

MELBOURNE RETAIL AND HOSPITALITY STRATEGY 2013–2017

YEAR 3 REPORT 2015–16





Hosier Lane

FOREWORD



Melbourne's retail and hospitality industries have continued to thrive during 2015-16, underpinned by solid employment, population and visitation growth.

This Year 3 Report of the Melbourne Retail and Hospitality Strategy 2013-17 outlines the specific measures that the City of Melbourne, the Victorian Government and the industries themselves have

undertaken to cement our global reputation as a culinary and retail destination.

From 2013 to 2015, retail and hospitality spending within the City of Melbourne grew by 16 per cent to \$3.03 billion. The largest share came from residents and city workers, who respectively contribute \$1.34 billion and \$1.17 billion annually. Our booming tourism industry is responsible for a portion of this growth with Melbourne welcoming 11.3 million visitors in 2015-16, including a 9.3 per cent increase in international overnight visitors.

At 2.4 per cent, vacancy rates in Melbourne's CBD core were at their lowest in five years in July 2016, reflecting Melbourne's ability to attract national retail 'firsts', such as international retailers Reiss and Zadig & Voltaire in the St. Collins Lane development. Iconic UK retailer Debenhams is preparing to open there during 2017. We also welcomed international brands including Sephora and MRP and lured David Jones to relocate their headquarters from Sydney.

During 2015-16, we supported small businesses in Melbourne to capture new markets and harness the latest technology through \$260,000 in grants. Expect to hear more about Bastion Cycles, which aims to build and sell the world's first 3D-printed high-performance road bike and online milliner The Eternal Headonist.

Funding for precinct associations provided a further \$500,000 boost to small traders, and support for major events included successful new partnerships such as Melbourne's first Vogue Fashion's Night Out shopping event during Melbourne Spring Fashion Week which generated an economic impact of more than \$8 million.

Exciting new developments for the fourth and final year of the strategy include trading at 17 new designated food truck sites in the city and further work towards the renewal of the Queen Victoria Market precinct.

The City of Melbourne will continue to work closely with the business community and the Victorian Government to ensure this partnership approach and strategic focus delivers an even more diverse, vibrant and sought-after retail and hospitality experience in the world's most liveable city.

Robert Doyle
Lord Mayor, City of Melbourne



Retail and hospitality is one of Victoria's largest sectors. It contributes more than \$72 billion to our economy and employs more than 500,000 people across the state.

The sector includes everything from food retailing including supermarkets, restaurants and cafés, household goods, apparel, department stores, newsagents, pharmaceutical, cosmetics and recreational

goods. The sector is Victoria's second largest employer and it is essential for the state's growth and prosperity. It also creates unique upstream and downstream economic benefits by helping to generate activities in industries such as information technology and supply chains and logistics.

In an era where shifting demand and consumer preferences are changing the retail sector worldwide, Melbourne and Victoria continue to flourish. In 2016 we saw the opening of St. Collins Lane and the Open Up Your Night campaign, which has provided a significant boost to Melbourne's late night economy.

Of course, perennial favourites including the Virgin Australia Melbourne Fashion Festival, Melbourne Food and Wine Festival, Spring Racing Carnival and Myer Christmas windows keep visitors coming into the city, which were also complemented by the Shop the City retail campaigns.

The Victorian Government has helped support a number of retail organisations to set up shop in Melbourne. Of particular note, David Jones' headquarters relocation from Sydney to Melbourne, announced in 2016.

We are proud that Melbourne is the only capital city in Australia to have a dedicated joint sector strategy of this nature.

The sector plays a major role in positioning Melbourne nationally and internationally for retail, dining, event and cultural experiences. This year's report confirms Melbourne as Australia's leading retail city with a diverse range of retail and hospitality businesses.

The Victorian Government is a strong supporter of Melbourne's retail and hospitality industry. We are proud to be partnering with the City of Melbourne to deliver the Strategy, which will ensure that this sector continues to grow and thrive. Through this unique partnership, we are working together to deliver on a shared vision for Melbourne to be a global retail and hospitality destination.

The Hon Wade Noonan MP
Minister for Industry and Employment

VISION



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 the following key objectives designed 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 third year of the strategy, from July 2015 to June 2016.

We thank all board members, in particular the leadership and generosity of our two co-chairs, Susan Renouf and Darryl Washington, for their passion, dedication and expert advice in the development of the strategy.

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

Our Retail and Hospitality Strategy is the platform to embrace change and be creative in our support for businesses here in Melbourne.

A NEW WAY FORWARD

2015-16 marked the tenth year of implementing the Melbourne Retail and Hospitality Strategy, in its various iterations. In 2006 we set out with a clear goal: to be a city with an unrivalled retail landscape, acclaimed for its diversity and compelling experiences.

In an era where we are witnessing rapid change – the evolution of new technologies, shifting consumer demand and entire new economies – this goal remains pertinent.

To remain relevant in the future we need to be more responsive and connected to our customers, and to be open to new ways of thinking and engaging.

This year we have continued to deliver the Year 3 strategic actions with more agile, responsive and flexible engagement with industry, across all levels. This new approach has enabled Council to draw on the necessary industry expertise on a project-by-project basis. As such, the Melbourne Retail and Hospitality Advisory Board, in its previous form, came to an end in October 2015.

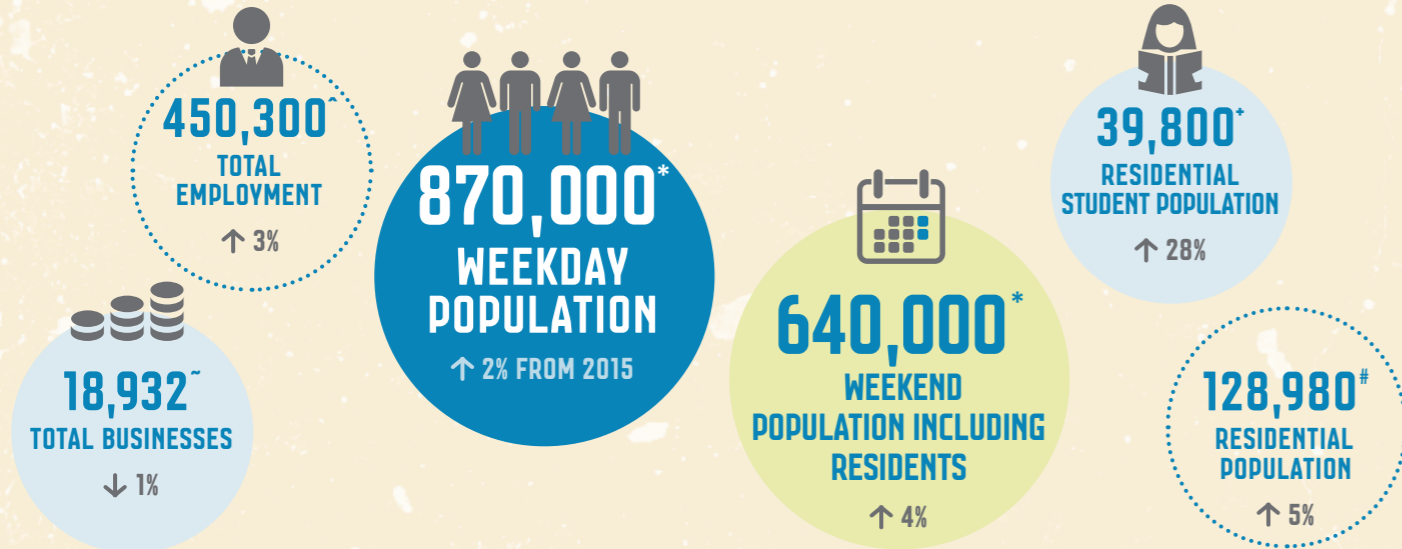
The Melbourne Retail and Hospitality Advisory Board has an incredible reputation for support and collaboration, and has influenced our thinking in many valuable ways, helping to address challenges affecting the sectors as well as embracing new opportunities ahead.



Jason Grech at Melbourne Spring Fashion Week

CITY OF MELBOURNE SNAPSHOT

CITY OF MELBOURNE QUICK FACTS



MELBOURNE CBD RETAIL MARKET INDICATORS



VISITORS TO MELBOURNE



AN ESTIMATED **11.3 MILLION**** PEOPLE VISITED THE CITY OF MELBOURNE DURING 1 JULY 2015–30 JUNE 2016



Sources: -City of Melbourne Pathway. *City of Melbourne Census of Land Use and Employment (CLUE) 2015 update. **City of Melbourne Daily Population Estimates and Forecasts 2004-2030, 2015 update. +Department of Education, Employment and Workplace Relations and National Centre for Vocational Education Research. #Australian Bureau of Statistics, Regional Population Growth, Australia 2015. **International and National Visitor Surveys, June 2016, Tourism Research Australia.



Southern Cross Lane

CALENDAR

OVERVIEW OF KEY STRATEGIC ACTIONS AND EVENTS IN 2015-16

JULY 2015

City of Melbourne Business Breakfast (*musical theatre*)
 Docklands Winter Fireworks
 Melbourne International Film Festival
 Women in Business Lunch
 Winter Marketing Campaign
 Open House Melbourne
 David Bowie Is (ACMI)
 Vogue Fashion's Night Out - Retail Briefing
 NGV Winter Masterpieces 'Masterpieces from the Hermitage'
 Pitch for Good Event (crowd-funding for social enterprise)
 Small Business Grants

AUGUST

Melbourne Spring Fashion Week and Vogue Fashion's Night Out
 Small Business Grants
 Small Business Festival
 Melbourne Retail and Hospitality Advisory Group quarterly meeting
 City Retail Centre Management Forum
 Precinct Program Forum

SEPTEMBER

Melbourne Spring Fashion Week - Neighbourhood Activation (Carlton, North Melbourne, Russell Place)
 AFL Grand Final Week

OCTOBER

Lord Mayor's Commendations
 Melbourne Knowledge Week
 Melbourne Knowledge Week Business Breakfast (*Is your business digitally ready?*)
 Carlton Italian Festa
 Spring Fling Street Festival (North Melbourne)
 Melbourne Festival
 Victorian Seniors Festival

NOVEMBER

Precinct Program Forum
 Melbourne Awards
 Melbourne Music Week
 Melbourne Cup Parade
 Night Noodle Markets
 Christmas Marketing Campaign

DECEMBER

Christmas Festival
 Myer Christmas Windows
 Santa's Grand Arrival
 Shop the City Campaign
 Launch of Co-Working Spaces Promotional Campaign



Photo credit: Theresa Harrison

JANUARY 2016

Australian Open Festival
 Midsumma Festival
 NGV Kids Summer Festival
 Grand Prix Activation (City Square)
 Night Network trial launched
 Summer Marketing Campaign

FEBRUARY

City of Melbourne Business Breakfast (*Future Melbourne 2026*)
 Chinese New Year
 White Night
 Sustainable Living Festival
 Social Enterprise PopUp (*Tinker Tailor Cook & Maker*)
 Lonsdale Street Festival
 Summer Night Market (Queen Victoria Market)
 Business Event Sponsorship Program

MARCH

Virgin Australia Melbourne Fashion Festival
 Melbourne Food and Wine Festival
 Formula 1 Australian Grand Prix
 International Women's Day Breakfast
 Melbourne International Comedy Festival
 Heat resilience workshop with RMIT and major retailers
 Precinct Program Forum

