A market research-driven approach to developing an industry strategy for the SA Charter Boat Fishery

A South Australian Charter Boat Fishery Growth Plan

Action Market Research

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Abbreviations

FRDC	Fisheries Research and Development Corporation
NPS	Net Promoter Score
PIRSA	Primary Industries and Regions South Australia
SA	South Australia
SARDI	South Australian Research and Development Institute
SATC	South Australian Tourism Commission
SCBOOASA	Surveyed Charter Boat Owners and Operators Association of South Australia

Executive Summary

This project, undertaken by Action Market Research, Hudson Howells and BDO EconSearch, investigated the South Australian Charter Boat Fishery by conducting analyses to identify potential actions for growth to counter the declining level of activity and profitability in the industry.

The SA Charter Boat Fishery was first established under a regulatory regime in the July 2005. The purpose was to regulate fishery licence numbers and ensure that effective effort levels in this sector were well modulated. The SA Charter Boat Fishery has a share of a range of key fish stocks prescribed in its Fishery Management Plan as a subset of the recreational share of stocks

The SA Charter Boat Fishery is a commercial platform for undertaking recreational fishing and has transferable licences. In 2017/18, there were 85 licenced Charter Boat operators of which only 58 were active. The number of active licences has been declining since 2005/06 (almost 26 per cent). Over the same period the number of clients has declined to the lowest levels recorded, from 19,540 clients in 2005/06 to just 14,382 clients in 2017/18.

Specific strategies and performance indicators relating to the economic objectives are generally outlined in fishery management plans. As the Charter Boat Fishery is relatively new to specific management arrangements under the Fisheries Management Act 2007, detailed performance indicators are yet to be outlined in its management plan. Five indicators, gross value of production (GVP), licence value, return on capital, economic contribution of the fishery and the number of active fishing licences have all shown declining trends over the past three years.

Industry has highlighted a need to address these declining trends through accessing new opportunities. To do this a targeted analysis was conducted on potential, current and lapsed Charter Boat clients incorporating satisfaction levels, total expenditure levels and suggestions for improvements and new experiences. The results allowed identification of characteristics and attitudes to help enable the industry to understand what is important to their existing clients, boost satisfaction levels, reach more clients and expand the market. An analysis was then conducted on the industry to quantify its economic impact regionally and at a state level based on client expenditure. In identifying the above, an assessment was made as to the current capacity, willingness and desire of the charter boat fishery to meet existing and projected demand, both qualitative and quantitative.

A project Steering Committee (Appendix 6) was established to identify key issues in relation to the project and to facilitate its conduct. In collaboration with the Steering Committee, a workshop was held with licence holders to inform, promote and discuss the project and any issues, and two rapid appraisals were conducted between Action Market Research and Primary Industries and Regions South Australia (PIRSA) and South Australia Tourism Commission (SATC). A Charter Boat Client Survey was designed and carried out to identify clients' perspectives and expenditures. The results were reported on in *Charter Boat Fishing Client Survey Research: Summary of Research Results* (Appendix 1) and *Charter Boat Fishing Client Survey Research: Addendum* (Appendix 2).

This report allowed for the creation and implementation of the Charter Boat Licence Holder Survey, the results of which were used to identify misinformation (the disconnect between client and operator perceptions), gaps in performance and missed opportunity and revenue. These results were reported in *Charter Boat Fishing Licence Holder Survey Research: Summary of Research Results* (Appendix 3) and *South Australian Charter Boat Fishery Growth Plan* (Appendix 4).

A number of gaps between expectations and performance became apparent from the two surveys, with digital outreach being a common theme. Many clients indicated a need for an internet presence with respect to promotion (via websites, social media and email) and bookings, whereas less than half of licence holders participated in digital promotion and just over a quarter allow for online bookings.

Alongside the possible missed opportunity of online bookings, almost half of licence holders do not take payment (in full or deposit) at the time of booking. As 63 per cent of client's expect to pay at least a deposit at the time of booking, there is a missed opportunity for licence holders to recoup some costs associated with cancellations, and an ongoing opportunity to better manage cash-flow.

When considering closures, bag limits or other regulations that might affect a client's trip, 81 per cent of licence holders will inform their client's at the time of booking of any relavent regulations and restrictions. . This result shows that the operators are informing their customers at the time of the enquiry process, potentially highlighting a limitation instead of promoting the benefits of their experience highlighting an area to enhance client service and improve operator efficiencies.

Licence holders were able to recognise four ideas that could assist them to improve business performance include; getting reviews and recommendations from those who have undertaken a trip (81 per cent), keeping in touch with previous customers and attracting repeat business (69 per cent), upgrading equipment and gear to remain current (58 per cent), and maintaining a social media presence to promote your Charter Boat fishing experience (58 per cent).

There were some gaps identified in the expectations of the experience of Charter Boat fishing trips. While licence holders indicated that half of their clients booked specifically to catch Snapper, 70 per cent of clients indicated they would be satisfied fishing for other specifies if Snapper was not available. However, licence holders are providing other activities that clients indicated that were important to them such as wildlife experiences and coastline viewing. There was a short fall in the provision of food/lunch and non-alcoholic beverages on Charter Boat fishing trips with just over half of licence holders providing food and around two thirds providing non-alcoholic beverages. These items were considered "must haves" by clients.

When comparing the client and licence holder perspectives, obvious gaps appear. These gaps lead to loss of opportunity and loss of revenue not only for the licence holder's operation but also for the regional and state economy through flow on affects. Over half of the surveyed clients were current or potential clients, yet only 38 per cent indicated they were likely to go on a charter boat fishing trip in the next 3 years. Tapping into the rest of those potential clients and retaining the current clients is paramount to the sustainability and growth of the SA Charter Boat Fishing industry along with the benefit of contributing to the regional and state economy via the tourism generated by the attraction.

Licence holders, in collaboration with SATC and PIRSA, need to strive to close these gaps to grow the SA Charter Boat Fishing industry. An increase of online presence and awareness of the Charter Boat industry is needed to address missed promotional and booking opportunities. Booking reminders, informative web links and payment deposits should be implemented to keep the client's engaged and reduce cancellations (due to weather or fishing closures). It is recommended that SATC develop a self-help checklist as part of the SA Charter Boat Fishery operators' business development program. Retaining clients to ensure future bookings is paramount. Ensuring they have a positive experience and that their expectations are met will allow them to be a "business ambassador" for the charter boat industry. This can be facilitated by requesting to use their social media with photos and tags, or trip review websites to promote the licence holder's business. Keeping in touch with past clients with information and offers via email or social media will encourage internet traffic and bookings.

Keywords

South Australian Charter Boat Fishery, Growth Plan, Industry Analysis, Fisheries, Tourism, Market Research, Economic Indicators.

Introduction

The South Australian Charter Boat Fishery was first established under a regulatory regime in the July 2005. The purpose was to regulate fishery licence numbers and ensure that effective effort levels in this sector were well modulated. The SA Charter Boat Fishery has a share of a range of key fish stocks prescribed in its Fishery Management Plan as a subset of the recreational share of stocks (PIRSA 2011).

The SA Charter Boat Fishery is a commercial platform for undertaking recreational fishing and has transferable licences. In 2017/18, there were 85 licenced Charter Boat operators of which only 58 were active. The number of active licences has been declining since 2005/06 (almost 26 per cent). Over the same period the number of clients has declined to the lowest levels recorded, from 19,540 clients in 2005/06 to just 14,382 clients in 2017/18.

