELBOURNE RETAIL AND HOSPITALITY STRATEGY 2013-2017

## YEAR 2 REPORT 2014-15







# FOREWORD



Melbourne's retail and hospitality industries are emulating the rest of our economy with the combined sector's Gross Local Product (GLP) of \$5.46 billion last year, increasing 23 per cent since 2013. This accounts for six per cent of the City of Melbourne's \$90.6 billion GLP.

This Year 2 Report 2014-15 for Melbourne's Retail and Hospitality Strategy details

how the City of Melbourne, Victorian Government and the industries themselves have worked together to achieve 85 actions that have resulted in this strong growth.

Melbourne continues to be the fastest growing city in Australia, welcoming up to a million people on a busy day. We hosted 11.2 million visitors to our municipality in the past year, shown by our hotel occupancy rates averaging 86 per cent. Our diverse and world-class retail and hospitality offerings were a large element of the attraction for these guests.

Employment in both our retail and hospitality industries is up; we gained eight per cent more hospitality outlets from 2013 to 2015 and the number of total businesses in both industries also increased by two per cent.

The City of Melbourne was proud last year to award almost \$160,000 in small business grants for retail and hospitality enterprises as well as \$500,000 to precinct associations to support our small traders.

We informed, inspired and connected with more than 800 businesses through our business events and forums. We also promoted and led industry success in sustainability; sponsored and delivered an even busier calendar of major events and campaigns; and supported industry-led activations such as the inaugural and highly successful Christmas 'Shop the City' campaign.

Next year our offer will expand even more with major retail developments including St Collins Lane, and new opportunities on the west side of the city's retail core in Docklands. We will leverage opportunities through major conferences and events; progress the Queen Victoria Market renewal project, the largest project in City of Melbourne's history and most importantly, we will continue to collaborate with business and industry, particularly around the Melbourne Metro Rail Project.

I offer my thanks to the Victorian Government, industry partners and stakeholders, and the business community for working collectively and collaboratively. Together, our sustained effort to fulfil the Melbourne Retail and Hospitality Strategy 2013-2017 objectives will be instrumental in developing and promoting our city as Australia's retail, hospitality and cultural centre.

**Robert Doyle**  
Lord Mayor, City of Melbourne



Melbourne is famous for its fashion, food and bars. Our vibrant and diverse retail and hospitality sector not only plays a pivotal role in the cultural heartbeat of our city – it also makes an enormous contribution to our economy.

From cutting edge local designers and café-filled laneways to our buzzing shopping precincts, Melbourne really has the best of

everything. Our restaurants are rightfully recognised among the world's best and visitors to the city have a vast range of accommodation options at their disposal.

The Andrews Labor Government knows how immensely important retail and hospitality is to Victoria. The sector contributes more than \$72 billion to our economy and employs more than 500,000 people across the state.

We also know how important attracting people to Victoria is for sustaining our retail and hospitality sectors. We carried out a major review of the visitor economy, resulting in the creation of Visit Victoria – a new entity that will drive growth in tourism and major events. Through our inbound and outbound trade programs, we are also selling the very best of Melbourne's retail and hospitality sector to the world.

The Government is proud to be partnering with the City of Melbourne in delivering the Melbourne Retail and Hospitality Strategy 2013-17.

This year's report paints a picture of a vibrant international city, with a retail and hospitality sector the envy of the nation. Melbourne's culinary economy is setting the pace with an astounding 32.8 per cent increase in food expenditure this year alone, while the city continues to attract investment from major global retail brands including TAG Heuer, Coach and luxury fashion retailer Sandro and Maje.

I would like to thank the City of Melbourne and the Melbourne Retail and Hospitality Advisory Board for their great work this year. Together we are making sure that this vital sector keeps growing, keeps creating jobs and keeps playing its role in ensuring Melbourne remains the world's most liveable city.

**Hon Jacinta Allan MP**  
Minister for Employment  
Minister for Public Transport



# VISION



Russell Place, a city laneway destination offering an eclectic blend of independent fashion, design, dining and nightlife





**MELBOURNE WILL CONTINUE TO EVOLVE AS A VIBRANT, GLOBALLY SOUGHT AFTER RETAIL AND HOSPITALITY DESTINATION, INSPIRING BOLD INNOVATIONS THAT ENGAGE RESIDENTS, WORKERS AND VISITORS ALIKE.**

# BACKGROUND

The *Melbourne Retail and Hospitality Strategy 2013-17* is a joint initiative of the City of Melbourne and the Victorian Government. It is the first combined strategy of its kind and describes the great strengths of both sectors and their importance to Melbourne and Victoria. It sets out the key challenges they face and details how we will work to achieve our vision of Melbourne as a globally sought after retail and hospitality destination.

The four-year strategy is based on four strategic objectives to stimulate the future development of the retail and hospitality sectors:

1. Business development and innovation
2. Positioning and activation
3. Business diversity
4. Environmental sustainability

We have identified more than 40 actions to achieve these objectives.

This report outlines the achievements made against each objective in the second year of the strategy, from July 2014 to June 2015.

## MELBOURNE RETAIL AND HOSPITALITY ADVISORY BOARD

The 16-member Melbourne Retail and Hospitality Advisory Board 2013-17 comprises a diverse mix of experienced and skilled individuals with representation at local and Victorian Government, peak industry bodies, small-to-large enterprises, hotels and property. The advisory board meets quarterly and is advised on the strategy's implementation.

## MEMBERS

Barrie Barton, Right Angle Studio  
Fiona Byrne, Sofitel Melbourne  
Colleen Callander, Sportsgirl  
George Christopolous, Village Melbourne, Depot de Pain  
Martin Ginnane, Ginnane & Associates  
Rebecca Hard, Sussan Group (Sussan)  
Elizabeth Jeffers, Melbourne Food & Wine Festival  
Eva & Maria Konecsny, Gewürzhaus  
Heath Michael, Australian Retailers Association  
Annick Philipsz, Victorian Government  
Matteo Pignatelli, Restaurant & Catering Victoria  
Mary Poulakis, Harrolds  
Susan Renouf, Renouf & Associates Pty Ltd  
Tony Ridge, AMP Capital  
Darryl Washington, Australian Hotels Association

### Susan Renouf and Darryl Washington, co-chairs of the Melbourne Retail and Hospitality Advisory Board

Year 2 of the Melbourne Retail and Hospitality joint strategy has continued apace, and actually accelerated, with plenty of outcomes to show for the program.

We have kept our focus on engaging local businesses using events such as our business breakfasts. Covering a range of topics on business advancement, these events have been excellent platforms for getting information out to local businesses, helping them take advantage of the City of Melbourne's free marketing channels and get the most out of the city's activations, festivals and conferences.

The City of Melbourne acted to collaboratively host some of the world's largest and most prestigious conferences – including the Asia-Pacific Incentives and Meetings Expo

– with significant benefits for the city's retail, hospitality and hotel industries. In fact, the local hotel industry had its strongest year on record.

We supported local retailers with a number of special events and one-off campaigns, including the Melbourne Spring Fashion Week's Shop Hop, Melbourne Music Week's hub at the Queen Victoria Market, and the Christmas 'Shop the City' campaign.

The year has seen plenty of new boutiques, luxury brands and independent labels opening their doors in Melbourne, along with the announcement of some major new developments, such as the Ritz-Carlton hotel.

This result would not have been possible without the ongoing support and commitment of many people, including the Lord Mayor Robert Doyle, Deputy Lord Mayor Susan Riley, the City of Melbourne councillors and the key management of the City of Melbourne and Victorian Government. We would also like to acknowledge the invaluable contributions of our fellow board members.