APRIL

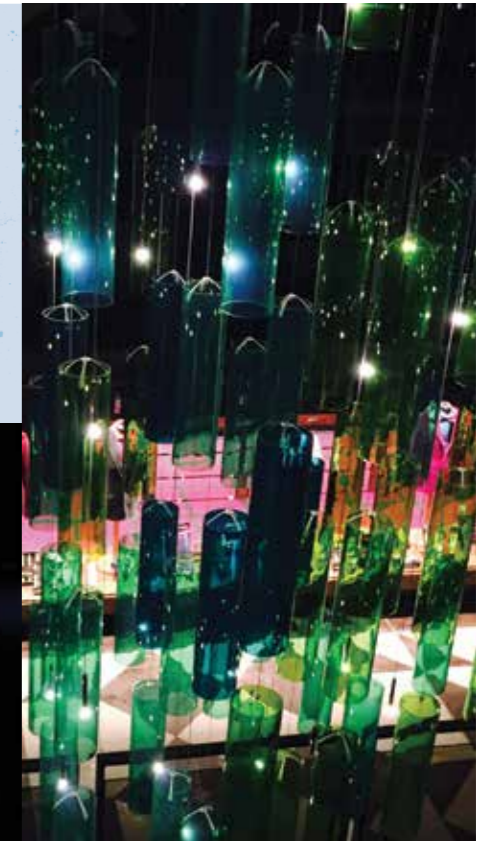
Melbourne Retail and Hospitality Strategy Year 2 Report Launch
 Smoke Free Consultation with Collins 234

MAY

Shop the City Campaign
 City Retail Centre Management Forum
 St. Collins Lane opened
 Vogue Fashion's Night Out - Retail Briefing
 Smoke Free Consultation with QV Melbourne
 Festival of Steve

JUNE

Winter Marketing Campaign
 Melbourne International Jazz Festival



**2015-16
HIGHLIGHTS**



2015-16 HIGHLIGHTS

GROWTH IN CITY WORKERS AND RESIDENTS UNDERPINS LOWEST VACANCY RATE

As at July 2016, the vacancy rate in the Melbourne CBD retail core declined to 2.4 per cent, down from 3.2 per cent at the equivalent period in 2015 – the lowest level since December 2011. City-based employment and residential population growth continues to drive demand for CBD retail space from both domestic and international retailers.

\$3.03 BILLION IN RETAIL AND HOSPITALITY EXPENDITURE

From 2013 to 2015, retail and hospitality expenditure within the City of Melbourne by city workers, residents, students and visitors grew by 16 per cent to \$3.03 billion. All groups recorded significant growth in spending and the larger shares of this expenditure came from residents and city workers, who annually contribute \$1.34 billion and \$1.17 billion respectively. The study also reported on new initiatives to the city such as the Free Tram Zone and the Night Network which have been positively received; an element of 'city fatigue' among city workers and students, and greater participation in extended trading hours as challenges and opportunities for city retailers and hospitality businesses. *For more insights please refer to pages 18-21.*

OPEN UP YOUR NIGHT

Melbourne's vibrant weekend nightlife and late-night economy has been given a significant boost with the Night Network, an initiative providing all-night public transport every weekend – with hourly trains on every line, half-hourly trams on key routes, and an improved night bus network. This extra transport, encompassing an additional 300 train services, 250 tram services and 21 new bus routes, has received overwhelmingly positive feedback. In its first weekend, more than 10,000 people took advantage of the all-night services, more than three times those using the previous NightRider bus services.

OPENING OF ST. COLLINS LANE

Melbourne's newest premium shopping centre launched in style in May 2016, with an opening that featured tantalising previews of its upcoming store collections. Situated on the site of the former Australia on Collins, the premium retail space has already attracted six international brand flagship stores, all opening in Australia for the first time: Sandro Paris, Maje, Reiss, L'Agent, Zadig & Voltaire and The Kooples.

EMIRATES HOUSE TO WELCOME BURBERRY

Located across from St. Collins Lane, Emirates House is undergoing refurbishment to accommodate luxury retailer Burberry, a Brunetti cafe and watch specialist The Hour Glass.

READINGS WINS BOOKSTORE OF THE YEAR AWARD AT LONDON BOOK FAIR

Beating out a shortlist of stores from China, Italy and Estonia, the Carlton-based bookstore was honoured with Bookstore of the Year as a tribute to its work with the community (particularly through the Readings Foundation), its events program and its two literary prizes.

A VERY MERRY CHRISTMAS

Australian retailers had a very merry Christmas in 2015, with a total retail spend of \$24.8 billion for December, a four per cent growth year-on-year according to the Australian Bureau of Statistics' official retail turnover figures. Victoria saw the lion's share of this increase, at 5.5 per cent growth. The biggest growth came out of household goods (5.6 per cent), followed by department stores (5 per cent); clothing, footwear and personal accessories (4.5 per cent); other retailing (4.5 per cent); food (3.2 per cent); and cafes, restaurants and takeaway foods (3.2 per cent).

The NAB Online Retail Sales Index indicates that online sales for the Christmas period increased a significant 11.2 per cent on December 2014. Tracking the growth of online retail, the same index put the total online spend of 2015 at \$9.1 billion – 6.6 per cent of the total retail market.

IMPLEMENTATION FRAMEWORK FOR QUEEN VICTORIA MARKET RENEWAL

Progress on the Queen Victoria Market renewal continued swiftly, with a planning scheme amendment prepared, tenders conducted for the site, and an implementation framework created to guide the renewal, including how the market will continue to trade during the renewal works. Central to this is improving the trader, customer and community experience.

ALIBABA COMES TO MELBOURNE

In a significant development for Australia's retail sector, the Chinese e-commerce giant Alibaba plans to establish an office in Melbourne in the next 12 months to help local brands and retailers get access to the Chinese consumer market – the second-biggest economy in the world.

FOOD DELIVERY SERVICES BOOM

In April 2016, Uber launched its new-food delivery app, UberEATS, in Melbourne – the first Australian city to get the service. More than 80 local restaurants have since signed up to the app, including many top-end city eateries like Supernormal, Jimmy Grants, Rockwell and Sons, Milk the Cow and Pana Chocolate. After its initial launch period, UberEATS is planning to expand its deliveries to the suburbs, and to introduce breakfasts and late-night services.

WORK WITH THE VICTORIAN GOVERNMENT ON THE METRO TUNNEL PROJECT

The City of Melbourne's work on the Metro Tunnel Project continued, including creating an organisation-wide response to Melbourne Metro Rail Authority's (MMRA) Environment Effects Statement (EES) planning process. The Metro Tunnel Project is a complex, long term project affecting many areas throughout the municipality, and we are working closely with the MMRA and other key stakeholders, to support the successful planning and delivery of this key piece of infrastructure that will aid future growth for the city.



Open up your night, Princes Bridge



Belleville, Globe Alley, Chinatown

2015-16 HIGHLIGHTS

The third year of the Melbourne Retail and Hospitality Strategy sees the City of Melbourne and Victorian Government consolidating the initiatives of earlier years – as well as moving forward on a few new innovations.

OBJECTIVE 1: BUSINESS DEVELOPMENT AND INNOVATION

BUSINESS ENGAGEMENT PROGRAM

- The regular Business Breakfast Series once again played a key role in engaging retail and hospitality businesses during Year 3, backed up by regular meetings with the city's major shopping centres and newly opened businesses. Also critical were regular forums with precinct associations, consultation with small businesses and supporting business-to-business events.
- Businesses were consulted in the creation of 24-hour smoke-free zones at QV Melbourne and Goldsbrough Lane, along with smoking restrictions at City Square. Late-night licensees were engaged at quarterly education and information-sharing forums.

CONFERENCES AND EVENTS

- A significant number of international conferences were won for Melbourne, including Perfect China 2017, International Dragon Awards 2017, Congress of the World Union of Wholesale Markets 2017 and Vidcon 2017.

INCORPORATING RETAIL AND HOSPITALITY INTO CITY EVENTS

- Multiple events were used to promote Melbourne retail and hospitality, including two staged as part of Melbourne Spring Fashion Week. The Music Strategy 2014-2017 was also promoted to city retailers, leading to the creation of new music programs across the city.
- Many major events were supported through the Triennial Sponsorship Program and Events Partnership Program, and initiatives such as discounts on food and parking were introduced to encourage attendees to explore Melbourne's hospitality offerings.

Film Meets Food

The Melbourne International Film Festival teamed up with publisher Broadsheet to deliver the Melbourne International Film and Food Guide, a publication profiling 39 venues across the city – transforming a festival event into an opportunity to promote hospitality across Melbourne, such as dining and late night bar Belleville in Chinatown..

BOOSTING RETAIL AND HOSPITALITY WITH TECHNOLOGY

- The City of Melbourne That's Melbourne social media reach grew substantially, with the implementation of a new Instagram channel that grew to 16,000 followers, a successful #melbmoment hashtag campaign, and big increases in the audiences for both the Facebook (up 25.7 per cent) and Twitter (up 60.2 per cent) streams. These social media channels were promoted at the Business Breakfast and to many precinct associations. A new online management tool – Smarty Grants – was introduced to give businesses a simpler way to submit expressions of interest for marketing campaigns.

SMALL BUSINESS GRANTS AND BUSINESS EVENT SPONSORSHIPS

- A total of 15 small businesses were funded with over \$260,000 in total grants, which is anticipated to generate 97 new jobs, \$9.6 million in gross turnover and \$1 million in equity investment.
- Another round of the business event sponsorship program saw \$111,500 in sponsorship allocated to 28 business events.

IDENTIFYING NEW RETAIL AND HOSPITALITY OFFERS

- A series of activities were commissioned as part of Melbourne Spring Fashion Week, to enliven local retail and hospitality districts and support independent businesses in different parts of Melbourne.
- Providing a more complete picture of Melbourne's local economy, a 2016 update of the retail and hospitality expenditure research of city workers, residents and students was also completed, following up the 2014 benchmark study. *Refer to pages 18-21.*

PROMOTING INNOVATION AND INDUSTRY LEADERS

- A wide range of awards and events celebrating local industry leaders were supported, including the Melbourne Women in Business Lunch, Australian Tourism Awards, Lord Mayor's Commendation Awards and Premier's Design Awards.
- Support was also given to a number of business-orientated conferences, including the Retail Technology Expo, the National Online Retail Association Conference and the Small Business Festival.

OBJECTIVE 2: POSITIONING AND ACTIVATION

ENCOURAGING BUSINESSES TO PARTICIPATE IN CITY OF MELBOURNE MARKETING CAMPAIGNS

- City of Melbourne took every opportunity to promote its marketing opportunities to local businesses, including the seasonal marketing campaigns and a new shopping map for conference delegates.
- Close to \$500,000 was provided to eight recognised precinct trader associations for localised marketing activities and membership development.
- Extensive work was also done to promote local trader events, including Festival of Steve, Collins Street Christmas Windows, City Precinct Christmas Shopping Night, Spring Fling, Lonsdale Street Festival, Lygon Street Festa and the Chinatown Night Market.

SUPPORTING CITY RETAILERS AND HOSPITALITY

- A number of key events were supported to help promote local retail and hospitality businesses, including a Melbourne Spring Fashion Week event and a number of events at Queen Victoria Market.
- A new partnership with Vogue Australia saw Melbourne's first Vogue Fashion's Night Out shopping event staged as part of Melbourne Spring Fashion Week. The fashion week program engaged eight precincts, featured 85 per cent local designers and included 400 retailers at over 200 events, with an economic impact of over \$8 million.
- Shop the City – a collaborative CBD shopping event involving 1000 shops across three city blocks – continued its success, with the November 2015 event attracting more than 400,000 people. The extended shopping hours helped generate a 13.4 per cent upwards growth in December sales across QV Melbourne, Emporium Melbourne, Melbourne Central and The Strand Melbourne.