Specific strategies and performance indicators relating to the economic objectives are generally outlined in fishery management plans. As the SA Charter Boat Fishery is relatively new to specific management arrangements under the Fisheries Management Act 2007, detailed performance indicators are yet to be outlined in its management plan (PIRSA 2011). Five select indicators outlined in EconSearch (2018) all show declining trends over the past three years, specifically:

1. Gross Value of Production (GVP)
2. Licence value
3. Return on capital
4. Economic contribution of the fishery
5. Number of active fishing licences

Industry has highlighted a need to address these declining trends through accessing new opportunities.

While the fishery is a commercial operation offering a recreational fishing platform, it is not explicitly accounted for in the process of assessing recreational or commercial fishery performance.

The need to better understand the needs and wants of the fishery’s client group (recreational fishers) and the capacity of the charter fleet to meet this demand is critical to addressing the continued decline in participation and fishery profitability.

Addressing the reasons for the ongoing decline is important if the industry is to improve its economic performance. The fishery has capacity within its resource shares for growth for a wide range of species including key species such as Snapper (*Chrysophrys auratus*) and King George Whiting (*Sillaginodes punctatus*).

Objectives

The objectives for the project were as follows:

1. Conduct a target analysis of clients who have taken a fishing charter in each area incorporating satisfaction levels, total expenditure levels and suggestions for improvements and new experiences.

2. Quantify the economic impact of the industry to different regions based on client expenditure levels.

3. Identify client characteristics and attitudes to help enable the industry to understand what is important to their existing clients, boost satisfaction levels, reach more clients and expand the market.

4. Assess the current capacity, willingness and desire of the charter boat fishery to meet existing and projected demand, both qualitative and quantitative.

Method

Inception Meeting

The inception meeting held with the members of the Steering Committee (Appendix 6) was pivotal to the success of the project. The objective of this meeting was to:

- Confirm the scope and goals of the research project and the expectations of stakeholders
- Identify and discuss key issues in relation to the project, particularly any sensitivities associated with the project
- Discuss and agree on the research and consultation approach
- Discuss and agree on the frequency and timing of project meetings
- Discuss any other issues

Workshop

The workshop was crucial to better inform the questions design, and ensure the project was covering the key issues within the Charter Boat Fishery industry. The workshop was attended by five members of the project steering committee (four of which were project investigators) and six Charter Boat active licence holders to discuss what data needs to be collected.

As an additional step to the workshop, Action Market Research and Hudson Howells also undertook two rapid appraisal depth interviews with Primary Industries and Regions South Australia (PIRSA) around marine leases and parks and the South Australian Tourism Commission (SATC) on promotion of charter boat fishing as part of the wider literature review and background knowledge development ahead of engaging in the client and licence holder surveys.

Client Survey (Clients of the Licence Holders)

A questionnaire was developed from the consultations undertaken with key industry stakeholders and licence holders. It was determined to survey three key sample groups for the client survey:

- Current Clients – these are those who have undertaken a charter boat fishing trip in South Australia within the previous 12 months.
- Lapsed Clients – these are those who have undertaken a charter boat fishing trip previously, but not within the last 12 months
- Potential Clients – these are those who have never undertaken a charter boat fishing trip but would be open to doing so within the next 12 months

A total of 500 surveys were completed, including 85 Current Clients, 170 Lapsed Clients and 245 Potential Clients. The respondents were sourced from the following methods:

- Licence holders were informed about the client survey by letter and telephone, and invited to provide contact details of their clients to be included in the research. A total of 37 contacts were provided from this method, with 9 interviews completed.
- An online research-only panel was used to source respondents, and screening questions were utilised to determine which client group they qualified in, with a total of 491 interviews completed.

The survey was conducted online using our internally hosted Limesurvey software. A total of 500 respondents completed the survey, which provides an accuracy level of ±4.4 per cent for these results at 95 per cent confidence (in 95 out of 100 surveys, we would expect the result to be within ±4.4 per cent, so we can be 95 per cent confident the 'true' result lies within this range).

The results were then presented to the Steering Committee (Appendix 6) and reported in *Charter Boat Fishing Client Survey Research: Summary of Research Results* (Appendix 1) and *Charter Boat Fishing Client Survey Research: Addendum* (Appendix 2).

Licence Holder/Operator Survey (Current Licence Holders)

A series of questions were designed in association with BDO EconSearch's existing economic questions to determine:

- Perceived reasons for decline in participation, testing the elements we capture from the Workshop (Step 2), and also the elements uncovered from the Client research.
- Testing ideas to improve outcomes for the industry (generated from the outcomes from the Client survey), including the willingness for the charter boat industry to implement these ideas
- Current methods to promote and attract clients, with the outcome to be matched against the client preferences to highlight any gaps and potential opportunities to improve
- Perceived barriers to growth, testing the impact of the policy related elements, the change in market and external factors
- Willingness and desire of Charter Boat fishery to meet existing and projected demand

A total of 75 licence holders were targeted with 26 interviews completed. Each licence holder was informed about the licence holder survey via letter and telephone. The survey was conducted by telephone using our Computer Aided Telephone Interviewing system, and completed by an Executive Level and ISO20252 trained interviewer. Reminders went to those who are yet to participate within a suitable timeframe via a follow-up call, and provide guidance on completing if required.

The results of this were presented to the Steering Committee (Appendix 6) and reported in *Charter Boat Fishing Licence Holder Survey Research: Summary of Research Results* (Appendix 3) and *South Australian Charter Boat Fishery Growth Plan* (Appendix 4).

Results/Discussion/Conclusion

Client Survey Results[1]

Detailed results and analysis of the client survey are presented in Appendix 1 *Charter Boat Fishing Client Survey Research: Summary of Research Results* (Action Market Research et al, 2019a).

Of the 500 respondents who took part in the client survey, 17 per cent were classed as 'Current Clients', 34 per cent 'Lapsed Clients' and 49 per cent 'Potential Clients'. More than two-thirds (68 per cent) of respondents resided in South Australia and 32 per cent resided interstate. The majority of interstate fishing trip visitors came from New South Wales (33 per cent), Victoria (25 per cent) or Queensland (25 per cent).

A Net Promotor Score (NPS) was used to calculate the likelihood of a client giving a recommendation for their Charter Boat Fishing experience. The responses are grouped into three categories depending on the score given. Those who gave a 9 or 10 are considered to be 'Promoters' and are those who will naturally and spontaneously positively recommend their most recent charter boat experience. Those who gave a 7 or 8 are considered to be 'Passives' and are those who will not positively recommend or comment negatively about their most recent charter boat experience. Those who gave a score below 7 are considered to be 'Detractors' and are more likely to comment negatively about their recent charter boat experience. The NPS is then calculated by subtracting the percentage of Detractors from the percentage of Promoters, giving a score between -100 and +100 – that is, if a score of -100 was achieved, this would indicate all respondents are Detractors, or if a score of +100 was achieved, this would indicate all respondents are Promoters. A negative result indicates more work needs to be done to improve the experience, a positive result is a good result, and a score over +50 indicates an excellent outcome.

