

MELBOURNE RETAIL AND HOSPITALITY STRATEGY 2013-2017

YEAR 1 REPORT 2013-14





Melbourne Spring Fashion Week 2013 Film, Reflections

FOREWORD



The first year of the combined *Melbourne Retail and Hospitality Strategy 2013-17* was characterised by growth and new opportunities.

Our retail and hospitality landscape was revitalised with the opening of Emporium Melbourne, a further influx of global brands and the firming of plans to redevelop Queen Victoria Market.

There's been no shortage of customers coming into the city either. The City of Melbourne's enviable calendar of cultural, sporting and entertainment events has contributed to more and more people flocking to our streets. We now get up to a million people into the city on a busy day.

Just as the city continued to grow so, too, did our retail and hospitality sectors. Our estimated retail and hospitality spend from residents, workers, students and visitors in 2013-14 was \$2.4 billion.

The release of the City of Melbourne's new economic development framework, *Building Prosperity Together*, enabled businesses to identify and capitalise on future opportunities within these key industries.

We supported more than 220 city retail and hospitality businesses through our premier events and marketing campaigns and Small Business Grants, with more than \$160,000 allocated to new retail and hospitality ventures. The City of Melbourne also provided more than \$480,000 to support eight recognised incorporated precinct associations within the municipality.

Our commitment to engaging the business community continues, with more than 450 retail and hospitality enterprises attending our five business forums staged across the year. In addition, 1600 people and businesses participated in the second phase of community engagement for the Queen Victoria Market Renewal Project.

The strategy is off to a terrific start and we are well on the way to achieving its actions and objectives over the next three years, in conjunction with our decade-long partners, the Victorian Government.

I look forward to working with you to ensure Melbourne continues evolving as a vibrant and globally sought after retail and hospitality destination.

Robert Doyle
Lord Mayor, City of Melbourne



Melbourne is the world's most liveable city which is constantly evolving as a vibrant, globally sought after retail and hospitality destination.

The fastest growing city in Australia, Melbourne is acknowledged as the nation's culinary and fashion capital that inspires bold innovation that engages residents, workers and visitors alike.

The city's retail and hospitality sectors contribute more than \$66 billion to Victoria's economy and employ over 500,000 people.

The Victorian Government supports these sectors as they create jobs and investment in the state. The retail sector alone is one of the State's biggest employers, employing more than 344,000 people.

With the strong support of the Victorian Government, Melbourne's famous network of laneways and boulevards have been transformed with new major retail developments, investment and a host of prestigious international brands attracted to the city.

In the last year, we have seen investments in retail from international retailers such as UNIQLO, H&M and Muji, as well as the development of the Emporium, which have generated substantial employment.

The renewed focus on Melbourne as a retail and hospitality destination has been achieved through the dynamic *Melbourne Retail and Hospitality Strategy 2013-17* - a joint initiative of the City of Melbourne and the Victorian Government.

The first combined strategy of its kind in the world, it sets out the key challenges that face modern retailing and hospitality and offers pathways to realise our vision of Melbourne as a global retail and hospitality centre of excellence.

The Victorian Government's international outward and inward bound trade mission program is positioning Melbourne as a pre-eminent international investment attraction.

The Victorian Government will continue to work alongside the City of Melbourne and the Melbourne Retail and Hospitality Advisory Board to deliver this Strategy for the benefit of our state's economy.

Hon Jacinta Allan MP
Minister for Employment
Minister for Public Transport

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 four strategic objectives to stimulate the future development of the retail and hospitality sectors:

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

More than 40 actions to achieve these objectives have been identified.

This report outlines the achievements made against each objective in the first year of the strategy from July 2013 to June 2014.

Susan Renouf and Darryl Washington, Co-Chairs of the Melbourne Retail and Hospitality Advisory Board

The first year of the *Melbourne Retail and Hospitality Strategy* opened an exciting new dialogue about retail life and the hospitality offer in Melbourne.

Our newly appointed board brought a wealth of diversity and experience and drove a strong agenda. Invitations to specially targeted groups for round table discussions, and business engagement breakfasts, meant we were able to broaden our view of the ever changing nature of our retail and hospitality industry.

Importantly, we brought like-minded retailers together to discuss common challenges such as trading hours, accessible city shopping, and how to unite to promote Melbourne as a brand, and a retail and hospitality destination. We strengthened our partnerships with Melbourne hoteliers and agreed on a path of stronger communication and engagement.