PROMOTING MELBOURNE

- The Victorian Government pledged almost \$40 million to the Jobs Victoria Employment Network, funding 38 employment providers to help over 4200 disadvantaged Victorians find sustainable work.
- A plethora of major retail projects were engineered through the Victorian Government's Department of Economic Development, Jobs, Transport and Resources, among them the launch of Melbourne stores for international brands MRP and Sephora, and the relocation of David Jones's headquarters from Sydney to Melbourne.

PROMOTING THIS STRATEGY

- Rounding out the previous year's achievements, the Melbourne Retail and Hospitality Strategy Year 2 Report 2014-15 was launched in April 2016, announced jointly by the Honourable Jacinta Allan, Minister for Employment and Public Transport, together with the Lord Mayor, Robert Doyle.

OBJECTIVE 3: BUSINESS DIVERSITY

PROMOTING SEASONAL TRADING, POP-UPS AND START-UPS

- The seasonal street trading program delivered a number of new street traders across Melbourne.
- A new food truck policy was created, designating 17 food truck sites in the city to be operational by March 2017.

DOCKLANDS SPACES WRAPS UP

- The Docklands Spaces project came to a close in June 2016 after three years of operation, during which it gave 21 new businesses the chance to trial their creative ideas in empty Docklands tenancies.

RETAIL PLANNING AND DEVELOPMENT IN NEW GROWTH AREAS

- The Queen Victoria Market Precinct Renewal Master Plan continued apace, with a planning scheme amendment prepared, tenders conducted for the site, and an implementation framework created to guide the renewal.

PROMOTING NEW RETAIL AND HOSPITALITY DEVELOPMENTS

- A new shopping destination, St. Collins Lane, launched in May 2016 on the former Australian on Collins site. The new centre has enticed many international luxury brands to Melbourne, including Reiss, Sandro Paris, Maje, Zadig & Voltaire, The Kooples, L'Agent by Agent Provocateur, Cerrone and Neil Perry's Burger Project. High-end retailers TAG Heuer and Coach both opened their first Australian flagship stores at the centre.

OBJECTIVE 4: SUSTAINABILITY

INCREASING SUSTAINABILITY, WASTE COLLECTION AND RECYCLING

- There was continued support for the GreenMoney program, which rewards Melburnians with discount vouchers for acting sustainably: it increased its city retail and hospitality business reward partners from 70 to 88 and created \$198,670 in local business revenue.
- Meanwhile, the Love Your Laneway program helped 103 hospitality businesses improve their laneways, with three grants of \$5000 allowing murals and lighting to be added to four areas.

SUPPORTING ENERGY EFFICIENT PRACTICES

- Local businesses continued to be supported through Sustainability Victoria, helping them to be more efficient.
- Industry successes around environmental sustainability continued to be promoted.
- The profile of sustainable city retailers was raised during the 2015 Christmas city marketing campaign, which highlighted these green businesses on a feature page. Green retailers and not-for-profits were also given pride of place at the Sustainable Living Festival, in a pop-up event centred around upcycling, recycling and sustainability.
- City residents and businesses were enlisted in choosing four laneways to 'go green' as part of a pilot program, ultimately choosing Katherine Place, Meyers Place, Guildford Lane and Coromandel Place.

IMPROVING FREIGHT EFFICIENCY

- The final touches were put on the Last Kilometre Freight Plan, with Council endorsing the plan in June 2016. The project was created to foster innovation around how freight can efficiently make its way into the heart of Melbourne, with a minimum of impact on the city's culture and safety. As an early step in the initiative, Cargone Couriers were awarded a grant to provide last kilometre freight services to local businesses.

SUPPORTING THE CITY OF MELBOURNE FOOD POLICY

- The City of Melbourne worked to help launch Jamie Oliver's Ministry of Food Mobile Kitchen, a program teaching healthy cooking to youth, the disadvantaged and those at risk of chronic disease. Almost 600 participated during its three-month run.
- Other local food initiatives also continued to be supported, among them the Local Food Launchpad, a project aimed at bringing new ideas to Melbourne's food system.
- Finally, the City of Melbourne showed off its gardening skills as part of the Sustainable Living Festival, with a small-space gardening demonstration in the Melbourne Town Hall veggie patch and a vertical veggie garden at Gordon Reserve.

City Harvest

Started in 2014, City Harvest is a not-for-profit with a mission to reduce food wastage and improve job prospects for disadvantaged youth. They encourage restaurants to adopt food waste recycling systems, which City Harvest then uses to maintain vegetable gardens planted throughout the city, on rooftops and in public spaces. The gardens are managed and tended by disadvantaged youth, who are given horticulture training to cultivate their future job prospects. Participating Melbourne restaurants include Grand Hyatt Melbourne, Kinfolk, The Savoy Tavern, Auction Rooms and Cecconi's.

RETAIL AND HOSPITALITY EXPENDITURE BY WORKERS, STUDENTS AND RESIDENTS

2016 UPDATE

A study was undertaken to understand how city workers, students and residents interact with central Melbourne's retail and hospitality offerings, and to identify new retail and hospitality opportunities. This was an update to the original ground-breaking study in 2014. Key findings highlight expenditure by each group, the impact of a number of changes since 2014 and further considerations and opportunities for city businesses.

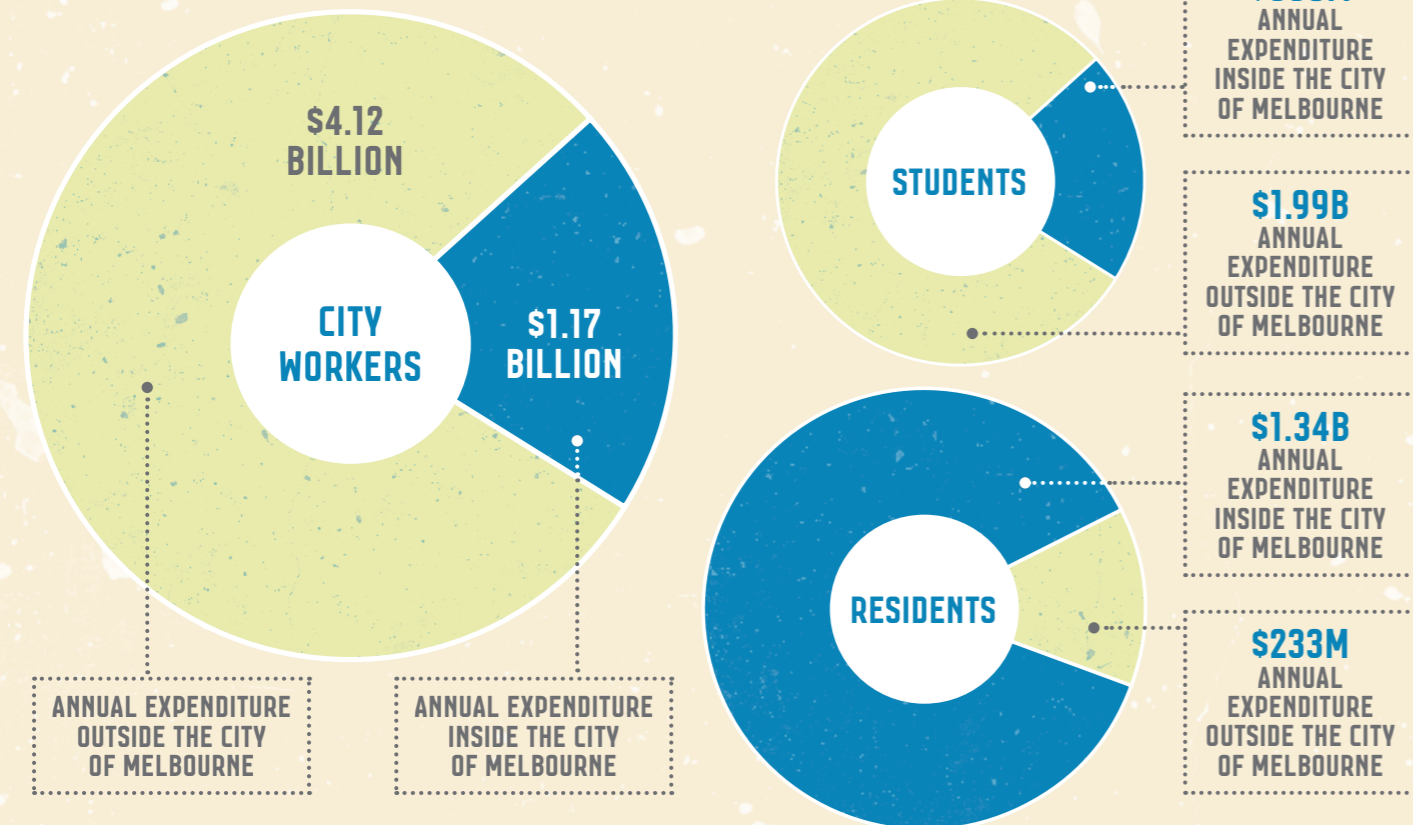
TOTAL EXPENDITURE

APPROX **\$3.03 BILLION** ESTIMATED TOTAL
RETAIL AND HOSPITALITY EXPENDITURE

IN THE CITY OF MELBOURNE, 16% GROWTH SINCE 2013



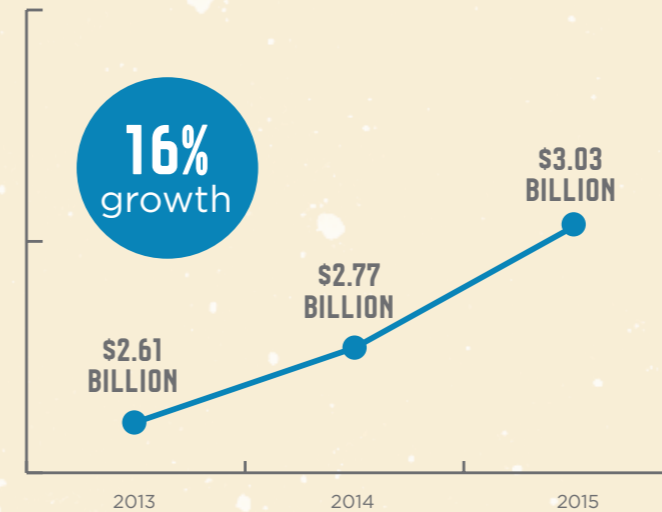
EXPENDITURE BY GROUP



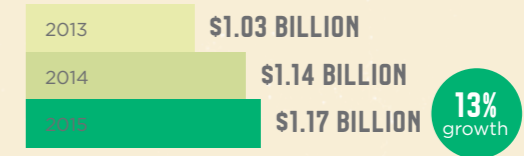
Unless otherwise stated, all data is from 'Retail and Hospitality Expenditure Study 2016 Update, City of Melbourne / SGS Economics and Planning. Groups - city workers, students, residents are not mutually exclusive. Estimated total expenditure includes \$998 million (33 per cent) from visitors. Due to some small refinements to 2016 update approach, estimates are not directly comparable with the previous study. Annual expenditure for 2013, 2014 and 2015 shown to provide comparable time series.