The results from the survey indicated that there are more Promoters than Detractors with a NPS of +11.7, but more work needs to be done to shift more Detractors into Passives and Passives into Promoters. Current Clients have a NPS of +31.8 indicating a good result with more talking positively about their recent experience than negatively. This result is much higher than the Lapsed Clients (+1.8), indicating that improvements to the industry have occurred. Visitors from interstate have a higher NPS than locals do (+26.5 to +6.4), and there is a higher NPS for those who most associate Snapper (+20.7) and Southern Bluefin Tuna (*Thunnus maccoyii*) (+16.6) with South Australian fishing experiences than other fish species. Those who mostly associated King George Whiting with fishing in South Australia have an NPS result of -1.5, indicating more are talking negatively about their experience than positively.

In making their travel plans, 39 per cent of respondents indicated the charter boat experience was an important element in their decision to travel in SA, with only 16 per cent indicating the charter boat experience was not important. The departure location varied with 24 per cent of recent charter boat trips departed from the Adelaide region, 16 per cent from the Fleurieu Peninsula area, and 15 per cent from the west coast of the Yorke Peninsula. For Current Clients, the majority of recent charter boat trips departed from the Adelaide region (40 per cent) and for Lapsed Clients, the majority of recent charter boat trips departed from Kangaroo Island (21 per cent). Nearly half (49 per cent) of all recent charter boat experiences have been a full day (6 to 12 hours), with 37 per cent a half day experience and 14 per cent multi-day experiences. Interstate residents were more likely to travel for a longer period than South Australian residents with 56 per cent travelling for 2-7 days (compared with 32 per cent) and 24 per cent travelling for 7 to 14 days (compared with 4 per cent).

In looking into the elements of the charter boat fishing experience that are considered important to clients, 'providing a safe experience' (Median of 10 for all client types), and 'providing a fun and enjoyable experience' (Median of 10 for all Lapsed and Potential Client, and 9 for Current Clients) were found to be the top two 'must haves' for a charter boat experience. 'Catching fish in general' was also important (Median of 9 for all), and more important than 'catching specific types of fish' (Median of 7/8). 'Having

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[1] This sections draws on the results presented in Appendix 1

lunch provided' and 'non-alcoholic drinks provided' also important, especially for potential clients (Median of 8).

Comparing which elements of the charter boat fishing experience are important versus the actual performance allows us to determine specifically which elements are performing below expected levels, and so which elements should be focused on to improve, and which areas are performing above expected levels allowing for less of a focus placed on these elements. These results highlighted three key areas that should be focused on to improve performance, including 'providing a safe experience' (Importance of 10, Performance of 9), 'providing a fun and enjoyable experience' (Importance of 10, Performance of 9), and 'catching fish in general' (Importance of 9, Performance of 8). Less important is needing to include 'having alcoholic drinks provided' (Importance of 5, Performance of 7), and 'for the fish caught to be cleaned and consumed on board' (Importance of 5, Performance of 7).

The species most associated with fishing in South Australia is Snapper (38 per cent), followed by King George Whiting (22 per cent) and Southern Bluefin Tuna (10 per cent). Snapper and Southern Bluefin Tuna was higher for Potential Clients than other client types, while Lapsed Clients have a higher association of King George Whiting than other client types. Snapper and King George Whiting have a slightly higher association with South Australian fishing to locals than interstate visitors, who also associate Southern Blue Fin and Flathead in addition to Snapper and King George Whiting with South Australian fishing. When looking into Snapper fishing specifically, if clients were unable to go charter boat fishing for Snapper, 70 per cent would be completely satisfied fishing for other species, and 22 per cent would be satisfied fishing for other species, but disappointed in not being able to fish for Snapper. Only 2 per cent indicated they would cancel their charter fishing trip if they could not fish for Snapper. Satisfaction in fishing for other species is higher among the Potential Clients (75 per cent), and slightly lower among the Current Clients (65 per cent) and Lapsed Clients (65 per cent). Current Clients are more likely to be disappointed in not being able to fish for Snapper (31 per cent).

In booking their charter boat fishing trip, all client groups expect to book by making a phone call directly to the charter boat operator. Potential Clients are more likely or want to book through a booking website (71 per cent), with a direct phone call (63 per cent), through a website offering a range of options (48 per cent) or via email (36 per cent). Potential clients also have a higher desire for receiving email confirmation on the day (69 per cent), a reminder email a few days before (62 per cent) or a reminder SMS (42 per cent). When considering payment, the majority of all client types expect to make a deposit in the day of the booking and pay the remainder on the day (63 per cent) with 30 per cent expecting to make full payment upon booking.

In comparing the satisfaction levels between the most recent South Australian charter boat experience with those trips undertaken elsewhere in Australia and overseas, the trips the respondents had undertaken overseas received a higher satisfaction rating (68 per cent) compared to 63 per cent for both South Australian trips and those from elsewhere in Australia. Current Clients have a higher satisfaction rating for their most recent South Australian trip (74 per cent) than those undertaken elsewhere, whereas Lapsed Clients and Potential Clients have higher satisfaction ratings for trips undertaken overseas (65 per cent and 70 per cent, respectively).

Looking to the future, only 38 per cent are likely to undertake a charter boat fishing trip in South Australia in the next 3 years, and 10 per cent are not likely to do so. Current Clients are much more likely to undertake a charter boat fishing trip in South Australia in the next 3 years (75 per cent) compared to Lapsed Clients (35 per cent) and Potential Clients (26 per cent). There were 26 per cent of respondents who have never undertaken a charter fishing trip but are interested and likely to do so in the next 3 years which indicates an opportunity for the industry to lure a swathe of new customers with the right advertising and promotion directed at them about chartered fishing in South Australia. With their future charter boat fishing trip, their average expected cost for a full day trip would be $244 per person per full day. The average expected cost for Current Clients was higher at $296 per person per full day, and lower among both the Lapsed Clients ($226 per person per full day) and Potential Clients ($227 per person per full day). Lapsed Clients expect to pay less (under $200 per person per day), Potential Clients were more likely than other client types to expect to pay within a range of $100-$200 per person per day and current clients expect to pay more than other client types as whole.

Comparison with Licence Holder Survey Results[2]

Detailed analysis of the licence holder survey are presented in Appendix 3 *Charter Boat Fishing Licence Holder Survey Research: Summary of Research Results* (Action Market Research et al, 2019e).

A total of 26 responses were collected from licence holders covering 23 licences, representing 45 per cent of the active licences in the fishery. Comparing their perceptions of the fishery with their client's perceptions allows a wholesome and informative picture to be built.

Licence holders felt as though business performance over the last 12 months was stagnant, and projected a decline in performance in the next 12 months, it is no surprise that operators' perceptions are that the industry is in decline. The main perceived issues impacting business performance relate to changes in access, including Snapper fishing closures, spatial closures and marine parks (35 per cent). There were concerns regarding the fish stocks (19 per cent), and the reduction in bag limits (12 per cent). Costs were another key issue, with the cost of licence fees (8 per cent), costs associated with fuel (4 per cent), and surveying equipment (4 per cent). Licence holders would like to have fishing access to areas that are currently closed, and to be able to fish for species during the closure dates (23 per cent). Other ideas include having a focus on advertising/promotion of the Charter Boat industry (12 per cent), and to increase the bag limits for Charter Boats specifically (12 per cent).

The key promotional methods used by the licence holders include utilising social media (85 per cent), operating a website (81 per cent), and emailing information/offers to past clients (73 per cent). Just under half (46 per cent) of operators are confident in using digital media to promote their businesses, with 38 per cent neither confident nor not confident, and 15 per cent not confident. Advertising via the SATC's tour portal was undertaken by only 42 per cent of licence holders, indicating an area where operators can improve their presence to build awareness. As the client survey indicated a requirement to promote Charter Boat fishing trip experiences via digital means, improving licence holder confidence in digital media usage will be a key driver in building additional functionality in their businesses (such as website booking and payment systems).