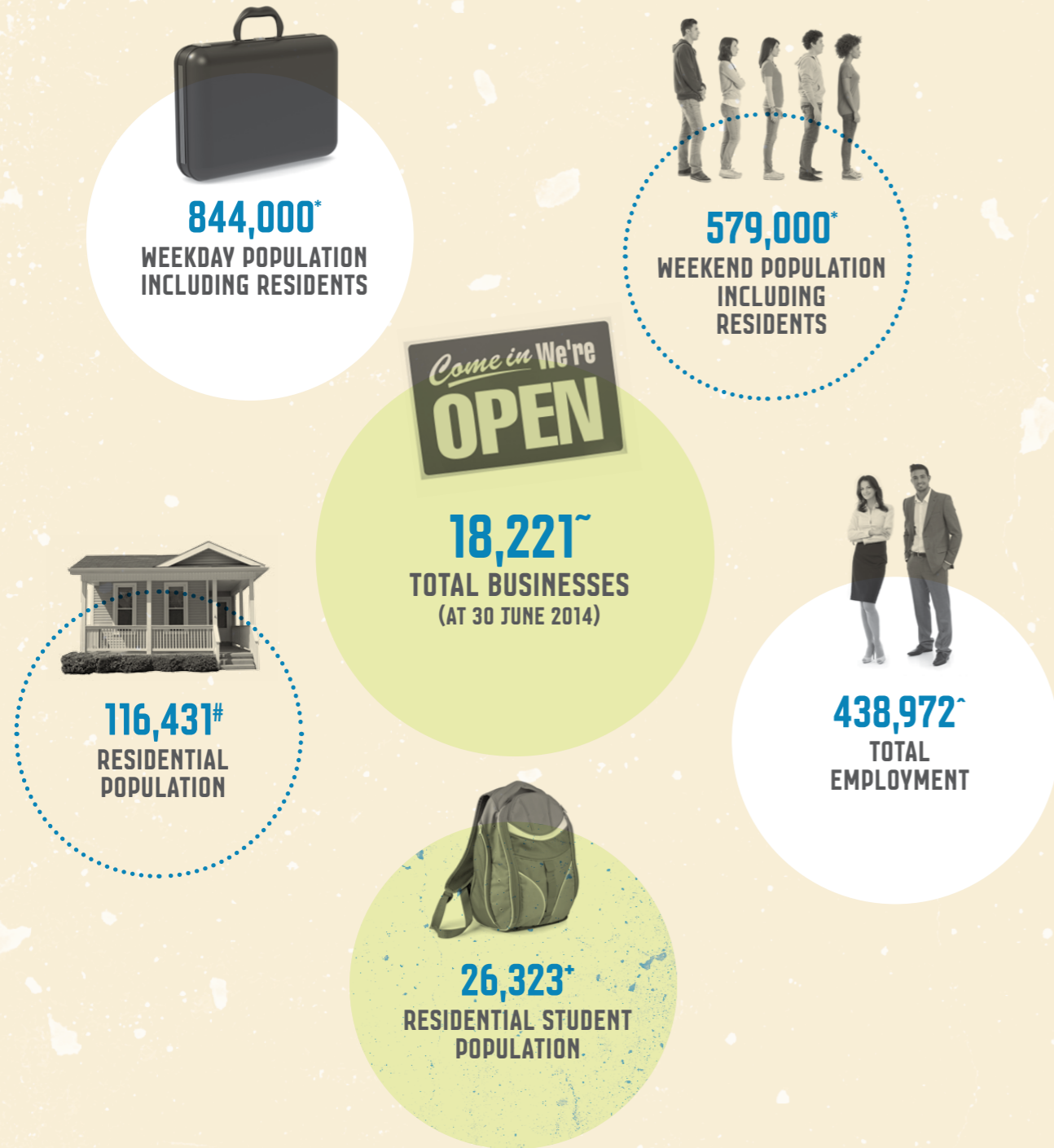
High on our agenda for 2015 is a renewed concentration on face to face communication, designed to more effectively engage the retail and hospitality community, take advantage of the City of Melbourne's free marketing channels, and to participate in city activations and festivals.



Melbourne Music Week 2013 Look.Stop.Bop. Breakfast Series at Little King Cafe, Shop 4, 209 Flinders Lane, Melbourne

CITY OF MELBOURNE SNAPSHOT

CITY OF MELBOURNE QUICK FACTS



*Source: City of Melbourne, City Research Branch, City of Melbourne Daily Population Estimates and Forecasts 2004-2030, 2013 update.
 ^Source: City of Melbourne, Census of Land Use and Employment (CLUE) 2012 update.
 #Source: Australian Bureau of Statistics, 3218.0 Regional Population Growth, Australia, 2013.
 +Source: Department of Education, Employment and Workplace Relations and National Centre for Vocational Education Research.
 ~Source: City of Melbourne Pathway

MELBOURNE CBD RETAIL MARKET INDICATORS

RETAIL VACANCY

LEASED 2.5%
RETAIL VACANCY RATE

VERSUS 2.6% MAY 2013
(Jones Lang LaSalle July 2014)

LOW VACANCY RATE DUE TO THE REVITALISATION OF THE CBD FROM THE PRESENCE OF NEW DOMESTIC AND INTERNATIONAL RETAILERS AND MAJOR DEVELOPMENT ACTIVITIES

RENTAL MELBOURNE CBD

\$6,500 - \$10,000 PER M²
RENTAL SUPER PRIME

(STREET FRONTAGE BOURKE STREET MALL)
NO CHANGE TO Q2/2013
(Savills Q3/2014)

\$1,000 - \$4,000 PER M²
RENTAL PRIME

VERSUS \$1,200 - \$4,000 PER M² (Q2/2013)
(Savills Q3/2014)

DEVELOPMENT ACTIVITY



(Source: City of Melbourne Development Activity Monitor 2014)

CALENDAR

OVERVIEW OF KEY STRATEGIC ACTIONS AND EVENTS IN 2013-14

JULY 2013

Appointment of new Melbourne Retail and Hospitality Advisory Board 2013-17

Launch of City of Melbourne Precinct Program 2013-17

Docklands Fireworks and Winter Marketing Campaign

Look.Stop.Shop. Hot Stuff! Winter campaign

AUGUST

Small Business Grants (Round 1)

Small Business Festival

SEPTEMBER

Melbourne Spring Fashion Week

OCTOBER

Lord Mayor's Commendations

Support Small Business Day

Premier's Design Awards

Governor of Victoria Export Awards

Melbourne Awards



JANUARY 2014

The Australian Open Tennis Championships 2014



FEBRUARY

Booksellers Forum

Sustainable Living Festival (Look.Stop.Swap.)

White Night



NOVEMBER

Launch of the *Melbourne Retail and Hospitality Strategy 2013-17*

Melbourne Music Week (Look.Stop.Bop.)

Christmas Festival

DECEMBER

Christmas Festival

New Year's Eve



MARCH

Small Business Grants (Round 2)

Look.Stop.Shop. Program Review Workshop

Virgin Australia Melbourne Fashion Festival

Melbourne Food and Wine Festival

Moomba

JUNE

New economic development framework released *Building Prosperity Together*

Victorian Manufacturing Hall of Fame Awards

Retail and Hospitality Expenditure Research

APRIL

Opening of Emporium Melbourne

Opening of H&M at Melbourne's GPO

Australian Hotels Association Forum

Value of Hospitality Research

MAY

World Congress of Cardiology Conference



JULY

City of Melbourne business breakfast

International AIDS 2014 Conference and Cultural Program

Docklands Fireworks and Winter Marketing Campaign



2013-14 HIGHLIGHTS





Limedrop, Cathedral Arcade

BUSINESS DEVELOPMENT AND INNOVATION

- The City of Melbourne released a new economic development framework, *Building Prosperity Together*, to support businesses to capitalise on future opportunities in key industry sectors including retail and hospitality.
- More than 1600 people (and businesses) participated in the second phase of the community engagement for the Queen Victoria Market (QVM) renewal project. The report released in June 2014 shows a good alignment between the City of Melbourne and community and traders' expectations in relation to the QVM precinct renewal.

