

# ENGAGING WITH CHINESE TOURISTS

**Full project name:** Chinese Customer Engagement and Business Skills through Live@Work

**Lead organisation:** Institute of Advanced Business

**Collaborators:** Franchise Council of Australia, Melbourne Polytechnic, Colac Chamber of Commerce, Victoria Business Confucius Institute, Bakers Delight, Bright Eyes Food Co

- About **1.4 million** Chinese tourists visited Australia in 2017
- The average Chinese visitor spends about **\$4,300** in Australia
- Over the next decade, the number of Chinese visitors is expected to grow by **11.9 per cent** each year
- Chinese tourism to Victoria is forecasted to be worth **\$7 billion** in 2026-27.

Source: Institute of Advanced Business

## GREAT WALL – THE CONTEXT

Colac Chamber of Commerce estimates more than 2,000 Chinese tourists pass through every week on the way to or from the Great Ocean Road. However, business owners reported that traffic wasn't translating into trade. *"They observed Chinese tourists walking around window shopping, but many appeared nervous about interacting,"* says Ian Roberts of the Institute of Advanced Business.

Mark Sherry, the Chamber's executive officer, says the problem worked both ways. *"Local store owners were apprehensive about engaging Chinese customers,"* he says. *"Communication was the greatest barrier."*



## WHY DON'T WE ... – THE INNOVATION

The project was designed to help businesses break language and cultural barriers with Chinese customers. In Colac, it offered a Chinese customer solution package that included:

- Chinese Customer Success Training delivered online through the Live@Work platform
- A quick-response code for each business that leads users to a landing page in Mandarin on the G'Day Friends website
- Maps of Chinese-friendly businesses to build collaboration and referral business
- Store front and in-store signs
- A counter card of Chinese phrases for staff.

## EASTERN PROMISE – THE OUTCOMES

Bill Lang, the Institute's director, says data from the 22 participating businesses in Colac shows the number of Chinese visitors to their stores has increased by 14 per cent. The number of scans of QR codes in Colac increased from eight last November to 69 this February. This coincided with Chinese New Year, and followed training and the deployment of signs and welcome flags in January.

### 'THE GROWTH POTENTIAL IS ENORMOUS'

Case study: Michael Menzies, Bakers Delight



My staff undertook G'Day Friends Chinese Customer Success training. There's about a dozen lectures and it's all online.

(They) now have a basic understanding of Chinese culture and the knowledge and tools to engage Chinese customers. We are in a much better position to serve Chinese customers.

The growth potential is enormous. Our vision is that the G'Day Friends logo becomes a kind of 'golden arches' for Chinese tourists.

## STATE OF CHANGE – THE WIDER PROJECT

The work in Colac is just one example of the project's impact in Victoria. It is doing similar work with Geelong Chamber of Commerce and over Easter, it used QR codes to promote water safety to Chinese tourists in Torquay and Fairhaven.

The project also provides accredited training in hospitality and small business-related courses, and non-accredited workshops for small businesses across Victoria.

Meanwhile, Melbourne Polytechnic is educating TAFE trainers to include Chinese customer engagement material in hospitality courses.

### LEARNING PROCESS – LESSONS AND OPPORTUNITIES

- WeChat and other Chinese social media sites could help the project really take off in Colac, according to Michael Menzies. *"That's a part of it that's unseen, but with 1.4 billion people, the potential for referral business is enormous,"* he says
- Traders collaborating together was a key success factor in Colac, Ian Roberts says, because it creates a Chinese-friendly community
- It's important to understand the seasonality of many small businesses. Events such as Christmas and the spring racing carnival affected the availability of staff to do training
- Initial take-up in the TAFE sector has not been as strong as it has been with business owners. The Institute is looking into the possibility of students being awarded "micro credentials" for completing modules as an incentive.

Founded in 2017, the Workforce Training Innovation Fund (WTIF) is a targeted *Skills First* funding stream. WTIF creates opportunities for partnerships between industry and the TAFE and training system and encourages them to explore bold, innovative approaches that challenge existing practices in skills development and training methods.

Ultimately, these new ideas and solutions aim to enhance workplace productivity, particularly in Victorian Government priority sectors. More than \$90 million of funding has been committed to date.

The next round of WTIF funding is now open for applications.

To find out more visit [www.education.vic.gov.au/training/providers/funding/Pages/wtif.aspx](http://www.education.vic.gov.au/training/providers/funding/Pages/wtif.aspx) or email the WTIF team at [w.tif@edumail.vic.gov.au](mailto:w.tif@edumail.vic.gov.au)