In terms of taking bookings, almost all (96 per cent) are currently made via a phone call with the licence holder. Alternative methods include booking via email (46 per cent) and through their website (27 per cent). Results from the client survey indicated that the preference for booking is through a website interaction, meaning there is a significant gap in client booking expectations and with the booking service provided by licence holders.

While making a booking, half of Charter Boat operators take at least an up-front deposit (8 per cent taking the full payment up-front and 42 per cent taking a deposit), and 46 per cent take full payment on the day of the trip. When considering client expectations revealed in the client survey, there is a missed opportunity for licence holders to recoup some costs associated with cancellations, and an ongoing opportunity to better manage cash-flow.

When considering closures, bag limits or other regulations that might affect a client's trip, 81 per cent of licence holders will inform their client's at the time of booking. Only 8 per cent have this information listed on their website, and only 8 per cent have these included as part of their standard terms and conditions. This result shows that the operators are informing their customers at the time of the enquiry process, potentially highlighting a limitation instead of promoting the benefits of their experience highlighting an area to enhance client service and improve operator efficiencies.

After the initial booking, 85 per cent of licence holders are making reminder phone calls on the day of the booking and just over half will send a confirmation email on the day the booking is made (58 per cent) which highlights an area to enhance client service and improve operator efficiencies.

The top four ideas that licence holders felt would help improve business performance include; getting reviews and recommendations from those who have undertaken a trip (81 per cent), keeping in touch with

[2] This section draws on the results presented in Appendix 3

previous customers and attracting repeat business (69 per cent), upgrading equipment and gear to remain current (58 per cent) and maintaining a social media presence to promote your Charter Boat fishing experience (58 per cent). Getting reviews and recommendations from those who have undertaken a trip is perceived to be the idea that will have the greatest impact on business performance (23 per cent), followed by maintaining a social media presence (15 per cent), improving the on-board experience to meet and exceed customer expectations (12 per cent) and upgrading equipment and gear to remain current (12 per cent).

Licence holders perceptions of their clients indicated that half of all their bookings were made to specifically catch Snapper (50 per cent), with 38 per cent booking to catch a fish, but not specifically Snapper, and 12 per cent are booking just for the experience. Apart from fishing, other activities and services offered to clients on all or most trips include wildlife experiences (92 per cent), chilling caught fish (92 per cent), coastline viewing (77 per cent and cleaning caught fish (77 per cent). Only 58 per cent of Charter Boat operators are providing food/lunch as part of the experience, and 69 per cent are providing non-alcoholic beverages. Most Charter Boat operators are not planning on offering additional activities/services in the future (92 per cent), however, the client survey these two items were considered ‘must-haves’, and represents a key element for Charter Boat operators to improve on.

While fishing is clearly the main purpose for a charter boat fishing trip, other activities that are of interest include sightseeing/coastal viewing, creating a positive and enjoyable experience, and the variety and quality of food and drink on board. When prompted, the additional activities that are most appealing are wildlife experiences, and coastline viewing. While clients are centred around Snapper, the majority said they would be satisfied fishing for other species. There are clearly some gaps between what clients expect on a charter boat fishing trip and the perceptions and actions of licence holders.

Implications

When comparing the client and licence holder perspectives (Appendices 1 and 3), obvious gaps appear. These gaps lead to loss of opportunity and loss of revenue not only for the licence holder's operation but also for the regional and state economy through lower than potential flow-on affects. Over half of the surveyed clients were current or potential clients, yet only 38 per cent indicated they were likely to go on a charter boat fishing trip in the next 3 years. Tapping into the rest of those potential clients and retaining the current clients in paramount to the sustainability and growth of the SA Charter Boat Fishing industry along with the benefit of contributing to the regional and state economy via the tourism generated by the attraction.

Recommendations[3]

Awareness of the SA Charter Boat Fishery operator's business is the first step in the client journey. By definition, if a potential client is unaware of the business then there will be no sale. The window to the Charter Boat world is primarily digital (website and social media) but there are other cost-effective opportunities for promotion. Websites and social media platforms must be both attractive and functional (easy to navigate and include options for booking and payment). The following actions as recommended in the South Australian Charter Boat Fishery Growth Plan (Appendix 4) are:

- 100 per cent of operators have a website and social media accounts (Facebook, Instagram, Twitter and YouTube vloggers preferred).
- Each operator ensures their website and social media accounts are attractive, current and functional.
- Each operator takes advantage of the South Australian Tourism Commission's trade development services and resources including trade and partnership marketing opportunities.
- Each operator ensures that information flyers are provided to local businesses/organisations that are prepared to display these. Examples include hotels and other accommodation providers, visitors' centres, supermarkets, local stores, tackle shops and community notice boards.

In addition, it is recommended that a specific SA Charter Boat Fishery operators' business development program be developed and delivered by the SATC (Appendix 4). This will focus on building awareness, digital media optimisation and client relationship management. As part of this program a panel of digital media specialists would be established to provide 'at-the-elbow' assistance to individual operators. Other promotional tools such as Google Ads (online advertising), attending trade shows, and print and electronic media advertising can be considered but there are costs associated with these approaches.

The next step is information seeking. Ideally all of the necessary information will be available on the operator's website. As noted above the key areas are:

- Types of fish I can catch (including regulations such as bag limits, seasonality and species' closures)
- Other on-board experiences and services such as wildlife experiences, coastline viewing, chilling and cleaning caught fish and providing food and beverages.
- Type of vessel and associated safety equipment.
- Experience of the operator.
- Experiences of previous clients including links to social media platforms.
- Booking a trip online and having this confirmed promptly including terms and conditions.
- Finding transport and accommodation with links to partner websites.
- What I need to bring with me and what's supplied.
- Current weather conditions and what to expect if the trip is cancelled due to poor weather.
- Paying for the trip online and confirmation of payment.
- Booking reminder by SMS or email prior to trip including final payment.

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[3] This section draws on the results presented in Appendix 4

It is recommended that a business self-help checklist, as highlighted in the South Australian Charter Boat Growth Plan (Appendix 4), be prepared as part of the SA Charter Boat Fishery operators' business development program to be developed and delivered by the SATC. It is noted that regulations and closures are managed by PIRSA and that this information is provided on PIRSA's website. A link to PIRSA's site to the operator's website would ensure information provided is current and accurate. It is also recommended that in terms of PIRSA's economic development charter, the website is reviewed and modified to ensure it is less bureaucratic and more market/client focused. Aligned to this is a review of the annual licence fees paid to PIRSA by operators to ensure these accurately reflect cost recovery.

The final step recommended in the South Australian Charter Boat Growth Plan (Appendix 4) is the client experience. The client experience begins when the prospective client first interacts with the operator (visits the website, checks out social media, makes a phone call, etc.). Importantly if the client has a positive experience, then that person has the potential to become a business ambassador – an unpaid, but very effective advocate, for the business and potentially a repeat client. The key issue identified through the research and consultation process is the mismatch between client expectations and operator delivery. This has the potential to result in a poor customer experience which decreases the chances of either repeat business or advocacy. It is recommended that the following be addressed by operators:

- Ensure websites and social media accounts reflect the standards highlighted in the Awareness and Information sections above.