Business engagement included

- Hosting five business forums and engaging with more than 450 retail and hospitality businesses to inform them on a number of opportunities including:
 - Access to in-kind marketing campaigns and tools
 - Financial support through grants and sponsorships
 - A 12-month calendar of events and opportunities
 - How the city supports business
- We collated more than 1500 comments from the 210 businesses who attended the July 2014 business breakfast forum. This feedback has informed planning of future programs and activities.

Leveraging conferences and events

- Delivered a 150-event cultural program; hosted 13,600 delegates and the official reception for 240 international media; secured 200+ business partners (55 new partnerships) and facilitated 400 business connections by leveraging the 20th International AIDS 2014 conference.
- More than 130 city retail and hospitality businesses participated in the Melbourne Spring Fashion Week and Melbourne Music Week 2013 programs.

Digital technology

- 24 businesses participated in the pilot *Kick Start* digital marketing mentoring program.

Small Business Grants

- Supported six retail and one hospitality small businesses with more than \$160,000 of grant funding.
- 80 per cent increase in business grant applications.

Lord Mayor's commendations

The Lord Mayor's commendations recognised 30 longstanding retail and hospitality businesses within the City of Melbourne.

POSITIONING AND ACTIVATION

- More than 220 city retail and hospitality businesses participated in City of Melbourne premiere events (130) and Winter Look.Stop.Shop. Hot Stuff! campaign (90).
- The City of Melbourne provided more than \$480,000 to support eight recognised, incorporated precinct trader associations within the municipality for localised marketing initiatives and membership development.
- Pedestrian counts were 3 per cent higher for the year ending June 2014 than June 2013 in the city's retail core area. Highlights include H&M's opening at Melbourne's GPO in early April 2014. This resulted in a 20 per cent increase in pedestrian movement when compared to the preceding four Mondays. The opening of Emporium Melbourne - a few weeks later - recorded a 24 per cent increase in pedestrian movements than the preceding four Wednesdays.
- Melbourne's retail landscape has been revitalised by an assortment of global influences, with luxury brands complementing the designs of our local heroes.
- Chanel moved into its new flagship 700m² store and four floors of retail training facilities on Russell Street, extending the traditional boundary of the Collins Street luxury offer. The redevelopment was designed to suit the brand's needs for the next 20 years.
- Longstanding boutique retailer Marais opened a grander sister store in June at the top end of Bourke Street while its Royal Arcade store was transformed into a menswear only boutique. Marais is renowned for offering some of the world's most sought-after designer labels including Balenciaga, Lanvin and Givenchy. The developments recognise the strength and growing demand for top-end industry goods from both tourists and locals.
- According to Tourism Victoria's Annual Report 2013-14, Melbourne achieved its highest recorded number of international visitors, visitor nights and expenditure. International overnight visitation increased 10.7 per cent over the previous year, to 1.86 million, and the number of nights spent in Melbourne grew 7.3 per cent to 42.8 million. International expenditure in Melbourne increased by 11.3 per cent to \$4.5 billion.

Clea Garrick, Creative Director, Limedrop

The City of Melbourne was the first choice for our growing fashion label, Limedrop. We had five successful pop-up shops in Melbourne CBD and jumped at the opportunity to have a permanent space in the Cathedral Arcade. This has seen growth in our business and following in our first six months.

BUSINESS DIVERSITY

Business diversity was increased across the City of Melbourne thanks to the following initiatives:

- A gourmet food truck trial with 12 food trucks operating in specific locations on rotation around the city
- A Docklands Spaces Pilot that enabled 18 creative start-up businesses to establish operations in funded vacant spaces
- The opening of the \$1.6 billion Emporium Melbourne, which is home to 225 retailers including flagship tenant Japanese retailer Uniqlo. Its first Australian store takes up 3000m² across four levels. Emporium Melbourne is home to the largest Australian designer precinct in the country and 30 unique food icons. The centre also features international designers, innovative concept, world-class architecture and a retail experience effortlessly integrating a fusion of fashion, culture, food and art.
- The opening of a flagship Australian store for the world's second-biggest fashion brand, Swedish retailer H&M at Melbourne's iconic GPO. This store is one of its biggest in the world occupying three floors and almost 5,000m² of the heritage listed GPO building.
- A \$25.6 million redevelopment of Melbourne's iconic spine, Swanston Street. Capitalising on the long-running sneakers fad, record-breaking rental agreements were signed with national brands Platypus and Hype DC. Gorman has also signed a long term lease following a pop-up store on the corner of Little Collins Street.

Steve Edgerton, Centre Manager, Melbourne Emporium

We are delighted by the way the people of Melbourne have embraced Emporium Melbourne with more than 15 million people visiting us since our opening day. We've enjoyed great support and collaboration from our neighbouring retailers, the City of Melbourne and the State Government as we've delivered Emporium Melbourne to market. The Melbourne CBD has never been so eminent as a retail destination and we're excited to be part of what is now a truly world-class shopping experience.

ENVIRONMENTAL SUSTAINABILITY

- Recyclable waste collected from more than 60 city businesses in the Degraeves Street and Centre Place precinct resulted in the recycling of 70 tonnes of co-mingled recyclables; 80 tonnes of cardboard; 300kgs of daily food waste and diverted 2.5 tonnes of hard plastics from landfill.
- Seven retail and hospitality businesses switched to energy efficiency lighting through City of Melbourne's provider Positive Charge.
- 160 more building owners joined in the 1200 Buildings program activities.
- More than 30 businesses collaborated on sustainability in the Look.Stop.Swap. program as part of the Sustainable Living Festival in February 2014.
- A Food Waste Avoidance Demonstration Project to build the capability of restaurants, cafes and caterers was delivered.
- A guide around the *Best Practice Waste and Recycling Contracts for Business* was released.
- A program that supported the cost of an energy or materials assessment at more than 100 businesses [across Victoria].