Her Majesty's Theatre, Exhibition Street



# RETAIL AND HOSPITALITY SNAPSHOT

## \*VALUE OF THE RETAIL AND HOSPITALITY SECTORS



CONTRIBUTE **\$5.46 BILLION / 6 PER CENT** TO  
CITY OF MELBOURNE'S \$90.6 BILLION ECONOMY IN 2015

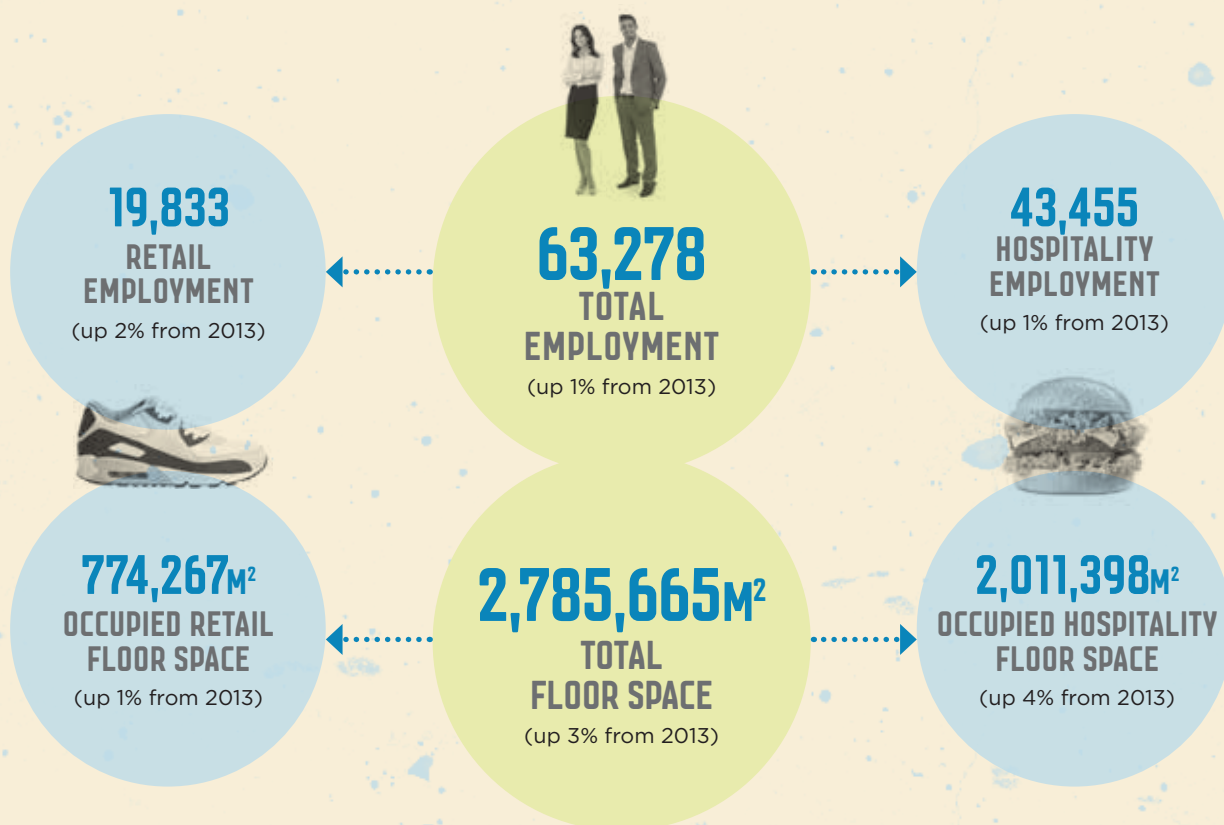
(Gross Local Product or GLP); a 23 per cent increase from \$4.4 billion in 2013)

## ^ESTABLISHMENTS

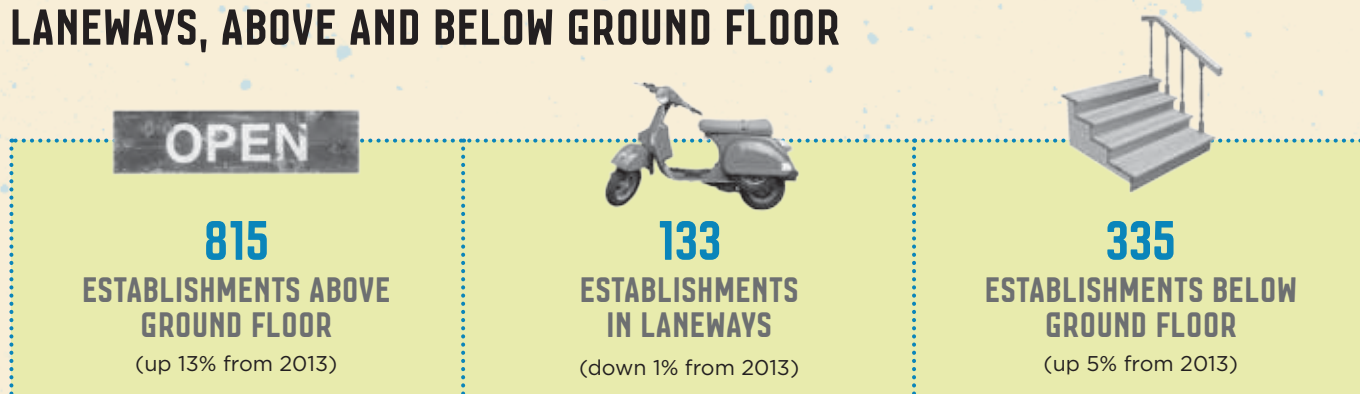




## EMPLOYMENT AND FLOOR SPACE



## RETAIL AND HOSPITALITY ESTABLISHMENTS – LANEWAYS, ABOVE AND BELOW GROUND FLOOR

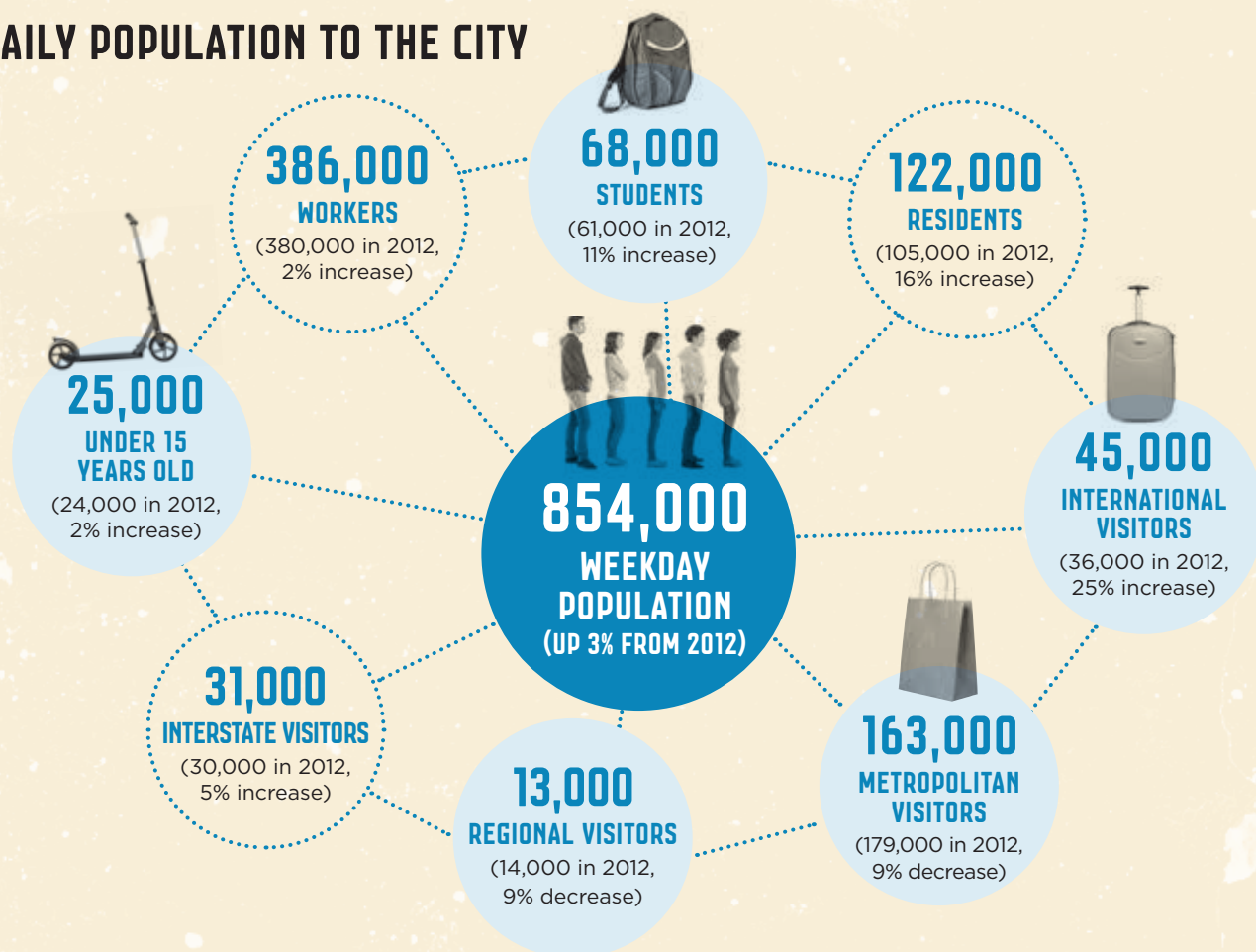


+Source: City of Melbourne and Geografia 2015. Gross Local Product (GLP) is the same general concept as Gross Domestic Product (GDP); it's a measure of the size of the City of Melbourne economy, taking into account the market value of all final goods produced in the region over a given time period – typically one year. It is the sum of employee compensation, business profits and taxes, minus any subsidies on products and production. There are several ways to estimate GLP, and the City of Melbourne Economic Profile uses the expenditure method. All values are in current prices, with a base year of 2011

\*Source: City of Melbourne, Daily Population Estimates and Forecasts 2004-2030, 2014 update

^Source: City of Melbourne, Census of Land Use and Employment, 2013 and 2015 updates

## \*DAILY POPULATION TO THE CITY



## \*WEEKEND AND WEEKNIGHT POPULATION



## MELBOURNE CBD RETAIL MARKET INDICATORS



\*Source: City of Melbourne, Daily Population Estimates and Forecasts 2004-2030, 2014 update