ANNUAL EXPENDITURE FROM 2013 TO 2015

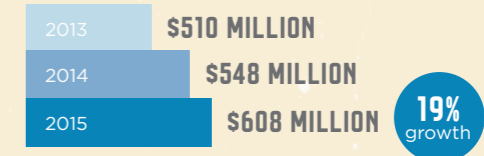
ANNUAL EXPENDITURE GROWTH IN THE CITY OF MELBOURNE



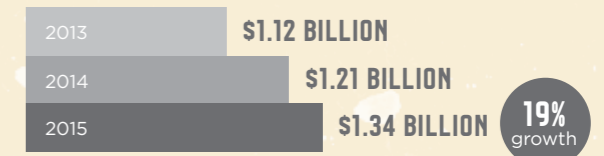
CITY WORKERS



STUDENTS

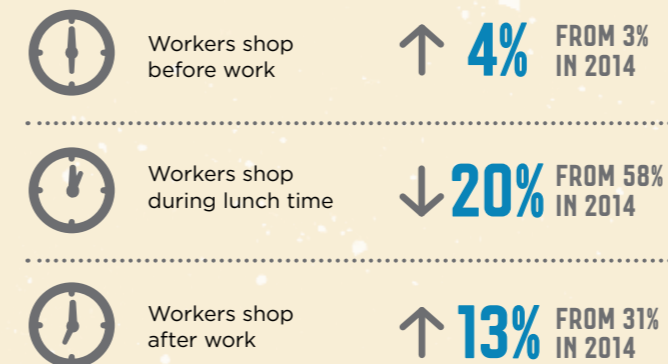


RESIDENTS

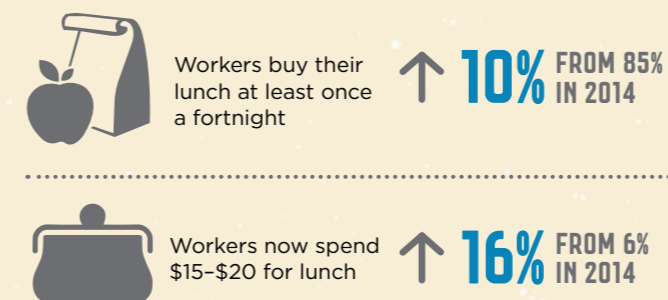


CHANGES SINCE 2014²

RETAIL



HOSPITALITY



CONSISTENT SINCE 2014



KEY FACTORS FOR BUYING OR BRINGING LUNCH:

- ✓ A HEALTHY MEAL
- ✓ PRICE
- ✓ CONVENIENCE

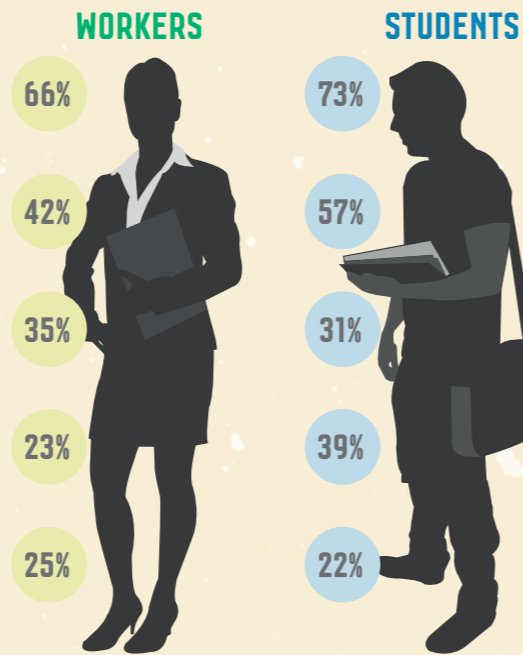
People need a healthy, low-cost option within a short distance to increase the frequency of buying lunch in the city.

² City of Melbourne Retail & Hospitality Offer, City of Melbourne/EY Sweeney Research 2016.

NEW INITIATIVES SINCE 2014

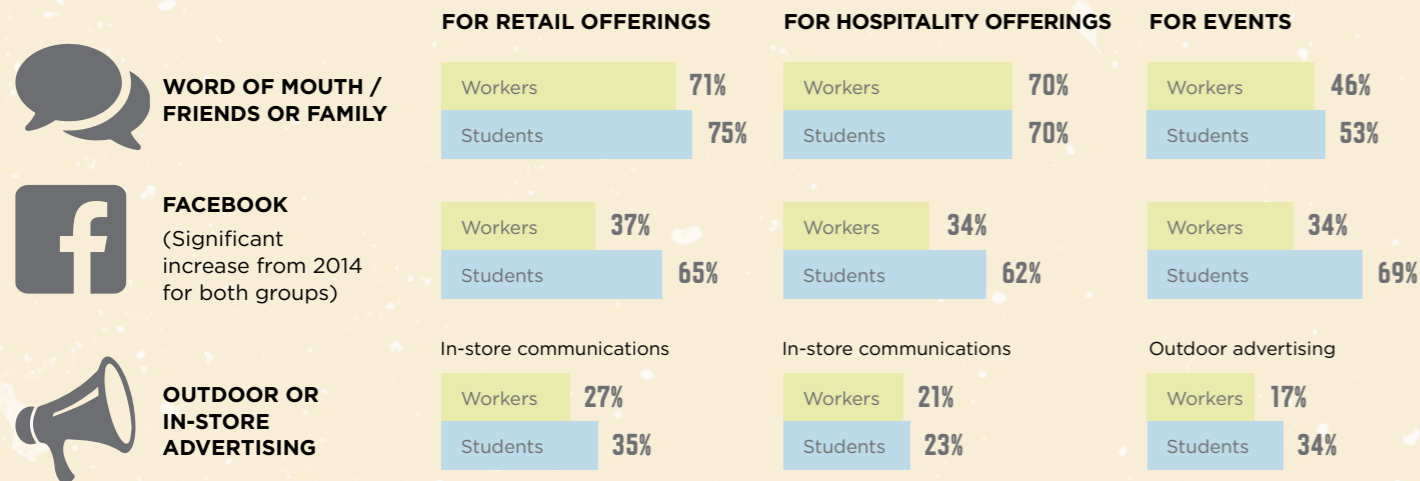
New initiatives to the city have been positively received but their impact on retail and hospitality has been minimal. Percentages are of workers and students who have used each product or service.

- Free Tram Zone in Melbourne CBD
- Small scale/convenience supermarkets in central Melbourne (such as Coles and Woolworths)
- Extended trading hours in the city
- Night Network (all night trains on selected train lines on Friday and Saturday evenings)
- Restaurant delivery services such as UberEATS, Foodora and Deliveroo

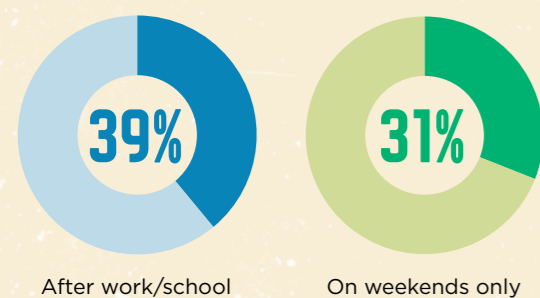


EVENTS & COMMUNICATION

People are changing the communication channels they use to find out about events and offers in central Melbourne. Facebook is growing in importance, and mass media is becoming less relevant. Word of mouth remains the greatest driver of awareness.



THE MOST COMMON TIMES FOR ATTENDING EVENTS IN CENTRAL MELBOURNE ARE:



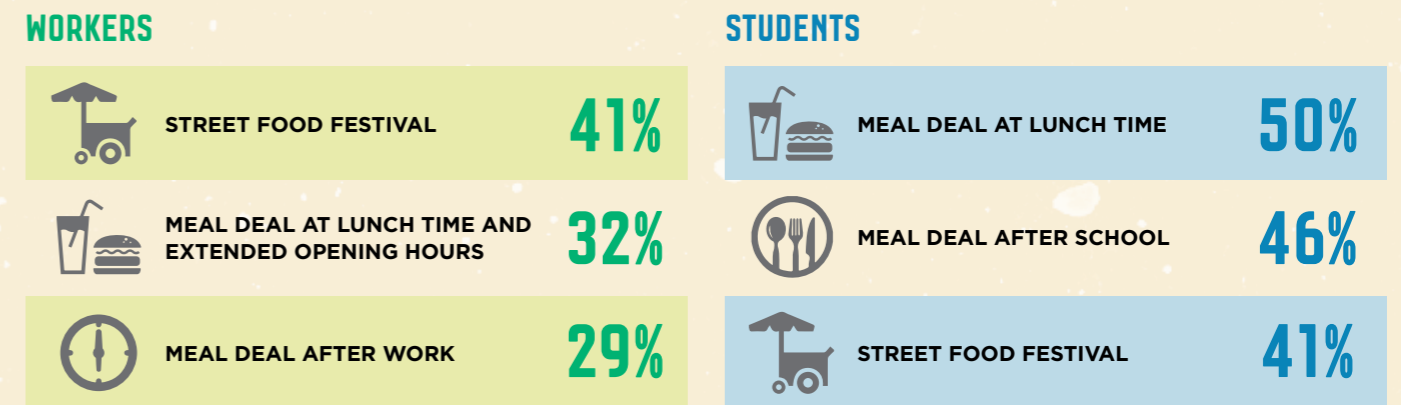
EVENTS IN CENTRAL MELBOURNE ARE OFTEN ATTENDED FOR:



CHALLENGES AND OPPORTUNITIES

Qualitatively, some workers and students reported an element of 'city fatigue' where they feel that they have been in the city many days during the week already, and the journey back to the city on non-work/study days is associated with the mundane frustration of the daily commute. It is therefore key to **make central Melbourne feel different and more exciting outside of business hours** in order to entice people who are in the city regularly for work or study to return during their leisure time.

TOP 3 MOST APPEALING CONCEPTS (% RATED VERY APPEALING)



OPPORTUNITIES FOR RETAIL

REJUVENATION OF SWANSTON STREET
Redevelopment and rejuvenation of Swanston Street (southern end near Flinders Street). Souvenir shops could be replaced with higher quality, unique products made by local designers.

CHILDREN'S SHOPPING PRECINCT
Installation of a children's shopping precinct, with a centralised place to shop for goods for children (while the kids are in tow).

LATE NIGHT TRADING
Implementation of late night trading on earlier nights of the week (Monday to Wednesday).

MORNING TRADING
Greater participation by retailers in early morning trading as currently this seems to be limited to large, low cost retailers.

