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 cafes, 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
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, Gerwürzhaus
Health 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

- **450,300** total employment
- **870,000** weekday population
- **39,800** residential student population
- **18,932** total businesses
- **128,980** residential population
- **1.6 million** international overnight visitors (9.3% year-on-year)
- **4.3 million** domestic overnight visitors (3.2% year-on-year)
- **5.4 million** domestic daytrip visitors (2.5% year-on-year)
- **1.6 million** international overnight visitors (9.3% year-on-year)

MELBOURNE CBD RETAIL MARKET INDICATORS

- **Retail Vacancy Rate 2.4% (Melbourne CBD Core)**
  - The lowest in five years, fuelled by growth in CBD-based employment and residential population.
  - Source: Knight Frank, July 2016

- **Development Activity**
  - 36,274m² of retail space under construction.
  - 851 hotel rooms under construction in the City of Melbourne.
  - 4068 hotel rooms in town planning approval.
  - Source: City of Melbourne Development Activity Monitor, May 2016

- **Retail Rents**
  - Rental super prime (street frontage on Bourke St Mall)
    - $9000–$11,000 per m²
  - Rental prime (street frontage)
    - $1000–$4000 per m²
  - Source: Savills, Q3/2016

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.
- Department of Education, Employment and Workplace Relations and National Centre for Vocational Education Research.
- International and National Visitor Surveys, June 2016, Tourism Research Australia.
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
- 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 Commandations
- 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

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

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

**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
- Sustainable Living Festival
- Social Enterprise PopUp (Thinker 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

**Photo credit:** Theresa Harrison

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2015-16 HIGHLIGHTS

Readings bookstore, Lygon Street, Carlton
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 2015 to 2016, 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, Raizz, 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.

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.

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.

Open up your night, Princes Bridge
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.

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 Melbourne 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.
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 Fest 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 extend its reach, with the November 2015 event attracting more than 400,000 people. The extended shopping hours helped extend its success, with the November 2015 event attracting more than 400,000 people.
- 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, Coromandel Place.

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.
- The Docklands Spaces wraps up.

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, 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.
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**

- **CITY WORKERS**
  - $4.12 Billion
  - $1.03 Billion annual expenditure inside the city of Melbourne
  - $3.08 Billion annual expenditure outside the city of Melbourne

- **STUDENTS**
  - $1.17 Billion
  - $1.99 Billion annual expenditure inside the city of Melbourne
  - $1.08 Billion annual expenditure outside the city of Melbourne

- **RESIDENTS**
  - $1.34 Billion
  - $2.61 Billion annual expenditure inside the city of Melbourne
  - $3.03 Billion annual expenditure outside the city of Melbourne

**Annual Expenditure from 2013 to 2015**

- **CITY WORKERS**
  - 2013: $1.03 Billion
  - 2014: $1.14 Billion
  - 2015: $1.17 Billion

- **STUDENTS**
  - 2013: $510 Million
  - 2014: $548 Million
  - 2015: $600 Million

- **RESIDENTS**
  - 2013: $1.12 Billion
  - 2014: $1.21 Billion
  - 2015: $1.34 Billion

**Changes since 2014**

- **Retail**
  - Workers shop before work: 4% from 3% in 2014
  - Workers shop during lunch time: 20% from 58% in 2014
  - Workers shop after work: 13% from 31% in 2014

- **Hospitality**
  - Workers buy their lunch at least once a fortnight: 10% from 85% in 2014
  - Workers now spend $15-$20 for lunch: 16% from 6% in 2014

**Consistent since 2014**

- 8 in 10 workers and students would shop in Central Melbourne on work/study days if there was an appealing retail sale or offer.
- Will travel up to 3 blocks to buy lunch.

**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.

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 $988 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.

1 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.