RETAIL AND HOSPITALITY EXPENDITURE BY WORKERS, STUDENTS AND RESIDENTS

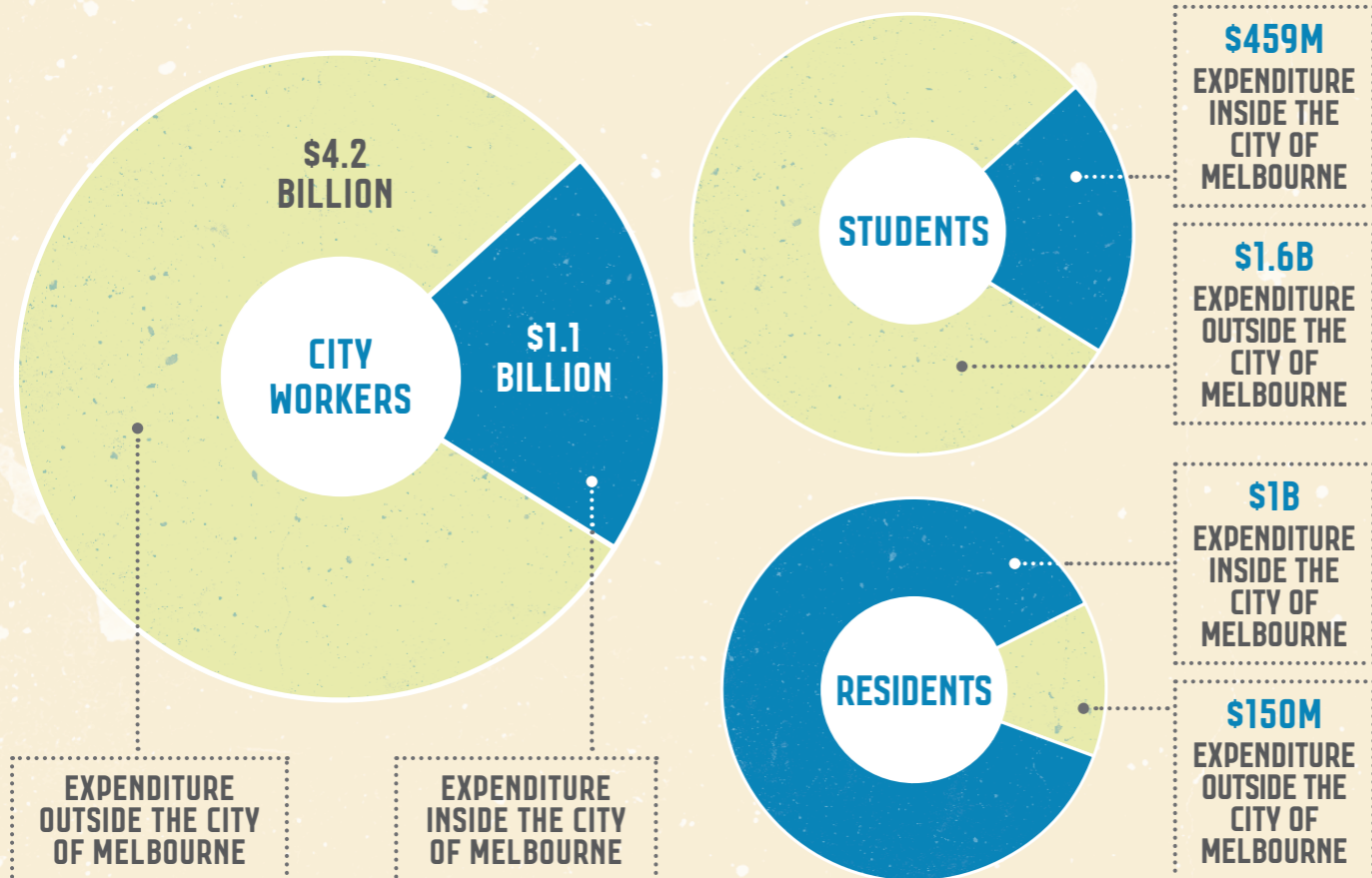
A key year one action of the strategy was to undertake research to identify new retail and hospitality offers for people who work, live and study in the city. Key findings of the report highlight a number of considerations and opportunities for city businesses.

TOTAL EXPENDITURE

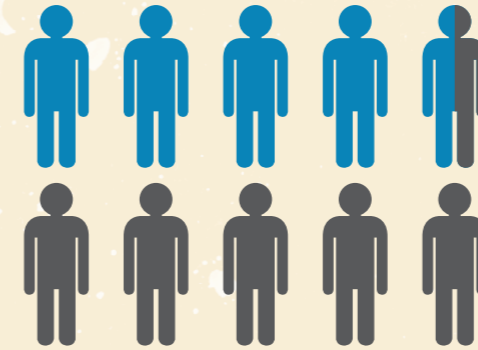
APPROX. **\$2.4 BILLION*** ESTIMATED TOTAL
RETAIL AND HOSPITALITY EXPENDITURE
 IN THE CITY OF MELBOURNE¹