HOSPITALITY

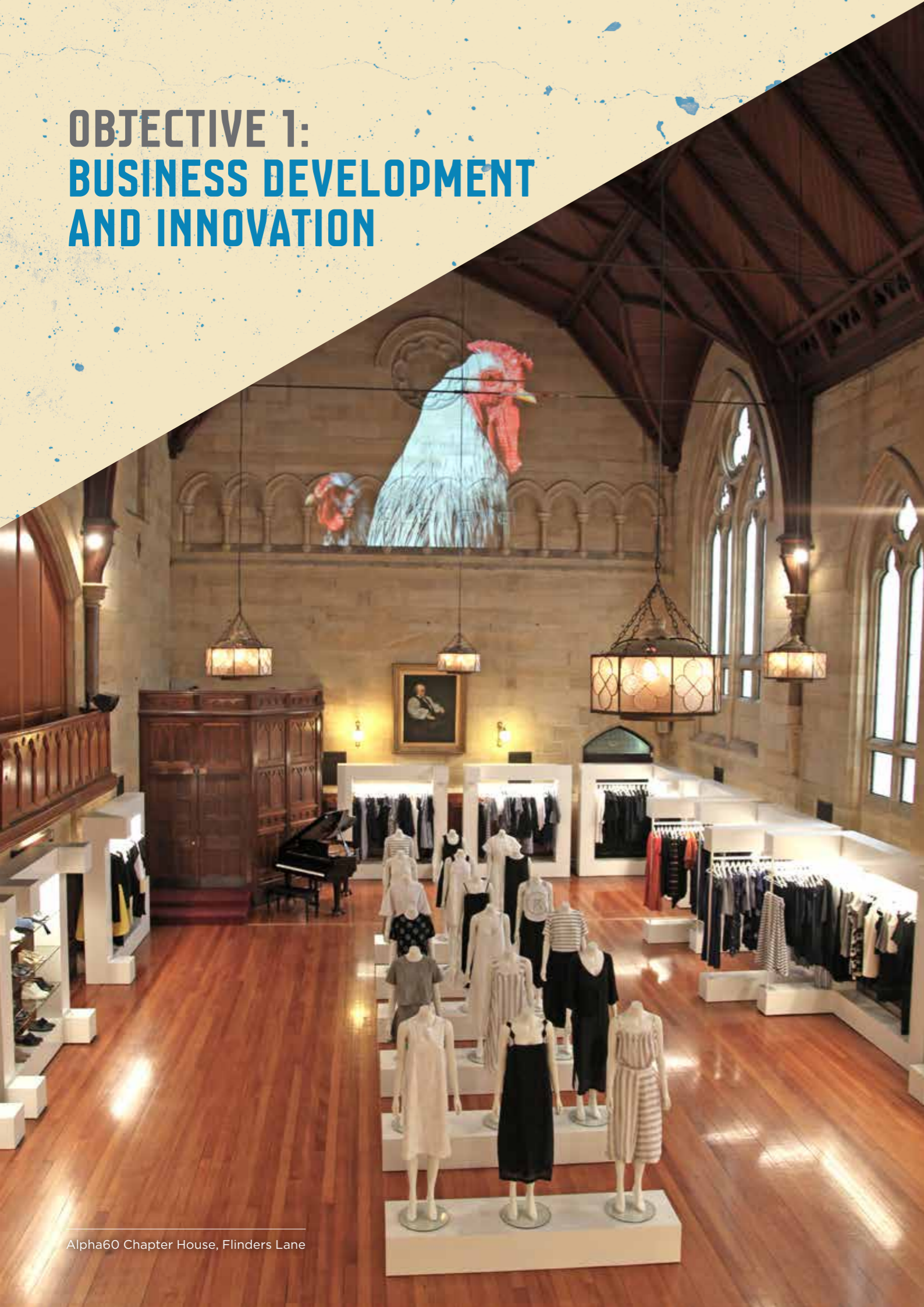
LATE NIGHT TRADING
Late night trading for a larger range of food and drink establishments (past 10pm for dinner and past 1am for drinks).

STUDENT NIGHTS
Implement "student nights" with special offers for students. This would be particularly appealing for students on weeknights when they often socialise (Wednesday or Thursday).

DINING ESTABLISHMENTS WHICH CATER FOR CHILDREN
Greater range of dining establishments which cater for children (offer kids meals, might have a play area for children, are generally more accommodating of children).

OFFER PACKAGES
Offer packages (food or beverage combined with an event ticket) or hospitality 'partners' such as official hospitality venues affiliated with events that offer discounts for ticket holders.

OBJECTIVE 1: BUSINESS DEVELOPMENT AND INNOVATION



Alpha60 Chapter House, Flinders Lane

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 2015-16 we...	Status	Over the next year we will...
Develop and implement an ongoing business engagement program	<ul style="list-style-type: none"> Hosted a breakfast in October 2015 on 'digital readiness' for 140 businesses as part of Melbourne Knowledge Week in partnership with the State Government. Keynote speakers included Minister for Small Business and Innovation Philip Dalidakis; Paul Greenberg, Executive Chair of the National Online Retailers Association; and Annie Abbott of luxury shoe retailer Habbot. Activities focused on digital business solutions and were facilitated by digital educators, Australia Post, Pongolabs and past small business grant recipient, Hike POS. 	✓	<ul style="list-style-type: none"> Continue the success of the Business Breakfast Series, and complement it with dedicated industry group forums. Facilitate dedicated briefings for hallmark premier events to strengthen business engagement and build partnerships.
	<ul style="list-style-type: none"> Engaged more than 180 businesses on Melbourne's future economy at the February 2016 Business Breakfast with big picture thinking, facilitated discussion and ideas on innovation, creativity and entrepreneurship to inform Future Melbourne 2026, the city's plan for the next decade. Keynote speakers included UK trend forecasters The Future Laboratory (see illustration on page 24-25) and Dave Roper, co-founder of Crumpler. 	✓	
	<ul style="list-style-type: none"> Staged briefings together with Vogue Australia to encourage Collins Street luxury retailers to take part in the 2016 Vogue Fashion's Night Out, an event taking place as part of Melbourne Spring Fashion Week. 	✓	

Alpha60 Celebrates a Decade in Fashion

Alpha60, the brainchild of brother-sister design duo Alex and Georgie Cleary, recently celebrated its first decade in fashion. Since its launch in 2005 the Melbourne-based label has flourished, quickly becoming known for its unique, inimitable take on classic styles and cuts. Its designs were even added to the permanent collection in the '200 Years of Australian Fashion' exhibit at the National Gallery of Victoria.

Alpha60's recent opening of the 400 square metre Chapter House as a concept store and exhibition space is an exciting venture that will allow the label to present its unique retail concept as well as explore artistic collaborations and retail technologies.

"The aim of Alpha60 Chapter House is to reinvigorate retail in Melbourne's CBD. It aims to offer a luxury experience with the Alpha60 twist and at Alpha60 prices. The grand space will transform at night to host art, music and dance performances as well as exclusive dinners and surprise events."

- Alex Cleary, Director

CHRIS SANDERSON - the future laboratory



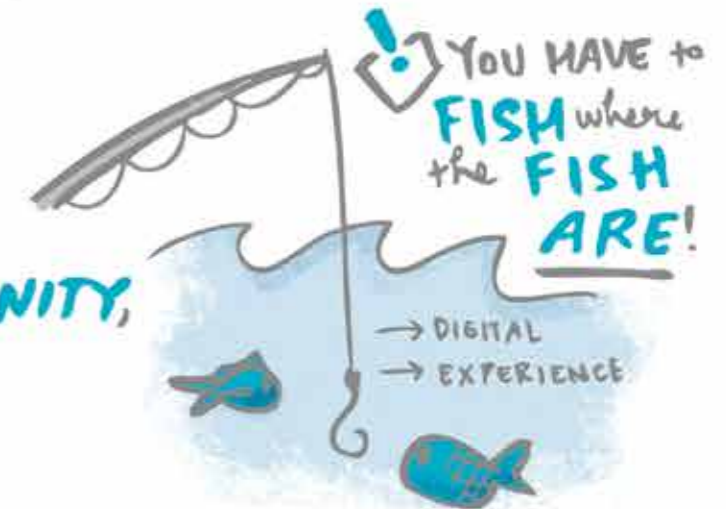
THE fabric of 21st C CITIES...



RETURNING to the ORIGINS of the ROLE of BUSINESS...



TEST & PROTOTYPE... **FAIL FAST!**



You HAVE to FISH where the FISH ARE!

DIGITAL EXPERIENCE

WHAT HAS CHANGED, and WHAT WILL CHANGE? ... CENTRED in COMMUNITY, NOT PROFIT.

THINK & ACT WITH THE mind OF THE CONSUMER!!



KNOW THEM

21st C CONSUMER

"TOTAL RETAIL"

MEGA SYSTEMS

EXPERIENCE ECONOMY

GENERATION 4C

COLLABORATIVE
CREATIVE
CONVERSATIONAL
CRITICAL



THE GOOGLES & AMAZONS

THAT MAKE OUR LIVES EASIER



EXPERIENCES, NOT STUFF

You CAN'T BEAT THEM, BUT DO YOU HAVE to JOIN THEM?



inc. DIGITAL EXPERIENCE.

WIFI IS THE 21st C OXYGEN!

I CAN BUY WHATEVER I WANT, WHENEVER I WANT, HOWEVER I WANT



RETAIL NEED to PROVIDE a REASON to COME to a SHOP, OTHER THAN BUYING STUFF!

"PHYGITAL" TECHNOLOGY PHYSICAL + DIGITAL



BEACON TECHNOLOGY LETS US know WHO OUR CUSTOMERS are, AND CONNECT with them WHEN APPROPRIATE!

✓ Complete → Ongoing

Our 4-year priorities are...

In 2015-16 we...

Status

Over the next year we will...

- Held quarterly precinct meetings, engaging with businesses on how they can benefit from City of Melbourne campaigns, events and initiatives. →
- Funded a number of events staged by precinct associations. This included numerous business-to-business development events, along with consumer-oriented events such as Festival of Steve and multicultural festivals like Lygon Street Festa, Chinese New Year and the Lonsdale Street Greek Festival. →
- Delivered five seasonal event forums, and 17 familiarisation sessions designed to support local businesses by helping City of Melbourne staff and tourism volunteers encourage visitors to do more during their stay in the city. Businesses and precincts involved included Emporium Melbourne, Melbourne Central, Collins Street precinct, the City precinct, Yarra's Edge precinct and Docklands. →

Leverage conference and event delegate market spend

- Won a significant number of international conferences for Melbourne in partnership with Melbourne Convention Bureau, including Perfect China 2017, International Dragon Awards 2017, Congress of the World Union of Wholesale Markets 2017 and Vidcon 2017. →
- Held a function for existing and potential Club Melbourne Ambassadors and strategically significant organisations, resulting in at least one significant conference (with an economic impact exceeding \$11.8 million) being awarded to Melbourne. ✓
- Sponsored the 2016 Asia-Pacific Incentives and Meetings Expo (AIME). ✓
- Supported a range of international conferences by providing tourism information to delegates and exhibitors through the City of Melbourne Welcome Desk. →
- Jointly with Melbourne Convention Bureau, hosted a site visit by representatives of the International Dragon Awards, providing them with a unique Melbourne experience - a bespoke walk through Melbourne's retail centres. The organisation's international conference will be hosted in Melbourne in July 2017, with over 4500 delegates expected to attend. ✓
- Partnered with Creative Victoria to co-host a delegation representing the Hong Kong Business of Design Week, Asia's leading annual event focusing on design, innovation and brands. ✓

- Identify retail and hospitality opportunities for 2017 conference delegates.
- Continue to develop conference bids in partnership with Melbourne Convention Bureau.
- Sponsor the 25th year of AIME in 2017.
- Work with the Melbourne Convention and Exhibition Centre during its expansion to promote Melbourne as a business event destination.
- Support City of Melbourne business event delegates with information about the city's retail and hospitality offerings.