- Word of mouth / friends or family
- Facebook
- Outdoor or in-store advertising

FOR RETAIL OFFERINGS

<table>
<thead>
<tr>
<th></th>
<th>Workers</th>
<th>Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Word of mouth</td>
<td>71%</td>
<td>75%</td>
</tr>
<tr>
<td>Facebook</td>
<td>37%</td>
<td>65%</td>
</tr>
<tr>
<td>Outdoor</td>
<td>27%</td>
<td>35%</td>
</tr>
</tbody>
</table>

FOR HOSPITALITY OFFERINGS

<table>
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<tr>
<th></th>
<th>Workers</th>
<th>Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Word of mouth</td>
<td>70%</td>
<td>70%</td>
</tr>
<tr>
<td>Facebook</td>
<td>34%</td>
<td>62%</td>
</tr>
<tr>
<td>Outdoor</td>
<td>21%</td>
<td>23%</td>
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FOR EVENTS

<table>
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<tr>
<th></th>
<th>Workers</th>
<th>Students</th>
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<tr>
<td>Word of mouth</td>
<td>46%</td>
<td>53%</td>
</tr>
<tr>
<td>Facebook</td>
<td>34%</td>
<td>69%</td>
</tr>
<tr>
<td>Outdoor</td>
<td>17%</td>
<td>34%</td>
</tr>
</tbody>
</table>

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

- After work/school
- On weekends only

EVENTS IN CENTRAL MELBOURNE ARE OFTEN ATTENDED FOR:

- Entertainment
- Exploring and participating in city activities
- Experiencing what is new and exciting in the city

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)

<table>
<thead>
<tr>
<th></th>
<th>WORKERS</th>
<th>STUDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>STREET FOOD FESTIVAL</td>
<td>41%</td>
<td>41%</td>
</tr>
<tr>
<td>MEAL DEAL AT LUNCH TIME AND EXTENDED OPENING HOURS</td>
<td>32%</td>
<td>46%</td>
</tr>
<tr>
<td>MEAL DEAL AFTER WORK</td>
<td>29%</td>
<td>29%</td>
</tr>
</tbody>
</table>

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 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).
- Greater range of 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 (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.

HOSPITALITY

- Late night trading
- Student nights
- Dining establishments which cater for children
- Offer packages
Work with the retail and hospitality sectors to encourage collaboration, promote innovation and improve local and Victorian Government business support systems.

<table>
<thead>
<tr>
<th>Our 4-year priorities are...</th>
<th>In 2015-16 we...</th>
<th>Status</th>
<th>Over the next year we will...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop and implement an ongoing business engagement program</td>
<td>• 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.</td>
<td>✔</td>
<td>• 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.</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
<td>✔</td>
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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
Big picture thinking from The Future Laboratory at the City of Melbourne Business Breakfast, February 2016.
Graphic recording by Jessamy Gee (Think in Colour).
Leverage conference and event delegate market spend

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<th>In 2015–16 we...</th>
<th>Status</th>
<th>Over the next year we will...</th>
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<tr>
<td>• Held quarterly precinct meetings, engaging with businesses on how they can benefit from City of Melbourne campaigns, events and initiatives.</td>
<td></td>
<td>• Continue to hold quarterly precinct meetings and engage with individual businesses, focusing on how they can benefit from City of Melbourne campaigns, events and initiatives.</td>
</tr>
<tr>
<td>• 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.</td>
<td></td>
<td>• Continue to deliver an ongoing program of forums and familiarisation sessions.</td>
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<tr>
<td>• 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.</td>
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<td>• Sponsored the 2016 Asia-Pacific Incentives and Meetings Expo (AIME).</td>
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<td>• Supported a range of international conferences by providing tourism information to delegates and exhibitors through the City of Melbourne Welcome Desk.</td>
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<td>• 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.</td>
<td>✔</td>
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<tr>
<td>• 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.</td>
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Our 4-year priorities are... In 2015–16 we... Status Over the next year we will...

- Complete
- Ongoing
Our 4-year priorities are... In 2015–16 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**

- 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.
- 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.
- 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.
- 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.
- Supported major events through our Triennial Sponsorship Program and Events Partnership Program, including:
  - 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
- 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

**Promote best practice customer service and integration of technology into the City of Melbourne’s retail and hospitality offering**

- Implemented the Instagram channel (thatmelbourne and strategically re-posted people’s experiences in Melbourne to grow the channel to over 11,000 followers.
- Promoted the #melbmoment hashtag with a campaign encouraging people to post their Melbourne experiences. The hashtag was ultimately used more than 10,000 times.
- Promoted business offerings on the What’s On website using a new #inmelbcity hashtag, and communicated the existence of the hashtag to local businesses.
- 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).
- 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.
- 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.
- Presented digital marketing and social media advice to various precinct associations, including Docklands, North and West Melbourne and Collins Street Precinct Group.
- Complete

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**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.
Our 4-year priorities are...