- Develop a system for recording client contact details and activities. This is referred to as a Client (or Customer) Relationship Management System (CRM). A number of low cost off-the-shelf packages are available.

- Develop a system to maintain regular contact with past clients. This can easily be done via email and social media which can be used to provide information and offers. Undertake post trip evaluations (short survey) and encourage clients to share their experiences on social media.

- Use social media to showcase trip highlights.

- Use trip review websites (such as TripAdvisor) to allow clients to rate and share their reviews of the experience.

Extension and Adoption

The Charter Boat industry was heavily involved and informed throughout the project. Neil MacDonald, Executive Officer of Surveyed Charter Boat Owners and Operators Association of South Australia (SCBOOSA), was a co-investigator on the project and sat on the Steering Committee. Merilyn Nobes from SCBOOSA also attended several Steering Committee meetings (Appendix 6). Licence holders were notified about the project along with being asked to workshop and participate in the survey. The results were reported and distributed to the Association's Management Committee in their June meeting and invited to provide feedback. Discussions are to take place in the August meeting regarding the implementation of the recommendations made.

This project has been well received and the analysis would be useful to and could be applied throughout other jurisdictions. Queensland Fisheries has engaged the principal investigator for a similar analysis to be undertaken for the Charter Boat Fishery in that state. The Queensland project commenced in

Project materials developed

Reports

- Charter Boat Fishing Client Survey Research: Summary of Research Results (Action Market Research et al, 2019a) (Appendix 1)
- Charter Boat Fishing Client Survey Research: Addendum (Action Market Research et al, 2019b) (Appendix 2)
- SA Charter Boat Fishery Economic and Social Indicators Report (BDO EconSearch 2019) (Appendix 5)
- Charter Boat Fishing Licence Holder Survey Research: Summary of Research Results (Action Market Research et al, 2019e) (Appendix 3)
- South Australian Charter Boat Fishery Growth Plan (Action Market Research et al, 2019f) (Appendix 4)

Presentations

- FRDC Client Survey Top Line Results (Action Market Research et al, 2019c)
- FRDC Licence Holder Top Line Results (Action Market Research et al, 2019d)

Appendices

References

Action Market Research and Hudson Howells 2019a, *Charter Boat Fishing Client Survey Research: Summary of Research Results*, report prepared for Fisheries Research and Development Corporation, April.

Action Market Research and Hudson Howells 2019b, *Charter Boat Fishing Client Survey Research: Addendum*, report prepared for Fisheries Research and Development Corporation, May.

Action Market Research and Hudson Howells 2019c, *Client Survey Top Line Results*, presentation prepared for Fisheries Research and Development Corporation, May.

Action Market Research and Hudson Howells 2019d, *Licence Holder Survey Top Line Results*, presentation prepared for Fisheries Research and Development Corporation, May.

Action Market Research and Hudson Howells 2019e, *Charter Boat Fishing Client Survey Research: Summary of Research Results*, report prepared for Fisheries Research and Development Corporation, June.

Action Market Research and Hudson Howells 2019f, *South Australian Chart Boat Growth Plan*, report prepared for Fisheries Research and Development Corporation, June.

BDO EconSearch 2019, *Economic Indicators for the Charter Boat Fishery 2017/18*, report prepared for Primary Industries and Resources South Australia, June.

EconSearch 2018, *Economic Indicators for the Charter Boat Fishery 2016/17*, report prepared for Primary Industries and Resources South Australia, July.

FRDC 2019, *A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery*, FRDC Funding Application, January.

PIRSA 2011, Management Plan for the South Australian Charter Boat Fishery, prepared by PIRSA, August.

Appendix 1 Charter Boat Fishing Client Survey Research: Summary of Research Results (Action Market Research et al, 2019a)

Charter Boat Fishing Client Survey Research: Summary of Research Results

PREPARED FOR

Julian Morison, BDO EconSearch

PREPARED BY

Luke Sexton, Nicola Pitt and Neil Howells (Hudson Howells)

DATE

5 April 2019

This study, '2018-154: A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery' is supported by funding from the FRDC on behalf of the Australian Government

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Tips for Getting the Most out of your Report

Action Market Research and Hudson Howells appreciates the investment you have made in undertaking this research, so it is important to us that you are able to get maximum value for your investment. The following tips are intended to help with this.

This report contains an Executive Summary. This is a 'true' Executive Summary and does not contain any information that is not included in the body of the report. If you intend to read the entire report, please don't bother to read the Executive Summary. One of the main advantages of this approach is that the Executive Summary can be lifted from the report and pasted into other reports you might be preparing (Board Reports, etc.)

The 'Research Findings – Detail' section of this report presents key findings from the survey results. We have presented the results by total responses, lapsed, current and future clients, SA versus interstate respondents and also by fish species preferences.

If you would like to see the full set of tabulated results, please see the attached appendix to this report in MS Excel format. The survey data spreadsheets include all of the tables, charts and verbatim comments made by the survey respondents listed per survey question. This means you can easily prepare a chart in a different layout or cut and paste tables into a new spreadsheet.

Finally, as you go through the report, you may wish to cross-tabulate one set of data against another. We are always happy to provide additional analyses.

Thank you for using Action Market Research and Hudson Howells and we trust you enjoy reading the report.

EXECUTIVE SUMMARY

This summary contains the main highlights of the report. Readers intending to examine the entire report should proceed directly to Section 1.

Background and Research Objective

The Charter Boat Fishery is a commercial platform for undertaking recreational fishing. In 2016/17, there were 100 licensed Charter Boat operators of which only 59 were active, and the number of active licenses has been declining since 2005/06 (by almost 25%). Over the same period the number of clients has declined to the lowest levels recorded, from 19,540 clients in 2005/06 to just 14,459 clients in 2016/17.

The Charter Boat industry has highlighted a need to address this declining trend through understanding the needs and wants of the fishery's client group (recreational fishers), understanding what opportunities exist and to determine the capacity of the charter fleet to meet this demand.

Action Market Research and Hudson Howells were engaged by BDO-EconSearch to undertake research into the charter boat industry to determine ways to address the declining trend. A holistic research approach has been undertaken whereby all key stakeholders within the industry have been consulted to ensure the research design and tools cover the key issues, and the key outcomes are well informed and highly relevant. This has included:

- Rapid Appraisal Depth Interviews with key stakeholders, including representatives from PIRSA, SATC, SCBOOASA, and highly informed individuals (completed in February 2019)
- A License Holder Workshop with six current license holders to further understand impressions of the industry, impacts of closures and regulations, competition and client types, and ideas how to improve (completed in February 2019)

The information collected informed the design of a questionnaire used to survey charter boat fishing clients, and those interested in undertaking a charter boat fishing trip but are yet to do so. This report details the findings of this survey and includes an understanding of the needs and wants of the different client groups, and the opportunities to arrest the industry decline.

The results from this survey will further inform the design of the questionnaire used to survey charter boat license holders, allowing for testing of key opportunities to determine the willingness of the industry to meet the needs and wants of their clients. This survey is to be undertaken in April 2019.