Emporium Melbourne, Christmas 2014  
Image: Imageplay

# CALENDAR

## OVERVIEW OF KEY STRATEGIC ACTIONS AND EVENTS IN 2014-15

### JULY 2014

City of Melbourne  
Business Breakfast Forum  
Docklands Winter Fireworks  
Melbourne International Film Festival  
(food and film promotion)  
Women in Business Lunch  
20th International AIDS Conference  
Winter marketing campaign  
Open House Melbourne  
Melbourne International Film Festival



### AUGUST

Small Business Grants (Round 1)  
Small Business Festival  
Melbourne Retail and Hospitality  
Advisory Board quarterly meeting

### SEPTEMBER

Melbourne Spring  
Fashion Week



### OCTOBER

Lord Mayor's Commendations  
Premier's Design Awards  
Government of Victoria  
Export Awards  
Victorian Tourism Awards  
New York investment event  
(Victorian Government)  
Melbourne Knowledge Week  
Support Small Business Day  
Business Breakfast Forum  
featuring major sporting events  
(presented by City of Melbourne  
and Destination Melbourne)  
Penny Arcade Expo (PAX)  
Melbourne Festival

### NOVEMBER

Melbourne – Doing Business Globally  
strategy launch  
Melbourne Music Week  
Melbourne Retail and Hospitality  
Advisory Board quarterly meeting  
Luxury Retailer Forum  
Melbourne Night Noodle Markets

### DECEMBER

Christmas marketing campaign  
Inaugural 'Shop the City' campaign  
City precinct Christmas  
shopping night





## JANUARY 2015

AFC Asian Cup  
 Summer marketing campaign  
 Australian Open  
 Le Clefs D'Or Concierge forum  
 Victorian retail contingent at the  
 National Retailers' Federation  
 The Big Show, New York (Victorian  
 Government)



## FEBRUARY

Melbourne Town Hall Vegie Patch  
 and The Grow Show (part of  
 Sustainable Living Festival)  
 Lonsdale Street Festival  
 Cricket World Cup  
 City of Melbourne Business  
 Breakfast Forum  
 White Night Festival  
 Chinese New Year  
 Melbourne Food and Wine Festival  
 Asia-Pacific Incentives and  
 Meetings Expo (AIME)  
 Melbourne Retail and Hospitality  
 Advisory Board quarterly meeting  
 Tupperware Indonesia 2015 (Queen  
 Victoria Market shopping experience)  
 Local food Launchpad  
 (concept development labs)



## MARCH

Small Business Grants (Round 2)  
 Melbourne Fashion Festival  
 Formula 1 Australian Grand Prix  
 Melbourne International Comedy Festival  
 Melbourne Queer Film Festival  
 Melbourne Retail and Hospitality  
 Strategy Year 1 Report (2013-14) launch

## APRIL

Emporium Melbourne's  
 1st birthday



## MAY

The Melbourne Edit  
 - Shop the CBD festival  
 Business Breakfast (joint hosts:  
 City of Stonnington, City of Yarra  
 and City of Melbourne)  
 Melbourne Retail and Hospitality  
 Advisory Board quarterly meeting  
 Meet the Winemaker  
 (Victorian Government)  
 Victorian Manufacturing Hall of Fame  
 Melbourne International Jazz Festival



## JUNE

Collins Street Precinct  
 social media workshop  
 Winter marketing campaign  
 Australian Tourism Exchange (ATE)





# 2014-15 HIGHLIGHTS







CCS

CHANEL BANCOS  
STYLING





Christian  
Louboutin

Christian  
Louboutin



# 2014-15 HIGHLIGHTS

- The \$20 million redevelopment of The Strand Melbourne was completed in December 2014. With 2,300m<sup>2</sup> of space situated on two prime corners at Lonsdale and Elizabeth streets, and direct access to Emporium Melbourne and the GPO, this newly revitalised centre has attracted an eclectic mix of boutique fashion and lifestyle retailers, including Swedish luxury brand COS – short for Collection of Style. In 2015, this sister brand to fashion chain H&M chose Melbourne as the site for its first store in the southern hemisphere, due to our reputation as a vibrant, cultural, global city.
- The imminent luxury redevelopment of St Collins Lane will bring even more vitality to the area, creating a crucial pedestrian link between Collins and Little Collins streets. It has drawn a number of high-profile international retailers, including Sandro and Maje, Reiss, Coach and TAG Heuer, as well as a plethora of restaurants in a dedicated second-level food precinct, among them Neil Perry's Burger Project.
- A little further west on Collins Street, the Rialto Regeneration Project is revitalising the Rialto Towers area, creating a luxury retail destination that also boasts both casual and fine dining. Featuring new retail spaces, low-rise rooftop venues and over 6000m<sup>2</sup> of new office premises, this \$100 million development is due for completion in November 2016, to coincide with the Rialto's 30th anniversary.
- At the western end of Collins Street, residential developments – and the expected surge in population and expansion of office space – are boosting retail prospects. There is already rapid uptake of boutique hospitality businesses in the area, particularly in the ground-floor retail hub of Melbourne's newest 26-level commercial office tower at 567 Collins Street.
- Two other major new developments are set to have a big impact in the city's west. One is a new 79-storey building on Spencer Street as part of the West Side Place development, with the top 15 floors to house a new luxury Ritz-Carlton hotel with 250 rooms. The second is a redevelopment of the old Savoy Tavern block on the corner of Bourke and Spencer streets, set to be transformed into a 68-floor tower with 660 apartments, 160 hotel rooms and a ground-level bar and eatery.
- French luxury label Christian Louboutin, known for its signature red-soled stiletto shoes, opened its flagship store in Collins Street. The architecturally designed fit-out houses both women's and men's shoe collections, along with handbags and other small leather goods.
- In mid-February 2015 the Victorian Government announced it will invest \$100 million to revitalize Flinders Street Station with restoration works, upgrade station platforms, entrances, toilets and information displays to make the station more functional for commuters and tourists. The project will commence in 2015 and is estimated to take four years to complete. It will create jobs, boost the surrounding commercial precinct and help keep Melbourne a tourist destination.
- Collins Square, one of Australia's largest commercial mixed use development comprising of six commercial towers and the historic Southern Goods Shed, opened the third and fourth towers in 2014. The remaining two towers will be progressively finished in June 2016 and 2017. World class retail, signature restaurants, innovative amenities and facilities are also being opened and built for the fast growing Collins Square community and neighbourhood, expected to reach more than 46,000 workers and visitors upon completion.
- While the Melbourne CBD still has the greatest employment, with over 219,000 jobs, Docklands experienced the highest increase of 39 per cent with 53,300 jobs in 2015. Some of this recent employment growth has been displaced from other parts of the City of Melbourne in the last two years, most notably from the CBD. But around half has moved into Docklands from outside of the municipality, or was a newly established business starting out in Docklands.

## Breakfast at Tiffany's, dinner at Armani

In 2015, the Australian retail landscape changed significantly, with a host of global brands opening stores across the country. With them is likely to come the next wave in luxury retail, already seen in Asia: in-store food and beverages – a concept designed to broaden brands' appeal and accessibility.



Crumpler, Little Lonsdale Street



# 2014–15 HIGHLIGHTS

With Year 2 of the Melbourne Retail and Hospitality Strategy rolled out, the City of Melbourne and Victorian Government have made great strides toward achieving the overall aims of the strategy.

## OBJECTIVE 1: BUSINESS DEVELOPMENT AND INNOVATION

- The regular business breakfast series remained a keystone in engaging retail and hospitality businesses during Year 2, alongside forums on tourism and luxury retailing, events for trader associations and international ambassadors, and extensive retailer consultation around changes to smoking laws in many of the city's outdoor areas.
- A number of prestigious international conferences were won for Melbourne. Conferences like the Asia-Pacific Incentives and Meetings Expo and the Penny Arcade Expo (PAX) showcased the city's excellent retail and hospitality to visitors.
- A plethora of major events were sponsored through the Triennial Sponsorship and Events Partnership programs, with initiatives created to encourage attendees to make full use of Melbourne's hospitality. New retail experiences were also developed, such as the Shop Hop shopping night for Melbourne Spring Fashion Week.
- On the digital front, City of Melbourne grew consumer engagement with the What's On consumer website (3.4 million unique visitors), Facebook page (up 33 per cent to 191,000 likes) and Twitter feed (up 108 per cent to 104,000 followers). We also ran digital mentoring sessions for different retail precincts. Work on the free wi-fi pilot continued, with the Melbourne Visitor Shuttle fitted with free wi-fi for our city's visitors.
- Six Melbourne innovative small businesses were funded with a total of \$159,000. A round of business event sponsorship was also completed, with \$100,000 contributed to 24 business events taking place over 2015–16.

### Dave Roper, Co-founder of Crumpler

"Crumpler coming back to the city after 10 years has been wonderful for staff morale, with great options for dining and things to do after and during work. With our Russell Street studio five minutes' walk from our stores in Flinders Lane and Little Bourke Street, we're really well connected with retail and our customers, and in tune with what's going on".