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<tr>
<td><strong>Collaborate with businesses on new wi-fi hotspots in the retail core and communicate benefits to businesses</strong></td>
<td>• Continued our involvement in deploying the free wi-fi pilot in partnership with the Victorian Government.</td>
<td>• Continue to work on free wi-fi deployment.</td>
</tr>
<tr>
<td><strong>Administer the small business grants and business event sponsorships program</strong></td>
<td>• 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 Headorist’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.</td>
<td>• 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.</td>
</tr>
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**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.
Identify new retail and hospitality offers for people who work, live and study in the city

- 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.

Our 4-year priorities are...

Establish a leadership team of industry representatives to promote this strategy and advise on implementation

- Discontinued the Melbourne Retail and Hospitality Advisory Board in October 2015, with the support of board members and Council.

Identify new retail and hospitality offers for people who work, live and study in the city

- Complete Ongoing Reprioritised

In 2015-16 we...

Status

Over the next year we will...

- • Meet the changing needs of business and Council by engaging with the sector through partnerships and collaborations on strategic projects.
- • 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.
Our 4-year priorities are...

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<tr>
<td>Promote industry innovation, celebrate success stories, reward success and support retention of industry leaders</td>
<td>✔ Complete</td>
<td>Support the Victorian Tourism Awards 2016, an event that includes awards recognising hospitality businesses making positive contributions to the visitor economy.</td>
</tr>
<tr>
<td>• Gave financial support to the Victorian Tourism Awards 2015 and the Australian Tourism Awards, both of which were held in Melbourne.</td>
<td>✔ Complete</td>
<td>• 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.</td>
</tr>
<tr>
<td>• 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&amp;CO and Net-A-Porter.</td>
<td>✔ Complete</td>
<td>• 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.</td>
</tr>
<tr>
<td>• Delivered the 2015 Lord Mayor’s Commendation Awards, which recognised 33 Melbourne-based retail and hospitality businesses. Recipients included The Walters Restaurant, Modak Motorcycles, Indigo, University Cafe, Minotaurs, Basement Records, Meyer’s Place, Drums Cafe, Jasper Junior and Ewan Tremellen Jewellery.</td>
<td>✔ Complete</td>
<td>• Delivered the Premier’s Design Awards, celebrating the best in local design.</td>
</tr>
<tr>
<td>• 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.</td>
<td>✔ Complete</td>
<td>• Supported the 2016 Victorian Tourism Awards, which includes categories for hospitality businesses.</td>
</tr>
<tr>
<td>• Delivered the Premier’s Design Awards, celebrating the best in local design.</td>
<td>✔ Complete</td>
<td>• Conducted a survey of 400 high-growth-oriented businesses in food, retail apparel, cosmetics and complementary medicines to better understand how Victorian businesses can make use of e-commerce opportunities.</td>
</tr>
<tr>
<td>• Supported the 2016 Victorian Tourism Awards, which includes categories for hospitality businesses.</td>
<td>✔ Complete</td>
<td>• Provided financial support to Melbourne Spring Fashion Week, the Melbourne Fashion Festival and the Melbourne Food and Wine Festival.</td>
</tr>
<tr>
<td>• Conducted a survey of 400 high-growth-oriented businesses in food, retail apparel, cosmetics and complementary medicines to better understand how Victorian businesses can make use of e-commerce opportunities.</td>
<td>✔ Complete</td>
<td>• Provided support to the Retail Technology Expo and the National Online Retail Association Conference.</td>
</tr>
<tr>
<td>• Provided financial support to Melbourne Spring Fashion Week, the Melbourne Fashion Festival and the Melbourne Food and Wine Festival.</td>
<td>✔ Complete</td>
<td>• 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.</td>
</tr>
<tr>
<td>• Provided support to the Retail Technology Expo and the National Online Retail Association Conference.</td>
<td>✔ Complete</td>
<td>Patricia Coffee Brewers Named the Best Coffee in Australia</td>
</tr>
<tr>
<td>• 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.</td>
<td>✔ Complete</td>
<td>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.</td>
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</table>

Patricia Coffee Brewers, corner Little Bourke and Little William streets
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.