EXPENDITURE BY GROUP ON WORK OR STUDY DAYS¹

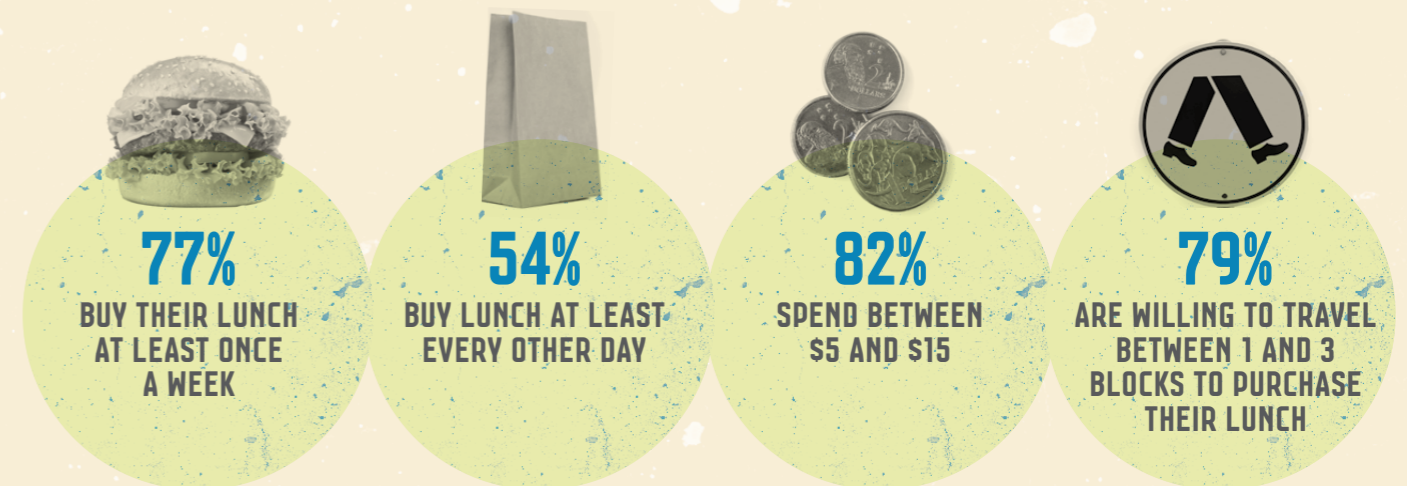


Groups - city workers, students, residents and visitors are not mutually exclusive (i.e. some students are residents, some residents are workers, some workers are students).
 *This includes \$855 million visitor spend not shown in chart.



44% OF WORKERS AND STUDENTS
SHOPPED OUTSIDE OF CENTRAL MELBOURNE
 ON WORK OR STUDY DAYS AT LEAST WEEKLY²

LUNCHTIME HABITS



- SAVING TIME AND FREEING UP NON WORK DAYS** WAS A KEY FACTOR DRIVING SHOPPING ON WORK OR STUDY DAYS²
- CENTRAL MELBOURNE RETAILERS SHOULD HIGHLIGHT THE PERSONAL BENEFITS OF OFFLINE SHOPPING MIDWEEK TO COMPETE WITH ONLINE RETAILERS
- THERE WAS CONSENSUS AMONG CITY WORKERS AND STUDENTS REGARDING ATTRACTIVE CONCEPTS INCLUDING:
 - EXTENDED OPENING HOURS AT THE END OF THE DAY²
 - FREE WI-FI IN PUBLIC SPACES
 - AFTER WORK MEALS

1. Retail and Hospitality Expenditure Study, City of Melbourne/SGS Economics & Planning 2014
 2. City Of Melbourne Retail & Hospitality Offer, City of Melbourne/Sweeney Research 2014

OBJECTIVE 1: BUSINESS DEVELOPMENT AND INNOVATION



Melbourne Town Hall 'Paint the Town Red', International AIDS 2014 cultural program.

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

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 we...	Status	Over the next year we will...
Develop and implement an ongoing business engagement program	<ul style="list-style-type: none"> Connected with more than 450 businesses and stakeholders across five events including the launch of the strategy (November 2013); booksellers forum (February 2014); Look.Stop.Shop. program review workshop (March 2014); Australian Hotels Association presentation (April 2014); and the business breakfast forum (July 2014). Hosted a roundtable with KPMG and 30 retailers to highlight recent trends and implications of developments affecting the retail sector. Topics discussed included the impact of and strategies around online retail, globalisation and reaching international markets. 	<p>✓</p> <p>✓</p>	<p>Continue to deliver a robust business engagement program that supports, facilitates and connects strategic objectives, cross Council initiatives and industry needs.</p>
Leverage conference and event delegate market spend	<ul style="list-style-type: none"> Delivered a 150-event cultural program; hosted 13,600 delegates and the official reception for 240 international media; secured 200+ business partners (55 new partnerships) and facilitated 400 business connections by leveraging the 20th International conference (AIDS2014). Created a city focused editorial wrap in Destination Melbourne's Official Visitors Guide for the World Congress of Cardiology conference in May 2014. 5000 copies distributed across city hotels, pop up Melbourne visitor desk and at the Melbourne Convention and Exhibition Centre. 	<p>✓</p> <p>✓</p>	<p>Develop new business and collaborative opportunities with Melbourne Convention Bureau (MCB), Melbourne Conventions and Exhibition Centre, and the Melbourne Retail Advisory Board conferences and events working group around investment attraction of key industry conferences.</p> <p>Leverage future conferences and exhibitions under the new City of Melbourne and MCB funding agreement; and develop an online toolkit to educate and assist second tier organisers delivering conferences and events to Melbourne.</p>

