

Appendix II – Case Study of Orange, NSW

The following case study is an excerpt from *Ecker et al 2010* paper *Drivers of Regional Tourism and Agritourism in Australia*.

Orange

Regional characteristics

Orange is a provincial city situated in central New South Wales. It is located on the Mitchell Highway, 260 kilometres west of Sydney, at an altitude of 862 metres and has a population of 31 544 people. Key industries include agriculture, mining, health services and education. Based on existing boundaries for regional coordination of agritourism, the region for this study includes the Orange, Blaney and Cabonne council areas.

Orange is a well-known fruit growing district, and produces apples, pears, and many stone fruits such as cherries, peaches, apricots and plums. A large number of vineyards have been planted in the area for a rapidly expanding wine production industry. The growth of this wine industry, coupled with the further development of Orange as a gourmet food region, has ensured Orange's status as a popular tourist destination. Regional characteristics considered important in terms of agritourism and food tourism are described in Table 12.

Table 12: Orange regional characteristics

<p>Regional characteristics</p>	<p>Access From Sydney and Canberra, Orange is a 3.5 hour drive.</p> <p>Accommodation Bed and breakfast guesthouses, farm stays, camping and boutique hotels.</p> <p>Infrastructure and services Strong transport and economic links to Sydney and Canberra.</p> <p>Critical mass Diverse attractions that have broad appeal.</p>
<p>Population</p>	<p>The population of the Central NSW region has fluctuated over the past five years, with 2003 and 2004 having an overall decline of 0.3 per cent and 0.4 per cent, respectively (ABS 2008a). Although there has been an increase in 2005 and 2006 of 0.1 per cent and 0.5 per cent, respectively, the Central NSW region has had a negative annual average growth rate of 0.06 per cent a year since 2002 (ABS 2008a).</p> <p>The usual resident population of the Central NSW region in 2006 was 247 825 people. The proportion aged 74 years and over was 6.9 per cent, with 26.6 per cent of the population aged 55 years and over (ABS 2008a). Younger people aged 15 to 24 years made up 13.0 per cent of the population.</p>
<p>Agricultural information</p>	<p>Based on the 2006 Agricultural Census there are 9912 agricultural businesses in the Central NSW region (including fruit and grape producers), with a combined gross value of agricultural commodities produced of approximately \$1610 million (ABS 2008b). There are 13 968 people employed in the agriculture, forestry and fishing industries in the Central NSW region (ABS 2008c).</p>
<p>Tourism profile</p>	<p>In 2007, \$962 million was spent by visitors in the region, with domestic overnight visitors accounting for 60 per cent of total spend. There were a total of 4.5 million visitors to the region, of which 59 per cent were domestic day visitors. There were 5.6 million nights spent in the region, with 92 per cent by domestic overnight visitors. Visitors to Orange are 48 per cent Sydney, 31 per cent other NSW and 21 per cent other Australian (Sykes, pers comm. 2009). Visitation by tourists to the Orange region in 2009 was up 40 per cent from the previous year (Sykes, pers comm. 2009).</p>

	There were more than 6500 tourism-related businesses in the region; 44 per cent were non-employing businesses and 50 per cent were micro or small businesses (Tourism Research Australia 2007).
Lifestyle drawcards	<p><i>Local produce</i></p> <p>The Orange region has a long history of producing a wide range of agricultural products. Visitors can experience everything from ‘paddock to plate’, starting with the producer and farm-gate through to accessing boutique value-added products.</p> <p><i>Consumption opportunities</i></p> <p>Orange hosts an annual Food of the Orange District (FOOD) week, which is a chance for local producers to showcase their produce. Local produce including honey, jam, sauces and preserves. The Orange region includes vineyards planted above 600 metres in altitude within Blayney, Cabonne and Orange local government areas. A developing wine district, the first plantings were in the early 1980s, and now around 1350 hectares are under vine.</p> <p><i>Recreation, attractions and activities</i></p> <p>The region around Orange offers numerous recreational activities, including theatre, arts and museums. Activities include picnic races and various expos and shows. Farm gate tours are run during Food Week. Natural attractions include Mount Canobolas State Recreation Area, Lake Canobolas Reserve, Ophir Reserve and the Orange Botanic Gardens.</p>
	<p>Sources:</p> <p>www.orange.nsw.gov.au.</p> <p>http://en.wikipedia.org/wiki/Orange,_New_South_Wales - cite_note-ABS-0#cite_note-ABS-0.</p> <p>www.business.nsw.gov.au/community.</p> <p>www.tasteorange.com.au/news.htm.</p> <p>www.orangefoodweek.com.au/.</p> <p>www.orange-nsw.com/FoodWeek.html.</p>