Chinese New Year, Southbank

✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 we...	Status	Over the next year we will...
<p>Develop new ways to include retail and hospitality components in City of Melbourne and other city events</p> <p>Melbourne Food & Wine Festival 2016</p> <p>March 4-13 saw hundreds of thousands of visitors flock from across the globe to celebrate the 24th year of the Melbourne Food & Wine Festival. For the opening weekend, around 120,000 people visited the banks of the Yarra for the festival's River Graze – an event that brought together 110 wineries from across Victoria.</p> <p>The Prosecco Road Leads to Southgate event brought over 6000 festivalgoers to the riverside dining district, with 1500 bottles of prosecco poured. Crown's AVPN Pizza Festival cooked up more than 4000 pizzas. All up, there was a 27 per cent increase in attendance across the festival's signature events compared to the previous year.</p>	<ul style="list-style-type: none"> Delivered new retail experiences as part of Melbourne Spring Fashion Week's 2015 program, including a Shop the City weekend and the Vogue Fashion's Night Out shopping event, incorporating over 400 retailers. The impact was just over \$8 million, an increase of 100 per cent on the previous year, with the average spend per person up 65 per cent to \$363. 	✓	<ul style="list-style-type: none"> Build on the partnership with Vogue for the next iteration of Vogue Fashion's Night Out, and expand retailer participation in the event.
	<ul style="list-style-type: none"> Presented the Music Strategy 2014-17 at the City Retail Centre Management Forum, leading to the creation of multiple music programs including Collins Square Music Mondays, and the Her Sound, Her Story exhibition and opening night gig at Melbourne Music Week 2016. 	→	<ul style="list-style-type: none"> Continue to engage with retail and hospitality, encouraging them to play Melbourne music in-store, and finding opportunities to include music activities in their programming, events and spaces.
	<ul style="list-style-type: none"> Supported the set up of 1000 £ Bend as the Melbourne Knowledge Week 2016 Festival Hub, featuring an innovation area, pop-up co-working, interactive activations, virtual reality lounge, workshops, talks and networking. 	✓	<ul style="list-style-type: none"> Deliver three keynote events to increase the profile, visitation and economic impact in Docklands.
	<ul style="list-style-type: none"> Assisted in developing a new strategic direction for Docklands, developed and endorsed by Council at the conclusion of the Destination Docklands Limited funding agreement in June 2016. 	→	<ul style="list-style-type: none"> Continue to support initiatives that help attract attendees to Melbourne's arts events, and seek new opportunities to connect the arts with businesses.
	<ul style="list-style-type: none"> Supported major events through our Triennial Sponsorship Program and Events Partnership Program, including: <ul style="list-style-type: none"> » AFL Grand Final Week and Centre Square » White Night Melbourne » Formula 1 Australian Grand Prix » Australian Open » Melbourne Fashion Festival » Melbourne Food and Wine Festival » Night Noodle Markets » Chinese New Year 	✓	
	<ul style="list-style-type: none"> Supported initiatives (through City of Melbourne's triennial arts grant program) at some of Melbourne's premier festivals that gave attendees discounts on food, wine and car parking. Participants included the Melbourne Symphony Orchestra, Melbourne International Film Festival, Melbourne Queer Film Festival, Melbourne Festival, Melbourne International Comedy Festival and the Australian Centre for Contemporary Art. 	→	

✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 we...	Status	Over the next year we will...
<p>Promote best practice customer service and integration of technology into the City of Melbourne's retail and hospitality offering</p>	<ul style="list-style-type: none"> Implemented the Instagram channel @thatsmelbourne and strategically re-posted people's experiences in Melbourne to grow the channel to over 16,000 followers. 	→	<ul style="list-style-type: none"> Review and update the What's On website to improve its customer focus, firming up its status as the City of Melbourne leisure information hub.
	<ul style="list-style-type: none"> Promoted the #melbmoment hashtag with a campaign encouraging people to post their Melbourne experiences. The hashtag was ultimately used more than 10,000 times. 	→	<ul style="list-style-type: none"> Rename the That's Melbourne social media channels to align them with the What's On website.
	<ul style="list-style-type: none"> Promoted business offerings on the What's On website using a new #inmelbcity hashtag, and communicated the existence of the hashtag to local businesses. 	✓	<ul style="list-style-type: none"> Continue to encourage people to share their Melbourne moments using the #melbmoment hashtag, while creating interesting content to draw people to Melbourne.
	<ul style="list-style-type: none"> Grew the That's Melbourne Facebook audience by 49,000 (a 25.7 per cent increase), and increased the Twitter audience by over 62,000 (a 60.2 per cent increase). 	✓	<ul style="list-style-type: none"> Continue to promote the #melbmoment hashtag year-round, and recruit a 'city reporter' to promote Melbourne experiences for the 2017 summer campaign.
	<ul style="list-style-type: none"> Conducted research on the effect of the 2015 Christmas and 2016 winter campaigns, and found that almost all participating businesses said they would take part again (82 per cent for Christmas 2015, 92 per cent for winter 2016), and that the winter campaign increased sales by 30 per cent. Customer research showed 75 per cent of people who read the Christmas gift and event guide took action as a result. 	→	<ul style="list-style-type: none"> Improve the integration of social media into the What's On website. Work with the Docklands Chamber of Commerce to support the Docklands precinct through marketing and events.
	<ul style="list-style-type: none"> Introduced the new online management tool Smarty Grants (previously used for the Small Business Grants program) to provide a simpler and more efficient process for businesses to submit expressions of interest for campaigns. 	✓	<ul style="list-style-type: none"> Continue to promote and educate City of Melbourne digital marketing opportunities to business through the precinct associations and business events.
<ul style="list-style-type: none"> Presented digital marketing and social media advice to various precinct associations, including Docklands, North and West Melbourne and Collins Street Precinct Group. 	→	<ul style="list-style-type: none"> Consider new channels to engage city workers. 	

The Makers of Melbourne

Makers across Melbourne have a new staging ground to showcase their business, with the introduction of the digital platform makers.melbourne. A hub for makers to promote their products, connect with suppliers, locate customers and contribute to research, the site aims to nurture local creatives and draw them into the Melbourne economy.

This pilot project was launched as part of the Inner Melbourne Action Plan by five city councils – Melbourne, Port Phillip, Stonnington, Yarra and Maribyrnong – along with the University of Melbourne, Moreland City Council and the Victorian Government.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 we...	Status	Over the next year we will...
Collaborate with businesses on new wi-fi hotspots in the retail core and communicate benefits to businesses	<ul style="list-style-type: none"> Continued our involvement in deploying the free wi-fi pilot in partnership with the Victorian Government. 	→	<ul style="list-style-type: none"> Continue to work on free wi-fi deployment.
Administer the small business grants and business event sponsorships program	<ul style="list-style-type: none"> Funded 15 small businesses with over \$260,000 in grants in total, including Bastion Cycles, which aims to build and retail the world's first 3D-printed high-performance road bike; online millinery retailer The Eternal Headonist's virtual fitting room; a sustainable CBD bike courier hub; and corn miller El Cielo, who plans to produce fresh, gluten-free tortillas in the heart of Melbourne. This round of grants is anticipated to generate 97 new jobs, \$9.6 million in gross turnover and \$1 million in equity investment. Administered one round of our business event sponsorship program, with \$111,500 in sponsorship allocated to 28 business events in 2016-17, including Future Assembly, One Health Eco Health, Screen Forever and the 15th World Congress on Public Health. Advanced City of Melbourne marketing channels by embedding their promotion in our sponsorship agreements, and publicised local retail and hospitality by distributing Melbourne shopping and dining maps to selected conferences. Supported the Pitch for Good crowd-funding event in July 2015. Participants included the Community Grocer - a social enterprise that aims to stage weekly fruit and vegetable markets across Melbourne, to improve access to fresh, affordable food for people in public and social housing. Recent grant recipients include social enterprise cafes STREAT, Ways & Means, Kinfolk and KereKere. 	<p>✓</p> <p>→</p> <p>→</p> <p>✓</p>	<ul style="list-style-type: none"> Continue to help businesses start, grow and prosper through the Small Business Grant program. Promote and support business development opportunities for grant recipients, through events, marketing, strategic collaborations and partnerships. Continue to implement the business event sponsorship program in 2017-18. Introduce support to better serve the social enterprise sector in Melbourne.

eBay and Myer Collaborate on Virtual Reality Store

From an innovative collaboration between eBay and Myer comes the world's first virtual reality department store - and a tantalising glimpse at the future of retailing. Customers can browse Myer's range of over 12,000 products on eBay, within a virtual environment viewed through a virtual reality headset.



St. Jerome's rooftop hotel

✓ Complete → Ongoing * Reprioritised

Our 4-year priorities are...	In 2015-16 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"> Discontinued the Melbourne Retail and Hospitality Advisory Board in October 2015, with the support of board members and Council. 	*	<ul style="list-style-type: none"> Meet the changing needs of business and Council by engaging with the sector through partnerships and collaborations on strategic projects.
Identify new retail and hospitality offers for people who work, live and study in the city	<ul style="list-style-type: none"> Completed the 2016 update of the retail and hospitality expenditure research, following on from the 2014 benchmark research. (See pages 18-21 for key findings.) Supported the retail-led Shop the City, a collaborative shopping event in the CBD that runs three times a year promoting extended trading hours from 10am to 10pm, encompassing 1000 shops across three city blocks. Over 400,000 people attended in November 2015. Commissioned Moth Design to deliver a series of activities as part of Melbourne Spring Fashion Week, designed to enliven the local retail and hospitality businesses in different neighbourhoods of Melbourne. Areas activated included Russell Place, Flinders Lane, North Melbourne and Carlton. 	→ → ✓	<ul style="list-style-type: none"> Share data and insights with business and inform City of Melbourne marketing campaigns and event programs to leverage findings from the study.

Free Films Draw City Punters

Melburnians have embraced QV Outdoor Cinema – a ‘silent’ cinema with wireless headphones for each viewer. Its December-to-February event program contributed increases of 23.4 per cent in foot traffic and 8.8 per cent sales for the retail centre.



✓ Complete → Ongoing

Our 4-year priorities are...

Promote industry innovation, celebrate success stories, reward success and support retention of industry leaders

In 2015-16 we...

- Gave financial support to the Victorian Tourism Awards 2015 and the Australian Tourism Awards, both of which were held in Melbourne. ✓
- Hosted the annual Melbourne Women in Business Lunch, which this year was themed around 'Creating your personal brand' and featured a keynote from Megan Quinn, co-founder of Q&CO and Net-A-Porter. ✓
- Delivered the 2015 Lord Mayor's Commendation Awards, which recognised 33 Melbourne-based retail and hospitality businesses. Recipients included The Waiters Restaurant, Modak Motorcycles, Indigo, University Cafe, Minotaur, Basement Records, Meyers Place, Drums Cafe, Jasper Junior and Ewan Tremellan Jewellery. ✓
- Delivered the 2016 Governor of Victoria Export Awards, which included more than 50 of the state's exporters from a range of industries, including retail-associated businesses. →
- Delivered the Premier's Design Awards, celebrating the best in local design. →
- Supported the 2016 Victorian Tourism Awards, which includes categories for hospitality businesses. →
- Conducted a survey of 400 high-growth-orientated businesses in food, retail apparel, cosmetics and complementary medicines to better understand how Victorian businesses can make use of e-commerce opportunities. ✓
- Provided financial support to Melbourne Spring Fashion Week, the Melbourne Fashion Festival and the Melbourne Food and Wine Festival. ✓
- Provided support to the Retail Technology Expo and the National Online Retail Association Conference. ✓
- Supported the Small Business Festival in August 2015, which featured more than 350 free or low-cost events providing information and support for small business owners, managers and aspiring business developers across Melbourne and Victoria. ✓

Status

Over the next year we will...