Methodology

A questionnaire was developed (Appendix A) from the consultations undertaken with key industry stakeholders and license holders. It was determined to survey three key sample groups for the client survey:

> Current Clients – these are those who have undertaken a charter boat fishing trip in South Australia within the previous 12 months.
> Lapsed Clients – these are those who have undertaken a charter boat fishing trip previously, but not within the last 12 months
> Potential Clients – these are those who have never undertaken a charter boat fishing trip but would be open to doing so within the next 12 months

A total of 500 surveys were completed, including 85 Current Clients, 170 Lapsed Clients and 245 Potential Clients. The respondents were sourced from the following methods:

> License holders were informed about the client survey by letter and telephone, and invited to provide contact details of their clients to be included in the research. A total of 37 contacts were provided from this method, with 9 interviews completed.
> An online research-only panel was used to source respondents, and screening questions were utilised to determine which client group they qualified in, with a total of 491 interviews completed.

The survey was conducted online using our internally hosted Limesurvey software. A total of 500 respondents completed the survey, which provides an accuracy level of +/- 4.4% for these results at 95% confidence (in 95 out of 100 surveys, we would expect the result to be within +/- 4.4%, so we can be 95% confident the 'true' result lies within this range).

Client Types Summary

The results for this report have been analysed by the three distinct client types to allow for an in-depth understanding of each type. The following provides a summary of these findings for each type.

Current Clients

Current Clients are defined as those who have undertaken a charter boat fishing trip in South Australia within the last 12 months. As this group has the most recent experience, the findings from this group highlights the current performance of the industry. Current Clients are more likely to be:

> Male (65%) and a younger profile (41% 18-34 years, compared to 24% of the total sample)
> Reside in South Australia (72% compared to 68% of the total sample)

> Employed (70% compared to 48% of the total sample)
> Have a higher level of average household income ($88,000 compared to $77,000 for the total sample)
> Social media users, with their top 3 preferred being Facebook (80% compared to 77% of the total sample), YouTube (56% compared to 49% of the total sample) and Instagram (40% compared to 28% of the total sample)

Current Clients are more interested in fishing, including:

> Have a higher level of interest in fishing (72% compared to 51% of the total sample)
> Fish recreationally (80% compared to 69% of the total sample)
> Have access to a boat (49% compared to 33% of the total sample)

Current Clients most recent charter boat experience was more likely to be:

> A full day experience (53% compared to 49% of the total sample)
> A part of a single day South Australian experience (53% compared to 48% of the total sample)
> An important part of their decision to travel in South Australia (56% compared to 39% of the total sample)
> As part of a larger group, 5-10 people (24% compared to 18% of the total sample)
> More satisfied with their recent charter boat fishing experience (74% compared to 63% of the total sample)
> Be recommending this most recent trip to others, talking more positively about the experience (Net Promoter Score of +31.8 compared to +11.7 for the total sample)

In terms of their charter boat trip expectations, areas where Current Clients place a higher level of importance than the performance include:

> The trip providing a safe experience (Importance median score of 10, Performance median score of 9)
> Catching fish (Importance median score of 9, Performance median score of 8)
> Providing a fun and enjoyable experience (Importance median score of 9, Performance median score of 8)

Areas where current performance is greater than Current Clients level of importance include:

> Having the ability to speak with a real person about the trip (Importance median score of 8, Performance median score of 9)
> Offering hotel pick-up/drop-off service (Importance median score of 7, Performance median score of 8)
> For the fish to be cleaned and consumed on board (Importance median score of 7, Performance median score of 8)

> To have alcoholic drinks provided (Importance median score of 6, Performance median score of 7)

The top 3 fish species Current Clients mostly associate with South Australia include Snapper (24%), King George Whiting (18%) and Southern Bluefin Tuna (7%), which are all lower than the total sample:

> Snapper association with charter boat fishing in South Australia is lower (24% compared to 38% of the total sample) possibly indicating a shift in association due to recent restrictions.
> King George Whiting association with charter boat fishing in South Australia is lower for this group (18% compared to 22% of the total sample).
> Other species, including Flathead (8% compared to 4% of the total sample), Flounder (6% compared to 1% of the total sample), Bight Redfish/Nannygai (6% compared to 2% of the total sample) and Yellowtail Kingfish (6% compared to 3% of the total sample) have higher levels of association.

If Current Clients were unable to fish for Snapper, 65% would be completely satisfied fishing for other species (compared to 70% of the total sample), 31% would be disappointed they couldn't fish for Snapper (compared to 22% of the total sample).

In regards to booking a charter boat fishing trip, Current Clients are likely to:

> Call the charter boat operator directly (61% compared to 61% of the total sample)
> Book via email (46% compared to 36% of the total sample)
> Expect to make a deposit for the trip when it is booked (59%, compared to 63% of the total sample)
> Receive a confirmation email on the day of the booking (67% compared to 68% of the total sample)

Current Clients are less likely to:

> Book through charter boat operator's website (39% compared to 62% of the total sample)
> Receive reminders about their booking, including email a few days prior (39% compared to 55% of the total sample), and reminder SMS/Text message a few days prior (27% compared to 34% of the total sample)

Current Clients are more likely to:

> Undertake a charter boat fishing trip in the next 3 years (75% compared to 38% of the total sample)
> Estimate this to cost more than other client types ($296 compared to $244 by the total sample)

> Be interested in additional activities if offered, including wildlife experiences (Median of 8), coastline viewing (Median of 8), a package deal where a local restaurant prepares the fish caught (Median of 8)

In summary, the Current Clients are a younger and more affluent group, with higher levels of interest in fishing, have the intention to undertake charter boat fishing trips in the future, and spend more doing so, and are talking positively about their recent experiences.

This client group is an extremely important group as they offer the potential to positively influence others to undertake charter boat fishing trips.

Lapsed Clients

Lapsed Clients are defined as those who have undertaken a charter boat fishing trip in South Australia in the past but not within the last 12 months. This group are more likely to be those that have 'tuned off' from the charter boat fishing experiences. Lapsed Clients are more likely to be:

> Male (73%) and an older profile (37% 65+ years, compared to 28% of the total sample)
> Reside in South Australia (74% compared to 68% of the total sample)
> Retired (38% compared to 31% of the total sample)
> Have an average level of household income ($77,000 compared to $77,000 for the total sample)
> Social media users, with their top 3 preferred being Facebook (72% compared to 77% of the total sample), YouTube (51% compared to 49% of the total sample) and Instagram (25% compared to 28% of the total sample)

Lapsed Clients have an average level of interest in fishing, including:

> Average level of interest in fishing (52% compared to 51% of the total sample)
> Fish recreationally (70% compared to 69% of the total sample)
> Have access to a boat (36% compared to 33% of the total sample)

Lapsed Clients most recent charter boat experience was more likely to be:

> A full day experience (46% compared to 49% of the total sample)
> A part of a single day South Australian experience (45% compared to 48% of the total sample)
> Neither an important nor unimportant part of their decision to travel in South Australia (40% compared to 36% of the total sample)
> As part of a smaller group, 1 additional person (19% compared to 17% of the total sample)
> Less satisfied with their recent charter boat fishing experience (58% compared to 63% of the total sample)

> Not recommending this most recent trip to others, not talking positively or negatively about the experience (Net Promoter Score of +1.8 compared to +11.7 for the total sample)

In terms of their charter boat trip expectations, areas where Lapsed Clients place a higher level of importance than the performance include:

> Providing a fun and enjoyable experience (Importance median score of 9, Performance median score of 8)

Areas where current performance is greater than Lapsed Clients level of importance include:

> Having the ability to speak with a real person about the trip (Importance median score of 8, Performance median score of 9)
> Ability to compare charter boat operators online (Importance median score of 7, Performance median score of 8)
> Offering hotel pick-up/drop-off service (Importance median score of 7, Performance median score of 8)
> For the fish to be cleaned and consumed on board (Importance median score of 6, Performance median score of 8)
> To have alcoholic drinks provided (Importance median score of 6, Performance median score of 7)

The top 3 fish species Lapsed Clients mostly associate with South Australia include Snapper (39%), and King George Whiting (30%), which are both higher than the total sample, and Southern Bluefin Tuna (4%), which is lower than the total sample:

> Snapper association with charter boat fishing in South Australia is higher (39% compared to 38% of the total sample).
> King George Whiting association with charter boat fishing in South Australia is higher for this group (30% compared to 22% of the total sample).
> Other species, including Flathead (5% compared to 4% of the total sample), Shark (5% compared to 3% of the total sample), and Garfish (4% compared to 3% of the total sample) have higher levels of association.