Agritourism and food tourism businesses in the Orange region

For agritourism businesses in the Orange region, wanting to educate people about farming and the rural lifestyle and wanting to increase or maintain income were the most frequently cited motivations for being involved in agritourism. The lifestyle opportunities associated with agritourism, including working from home instead of having to look for off-farm income and taking on a rewarding challenge, were also important.

Impact of the recent drought years provided a context for agritourism, with a number of business operators mentioning that agritourism provided useful income during that period and an opportunity for visitors to experience the farm lifestyle and workload during drought. In other cases, drought had meant that the agritourism venture had no product or service to sell.

Decline in the apple and other fruit markets in the 1980s and 1990s also provides an important contextual influence on the uptake of agritourism and food tourism in the area.

Hillside Fruit Market is one of the early farm produce shopfronts in the area, first established in the late 1980s in response to poor fruit wholesale prices. Purchasing a shop on the highway was a key

part of the business' strategy to increase income from its orchards. It now sells 100 per cent of produce through direct sales, including a range of jams and condiments.

Borrodell on the Mount represents one of many wineries in the region. Partially transitioning from apples and cherries around 20 years ago in response to a decline in this industry, this business includes accommodation and a restaurant/function centre, along with the cellar door.

There is growth in the promotion of food from the Orange region, with a number of provedore shops starting up recently as well as gourmet shops that have been around longer. Totally Local and Slice of Orange are two recently established businesses that focus on produce from the immediate area. They both use the '100 mile diet' concept. Totally Local calls itself an 'everyday farmers market'. As well as a retail shop, it runs a refrigerated transport company, distributing local produce. Slice of Orange provides a retail outlet for around 60 businesses.

Pick-your-own (PYO) experiences are common in the Orange region. Providing PYO experiences was seen as a profitable exercise, with one grower saying they could earn up to \$30 000 a year from one hectare. PYO cherries and berries and some other crops are available throughout the area, with most PYO fruit available in summer.

There are a limited number of farmstays in the area. Dairy Park is a working farm where visitors (mostly families), join in with the farm work opportunistically. Owners were strongly motivated to share the farm lifestyle and information about sustainable farming and food production with visitors.

Although farmstays in the area offer both traditional and 'novel' farm interactions, farm experiences are relatively undeveloped in the region. Cargo Wines, as well as a cellar door and coffee shop, offers farm experiences such as involvement in planting and vineyard management and PYO. It also offers on-farm camping. All wine sales are direct, including supply to a number of restaurants.

The Black Sheep Inn, a unique farmstay experience in a shearing shed fitted for luxury accommodation, represents a business supported by two generations of the same family and an opportunity to provide a lifestyle and income for adult children returning home.

Regional coordination of agritourism and food tourism

Orange has had around 20 years lead time to the current status of agritourism and food tourism. In this time there have been active moves, particularly by local government, to draw people to the area both for tourism and for encouraging sustainable population growth in the area.

Led largely by the vigneron community, with support from the Orange City Council and other community- and industry-based organisations, the agritourism experience has widened from a sophisticated wine experience to one that also includes a range of local food products.

Taste Orange (formerly Brand Orange) is an overarching organisation supporting regional and community development, regional produce and tourism in the Orange area. It has up to 300 members from food and wine businesses, the accommodation sector and, increasingly, from other businesses that have a vested interest in tourism. The organisation coordinates four festivals in Orange and one in Sydney—Taste Orange at Bondi—and also produce the Orange region tourist guide. Food and wine tourism are central to tourism marketing and promotion in the region.

Objectives of Taste Orange include working with producers, the consumer community, media and government to create awareness and demand, consumer loyalty and community loyalty (K Currie [Taste Orange] 2009 pers. comm., May).