- Support the Victorian Tourism Awards 2016, an event that includes awards recognising hospitality businesses making positive contributions to the visitor economy.
- Partner with York Butter Factory to establish Melbourne's first retail technology community that will help create collaboration between investors, small businesses, policy makers, start-ups, academics and corporates.

Patricia Coffee Brewers Named the Best Coffee in Australia

According to a Yelp survey, Patricia Coffee Brewers serves the best coffee in Australia. The popular standing-room-only cafe on the corner of Little Bourke and Little William streets received the highest number of good reviews on Yelp, a website that doubles as a business directory and a user review site.



Patricia Coffee Brewers, corner Little Bourke and Little William streets

OBJECTIVE 2: POSITIONING AND ACTIVATION



Christmas Festival, Bourke Street Mall

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 2015-16 we...	Status	Over the next year we will...
Encourage businesses to participate in City of Melbourne and other marketing campaigns	<ul style="list-style-type: none"> Promoted opportunities for businesses to take part in our seasonal marketing campaigns using online and direct business communications, along with forums such as the Business Breakfasts, the City Retail Centre Management Forums and precinct meetings. 	→	<ul style="list-style-type: none"> Work towards achieving this priority as part of our regular business. Support existing precinct associations to apply for funding in 2016-17. Consider feedback from a survey done with Melbourne Convention Bureau delegates to decide on the future of the shopping map.
	<ul style="list-style-type: none"> Continued to work with the precinct association groups and individual associations to support their initiatives, and to encourage the precincts to make use of City of Melbourne opportunities. 	→	
	<ul style="list-style-type: none"> Produced a new shopping map for business and conference delegates, with 5000 copies to be distributed in the second half of 2016. 	✓	
	<ul style="list-style-type: none"> Promoted multiple precinct trader association initiatives, including Festival of Steve, Collins Street Christmas Windows, City Precinct Christmas Shopping Night, Spring Fling and the Chinatown Night Market. 	✓	
	<ul style="list-style-type: none"> Provided up to \$500,000 financial support to eight precinct associations located in the City of Melbourne, who represent individual traders and independent small businesses within the municipality. 	→	

CBD Retailers Unite

The 2015 Christmas Shop the City campaign was a great success. Foot traffic in the city's core retail areas was up 14 per cent compared to the previous Tuesdays in November – a tribute to the wide-reaching promotion of the event and collaboration among the city's major retailers.

The Nicholas Building, along with nearby laneway retailers, took part in a special Christmas shopping night event on 10 December 2015, with retailers and studios staying open until 9pm. This was one part of a larger city precinct event that also encompassed Flinders Quarter, Hardware Lane, Russell Place and Bourke Hill.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 we...	Status	Over the next year we will...
Support the retail and hospitality offer across the municipality	<ul style="list-style-type: none"> Held a networking evening at the Melbourne Visitor Centre to help accommodation providers learn how to find information for their guests, particularly in regard to retail and hospitality. 	✓	<ul style="list-style-type: none"> Work towards achieving this priority as part of our regular business.
	<ul style="list-style-type: none"> Partnered with Emporium Melbourne on the Little Bourke Street Runway, the result of an ongoing collaboration between Emporium Melbourne and Melbourne Spring Fashion Week. The event included experiences like a 1920's Whiskey & Whiskers, incorporating men's trimming, whiskey tasting and shoe shining; a fashion 'photoball' pit; a beauty bar; and an untamed garden photobooth. The event garnered a 13 per cent increase in attendance on the previous year. 	✓	
	<ul style="list-style-type: none"> Supported the launch of Melbourne Central Art Loop, an immersive art experience inside Melbourne Central, which forms part of the \$5 million transformation of Melbourne public spaces designed by architects Kennedy Nolan. 	✓	
	<ul style="list-style-type: none"> Promoted and supported a series of key events at Queen Victoria Market, including the Winter and Summer Night Markets, and multicultural events such as Chinese New Year. 	→	

Emporium Partners with NGV for 200 Years of Australian Fashion

This year, Emporium Melbourne partnered with the National Gallery of Victoria for their 200 years of Australian Fashion exhibition, creating a new and engaging way for Melbourne's fashion epicentre to showcase its designer brands to a whole new audience. The exhibition even featured some of Emporium's high-profile retailers, including Dion Lee, Scanlan Theodore and Leona Edmiston.

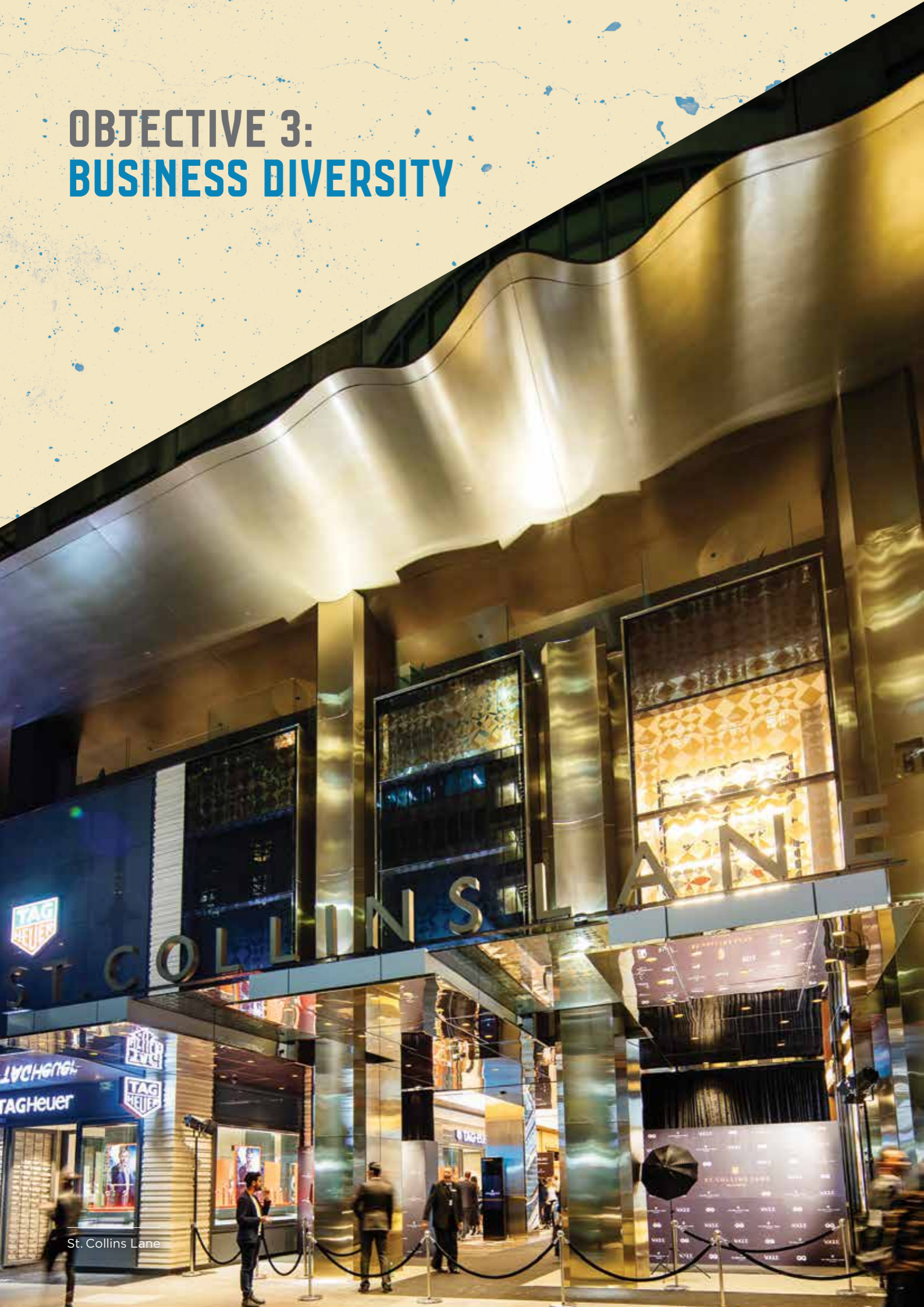
✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 we...	Status	Over the next year we will...
Promote Melbourne as a pre-eminent investment attraction	<ul style="list-style-type: none"> Pledged almost \$40 million dollars to the Jobs Victoria Employment Network (JVEN) to help over 4200 disadvantaged Victorians into sustainable work, by funding 38 employment providers to deliver support for people looking for work and employers looking for workers. Began planning on a ministerial event for 2017 to celebrate retail employers who have taken on disadvantaged jobseekers, as well as successful jobseekers who have found employment through the JVEN program. Facilitated a number of projects through the Department of Economic Development, Jobs, Transport and Resources, including: <ul style="list-style-type: none"> » David Jones relocating its headquarters from Sydney to Melbourne » The Coles Group expansion plan » The launch of the first Australian MRP clothing store » The opening of the first Melbourne Sephora store. 	→	<ul style="list-style-type: none"> Support JVEN initiatives related to retail employment and investment Launch the planned ministerial event. Support the expansion and relaunch of MUJI, Australia's flagship Melbourne Emporium store, in late 2016. Support Burberry's flagship store opening at Emirates House on Collins Street. Support the UK department store Debenhams in opening its first Australian store, in St. Collins Lane. Continue to work with overseas offices to promote new retail and hospitality opportunities.
	<ul style="list-style-type: none"> Released the Melbourne Retail and Hospitality Strategy Year 2 Report 2014-15 in April 2016. The launch was jointly announced by the Honourable Jacinta Allan, Minister for Employment and Public Transport, together with the Lord Mayor. The launch and report received extensive media coverage across TV (Channel 9), print (<i>Herald Sun</i>, <i>The Age</i>, <i>CBD News</i>, <i>The West Australian</i>), radio (3AW, Gold FM) and online (Yahoo! 7 Finance, AAP). 	✓	
Promote this strategy and its associated achievements through a robust marketing communication plan, and report annually			<ul style="list-style-type: none"> Produce and launch the Melbourne Retail and Hospitality Strategy Year 3 Report 2016-17.

Global Exposure for Local Heroes

Melbourne luxury accessories brand A-ESQUE recently caught the eye of global lifestyle magazine Monocle, who featured the local business in a film profiling luxury brands around the world, celebrating the A-ESQUE ethos of design, detail, and the joy in the process of making. A-ESQUE has recently expanded domestically with concessions in David Jones and internationally with Asian retail giant Lane Crawford.