Josefin Zernell, Mörk Chocolate, Small business grant recipient 2013

Thanks to the help and support of City of Melbourne grant funding, Mörk Chocolate has been able to expand into a bean-to-cup chocolate maker, building a craft chocolate workshop and unique concept store in the heart of North Melbourne. We are taking our concept to new and exciting heights, showcasing our Melbourne made chocolate beverages at the first Mörk Chocolate Brew House. Encouragement for this project by City of Melbourne helped motivate us and made this next step possible.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 we...	Status	Over the next year we will...
Develop new ways to include retail and hospitality components in Council-led and other city events	<ul style="list-style-type: none"> Activated more than 220 city retail and hospitality businesses through programming in city campaigns and major events including: Look.Stop.Shop. Hot Stuff! winter program which featured 90 retail and hospitality businesses, 99 day and night time events, and 39 unique offers or experiences. Participants considered the program lifted Melbourne's prestige as a site for creative community. Melbourne Spring Fashion Week September 2013: MSFW Curated off the beaten track creative and retail experiences across the city; and the highly theatrical fashion film 'Reflections' featured local fashion identities and iconic city locations screened with exclusive retail offers at Collins234, Melbourne Central and Southgate. Melbourne Music Week November 2013 Look.Stop.Bop. series of morning gigs at four city cafes; lunch in-store performances at five music retailers, and after work dance classes at QV and Campbell Arcade with local traders providing offers and in-store events. 	✓	Continue with retail and hospitality events and activities as part of Melbourne Spring Fashion Week and Melbourne Music Week; as well as selected major events supported both by City of Melbourne and the Victorian Government including White Night, Melbourne Fashion Festival and Melbourne Food and Wine Festival.
			<p>Padre Coffee, Look.Stop.Shop. Winter 2014 participant</p> <p>...great job on LSS, looks amazing and I love the program and the way it's set out - very intuitive.</p>
Promote best practice customer service and the integration of technology into the city retail and hospitality offering	<ul style="list-style-type: none"> Promoted business events and workshops to City of Melbourne business networks including the Victorian Government's Small Business Festival and Support Small Business Day. Reviewed the pilot phase of the Kick Start digital marketing four step mentoring program, which included one-to-one and group training sessions. Twenty-four businesses participated in this program and created approximately 250 pieces of content. Sixty-five per cent of participating businesses have become active in building their own digital presence and leveraging City of Melbourne digital marketing tools. Promoted City of Melbourne's in-kind social media and marketing tools at business forums, events and marketing campaigns. Businesses have had opportunities to tap into the What's On website (230,000 unique visitors); Facebook (141,000 likes) and Twitter (50,000 followers) social channels. 	✓	Work towards achieving this priority as part of our regular/ongoing business.
		→	Explore opportunities to engage and educate businesses in digital content development.
		→	Work towards achieving this priority as part of our regular/ongoing business.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 we...	Status	Over the next year we will...
Collaborate with city businesses on new Wi-Fi hotspots in the retail core and communicate benefits to businesses	<ul style="list-style-type: none"> Contributed to the development of the city-wide Wi-Fi initiative via working group. 	→	Continue to work via City of Melbourne's partnership with State Government through the internal working group on the free Wi-Fi pilot across City of Melbourne.
Administer the small business grants program	<ul style="list-style-type: none"> Conducted two rounds of small business grants resulting in \$160,000 of grant funding to six retail and one hospitality small businesses including I'm Sugar Free, Maiike, Mork Chocolate, Shebeen and Craft. 	✓	Work towards achieving this priority as part of our regular business.
Identify new retail and hospitality offers for people who work, live and study in the city	<ul style="list-style-type: none"> Completed the Retail and Hospitality Expenditure Research of workers, residents and students (June 2014). 	✓	Develop and implement actions in response to research findings; and develop a communications plan to share findings with businesses and relevant stakeholders.
Establish a leadership team of industry representatives to promote this strategy and advise on implementation	<ul style="list-style-type: none"> Established a newly combined, 16-member Melbourne Retail and Hospitality Advisory Board (MRHAB) 2013-17 in July 2014. Members include a diverse mix of experienced and skilled individuals with representatives from local and state government, peak industry bodies, small to large enterprises, hotels and property developers. The MRHAB meet quarterly and will advise on the strategy's four year implementation. 	✓	Continue to engage with the MRHAB quarterly and two newly established working groups focusing on marketing of the city, and conferences and events.
Promote industry innovation, celebrate success stories, reward success and support retention of industry leaders	<ul style="list-style-type: none"> Updated the tourism shopping brochure to include information on new shopping precincts. Featured new city retailers across City of Melbourne marketing campaigns, business communication tools and events including blogs on the opening of Melbourne Emporium and H&M; and social media posts on H&M, Uniqlo, Emporium, Thr!ve, Cacao Lab and more. Successfully delivered the 2013 Lord Mayor's Commendation Awards which recognised 55 small business proprietors. Of which 30 were considered to be from the retail and hospitality sector. The Awards celebrate the longevity and legacy of Melbourne's unique small business proprietors. Implemented a range of Victorian Government programs that celebrate success in business, manufacturing, export and design including the Premier's Design Awards, Governor of Victoria Export Awards and manufacturing Hall of Fame Awards. 	✓	Work towards achieving this priority as part of our regular business.
		→	
		✓	
		✓	

OBJECTIVE 2: POSITIONING AND ACTIVATION



Bourke Street Mall, Christmas Festival 2013

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 2013-14 we...

Status Over the next year we will...

Encourage businesses to participate in City of Melbourne and other marketing campaigns

- Promoted opportunities across our business forums, business communication tools and key stakeholder networks.
- Included a number of new opportunities for businesses as part of the Land of Inbetween campaign. This included the development and implementation of a social hub. This hub allows social media posts from city businesses to be featured directly on the City of Melbourne website giving businesses access to up to 12,000 daily visitors.
- Provided a platform for retail and hospitality content in The Christmas 2013 and Winter 2014 marketing campaigns. These included widely distributed event guides and decorations maps.
- Promoted the Destination Docklands' 'winter photo competition' that was included in the City of Melbourne's winter campaign marketing.
- Undertook stakeholder communications to promote Tourism Australia's restaurant campaign to city businesses.
- Continued to liaise with Destination Melbourne and Destination Docklands to support these programs.
- In July 2013 we launched the new Precinct Program 2013-17 which provides annual financial support to eight recognised incorporated precinct associations within the municipality. 2013-14 precinct initiatives included the Flinders Lane Shopping Night, Festival of Steve, Collins Street Christmas Windows and the Chinatown Night Markets.
- Worked alongside the Music Strategy 2014-17 during the development stage to ensure greater collaboration between retail, hospitality and tourism businesses and local musicians, to ensure an enriched Melbourne experience through music. (Melbourne Music Strategy 2014-17, Theme 3 Action 8).