- New retail and hospitality offers were supported in the form of lunchtime campaigns run by Melbourne Central and Emporium Melbourne, along with 'The Melbourne Edit - Shop the CBD', a massive one-day retail campaign involving 1000 shops across three blocks and seven major retail centres.
- During its attendance at the Melbourne Asia-Pacific Incentives and Meetings Expo, the Melbourne Retail and Hospitality Board created further links with industry and formed strategic partnerships with Dubai Tourism and the Hong Kong Tourism Bureau.
- Helping to cement the successes of the strategy's second year, a number of programs, events and industry awards celebrating innovation were supported, including the Victorian Tourism Awards, Women in Business Lunch and the Premier's Design Awards.
- To cap off a successful year, the City of Melbourne was awarded International Organisation of the Year at the Core Value Awards, in recognition of our role as a leader in community engagement.

## OBJECTIVE 2: POSITIONING AND ACTIVATION

- The effort to promote new investment in Melbourne took an important step forward with the launch of an international strategic framework: 'Melbourne - Doing business globally'. Melbourne's extensive hospitality offer was also showcased in 2015 at the Australian Tourism Exchange, the largest annual tourism event in the country.
- Melbourne and Victoria were on show as pre-eminent investment attractions at key events, including Meet the Winemaker, which showcased Victorian producers to 100 global buyers. The Victorian Government also supported retailers to attend the National Retail Federation's Retail Big Show in New York, giving them the opportunity to network and build their knowledge of the US market.
- We provided close to \$500,000 to recognised precinct trader associations for localised marketing initiatives and membership development.
- We continued to support retail and hospitality services across the Melbourne municipality by promoting a series of events at Queen Victoria Market, such as Melbourne Music Week and the inaugural Melbourne BBQ Festival, as well as the Le Clefs d'Or Concierge Forum in early 2015.

- Retail and hospitality city business participation rates for the Christmas marketing campaign increased to 140 per cent compared to 2012-13, as a result of continued improvement efforts. Special event guides were introduced for the Christmas 2014 and winter 2015 campaigns, which promoted precinct trader associations' initiatives such as Flinders Lane Shopping Night, Collins Street Christmas Windows and the Chinatown Night Market.
- Melbourne's new free tram zone, launched in January 2015, has been embraced by tourists and locals alike. The free zone includes some of the city's most popular destinations, including Queen Victoria Market, Spring Street, Flinders Street Station, Federation Square and Victoria Harbour in Docklands.
- Of the \$20 billion dollars tourism contributes to Victoria's economy, \$3.7 billion is generated within our municipality. For 2014-15, an estimated 11.2 million people visited the Melbourne municipality, including 5.3 million domestic daytrip visitors, 4.4 million domestic overnight visitors and 1.5 million international overnight visitors (primarily from China, New Zealand, the United Kingdom and the United States). City of Melbourne's visitor services network recorded 2,742,624 visitor contacts, and hotel occupancy rates in the central city for 2014-15 averaged 86 per cent (up 0.7 per cent on the previous year).

### OBJECTIVE 3: BUSINESS DIVERSITY

- We delivered a variety of exciting street-trading opportunities in the city, including supporting a range of unique products and services to be offered across eight City of Melbourne pop-up shop cylinders, a year-round program of street activities and the refurbishment and development of street kiosks for new retail or hospitality business opportunities.
- The mission to activate vacant commercial spaces saw recommendations from the Docklands Spaces program review implemented. One of the major success stories in vacant site revitalisation was Arbory, Australia's longest bar, built on a long-disused stretch of the Sandridge railway line next to Flinders Street Station.
- The Queen Victoria Market Precinct Renewal Strategic Brief was developed in consultation with retailers, customers and industry experts, laying the groundwork for the precinct's Renewal Masterplan – a program already under development, with four phases of the community engagement completed. The Melbourne Metro Rail project and Innovative Freight project are also continuing to be developed.
- More domestic and international retailers continued to be enticed to Melbourne: Michelin-starred dumpling restaurant Din Tai Fung opened in Emporium Melbourne in June 2015, cosmetics brand Sephora in Melbourne Central, and UK fashion label Reiss are due to open stores in 2015-16. Also in the works is a joint PR and marketing plan to support the new St Collins Lane redevelopment (formerly Australia on Collins) set to open in May 2016.

### OBJECTIVE 4: SUSTAINABILITY

- Melbourne's sustainability credentials continue to climb, as a number of practical education and incentive programs yield solid results. The recently developed GreenMoney online platform allowed 70 participating retail and hospitality businesses to reward and engage with more than 8000 city households. The Love Your Laneway program improved amenities and encouraged hospitality businesses to better manage waste and increase recycling.
- Commercial incentives for businesses to switch to renewable resources are proving effective, with the commercial solar program resulting in savings equivalent to the power used by 40 Victorian homes in one year. The 1200 Buildings program has also reaped rewards, with 14 new buildings signing on to be retrofitted for energy and water efficiency. In a similar vein, CitySwitch was also aided in developing a campaign to educate commercial office tenants on the benefits of renewable energy.
- Victorian Government programs, working through Sustainability Victoria, helped businesses be more efficient with energy and materials. Some success stories included QV Melbourne and TFM Australia – two large commercial leases who took measures to dramatically increase recycling among their tenants.
- On the logistics front, the City of Melbourne developed the draft Last Kilometre Freight Plan, while also continuing to educate businesses on the benefits of sustainable transport and car-sharing initiatives.
- The Local Food Launchpad program was implemented, with 24 participants developing a whole range of ideas on increasing food production and opportunities to source local or regional food. Four of the concepts pitched were awarded mentoring and free co-working space for six months, while one was awarded \$500 seed funding. Other food-focused programs saw Melbourne Town Hall's veggie patch used to demonstrate small-space gardening at the Sustainable Living Festival, and support given to developing the Jamie's Ministry of Food community cooking program.

#### Arbory Bar & Eatery

The Arbory Bar & Eatery is uniquely located: built right next to platform 13 of Flinders Street Station, it occupies a 150-metre stretch of the former Sandridge railway line, which had sat unused for nearly 30 years.

This innovative, adaptive reuse of space emerged from a four-year collaboration between Metro Trains, the Victorian Government, the City of Melbourne and HQ Group.





Arbery Bar & Eatery, Flinders Walk, Flinders Street Station



# THE VISITOR INFORMATION JOURNEY

To get a better understanding of how Melbourne's visitors seek out information, the City of Melbourne conducted a 'visitor information journey' research program – a study looking at the kind of information visitors want, when they look for it and how they try to find it.

The research showed visitors are using a range of information services throughout the five stages of their journey – from traditional print to various digital sources – but it also demonstrated that, across all visitor types, social media featured prominently as an information source. In the end, even though some visitors might favour traditional information channels over digital, most are using social media to complement their information gathering.

## Lord Mayor, Robert Doyle

"Of the \$20 billion dollars tourism contributes to Victoria's economy, \$3.7 billion is generated within our municipality. As the most liveable city in the world for five consecutive years, it's no surprise that our tourism industry is flourishing as our reputation on the world stage continues to shine. Our aim is to make Melbourne the destination of choice for local, interstate and international visitors."





# VISITORS TO MELBOURNE



AN ESTIMATED **11.2 MILLION** PEOPLE VISITED THE CITY OF MELBOURNE FROM JUNE 2014 - JUNE 2015

**4.4 MILLION**  
DOMESTIC  
OVERNIGHT VISITORS

(an increase of 6.56%  
on 2013-14)

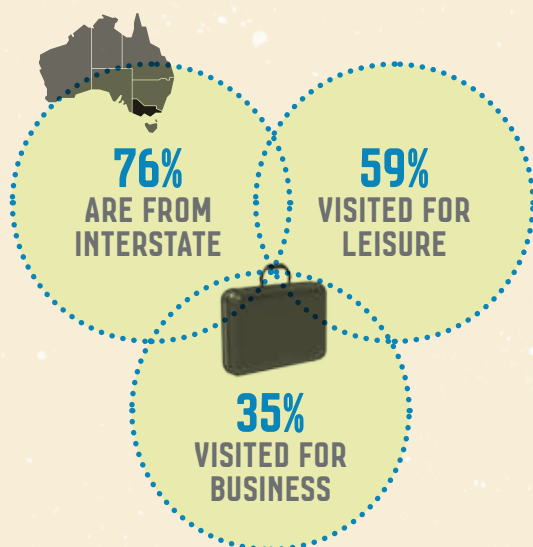
**5.3 MILLION**  
DOMESTIC DAYTRIP  
VISITORS

(a decrease of 2.5%  
on 2013-14)

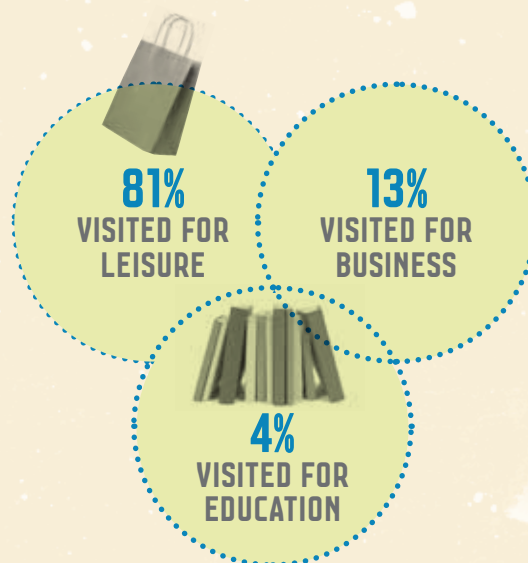
**1.5 MILLION**  
INTERNATIONAL  
OVERNIGHT VISITORS