OBJECTIVE 3: BUSINESS DIVERSITY



St. Collins Lane

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

✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 we...	Status	Over the next year we will...
<p>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</p>	<ul style="list-style-type: none"> Delivered a variety of new street activities throughout the year through the seasonal street trading program. Created a new food truck policy that designates 17 food truck sites in the city, including both rotational pop-up sites and long-term sites, to be operational by March 2017. <p>Healthy food options, high quality presentation, and a commitment to sustainable practices are key selection criteria, which align to the strategy's sustainability objective and supports City of Melbourne's food policy.</p> <p>The approved sites are at St Kilda Road (NGV and Arts Centre), Peel Street (Queen Victoria Market), Les Erdi Plaza, Rebecca Walk, the underpass on the corner of Spencer and Flinders streets, and adjacent to Flinders Street and the Yarra River.</p>	<p>→</p> <p>→</p> <p>→</p>	<ul style="list-style-type: none"> Take expressions of interest to operate at these food truck locations under the new policy, ensuring the 17 sites are operational by March 2017. Consider opportunities to connect short term trading opportunities with selected, local innovative businesses.
	<ul style="list-style-type: none"> Supported Melbourne Central in creating a program of pop-up shops and activations, showcasing new and unique retailers. 	<p>→</p>	

Opening of St. Collins Lane

Melbourne's newest premium shopping centre launched in style in May 2016, with an opening that featured tantalising previews of its upcoming store collections. Situated on the site of the former Australia on Collins, the premium retail space has already attracted six international brand flagship stores, all opening in Australia for the first time: Sandro Paris, Maje, Reiss, L'Agent, Zadig & Voltaire and The Kooples. The Kooples has since launched a dedicated Australian e-commerce website for its growing customer base.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 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"> Concluded the Docklands Spaces agreement, which finished in June 2016. 	✓	<ul style="list-style-type: none"> Consider partnering with Places Victoria and the Docklands Chamber of Commerce to continue supporting retail businesses in the Docklands area.
Inform and support retail planning and development in new growth and urban renewal areas	<ul style="list-style-type: none"> Continued the Queen Victoria Market Precinct Renewal Master Plan, preparing a planning scheme amendment for the precinct, conducting a tender for the site development and creating an implementation framework to guide renewal to improve the trader, customer and community experience. 	→	<ul style="list-style-type: none"> Continue implementing the Queen Victoria Market Precinct Renewal Master Plan. Provide support to Queen Victoria Market on the World Union of Wholesale Markets conference, to be held in Melbourne in October 2017.
Promote new retail and hospitality developments	<ul style="list-style-type: none"> Supported the development of St. Collins Lane, a new shopping destination for luxury international and local brands located on the former Australia On Collins site. The new centre houses luxury brands Furla, Zadig & Voltaire, The Kooples and REISS, along with flagship stores for TAG Heuer and Coach, and the first Australian stores for Paris fashion brands Sandro Paris and Maje. Promoted the St. Collins Lane's pre-launch pop-up at Federation Square, and publicised its official opening in May 2016 across the City of Melbourne marketing channels. 	<p>✓</p> <p>✓</p>	<ul style="list-style-type: none"> Continue to engage St. Collins Lane, its retailers, and other new retail and hospitality businesses more broadly to participate in City of Melbourne marketing, events and business development opportunities.

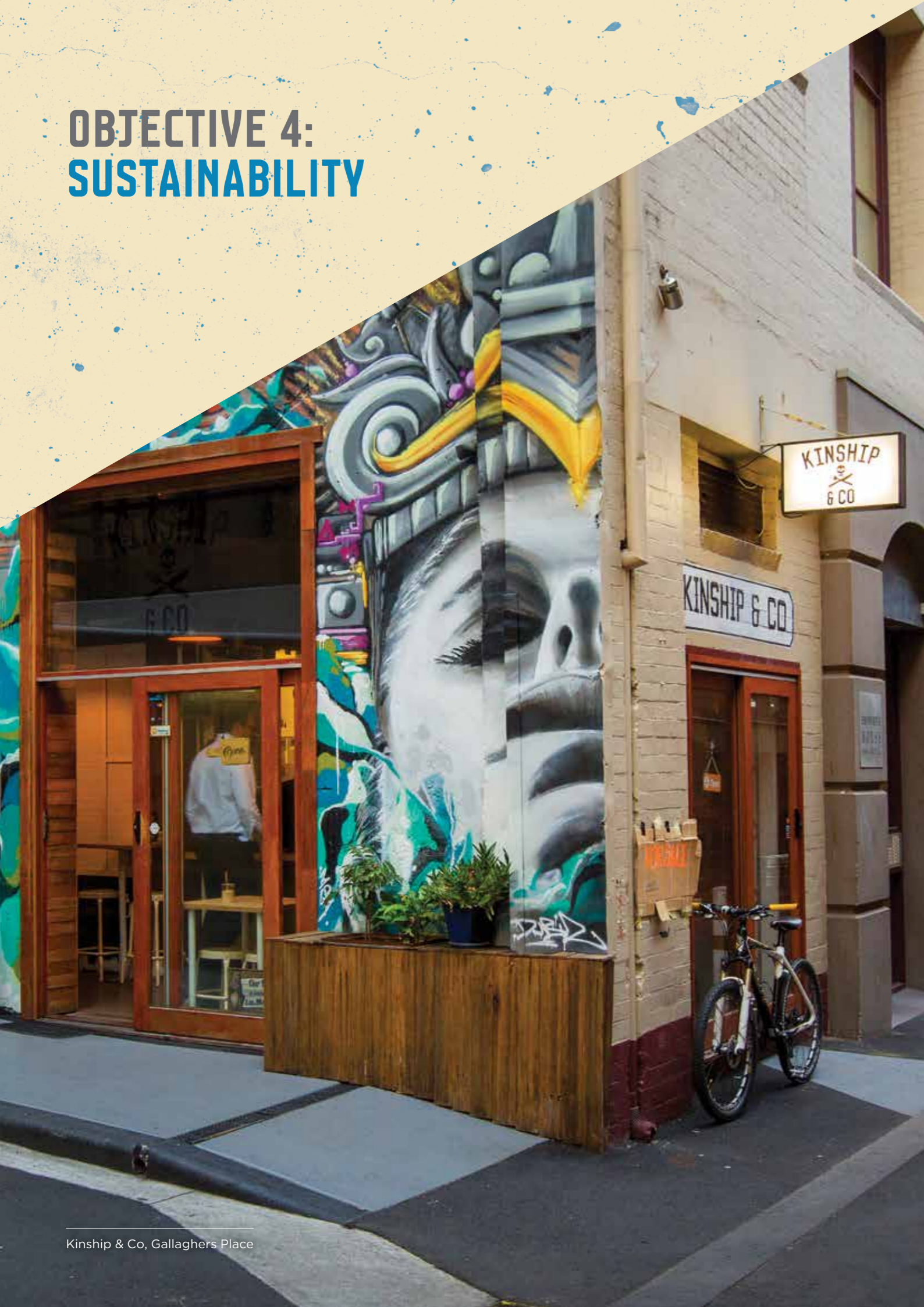
My Market Kitchen

My Market Kitchen has been steadily filming 90 episodes onsite at the Queen Victoria Market. Hosted by Emma Dean and Lynton Tapp, and produced by Creative Media, the show began screening on Channel 10 at 3.30pm weekdays from late August 2016. A hybrid shopping and cooking show, it highlights the market's traders, produce and atmosphere while providing cooking tips and recipes for everyday family needs.



Queen Victoria Market

OBJECTIVE 4: SUSTAINABILITY



Kinship & Co, Gallaghers Place

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 2015-16 we...	Status	Over the next year we will...
Increase sustainable procurement, amenity of waste collection and resource recovery	<ul style="list-style-type: none"> Continued to support the GreenMoney rewards program, which increased its business reward partners from 70 to 88, and directly created \$198,670 in local business revenue with 5,560 vouchers redeemed – an average of 42 per week. Completed the Love Your Laneway program 2015-16, an initiative that helped 103 hospitality businesses improve their laneways. Three small grants of \$5000 yielded results that included: <ul style="list-style-type: none"> » Two large-scale murals added to the Gallaghers Place hospitality precinct » A mural and lighting installation added to Mill Place » A mural installed in Degraeves Place » Lighting and landscape improvements in Brown Alley 	→	<ul style="list-style-type: none"> Continue to expand the number of GreenMoney business reward partners, and broaden the program to include city workers. Work with businesses in Mornane Place, Heape Court, Staughton Alley and Brown Alley to make improvements to their laneways. Seek marketing and event opportunities to support businesses that champion sustainability. Support the development of a 'Green Our City' Action Plan to facilitate rapid increases in green roofs, walls, laneways and streets in Melbourne.
Support energy efficient practice and a switch to sustainable energy sources	<ul style="list-style-type: none"> Continued to support the CitySwitch program, which developed a suite of resources to help commercial office-based businesses enter the renewable energy market, including an e-book developed by sustainability media partners The Fifth Estate. Offices taking part in CitySwitch increased from 125 to 150. Undertook research on improving the integration of the 1200 Buildings, CitySwitch and Rooftop Solar programs. The research also looked at new ways to communicate with difficult-to-engage mid-tier office building owners. 	✓	<ul style="list-style-type: none"> Investigate opportunities to work with the electricity retailing sector on cost-effective ways to reduce carbon emissions for small energy users. Pilot a new approach to engaging with mid-tier office building owners about improving building energy performance.
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"> Produced the Tinker, Tailor, Cook & Maker event as part of the Sustainable Living Festival, which hosted stalls of businesses and not-for-profits oriented toward upcycling, recycling, sustainability and social good. Highlighted ethical and sustainable city retailers in the 2015 Christmas city marketing campaign with a feature page in the Gift and Event guide, and online promotion through the What's On website. Supported the Green Your Laneway program, which encouraged city residents, building owners and businesses to nominate their favourite laneways to 'go green'. Over 800 participants helped nominate the four pilot laneways: Katherine Place, Meyers Place, Guildford Lane and Coromandel Place. 	✓	<ul style="list-style-type: none"> Collect feedback on the Green Your Laneway concept plans and develop a final design, with construction to begin early 2017. Melbourne has been chosen as the host city for the 2017 EcoCity World Summit, presenting City of Melbourne with a unique opportunity to showcase how operators within the retail and hospitality sectors incorporate sustainability and resilience within their business practices.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2015-16 we...	Status	Over the next year we will...
Provide Victorian Government assistance to businesses to help reduce waste and environmental impacts	<ul style="list-style-type: none"> 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. 	→	<ul style="list-style-type: none"> Work towards achieving this priority as part of our regular business.
Develop options for improving freight efficiency in the central city	<ul style="list-style-type: none"> Finalised the Last Kilometre Freight Plan, which was developed to foster innovation around how freight can efficiently make its way into the heart of Melbourne with a minimum of impact on the city's culture and safety. The plan was endorsed by Council in June 2016. Awarded Cargone Couriers a small business grant to provide last kilometre freight services to local businesses. 	✓	<ul style="list-style-type: none"> Continue to work with our internal and external partners to implement the Last Kilometre Freight Plan.
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"> Continued to support the Local Food Launchpad, holding a reflection night on the project's progress and learnings, to better guide the future development of the program. Contributed to the Sustainable Living Festival with Grow Show, a demonstration of small-space gardening. Worked in conjunction with The Good Foundation to deliver Jamie Oliver's Ministry of Food Mobile Kitchen program, which teaches healthy cooking to youths, the disadvantaged and those at risk of chronic disease. There were 598 participants during the program's run from 13 July to 20 September 2015. 	✓	<ul style="list-style-type: none"> Review and implement further Local Food Launchpad workshops. Implement the Town Hall Veggie Patch as part of Sustainable Living Festival 2017. Continue to work with Jamie Oliver's Ministry of Food on its 2017 campaign.

Where does your coffee come from?

Melbourne based boutique coffee roaster and retailer, Market Lane Coffee opened its Collins Street café in early 2016. Their mission is to make good coffee accessible and exciting, simple to understand and appreciate, and easy to brew and enjoy. They're dedicated to high quality coffee, sourcing beans from some of the best coffee producers in the world and sharing their stories with customers.



Market Lane Coffee, Collins Street
(credits: photographer Armelle Habib; architect Hearth Studio)

Acknowledgment: The City of Melbourne and the Victorian Government thank our retail and hospitality businesses for their passion, innovation, dedication and contribution to Melbourne's prosperity.



Queen Victoria Market's new pavilion, expected to open late 2017. Artist impression by Breathe Architecture.