- Work towards achieving this priority as part of our regular business.
- Complete a study on retail prosperity, streetscape upgrade and other business and event activation opportunities for the Errol and Victoria Street strips in North Melbourne.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 we...	Status	Over the next year we will...
Support the retail and hospitality offer across the municipality	<ul style="list-style-type: none"> Implemented the 'Love your Laneways' program to improve amenities in Literature Lane, Presgrave Place and Somerset Place including a full engagement program with businesses and residents resulting in better waste management, streetscape upgrades, increased foot traffic and community pride. 	→	Commence business engagement with Flinders Court, Sniders Lane, Stevenson Lane, ACDC Lane and Rothsay Lane.
	<ul style="list-style-type: none"> We made city laneway, the Causeway, permanently smoke free following a successful 6-month pilot from October 2013-March 2014. The pilot smoking ban established there was little to no impact on business and most businesses support a permanent smoking ban. Melburnians supported protecting the health of city residents, visitors and workers from the impacts of passive smoking. 	→	Commence community engagement on expanding smoke free areas in the central city.
Promote Melbourne as a pre-eminent investment attraction	<ul style="list-style-type: none"> Supported the Super Trade Mission to the Middle East and Turkey in February 2014. A range of fashion designers and retailers visited the market to explore new opportunities to export. 	✓	Work towards achieving this priority as part of our regular business.
	<ul style="list-style-type: none"> Supported the inner Melbourne Victorian Government Business Office (VGBO) and the London VGBO both of which have been working with H&M for several years to facilitate the investment for Victoria. H&M opened its flagship Australian store in Melbourne's GPO on April 2014. 	✓	
	<ul style="list-style-type: none"> Were endorsed by the national and international retailing community. In Melbourne, over the last two years retail investment has grown with brands such as Zara, Top Shop, Dolce & Gabbana, Chanel, Hermes and Uniqlo coming to Melbourne. 	✓	

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 we...	Status	Over the next year we will...
Promote this strategy and its associated achievements through a robust marketing communication plan, and report annually	<ul style="list-style-type: none"> Jointly launched the <i>Melbourne Retail and Hospitality Strategy 2013-17</i> in November 2013. Media coverage included print (The Age, Australian Financial Review, Herald Sun), radio (3AW, SEN) and online. 	✓	Produce and launch Year 1 update 2013-14.
	<ul style="list-style-type: none"> Circulated the <i>Melbourne Retail and Hospitality Strategy 2013-17</i> at five business forums and other relevant stakeholder engagements. 	→	Work towards achieving this priority as part of our regular business.
	<ul style="list-style-type: none"> Published quarterly editions of <i>Table Talk</i> - the newsletter for the hospitality sector. 	→	Work towards achieving this priority as part of our regular business.
	<ul style="list-style-type: none"> Produced, via the City of Melbourne's internal research branch, a range of research tools including the Property Digest, Development Activity Monitor; Census of Land Use and Employment (CLUE); pedestrian monitoring and the new Geografia - an online economic profile of the City of Melbourne designed to make economic information available to the wider community including size of the local economy; performance; contribution of each industry sector; the number and size of businesses in each industry sector; location of jobs in each industry sector and local labour force characteristics. These tools collectively provide valuable intelligence sufficient for strategy reporting, and consequently will replace the <i>Melbourne Retail Monitor</i>. 	→	Share key findings from CLUE 2014, Geografia and other research relevant to the strategy.
	<ul style="list-style-type: none"> Completed the <i>Value of Hospitality</i> in December 2013, following the 2011 and 2009 studies, which tracks the growth of the industry and provide detailed information about workforce development, business entry/exit and patronage. 	✓	Review findings and share with key stakeholders as part of the strategy's business communications plan.

OBJECTIVE 3: BUSINESS DIVERSITY



Gourmet Food Truck

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

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 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"> Implemented a new seasonal street trading program to enable a variety of street activities throughout the year. Launched a gourmet food truck trial with 12 food trucks to operate in specific locations on rotation around the city. Coordinated via the City of Melbourne's street trading team, the planning, building and health permits for the temporary Rue & Co. pop-up at the top end of Collins Street ahead of a 39-storey tower development. In addition to the hospitality offer, a large wall mural by renowned street artist Rone overlooked the space. Rue & Co. traded seven days a week from 7am until late. Received an increase of food business registrations by 78 in comparison to the previous year. 	<p>→</p> <p>→</p> <p>✓</p> <p>✓</p>	<p>Work towards achieving this priority as part of our regular business.</p>
<p>Identify opportunities to activate vacant commercial spaces within precincts including Docklands</p>	<ul style="list-style-type: none"> Reviewed the Docklands Spaces Pilot which enabled 18 creative businesses to establish in funded vacant spaces—a collaboration between the City of Melbourne, developer MAB Corporation, Places Victoria and Renew Australia. 	<p>→</p>	<p>Implement recommendations from the review including expansion of the program to other areas; and a new management model that supports the transition of existing project participants to fully fledged businesses, and encourages new participants to take part in the program.</p>
<p>Inform and support retail planning and development in new growth and urban renewal areas</p>	<ul style="list-style-type: none"> Received input, from members, at the May 2014 MRHAB meeting on issues relating to retail and hospitality mix and offer, access, trading hours, international investment, integration of arts and culture, open space and activations, sense of community, and services. This was part of the extensive community engagement process to develop the draft master plan for the Queen Victoria Market redevelopment. 	<p>→</p>	<p>Continue MRHAB's engagement with Queen Victoria Market renewal project.</p>
<p>Promote new retail and hospitality developments</p>	<ul style="list-style-type: none"> Supported the opening of the new Emporium Melbourne shopping centre, and Australia's first H&M store at the iconic Melbourne's GPO through Council marketing and stakeholder opportunities. 	<p>✓</p>	<p>Support the collaborative marketing activities of Emporium Melbourne, Melbourne's GPO, Melbourne Central and key retailers across City of Melbourne opportunities.</p> <p>Support and promote the St. Collins Lane (formerly Australia on Collins) redevelopment for launch through Council opportunities.</p>