Largely facilitated through the forum of Taste Orange, a wide range of stakeholders, including agricultural industry representatives, are involved in activities to support agritourism and food tourism. Government agencies and their representatives appeared to be engaged in the agritourism sector to a greater extent than like agencies in other case study regions. Examples of this include the council's involvement in agritourism through their regional development and tourism objectives and the NSW Department of Primary Industries (now NSW Department of Industry and Investment) broadening its base to include regional development, including a partnership with Tourism NSW.

Major tourism committees and organisations collaborating in the Orange region, particularly on food tourism matters, include Food Of the Orange District (FOOD) Week, Taste Orange, Central NSW Tourism, Tourism NSW, Orange City Council Tourism and Promotion, Orange Regional Vignerons Association and the Orange Tourism Partnership Program.

An important characteristic of coordination in Orange was the empirical approach initiated by the Orange City Council, specifically by Stephen Sykes, a staff member with social research skills. The approach included significant research to better understand the tourism market for the region. There was research funding received from See Australia and much of the research was community funded (S Sykes [Orange Council] 2009 pers. comm., September). The following observation about how strategic approaches at the regional scale were mirrored by industry was made at the focus group:

'I think Stephen Sykes brought quite an empirical approach to working out tourism, but at the same time...others in council and in community ...adopted more of an empirical approach to the local industry...whereas you find other communities where locally there might not have been that same sort of businesslike empirical approach.'

The focus on market segmentation that resulted from this work was picked up by regional tourism operators. A comment on market segmentation from the focus group:

'People latched on to that because here's a bit of science—we're the 'Pompadour' market or we're the 'Labradoodle' market. So that was going on at a regional approach, but the same focus was applied locally too, in a more concentrated way, to the thinking about what's their market, how big is it, what's it worth, how do we approach it. I think that's something that sets Orange apart from a lot of other communities.'

An important outcome of the market segmentation research was the development of events that targeted the different segmentations (S Sykes [Orange Council] 2009 pers. comm., September).

Enablers of agritourism and food tourism

The timeline in Table 13 was constructed by focus group participants and outlines the key factors and activities that contributed to the development and progression of agritourism in the Orange region.

Table 13: Timeline of agritourism activities in the Orange area

Date	Activities contributing towards agritourism and food tourism
1950s	Australian National field days, Australia’s oldest agricultural field day. This event has attracted a large number of visitors to the region since the 1950s.
1970s	The pioneering of farm gate sales of orchard produce. Chef Michael Manners sources produce from the Orange area for his restaurant in Blackheath.
1980s	Decline of apple industry led many local orchardists to diversify their production and look for new opportunities in terms of commodities produced and how they marketed these commodities. The Orange wine region developed in the late 1980s. Cool climate wine at altitude combined with unique geology (calcareous limestone) based soils. Late 80s—early pioneer wineries such as Brangayne and Bloodwood. First commercial snail farm in Australia.
1990s	Food of Orange District (FOOD) established. Orange Region Vignerons Association established. Relocation of NSW Department of Primary Industries to Orange. Michael Manners’ Selkirks restaurant.
2000s	Farmers market commences. Local government investment in the collection of tourist visitor data. Brand Orange organisation formed. Further developments, such as Borenore trail.

All interviewees commented on the value of the regional coordination of tourism being undertaken, particularly the marketing and networking benefits. A typical comment from one of the business operators interviewed:

‘Taste Orange has been a great support. They are doing it better than a lot of other food regions in Australia. Whenever they have events we have ads and coincide tastings etc. Their support is invaluable. We couldn’t do it on our own and because of what Taste Orange has done, people know about produce from Orange.’

The strategic planning undertaken in this region, although not widely referenced by business operators, appears to be an important enabler. Building on the research that identified target markets and their core needs, an intensive planning exercise took place—commencing in 2003—under the auspices of Taste Orange. This process identified stakeholders for further engagement and developed principles for tourism in the region, including having a consistent message, a single point of contact and being industry based.

Community involvement in supporting agritourism and food tourism appeared to be well developed. As determined from the market research, tourists want to believe that the local community is fully behind the event (S Sykes [Orange Council] 2009 pers. comm., September), so ensuring community involvement was a key strategy.

Business operators in Orange were demonstrably more tuned in to understanding the market than in other regions. They understood market segmentation and frequently discussed their businesses in the context of this.