(primarily from China, New  
Zealand, the United Kingdom  
and the United States)  
(an increase of 12.57%  
on 2013-14)

## DOMESTIC OVERNIGHT VISITORS



## INTERNATIONAL VISITORS



# VISITOR EXPERIENCE

## VISITOR SERVICES NETWORK

**2 MILLION VISITOR CONTACTS**  
THROUGHOUT CITY OF MELBOURNE PROGRAMS



**1,948,191**  
VISITORS

MELBOURNE VISITOR CENTRE /  
MELBOURNE VISITOR BOOTH /  
CITY AMBASSADOR PROGRAM /  
FITZROY GARDENS VISITOR  
CENTRE / CRUISE SHIP  
PROGRAM

**3,195**  
VISITORS

MELBOURNE VISITOR DESK  
(CONFERENCES AT MELBOURNE  
CONVENTION AND  
EXHIBITION CENTRE)

**62,320**  
VISITORS

MELBOURNE  
VISITOR SHUTTLE

## ACCOMMODATION



- Occupancy rates averaged 86 per cent in the central city in the year ending June 2015 (up 0.7 per cent on the previous year).
- During the first quarter of 2014, five-star room occupancy rates increased 8.9 per cent year-on-year to 91.3 per cent (Source: Tourism and Hotel Market Outlook, Deloitte Access Economics, August 2015).
- Airbnb represents approximately 5 per cent of the municipality's commercial accommodation – including hotels, motels, serviced apartments, backpacker accommodation and short-stay accommodation. In fact, Airbnb listings in Victoria have doubled since 2014, and Airbnb predicts the number will double again in 2016.
- There are almost 1500 apartments and houses in Melbourne's inner suburbs listed on Airbnb's Australian website, with 180 in Southbank, 190 in the central business district and 27 in Docklands. Of these 1500 listings, about 1100 are apartments. (Source: The Age, 14 February 2015, 'Entrepreneurs cashing in on Airbnb as rooms are sublet by the day').

## FREE WI-FI ON THE MELBOURNE VISITOR SHUTTLE



With the Melbourne Visitor Shuttle now fitted with free wi-fi, our visitors can quickly and easily find up-to-date information on shops, restaurants, bars, cafes, hotels and more.

## FREE CBD TRAMS HELPS VISITORS SEE MORE FOR LESS



Launched in January 2015, Melbourne's new free tram zone has been embraced by tourists and locals alike. For people that live, work or study in the city, the free trams have made getting from A to B easier and more affordable, while visitors can see more of the city for less. The free zone includes some of the city's most popular destinations, such as the iconic Queen Victoria Market, Spring Street, Flinders Street Station, Federation Square and Victoria Harbour in Docklands.

## MAKING INTERNATIONAL SHOPPING EASIER



Emporium Melbourne has been chosen to be one of only three Australian shopping centres to participate in the global rewards system of UnionPay – the world's largest debit and credit card, and a major player in Asia. With a significant proportion of Emporium Melbourne's customer base hailing from Asia, the introduction of UnionPay should provide a significant boost to retail for the centre.





Melbourne Visitor Centre, Federation Square



# OBJECTIVE 1: BUSINESS DEVELOPMENT AND INNOVATION





Work with the retail and hospitality sectors to encourage collaboration, promote innovation and improve local and Victorian Government business support systems.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
<p><b>Develop and implement an ongoing business engagement program</b></p> <p><b>At the forefront</b></p> <p>In 2014, the City of Melbourne won 'International Organisation of the Year' at the Core Values Awards, in recognition of our role as a global leader in community engagement.</p>	<ul style="list-style-type: none"> <li>• Connected with more than 640 businesses and stakeholders at the City of Melbourne's business breakfast series. This year's topics included 'Good access is good business', 'Sustainability' and 'Musical theatre'.</li> <li>• Hosted over 240 guests (in collaboration with Destination Melbourne) at a tourism information forum showcasing some the country's top sporting events.</li> <li>• Hosted a luxury retailer forum to discuss opportunities for collaboration. Attendees included Harrolds, Dolce &amp; Gabbana, Giorgio Armani, Hugo Boss, Tiffany &amp; Co. and Ralph Lauren.</li> <li>• Held four precinct forums for trader associations throughout the municipality, as well as two social media workshops for the Collins Street and city precincts.</li> <li>• Ran more than 40 events for ambassadors (including the inaugural Melbourne Product Forum) to boost awareness about retail and hospitality on offer in Melbourne. Over 1000 attended across all seminars.</li> <li>• Organised consultation with cafe and restaurants owners, property managers and retailers on proposals to make designated areas in the city smoke-free.</li> <li>• Held the quarterly Melbourne Licensees Forum, with around 330 late-night hospitality operators attending.</li> </ul>	<p>→</p> <p>✓</p> <p>✓</p> <p>→</p> <p>→</p> <p>✓</p> <p>→</p>	<ul style="list-style-type: none"> <li>• Work towards achieving this priority as part of our regular business.</li> <li>• Host at least two more information forums, one as part of Melbourne Knowledge Week.</li> <li>• Continue to hold quarterly precinct meetings and engage with individual businesses, focusing on how they can benefit from City of Melbourne campaigns, events and other initiatives.</li> <li>• Support a follow-up event with the city's global luxury retailers to showcase opportunities for Melbourne Spring Fashion Week.</li> <li>• Continue to deliver tourism forums to support and connect businesses with visitors.</li> <li>• Consider running smaller industry forums (for areas such as retail centre management, for example).</li> </ul>

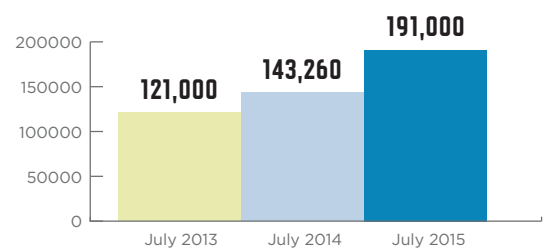
✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
<b>Leverage conference and event delegate market spend</b>	<ul style="list-style-type: none"> <li>Supported the Asia-Pacific Incentives and Meetings Expo 2015, where Melbourne's retail and hospitality was showcased to an international audience, and we established relationships to aid tourism data and research sharing in the future.</li> <li>Won a significant number of international conferences for Melbourne, including the Worldwide Chinese Life Insurance Congress 2016, International Congress of Immunology 2016, Ecocity World Summit 2017, World Congress on Public Health 2017 and the International Society of Stem Cell Research's annual meeting in 2018.</li> <li>Showcased our retail and hospitality at numerous conferences, including the Penny Arcade Expo (PAX), which had over 42,000 visitors. A five-year deal was also signed to keep the conference in Melbourne.</li> <li>Worked with the Melbourne Convention Bureau and Queen Victoria Market to help them host over 4000 Tupperware agents from Indonesia as part of an incentive program.</li> </ul>	<p>→</p> <p>→</p> <p>→</p> <p>✓</p>	<ul style="list-style-type: none"> <li>Continue to develop conference bids in partnership with Melbourne Convention Bureau, with a particular focus on retail-oriented conferences.</li> <li>Host two new business development functions to help the Melbourne Convention Bureau explore new conference opportunities, and to attract new Club Melbourne ambassadors.</li> <li>Sponsor the Asia-Pacific Incentives and Meetings Expo 2016 to deliver new opportunities to our retail, hospitality and tourism sectors.</li> <li>Provide information services at eight selected conferences at Melbourne Convention and Exhibition Centre during 2015-16.</li> </ul>