<table>
<thead>
<tr>
<th>Encourage businesses to participate in City of Melbourne and other marketing campaigns</th>
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<tbody>
<tr>
<td>• 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.</td>
</tr>
<tr>
<td>• 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.</td>
</tr>
<tr>
<td>• Produced a new shopping map for business and conference delegates, with 5000 copies to be distributed in the second half of 2016.</td>
</tr>
<tr>
<td>• Promoted multiple precinct trader association initiatives, including Favelist of Steve, Collins Street Christmas Windows, City Precinct Christmas Shopping Night, Spring Fling and the Chinatown Night Market.</td>
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<tr>
<td>• 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.</td>
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<tr>
<th>CBD Retailers Unite</th>
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<tr>
<td>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.</td>
</tr>
<tr>
<td>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.</td>
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</table>
Support the retail and hospitality offer across the municipality

- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.

Promote Melbourne as a pre-eminent investment attraction

- 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.
- Supported JVEN initiatives related to retail employment and investment
- 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.
- Support the expansion and relaunch of MUJI, Australia’s flagship Melbourne Emporium store, in late 2016.
- Continue to work with overseas offices to promote new retail and hospitality opportunities.
- Facilitated a number of projects through the Department of Economic Development, Jobs, Transport and Resources, including:
  » David Jones relocating its headquarters from Sydney to Melbourne
  » The Colas Group expansion plan
  » The launch of the first Australian MRP clothing store
  » The opening of the first Melbourne Sephora store.

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.

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

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

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<th>Our 4-year priorities are...</th>
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<tr>
<td>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</td>
<td>• 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. 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. 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. • Supported Melbourne Central in creating a program of pop-up shops and activations, showcasing new and unique retailers.</td>
<td>• 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.</td>
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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, L’Agent, Zadig & Voltaire and The Kooples. The Kooples has since launched a dedicated Australian e-commerce website for its growing customer base.
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**

- Concluded the Docklands Spaces agreement, which finished in June 2016. •

**Inform and support retail planning and development in new growth and urban renewal areas**

- 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. •

- Consider partnering with Places Victoria and the Docklands Chamber of Commerce to continue supporting retail businesses in the Docklands area. •

**Promote new retail and hospitality developments**

- 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. ✔

- Considered and supported the St. Collins Lane pre-launch pop-up at Federation Square, and publicised its official opening in May 2016 across the City of Melbourne marketing channels. ✔

- 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. ✔

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

**OBJECTIVE 4: SUSTAINABILITY**

**Increase sustainable procurement, amenity of waste collection and resource recovery**

- 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 $5,000 yielded results that included:
  - Two large-scale murals added to the Gallaghers Place hospitality precinct
  - A mural and lighting installation added to Mill Place
  - A mural installed in Degraves Place
  - Lighting and landscape improvements in Brown Alley

**Support energy efficient practice and a switch to sustainable energy sources**

- 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.

**Promote industry success around environmental sustainability, identify new industry ambassadors for environmental sustainability and promote success through City of Melbourne and other channels**

- 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.
- Completed the Love Your Laneway program 2015–16, an initiative that helped 103 hospitality businesses improve their laneways. Three small grants of $5,000 yielded results that included:
  - Two large-scale murals added to the Gallaghers Place hospitality precinct
  - A mural and lighting installation added to Mill Place
  - A mural installed in Degraves Place
  - Lighting and landscape improvements in Brown Alley

**Complete**

**Ongoing**
Provide Victorian Government assistance to businesses to help reduce waste and environmental impacts

- 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.

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Develop options for improving freight efficiency in the central city

- 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.

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Support the action plan of Food City, the City of Melbourne Food Policy, with particular emphasis on actions that impact on the hospitality industry

- 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.

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

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.