

PROMOTION

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Mr. Graeme Vellacott presented a paper on marketing, advertising and promotion strategies for a volunteer-based operating rail preservation group, as suggested by the Hotham Valley's Tourist Railway's experiences. The main points in this paper are summarised hereunder:

1. BACKGROUND

- Hotham Valley Railway was established in 1974 as operator of a 24 kilometre line from Pinjarra to Dwellingup.
- It now carries 47 000 passengers per year and has an annual turnover of \$1.3 million.
- As an example, a recent tour carried 81 passengers at \$390 each. The train had a crew of 36 — 6 to run the train, 30 devoted to passenger care.
- How has this come about?

2. UNDERSTANDING AND IDENTIFYING YOUR INDUSTRY AND TRUE COMPETITION

- HVR had to broaden its revenue base on the 24 km line.
- The rail enthusiast market is too small to allow success — the aim had to be at members of the general public.
- HVR decided it was in the tourism industry (not rail preservation), competing for visitors and the leisure dollar with other organisations such as Sea World.
- It was decided to run rail tours to other places, giving people a good time.
- Mr and Mrs Average with two kids are the clients. *What do they want? Give it to them to satisfy your hobby.*

3. CREATING THE PRODUCT

- HVR had to create something unique and credible.
- Need to cater for tourists.
- Need a trading name.
- Strong Corporate Image needed
 - logo
 - slogan *The Railway run by Volunteers*

- HVR has a full-time equivalent staff of 5 $\frac{1}{4}$.
- Need a balance of commercial operation versus enthusiast organisation.

4. CREATING PUBLIC AWARENESS

- Advertising needs to be long term to build up a profile.
- HVR — 10% of budget is for advertising.
- Find creative persons in the membership to do it.
- News items in local community newspapers
- Write to all Rotary/Lions/Apex who can't find speakers.

5. CONVERTING PUBLIC AWARENESS TO DOLLARS VIA BOTTOMS ON SEATS

- $\frac{1}{2}$ million leaflets, half paid for by Macdonald's, printed "in-house".
- Free ride for family of hotel concierges to encourage promotion.
- HVR has its own booking centre — bookings are listed by postcode and by how clients found out about HVR. Advertising can be channelled to where it is most effective.
- Only use radio and TV for awareness and image. For specific sales — use press.

6. HELPFUL HINTS

- Produce a "Bid Pack", for potential sponsors showing achievements and aspirations, with glossy pictures. [About \$600] Leave this with managers for a week.
- Be ruthless on "front-of-house" people and their behaviour.
- HVR does surveys constantly —
 - by phone;
 - by coach captains on each trip.