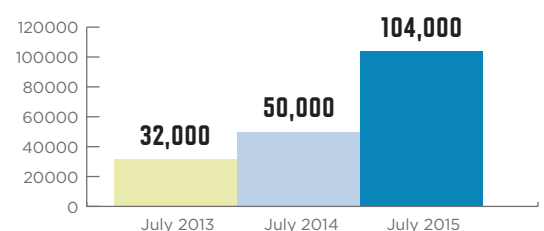
## THE GROWTH OF SOCIAL MEDIA



**THAT'S MELBOURNE  
FACEBOOK FANS**



**THAT'S MELBOURNE  
TWITTER FOLLOWERS**





✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Develop new ways to include retail and hospitality components in City of Melbourne and other city events	<ul style="list-style-type: none"> <li>• Delivered new retail experiences as part of Melbourne Spring Fashion Week, including a retail capsule at the City Square Hub; and Shop Hop, a shopping night hosted by 36 retailers and businesses. The week had an economic impact of \$4.03 million, up 16 per cent from the year prior, with the average spend per person up 7 per cent to \$220.</li> <li>• Supported Melbourne Music Week's Festival Hub at the Queen Victoria Market, which offered inventive menus created by city restaurants. The festival's Live Music Safari event also saw 14 venues open their doors for late-night music and dining. (The 2014 festival generated \$3.27 million, up 44 per cent from 2013, with the average spend per person up 33 per cent to \$197.)</li> <li>• Coordinated with Melbourne Knowledge Week to have a number of events held at retail and hospitality spaces across the city.</li> <li>• Supported major events through our Triennial Sponsorship Program and Events Partnership Program, including: <ul style="list-style-type: none"> <li>- Australian Open</li> <li>- Melbourne Fashion Festival</li> <li>- Melbourne Food &amp; Wine Festival</li> <li>- Night Noodle Markets</li> <li>- Open House Melbourne</li> <li>- Chinese New Year</li> <li>- Law Week</li> </ul> </li> <li>• Supported initiatives (through City of Melbourne's triennial arts grant program) for attendees at some of Melbourne's premier festivals to receive discounts on food, wine and car parking. Participants included the Melbourne International Film Festival, Melbourne Queer Film Festival, Melbourne Festival, Melbourne International Comedy Festival and Melbourne Jazz Festival.</li> <li>• Supported major retailers and precincts to participate in our city's events: <ul style="list-style-type: none"> <li>- As part of the inaugural Summersalt Festival, Southgate supported a street theatre program to promote the arts precinct.</li> <li>- On White Night, QV Melbourne hosted a large-scale free outdoor concert and extended late-night food trading.</li> </ul> </li> </ul>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> <li>• Look to expand Melbourne Spring Fashion Week's retail reach by refining its retail shopping event.</li> <li>• Keep developing Melbourne Music Week in consultation with the music industry and in alignment with our Melbourne Music Strategy 2014-17.</li> <li>• Develop a strategic plan with key partners at Docklands to increase opportunities for events.</li> </ul>

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
<b>Promote best practice customer service and integration of technology into the City of Melbourne's retail and hospitality offering</b>	<ul style="list-style-type: none"> <li>• Promoted City of Melbourne's free social media and online marketing tools at business forums, events and marketing campaigns.</li> <li>• Created an online content submission form to make it easier for businesses to promote their offer through our channels.</li> <li>• Grew engagement with the City of Melbourne's digital channels:               <ul style="list-style-type: none"> <li>- What's On website: 3.4 million (up 16 per cent)</li> <li>- Facebook page: 191,000 likes (up 33 per cent)</li> <li>- Twitter feed: 104,000 followers (up 108 per cent)</li> </ul> </li> <li>• Conducted digital mentoring sessions on strategic marketing and social media for the Collins Street, North Melbourne and Docklands precincts.</li> <li>• Took part in the IBM Smarter Cities Challenge, where we used data analytics to work out how to better respond to a potential city emergency.</li> <li>• Participated in the Destination Docklands marketing plan working group.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>→</li> </ul>	<ul style="list-style-type: none"> <li>• Build a presence on Instagram to further our 'Melbourne Moments' marketing strategy, by giving people a way to share and promote unique experiences of our city.</li> <li>• Introduce the #melbmoment hashtag to encourage engagement and promote user-created content.</li> <li>• Update the hashtag for businesses to #inmelbcity.</li> <li>• Continue to be involved in the Docklands marketing plan working group.</li> <li>• Pilot a new partnership with Yarra Trams on the TramTRACKER app, to market City of Melbourne destinations to the app's users.</li> </ul>
<b>Collaborate with businesses on new wi-fi hotspots in the retail core and communicate benefits to businesses</b>	<ul style="list-style-type: none"> <li>• Continued our involvement with the free wi-fi pilot working group, in partnership with the Victorian Government.</li> </ul>	<ul style="list-style-type: none"> <li>→</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to work on free wi-fi deployment.</li> </ul>
<b>Administer small business grants and business event sponsorship programs</b>	<ul style="list-style-type: none"> <li>• Funded six Melbourne businesses with more than \$159,000 in grants, including Trapt, the first-ever bar and escape room in the CBD; and the Sawdust Bureau, a bespoke furniture-making business.</li> <li>• Administered one round of our business event sponsorship program, with \$100,000 in sponsorship allocated to 24 business events in 2015-16, including the All-Energy, Australian Microcap and Making Liveable Cities conferences.</li> <li>• Made the City of Melbourne's 'What's On' widget part of our business event sponsorship program agreement, so that it appears on the homepage of sponsored business events.</li> </ul>	<ul style="list-style-type: none"> <li>→</li> <li>→</li> <li>→</li> </ul>	<ul style="list-style-type: none"> <li>• Work towards achieving this priority as part of our regular business.</li> <li>• Continue to implement the business event sponsorship program to support 2016-17 events.</li> </ul>





✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Establish a leadership team of industry representatives to promote this strategy and advise on implementation	<ul style="list-style-type: none"> <li>Engaged with the Melbourne Retail and Hospitality Board and two newly established working groups that focus on city marketing, conferences and events.</li> <li>Facilitated the Melbourne Retail and Hospitality Board in attending the Melbourne Asia-Pacific Incentives and Meetings Expo in February 2015, where they forged strategic partnerships with Dubai Tourism and the Hong Kong Tourism Bureau.</li> </ul>	<p>✓</p> <p>→</p>	<ul style="list-style-type: none"> <li>Build on our existing networks to support the implementation of our Year 3 objectives.</li> <li>Look for new opportunities for collaboration.</li> </ul>
Identify new retail and hospitality offers for people who work, live and study in the city	<ul style="list-style-type: none"> <li>Supported Melbourne Central's Festival of Lunchtimes, which featured lunchtime offers, free events hosted by Laneway Learning and a social media campaign to bring workers and students into the centre.</li> <li>Backed Emporium Melbourne's destination for dining campaign, which saw Emporium also partner with Broadsheet to create a guide on doing daytime dining, shopping and sightseeing in 30 minutes or less.</li> <li>Supported 'The Melbourne Edit - Shop the CBD', a cooperative campaign involving around 1000 shops across three blocks and seven major retail centres. The campaign featured a full day of special offers and events, extended trading hours and parking discounts.</li> <li>Supported regular weekly retail and dining offers to metro residents and workers, using QV Melbourne's online portal and Southgate's quarterly promotional lunchbreak posters.</li> </ul>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> <li>Work towards achieving this priority as part of our regular business.</li> </ul>

### Metro convenience stores for city workers and residents

Taking advantage of the increase in central city residents, retail giant Woolworths have opened two new convenience stores on Swanston and Flinders streets. They now have a total of five metro convenience stores, each with an average footprint of around 600m<sup>2</sup>.



✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Promote industry innovation, celebrate success stories, reward success and support retention of industry leaders	<ul style="list-style-type: none"> <li>Implemented a range of Victorian Government programs that celebrate success in business, manufacturing, export and design, including the Premier's Design Awards, Government of Victoria Export Awards and Victorian Manufacturing Hall of Fame.</li> </ul>	✓	<ul style="list-style-type: none"> <li>Explore opportunities to focus the 2016 Women in Business Lunch around 'personal brand' and 'women in retail'.</li> </ul>
	<ul style="list-style-type: none"> <li>Supported the Victorian Tourism Awards 2014, which included categories recognising businesses that make a positive contribution to the visitor economy.</li> </ul>	✓	<ul style="list-style-type: none"> <li>Deliver a new business event during Melbourne Knowledge Week 2015 about digital readiness, in collaboration with industry leaders.</li> </ul>
	<ul style="list-style-type: none"> <li>Supported the Women in Business Lunch 2014, an event recognising the role of women in business and celebrating their achievements.</li> </ul>	✓	<ul style="list-style-type: none"> <li>Support the next Victorian Tourism Awards and the Australian Tourism Awards (which will be held in Melbourne for the first time in seven years).</li> </ul>
	<ul style="list-style-type: none"> <li>Delivered the 2014 Lord Mayor's Commendation event, which recognised 74 small businesses (up 34 per cent from 2013), including 50 from the retail and hospitality sectors.</li> </ul>	✓	
	<ul style="list-style-type: none"> <li>Delivered events focusing on trends and technology useful to retail and hospitality businesses, including Melbourne Knowledge Week 2014 and Melbourne Conversations' lecture on 'Smart cities with digital skins'.</li> </ul>	✓	

### Melbourne forums powered by world-first technology

Touchpoint is an award-winning instant sharing application, introduced to Melbourne audiences during the 2014-15 business breakfast series. Developed by Melbourne-based tech company Pongolabs, this innovative piece of software lets people use smart phones to share presentations, marketing information, audience polls and feedback.