If Lapsed Clients were unable to fish for Snapper, 65% would be completely satisfied fishing for other species (compared to 70% of the total sample), 22% would be disappointed they couldn't fish for Snapper (compared to 22% of the total sample).

In regards to booking a charter boat fishing trip, Lapsed Clients are likely to:

> Book through charter boat operator's website (61% compared to 62% of the total sample)
> Expect to make a deposit for the trip when it is booked (69%, compared to 63% of the total sample)

> Receive a confirmation email on the day of the booking (68% compared to 68% of the total sample)

Lapsed Clients are less likely to:

> Book through a booking website that offers a range of tour options (31% compared to 39% of the total sample)
> Expect to make full payment for the trip when booked (25% compared to 30% of the total sample)
> Receive an SMS/Text reminder a few days prior to the booking (26% compared to 34% of the total sample).

Lapsed Clients are less likely to:

> Undertake a charter boat fishing trip in the next 3 years (35% compared to 38% of the total sample)
> Estimate this to cost less than other client types ($226 compared to $244 by the total sample)
> Be interested in additional activities if offered, including wildlife experiences (Median of 8), coastline viewing (Median of 7), a package deal where a local restaurant prepares the fish caught (Median of 7)

In summary, the Lapsed Clients are an older group, with average levels of interest in fishing, are less likely to undertake a trip in the next 3 years, and are looking to spend less doing so. This group is not talking positively or negatively about their previous charter boat experience, and will need conversion to convince them to undertake another trip in the future.

Potential Clients

Lapsed Clients are defined as those who have never undertaken a charter boat fishing trip in South Australia but would be open to doing so in the next 12 months. This group are those who charter boat operators should be targeting to attract additional participation. Potential Clients are more likely to be:

> Male (58%) and a slightly older profile (31% 50-64 years, compared to 26% of the total sample)
> Mostly reside in South Australia (63%) but more located interstate than the other client groups (37% compared to 32% of the total sample)
> Retired (33% compared to 31% of the total sample)
> Have an average level of household income ($76,000 compared to $77,000 for the total sample)

> Social media users, with their top 3 preferred being Facebook (80% compared to 77% of the total sample), YouTube (44% compared to 49% of the total sample) and Instagram (26% compared to 28% of the total sample)

Potential Clients have a lower level of interest in fishing, including:

> Lower level of interest in fishing (44% compared to 51% of the total sample)
> Fish recreationally slightly less (65% compared to 69% of the total sample)
> Don't have as much access to a boat as other client groups (26% compared to 33% of the total sample)

In terms of their charter boat trip expectations, areas where Potential Clients place a high level of importance include:

> Providing a fun and enjoyable experience (Importance median score of 10)
> To provide a safe experience (Median score of 10)
> To catch fish (Median score of 9)
> To have lunch provided as part of the experience (Median score of 9)
> To have non-alcoholic drinks provided (Median score of 9)

Areas that are not important for Potential Clients include:

> For the fish caught to be cleaned and consumed on board (Median score of 6)
> To gave alcoholic drinks provided (Median score of 6)

The top 3 fish species Potential Clients mostly associate with South Australia include Snapper (42% the highest among the client groups), King George Whiting (17%), and Southern Bluefin Tuna (16%):

> Snapper association with charter boat fishing in South Australia is higher (42% compared to 38% of the total sample).
> King George Whiting association with charter boat fishing in South Australia is lower for this group (17% compared to 22% of the total sample).
> Southern Bluefin Tuna association with charter boat fishing in South Australia is higher for this group (16% compared to 10% of the total sample)

If Potential Clients were unable to fish for Snapper, 75% would be completely satisfied fishing for other species (compared to 70% of the total sample), 20% would be disappointed they couldn't fish for Snapper (compared to 22% of the total sample).

In regards to booking a charter boat fishing trip, Potential Clients are likely to:

> Book through charter boat operator's website (71% compared to 62% of the total sample)
> Expect to make a deposit for the trip when it is booked (60%, compared to 63% of the total sample)

- Receive a confirmation email on the day of the booking (69% compared to 68% of the total sample)
- Receive a reminder email a few days prior to the booking (62% compared to 55% of the total sample)

Potential Clients are less likely to:

- Expect to make full payment on the day of the trip (5% compared to 7% of the total sample)

Potential Clients are less likely to:

- Undertake a charter boat fishing trip in the next 3 years (26% compared to 38% of the total sample)
- Estimate this to cost less than other client types ($227 compared to $244 by the total sample)
- Be interested in additional activities if offered, including wildlife experiences (Median of 8), and coastline viewing (Median of 8)

In summary, the Potential Clients are looking for a fun, enjoyable and safe whole package experience where lunch and drinks are provided, and can be booked online. They are looking to catch fish, but are not concerned about specific species, with coastline viewing and fun important elements of the experience.

Key Findings

The following section provides an overall summary of the key study findings:

- Overall, approximately two-thirds (63%) are satisfied with their most recent charter boat fishing trip. Satisfaction is higher among the more recent trips with Current Clients 74% and Lapsed Clients 58%.

- The overall Net Promoter Score is +11.7 indicating those who have been on a charter boat fishing trip are more likely to talk positively than negatively about the experience. The Current Clients have the highest Net Promoter Score with +31.8, compared to Lapsed Clients with +1.8.

- Interstate residents (+26.5) have a higher Net Promoter Score than South Australian residents (+6.4).

- Those who mostly associate Snapper (+20.7) with charter boat fishing in South Australia have a higher Net Promoter Score than other species, with those who mostly associate King

George Whiting (-1.5) with fishing in South Australia more likely to talk negatively about their experience than positively.

> Top-of-mind things clients want provided during a charter boat fishing trip include food/snacks (32%), drinks (31%) and fishing gear/equipment (30%).

> Elements where current charter boat experiences are performing below expected levels include providing a safe experience (Importance median of 10, Performance median of 9), providing a fun and enjoyable experience (Importance median of 10, Performance median of 9), and catching fish (Importance median of 9, Performance median of 8)

> Elements where current charter boat experiences are performing above expected levels include having alcoholic drinks provided (Importance median of 5, Performance median of 7), and having the fish caught to be cleaned and consumed on board (Importance median of 5, Performance median of 7).

> Snapper (38%), King George Whiting (22%) and Southern Bluefin Tuna (10%) are the three species most associated with charter boat fishing in South Australia.

> If unable to fish for Snapper, 70% will be completely satisfied with fishing for other species, and 22% will be disappointed they cannot fish for Snapper, but be satisfied fishing for other species. 2% will cancel their trip.