Orange participants also emphasised an interest in and commitment to communicating with consumers to improve their ability to provide solutions for them. One business operator said of the clientele to their boutique farm accommodation:

'[They are] time poor, cash rich, so very demanding, So if you really know what you're doing, it starts with the booking process, knowing what the customer wants and providing the weekend solution, so the solutions with the restaurants, with the winery.'

Informal, 'loose' networks of support were clearly evident among agritourism and food tourism operators, with a high degree of collective action within the community from those involved in agritourism activities. A number of interviewees observed that food and wine tourism operators in the region are passionate, energetic and innovative. There was also evidence of the preparedness of industry to invest; for example, ORVA (Orange Region Vignerons Association) who were a sponsor of Taste Orange.

Establishment of short supply chains was well progressed in this region, with many of the farm-gate tourism operators selling most of their produce direct. These direct sales included from cellar doors or farm-gates, at farmers markets and to restaurants and the local food outlets mentioned previously. A unique example of direct sales was one Orange region farmstay that delivered fresh meat direct to previous and current farmstay clients in Sydney and Melbourne.

Chefs and restaurants and their use and promotion of local food were also considered important enablers of agritourism and food tourism in the region.

Barriers to agritourism and food tourism

Demonstrating the maturity of this region with regard to agritourism, the most frequently referenced barriers were those related to small business resourcing issues. This largely related to issues about raising capital to take the venture to the next stage. These issues are common among the family farm sector and should not be taken to imply anything particular to this region, except that in comparison to some other regions (e.g. Northern Rivers), there may be less access to capital.

Regulations were the next most frequently referenced barriers. This included one business operator who was unable to expand the business to include farm visits and experiences because development approvals would likely require a road upgrade. As in other areas, having to cater for disabled visitors was seen as a difficult limitation to overcome in the farm setting. Another business operator commented on the New South Wales liquor licensing regulations, which they advised prohibited sale of wines not produced on the property. This essentially meant that in drought years when no wine was produced from the farm, the business operator had to close the cellar door.

Signage issues were mentioned but there appeared to be less concern than in other regions.

Getting adequately skilled labour was also mentioned as a barrier, although Orange has an established backpacker migration. Nevertheless, improved regional coordination of labour was mentioned. On attracting backpackers to the area, one business operator noted:

'There is the risk of overselling ourselves and not delivering. The backpackers are all in town at the moment and the cherries aren't ready.'

Skills and perception of skills was noted by some as an issue to be overcome, but not as a serious barrier to progressing agritourism, with interviewees suggesting that generally many of the business operators in the area already possessed relevant skills.

It is worth noting the barriers common to other areas that did not arise from interviews in the Orange region, including misunderstanding of the agritourism sector, lack of support from the tourism industry and involvement of farmers, with these issues effectively being dealt with by the process driven by the Orange Council and Taste Orange and other stakeholders.

Solutions and opportunities

Stakeholders communicated that they believed there was a high degree of potential to further develop agritourism within the region, especially in the areas of farm stays and farm experiences.

Whilst agritourism and particularly food tourism was well developed in the region, participants saw the value in building on this through the development of an agritourism strategy at the local level, linking products to build experiences across the region. They also felt that more forward planning was necessary including developing a model of agritourism that fits what the industry will be in the future. Participants also noted that given that Orange appears to be on an upward trend in terms of tourism, the region needs to be prepared for changes through lessons learnt from other regions that are in decline or have suffered downturns. Also mentioned was the need to develop a strategy to attract more international tourists as well as developing and promoting links between high-quality food and health.

Opportunities to advance agritourism and food tourism in the region included providing more opportunities for operators to learn about agritourism. This included providing information and education for new businesses and further developing processes to share knowledge and expertise amongst operators. The need to assist local farmers in realising their potential to diversify their rural business into the agritourism industry was also observed.

Other comments related to ensuring the provision of consistent service across the areas such as developing strategies to ensure better provision of services on weekends (specifically Sundays) and public holidays, such as having food venues open on Sunday night.

Tropical North Queensland

Regional characteristics

For the purposes of this project, the area of main focus is concentrated within a three-hour drive radius of Cairns. Tropical North Queensland has a diverse range of climates, soil types and environments within close proximity to Cairns. Producers vary from large-scale commodity producers to small niche producers. There are approximately 130 different crops, many of which are value added and distributed via a growing number of agritourism experiences and newly established 'farm gate markets'. Regional characteristics considered important in terms of agritourism and food tourism are described in Table 14.