## OBJECTIVE 2: POSITIONING AND ACTIVATION





Work with the retail and hospitality sector to find new ways to attract people to the city, enhance the customer experience and position the city as a compelling destination for new international and local investment.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
<p><b>Encourage businesses to participate in City of Melbourne and other marketing campaigns</b></p> <p><b>Night time economy shines</b></p> <p>In Australia, Melbourne is a culinary giant, completely outperforming every other city in the country with its dining economy.</p> <p>The City of Melbourne has been working to cultivate its lively night-time culinary scene, and the latest figures bear out its success: Melburnians and visitors to the city are now spending significantly more on food (up 32.8 per cent) and less on alcohol (down 11 per cent) – the largest reduction in any Australian city.</p> <p>Source: National Local Government Drug and Alcohol Advisory Committee</p>	<ul style="list-style-type: none"> <li>• Promoted opportunities across our business forums, communication tools and key stakeholder networks, including the Enterprise Melbourne business website, and the marketing, event and business opportunities calendar.</li> <li>• Simplified the expressions of interest process for our Christmas marketing campaigns, resulting in a 140 per cent increase in participation compared to 2012.</li> <li>• Introduced a retail, dining and event guide for the Christmas 2014 and winter 2015 campaigns. Customer research found 96 per cent of people thought the Christmas guide was useful, with 72 per cent participating in at least one city activity.</li> <li>• Supported Destination Melbourne and Destination Docklands programs.</li> <li>• Promoted the initiatives of precinct trader associations, including the Flinders Lane Shopping Night, Festival of Steve, Collins Street Christmas Windows, City Precinct Christmas Shopping Night and the Chinatown Night Market.</li> <li>• Supported the official Melbourne Convention and Exhibition Centre's visitor map, which highlights retail and hospitality offerings in South Wharf and surrounding areas.</li> <li>• Celebrated Emporium Melbourne's first birthday, in a media event with the Lord Mayor and pastry chef Adriano Zumbo cutting a signature Emporium cake.</li> <li>• Promoted 'The Melbourne Edit - Shop the CBD' in May, a joint campaign between the city's major shopping centres, launched by the Lord Mayor, that included individual centre activations, exclusive shopping offers and giveaways.</li> <li>• Communicated opportunities to link retail and live music via the newly created Melbourne Music News, and continued to work alongside the Melbourne Music Strategy 2014-17 to ensure an enriched Melbourne experience through music.</li> </ul>	<p>→</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>→</p>	<ul style="list-style-type: none"> <li>• Create video content for the summer marketing campaign, to promote events and seasonal offers from city businesses.</li> <li>• Continue to work with the precinct association group, and individual associations, to support their initiatives and encourage them to use City of Melbourne marketing opportunities.</li> <li>• Continue to promote retail-led campaigns using City of Melbourne marketing channels.</li> <li>• Develop a map promoting shopping and dining options for conference delegates in collaboration with Melbourne Convention Bureau.</li> </ul> <p><b>Christmas first for city</b></p> <p>In a first for Melbourne, last December saw seven of the city's major retailers join forces to offer extended trading hours in the lead up to Christmas.</p> <p>The initiative created a massive increase in city foot traffic: it was up 5 per cent between 6pm and 8pm, and 52 per cent between 8pm and midnight.</p>

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Support the retail and hospitality offer across the municipality	<ul style="list-style-type: none"> <li>• Provided close to \$500,000 to recognised precinct trader associations for localised marketing initiatives and membership development.</li> <li>• Strengthened our relationship with the concierge and front-of-house sector, helping us keep up-to-date with the latest retail and hospitality information.</li> <li>• Supported the Le Clefs d'Or Concierge Forum in January 2015, reinforcing our alignment with visitor information services.</li> <li>• Promoted and supported a series of events at Queen Victoria Market, including the Summer Night Market, Melbourne Music Week, Social Kitchen and the inaugural Melbourne BBQ Festival.</li> <li>• Continued the City of Melbourne partnership with William Angliss Institute through student volunteer engagement, guest lecturing opportunities, involvement in careers advisory events and participation in the institute's Curriculum Advisory Board.</li> </ul>	<p>→</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>→</p>	<ul style="list-style-type: none"> <li>• Conduct a networking evening at Melbourne Visitor Centre.</li> <li>• Assist William Angliss Institute management with staging an industry and academic conference planned for November 2016.</li> </ul>
Promote Melbourne as a pre-eminent investment attraction	<ul style="list-style-type: none"> <li>• Hosted Meet the Winemaker in May 2015, a program where 100 wine industry professionals from around the globe met with the best of Victoria's wineries.</li> <li>• Held a Melbourne Investment event in New York in October 2014 to promote Victoria to US retailers.</li> <li>• Supported retailers to attend the National Retail Federation's Retail Big Show in New York in January 2015, in order to build their knowledge of the US market and new technologies.</li> <li>• Launched 'Melbourne - Doing business globally', a strategic framework that guides our international activities in seeking opportunities for Melbourne's businesses.</li> <li>• Showcased Melbourne's hospitality offer at the Australian Tourism Exchange 2015, the largest annual tourism industry event in the country, with more than 600 attending from over 30 countries.</li> </ul>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> <li>• Work towards achieving this priority as part of our regular business.</li> </ul>



✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Promote this strategy and its associated achievements through a robust marketing communication plan, and report annually	<ul style="list-style-type: none"> <li>Launched the Melbourne Retail and Hospitality Strategy Year 1 Report 2013-14 in March 2014, with the announcement by Honourable Minister John Eren and the Lord Mayor at Emporium Melbourne receiving extensive media coverage.</li> <li>Shared the retail and hospitality expenditure report details at industry forums, presenting them to major retailers, international thought leaders, publications and other stakeholders.</li> </ul>	<p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> <li>Produce and launch the Year 3 (2015-16) update of the Melbourne Retail and Hospitality Strategy.</li> </ul>

### Melbourne in the spotlight

Melbourne has been profiled several times in the past year, with particular focus on our fashion culture and our proactive retail planning.

The city received editorial coverage in globally renowned magazine Monocle (April 2015), promoting it as the next global fashion hub, while an article on UK website Retail Gazette (July 2015) profiled Melbourne's evolution and the planning undertaken around our retail and hospitality sector.

'We've got something special here in Melbourne. We are passionate about our industry and there is a fearless spirit of innovating here that sees Melbourne designers taking a more daring and conceptual approach to fashion. We also have the openness and opportunity to learn from other designers, which doesn't tend to happen in other Australian cities.'

- Courtney Holm, founder Menske, Monocle Magazine April 2015

## OBJECTIVE 3: BUSINESS DIVERSITY





Ensure that the city's retail and hospitality offer remains diverse, authentic and is continually evolving.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Assist the sector to constantly evolve by exploring opportunities through the Street Activities Policy for seasonal trading opportunities, pop-ups, start-ups and short-term trading	<ul style="list-style-type: none"> <li>Delivered a variety of new street trading opportunities in the city, and developed new ideas and concepts with the review of the City of Melbourne's food truck policy.</li> </ul>	→	<ul style="list-style-type: none"> <li>Work towards achieving this priority as part of our regular business.</li> </ul>
	<ul style="list-style-type: none"> <li>Invited tenders for the operation of eight City of Melbourne street trading cylinders – pop-up locations available for short-term use – to enliven the streets in the central city. Tenders included South American fashion, French crepes, specialty coffee, ornamental plants, local photography, coin jewellery and urban vinyl art.</li> </ul>	→	
	<ul style="list-style-type: none"> <li>Refurbished a street kiosk on the corner of Elizabeth and Bourke streets, and began a public tendering program to find a street hospitality venture to fill it. A fruit kiosk on the corner of Collins and Queen streets has also been offered.</li> </ul>	→	
	<ul style="list-style-type: none"> <li>Constructed a state-of-the-art retail kiosk to enliven Harbour Esplanade, Docklands, which will be operational by mid-2016.</li> </ul>	→	
	<ul style="list-style-type: none"> <li>Continued to support the seasonal street trading program, which enabled a variety of street activities throughout the year including the Goldsbrough Lane Gourmet Farmers' Market.</li> </ul>	→	

### The evolution of the pop-up

The nature of the pop-up is evolving – it's changing from a simple tool that makes flash sales to a way to create more sophisticated kinds of activations.