OBJECTIVE 4: SUSTAINABILITY



Queen Victoria Market Delicatessen and Deli Hall, Melbourne

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 2013-14 we...	Status	Over the next year we will...
<p>Increase sustainable procurement, amenity of waste collection and resource recovery</p>	<ul style="list-style-type: none"> Collected recyclable waste from over 60 businesses in the Degraves Street and Centre Place precincts. This resulted in the recycling of 70 tonnes of co-mingled recyclables; 80 tonnes of cardboard, an estimated increase diversion rate from 0 per cent to 94 per cent (approximately 220kg per day); processed an average of 300kg of food waste a day, an estimated 42 per cent of the total food waste in the waste stream and diverted 2.5 tonnes of hard plastics from landfill. Collected from over 60 businesses organic waste that is reduced by 70 per cent mass in a food dehydrator. The biomass from this machine is composted and used for redistribution on City of Melbourne parks and gardens. Provided waxed cardboard to Queen Victoria Market for re-use. Conducted a survey of Degraves Street traders that indicated 80 per cent of traders rated the improvement in the amenity of the laneway as 8/10 or above as a result of the shared recycling facility. 75 per cent described their satisfaction level as 'very satisfied' with the project. 	→	<p>Work towards achieving this priority as part of our regular business, including installation of another waste compactor in the city.</p>
<p>Support energy efficient practice and a switch to sustainable energy sources</p>	<ul style="list-style-type: none"> Facilitated the switch of seven retail and hospitality businesses to energy efficiency lighting through City of Melbourne's provider Positive Charge (April 2014). Facilitated eight Melbourne hotels to participate in the 1200 Buildings energy efficiency seminars to support uptake of efficient lighting and heating/cooling equipment (March to June 2014). Arranged for Alto Hotel to present on a Melbourne Conversations panel explaining how the hotel's industry is impacted by extreme heat brought about by climate change (March 2014). 	✓	<ul style="list-style-type: none"> Investigate, as part of the Zero Net Emissions Strategy, the viability of providing a carbon offset service for businesses and residents. Promote the Council of Capital City Lord Mayors CitySwitch and the City of Melbourne 1200 Buildings programs to low-participation precincts and approach the Federal Government for funding under its Direct Action Plan.

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 we...	Status	Over the next year we will...
Promote industry success around environmental sustainability, identify new industry ambassadors for environmental sustainability and promote success through City of Melbourne and other channels	<ul style="list-style-type: none"> Promoted, through City of Melbourne channels, Hilton on the Park and Alto Hotels' leadership role in the 1200 Buildings program. Featured Alto Hotel through @ecocityforum Green Building Month campaign. Businesses promoted their sustainability products and services and partnerships through the Look.Stop.Swap. event in collaboration with the Sustainable Living Festival in February 2014. Look.Stop.Swap. was promoted across the festival and via City of Melbourne funded marketing. Profiled retail and hospitality businesses organisations through the @ecocityforum channels including Craft Victoria recently at the Town Hall; Limesdrop; Melbournalia and Silo. 	→	Work towards achieving this priority as part of our regular business.
Provide Victorian Government assistance to Melbourne businesses to help reduce waste and environmental impacts	<ul style="list-style-type: none"> Provided advice and support through Sustainability Victoria to help businesses use energy and materials more efficiently and help them to realise the potential financial value of waste. Examples of projects include: <ul style="list-style-type: none"> The engagement of Restaurant and Catering Australia to undertake a Food Waste Avoidance Demonstration Project to build the capability of restaurants, cafes and caterers. The release of the guide <i>Best Practice Waste and Recycling Contracts for Business</i>. Support through the cost of an energy or materials assessment at more than 100 businesses [across Victoria]. A case study about the material assessment at The European/City Wine Shop on Spring Street has since been prepared. 	→	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"> Hosted a joint industry forum. Panel members included city retailers from The Block Arcade and the City Precinct Association. 	→	<p>Support the development of the Last Kilometre Freight through participation in the Project Working Group and Steering Group.</p> <p>Create incentives to grow, eat and consume locally by educating businesses on the benefits of choosing sustainable transport and promoting car sharing initiatives.</p>

✓ Complete → Ongoing

Our 4-year priorities are...	In 2013-14 we...	Status	Over the next year we will...
Support the action plan of Food City, the City of Melbourne's Food Policy, with particular emphasis on actions that impact on the hospitality industry	<ul style="list-style-type: none"> In partnership with Doing Something Good delivered the Sustainable & Fair Food: Going Local Forum in February 2014 as part of the Sustainable Living Festival. More than 100 people explored the importance of growing and buying food locally. Information gathered will feed into City of Melbourne food policy development and council strategy. Delivered the Local Food Project Big Ideas Jam event facilitated by Doing Something Good, to encourage local food production and purchasing. 70 attendees participated in an open and collaborative team based rapid prototyping process which will feed into the Local Food Launchpad program in November 2014. Supported the Know Your Foodbowl project with infographic maps produced to raise awareness of the importance of Melbourne's Foodbowl to Victoria's food supply and our economy. Awarded a social enterprise grant to community pop-up markets to establish a weekly community pop-up market at the Carlton public housing estate, increasing affordable access to fresh produce. Delivered a business activation program as part of the Sustainable Living Festival, 8-23 February 2014 themed around collaboration. Shops, restaurants, cafes and not-for-profit cooperatives across the city teamed up to share, discuss and debate ideas on how best to work and live sustainably. Participants included Mesa Verde, Rooftop Honey, The Little Veggie Patch, Kere Kere and Kinfolk. The first Melbourne 'Wormathon' social app donated worms to help city businesses reduce waste. 	<p>✓</p> <p>→</p> <p>✓</p> <p>→</p> <p>✓</p>	<p>Deliver the Local Food Launchpad program which includes six concept development labs to refine ideas for initiatives that will contribute to a thriving local food economy.</p>



Acknowledgment:

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