Some of the most innovative pop-ups have been in the social enterprise realm, including Melbourne Central's HoMie, a street store created to clothe the homeless, and STREAT, a food vendor devoted to providing training pathways to disadvantaged youth.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Identify opportunities to activate vacant commercial spaces within precincts including Docklands	<ul style="list-style-type: none"> <li>Implemented recommendations from the Dockland Spaces program review, which included expanding the program to other areas of the city, creating a new management model to support participants in creating fully fledged businesses, and welcoming more participants into the program.</li> </ul>	→	<ul style="list-style-type: none"> <li>Consider partnering with Places Victoria and Docklands Chamber of Commerce to continue supporting retail businesses after the Docklands Spaces agreement finishes in June 2016.</li> <li>Promote QV Melbourne's partnership with RMIT to give film students the opportunity to exhibit their work on the big screen in QV Square.</li> </ul>
Inform and support retail planning and development in new growth and urban renewal areas	<ul style="list-style-type: none"> <li>Developed the Queen Victoria Market Precinct Renewal Strategic Brief in consultation with traders, customers, industry experts and other stakeholders, laying the groundwork for the precinct's Renewal Masterplan.</li> <li>Completed the four phases of the Queen Victoria Market Precinct Renewal Masterplan community engagement.</li> <li>Invited Queen Victoria Market to provide an update at the Melbourne Retail and Hospitality Advisory Board's quarterly meeting in October 2014, where representatives spoke of their strategic priorities.</li> <li>Presented and discussed the Melbourne Metro Rail project and Innovate Freight project at the Melbourne Retail and Hospitality Advisory Board's quarterly meeting in May 2015.</li> </ul>	<p>→</p> <p>✓</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> <li>Inform and encourage businesses to participate in community engagement on new developments, including in Carlton, Southbank Boulevard, Elizabeth Street, Arden Macaulay, Shape the West and Fishermen's Bend urban renewal area.</li> <li>Start various pilot project trials, including fixed-trading options.</li> </ul>
Promote new retail and hospitality developments	<ul style="list-style-type: none"> <li>Continued to work with domestic and international retailers, helping them open up stores in Melbourne. (Retailers due to open in 2015-16 include cosmetics brand Sephora and UK fashion label Reiss.)</li> <li>Developed a joint PR and marketing plan for the new St Collins Lane redevelopment (formerly Australia on Collins), launching in May 2016.</li> </ul>	→	<ul style="list-style-type: none"> <li>Continue to be active in working with its overseas offices to promote new retail and hospitality opportunities.</li> <li>Support and promote the St Collins Lane launch and aid other new retail and hospitality developments through events, marketing and business opportunities.</li> </ul>

## Independents and high street retailers strike a balance in the city

Within the City of Melbourne's core retail area, 49 per cent of retailers are considered independent (defined as retailers with a single location that don't belong to a chain). The majority of these are clothing, footwear and personal accessory retailers, including boutiques such as Christine, Andrea Yasmin, e.g.etal, Marais, Pieces of Eight, Sarti Tailors, Swensk and Captains of Industry. 'High street' retailers make up 51 per cent of the city's retail core, and include global brands such as Zara, H&M, TopShop and Australian brands Myer, David Jones, Sportsgirl, Sussan, Gorman, Crumpler, Henry Bucks, Just Jeans and Cotton On.





Chuckle Deli, Hub Arcade, Little Collins Street



# OBJECTIVE 4: SUSTAINABILITY





Strengthen Melbourne's sustainability credentials by promoting the benefits of environmental sustainability, and linking businesses to new initiatives and key sustainability projects.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
<b>Increase sustainable procurement, amenity of waste collection and resource recovery</b>	<ul style="list-style-type: none"> <li>Completed the Love Your Laneway program 2014-15, which helped local hospitality businesses improve their laneways, with strong results:               <ul style="list-style-type: none"> <li>- 51 businesses introduced recycling</li> <li>- 77 bins were removed from public space</li> <li>- Three laneways introduced commingled recycling</li> <li>- Two laneways introduced worm farms</li> <li>- Murals installed in three laneways</li> <li>- Festive lighting installed in Stevenson's Lane</li> </ul> </li> <li>Installed an additional garbage compactor and recycling hub in Caledonian Lane, resulting in 40 private bins being removed from the laneway.</li> </ul>	<p>→</p> <p>✓</p>	<ul style="list-style-type: none"> <li>Work towards achieving this priority as part of our regular business.</li> </ul>
<b>Support energy efficient practice and a switch to sustainable energy sources</b>	<ul style="list-style-type: none"> <li>Supported a commercial solar program that offered rebates to help businesses offset their carbon impact. As a result, 132kW of solar capacity was installed, saving around 218 tonnes of CO<sub>2</sub>-equivalent per annum in emissions – equivalent to the power used by around 40 Victorian homes in one year. A program partnership was also established with the Victorian Chamber of Commerce and Industry to help businesses understand the benefits of solar, and to help them source and compare quotes to install solar systems.</li> <li>Commenced development of an education campaign aimed at commercial office tenancies through the CitySwitch green office program, letting them know how they can enter the renewable energy market and offset their carbon impact. The number of CitySwitch tenancies signing up to the program in 2014-15 increased by 14, growing a total number of signatories to 129 and representing a total floor area of 243,353m<sup>2</sup>.</li> <li>Undertook a detailed review of the 1200 Buildings program, which is designed to encourage the commercial building sector to retrofit buildings for energy and water efficiency. The 2015 (biennial) Melbourne Retrofit Survey was delivered and showed an increase in retrofit activity across the municipality.</li> </ul>	<p>→</p> <p>→</p> <p>→</p>	<ul style="list-style-type: none"> <li>Work towards achieving this priority as part of our regular business.</li> </ul>

✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Promote industry success around environmental sustainability, identify new industry ambassadors for environmental sustainability and promote success through City of Melbourne and other channels	<ul style="list-style-type: none"> <li>Developed GreenMoney, an innovative digital platform that lets participating businesses offer 'green rewards' to more than 8000 city households, and to track the success of their reward program. To date, 70 retail and hospitality businesses have offered rewards using the portal.</li> <li>Featured City of Melbourne sustainability programs and local business champions at the February 2015 business breakfast, including: <ul style="list-style-type: none"> <li>The GPT Group and Hilton on the Park as participants in the 1200 Buildings program.</li> <li>Sine Qua Non Jewellery and Clementine's Fine Food and Gifts as part of the Positive Charge program.</li> <li>Vertue Coffee and Alto Hotel as participants in a panel discussion.</li> </ul> </li> <li>Promoted sustainable business initiatives and success stories via social media and the Green Leaflet newsletter.</li> </ul>	<p>→</p> <p>✓</p> <p>→</p>	<ul style="list-style-type: none"> <li>Work towards achieving this priority as part of our regular business.</li> <li>Explore opportunities to build a business case with outdoor retailer Kathmandu, which opened its first green star rated store in Melbourne.</li> <li>Explore ongoing opportunities to showcase sustainable business and programs.</li> </ul>
Provide Victorian Government assistance to Melbourne businesses to help reduce waste and environmental impacts	<ul style="list-style-type: none"> <li>Provided advice and support to businesses through Sustainability Victoria, helping them to be more efficient with energy and materials, and showing them the potential financial value of waste. Some examples of projects: <ul style="list-style-type: none"> <li>QV Melbourne – By installing bin lifters and a bin weighing system to track recycling data for each of their tenants, QV Melbourne designed an education program to increase recycling and reduce contamination.</li> <li>TFM Australia – Using a combination of education, removing landfill bins from staff desks and securing bins in docking area, TFM Australia increased recycling from 64 per cent to 94 per cent across all the tenants in its building.</li> </ul> </li> </ul>	<p>→</p>	<ul style="list-style-type: none"> <li>Work towards achieving this priority as part of our regular business.</li> </ul>



✓ Complete → Ongoing

Our 4-year priorities are...	In 2014-15 we...	Status	Over the next year we will...
Develop options for improving freight efficiency in the central city	<ul style="list-style-type: none"> <li>Supported the development of the Last Kilometre Freight Plan by participating in the project working group and steering group.</li> <li>Educated businesses on the benefits of choosing sustainable transport and promoting car-sharing initiatives.</li> </ul>	<p>→</p> <p>→</p>	<ul style="list-style-type: none"> <li>Finalise the Last Kilometre Freight Plan in mid-2016.</li> <li>Provide leadership, advice and support to businesses looking to innovate, collaborate and communicate, as per the draft Last Kilometre Freight Plan.</li> </ul>
Support the action plan of Food City, the City of Melbourne Food Policy, with particular emphasis on actions that impact on the hospitality industry	<ul style="list-style-type: none"> <li>Implemented the Local Food Launchpad program, which saw 24 participants develop ideas on increasing local food production or increasing opportunities to source local and regionally produced food. Twelve project ideas were pitched; four were awarded mentoring and free co-working space for six months, and one was awarded \$500 seed funding. Winning project concepts included: <ul style="list-style-type: none"> <li>Box Garden: providing schools with veggie boxes for fundraising drives.</li> <li>Snack Bird: giving city workers, residents and visitors fresh, locally produced snacks – by bicycle.</li> <li>The Kitchen Question: a food waste advocacy group targeting university students.</li> <li>Bass Coast Farm: encouraging businesses to purchase regional produce.</li> </ul> </li> <li>Contributed to the Sustainable Living Festival with Grow Show, a demonstration of small-space gardening using the Melbourne Town Hall veggie patch.</li> <li>Assisted in planning and developing the Jamie's Ministry of Food community cooking program by helping secure a site, hosting information sessions for staff and organising extensive media coverage.</li> </ul>	<p>→</p> <p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> <li>Deliver a Local Food Launchpad reunion night to update participants on progress and gather feedback.</li> <li>Provide ongoing support and guidance to the awarded Local Food Launchpad projects.</li> <li>Develop a new-look Melbourne Town Hall veggie patch, and install a new veggie patch at Gordon Reserve.</li> <li>Assist with the implementation of Jamie's Ministry of Food.</li> </ul>









**Acknowledgment:** The City of Melbourne and the Victorian Government thank our retail and hospitality businesses whose passion, innovation and dedication to the city ensures Melbourne is not only the world's most liveable but prosperous and a premier destination of choice.





Details are correct at time of printing

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