> Bookings are most likely to be undertaken through charter boat operator's website (62%) or by a phone call directly to the charter boat operator (61%).

> A confirmation email sent on the day of the booking (68%) and a reminder email send a few days prior to the booking (55%) are expected.

> A deposit is expected at the time of booking (63%), and only 7% would expect to make full payment on the day of the trip itself.

> Satisfaction with South Australian charter boat experiences (63%) is on par with other Australian charter boat experiences (63%), but overseas experiences are performing better (68%).

> 38% are likely to undertake a charter boat fishing trip in the next 3 years, with Current Clients much more likely (75%), and Potential Clients less likely (26%). The average expected cost of that trip is $244 per person for a full day experience.

> Additional activities of interest include wildlife experiences (Median score of 8), and coastline viewing (Median score of 8). Activities not of interest include Diving (Median score of 5), on board sashimi experience (Median score of 5), shark cage diving (Median score of 5).

> The one thing that could be done to improve the number of charter boat trips taken is to improve its affordability (23%).

Summary and Recommendations

In summary, the findings from the Client Survey indicate that the Charter Boat Industry, in terms of meeting client expectations, is performing adequately as opposed to exceptionally. This will be addressed in the Charter Boat Industry Growth Plan that will be prepared on completion of the Charter Boat Industry Operators' survey. This will include mapping the client journey and all of the associated touch points.

There are some key take-outs from the survey findings that are worth highlighting:

1. Snapper and tuna are clearly the two key species that the market is focused on. Therefore, a collaborative effort by government and industry to ensure this demand can be met will be rewarded by market growth.

2. The key drivers for a positive charter boat fishing experience are a 'fun, enjoyable, good time' and being 'able to catch fish as expected, hoped'. This should then be reflected in the promise for the fishing trip (all marketing collateral), the booking experience, the trip itself and the post-trip experience (post-trip engagement and reward). It is noted that the market segment with the greatest propensity to book another trip is the Current Clients.

3. It is also noted that a safe experience is essential. The market needs to be aware that safety is a priority, but this needs to be managed so the market is reassured not alarmed.

4. The most attractive option is an all-day experience so packaging this up to include optional paid for add-ons (value-add) is worth considering. Co-promotion with other events and activities such as AFL, food and wine, and music events and festivals should be considered. In the case of the interstate market, co-promotion with Kangaroo Island as the destination should be considered.

5. Booking, confirmation and payment options need to be brought up to an overall contemporary standard that meets market expectations.

1. Background and Research Objective

The Charter Boat Fishery is a commercial platform for undertaking recreational fishing. In 2016/17, there were 100 licensed Charter Boat operators of which only 59 were active, and the number of active licenses has been declining since 2005/06 (by almost 25%). Over the same period the number of clients has declined to the lowest levels recorded, from 19,540 clients in 2005/06 to just 14,459 clients in 2016/17.

The Charter Boat industry has highlighted a need to address this declining trend through understanding the needs and wants of the fishery's client group (recreational fishers), understanding what opportunities exist and to determine the capability and capacity of the charter boat industry to meet this demand.

Action Market Research and Hudson Howells have been engaged by BDO-EconSearch to undertake research into the charter boat industry to determine ways to address the declining trend. A holistic research approach has been undertaken whereby all key stakeholders within the industry have been consulted to ensure the research design and tools cover the key issues, and the key outcomes are well informed and highly relevant. This has included:

- Rapid Appraisal Depth Interviews with key stakeholders, including representatives from PIRSA[1], SATC[2], SCBOOASA[3], and highly informed individuals (completed in February 2019)
- A License Holder Workshop with six current license holders to further understand impressions of the industry, impacts of closures and regulations, competition and client types, and ideas how to improve (completed in February 2019)

The information collected informed the design of a questionnaire used to survey charter boat fishing clients (current and lapsed), and those interested in undertaking a charter boat fishing trip but are yet to do so (potential clients). This report details the findings of this survey and includes an understanding of the needs and wants of the different client groups, and the opportunities to reverse the industry decline.

The results from this survey will further inform the design of the questionnaire used to survey charter boat license holders, allowing for testing of key opportunities to determine the willingness of the industry to meet the needs and wants of their clients. This survey is to be undertaken in April 2019.

[1] PIRSA Primary Industries and Regions SA
[2] South Australian Tourism Commission
[3] Surveyed Charter Boat Owners and Operators Association of South Australia

2. Methodology

A questionnaire was developed (Appendix A) from the consultations undertaken with key industry stakeholders and license holders. It was determined to survey three key sample groups for the client survey:

> Current Clients – these are those who have undertaken a charter boat fishing trip in South Australia within the previous 12 months.
> Lapsed Clients – these are those who have undertaken a charter boat fishing trip previously, but not within the last 12 months
> Potential Clients – these are those who have never undertaken a charter boat fishing trip but would be open to doing so within the next 12 months

A total of 500 interviews were completed, including 85 Current Clients, 170 Lapsed Clients and 245 Potential Clients. The respondents were sourced from the following methods:

> License holders were informed about the client survey by letter and telephone, and invited to provide contact details of their clients to be included in the research. A total of 37 contacts were provided from this method, with 9 interviews completed.
> An online research-only panel was used to source respondents, and screening questions were utilised to determine which client group they qualified in, with a total of 491 interviews completed.

The survey was conducted online using our internally hosted Limesurvey software. A total of 500 respondents completed the survey, which provides an accuracy level of +/- 4.4% for these results at 95% confidence (in 95 out of 100 surveys, we would expect the result to be within +/- 4.4%, so we can be 95% confident the 'true' result lies within this range).

3. Research Findings in Detail

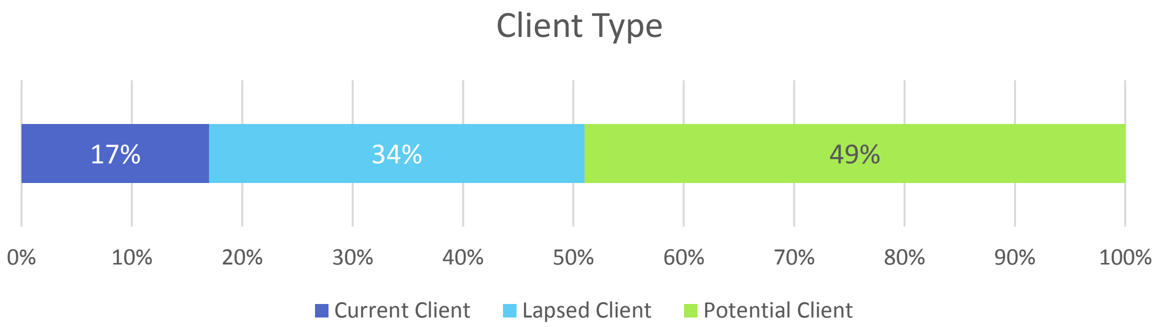
This section of the report details the overall findings and provides further insights comparing the Client Types (Current Client, Lapsed Client and Potential Client), comparing those who reside in South Australia versus Interstate, and comparisons between the species of fish that are most associated with South Australia (where appropriate). The format of this section follows the sequence of the survey questionnaire. A copy of the cross-tabulated data in MS Excel format has been provided separately (refer Appendix B).

The results are presented throughout predominantly by Client Type, and the definition for each type is as follows:

- **Current Client:** A respondent that has undertaken a charter boat trip in South Australia within the past 12 months

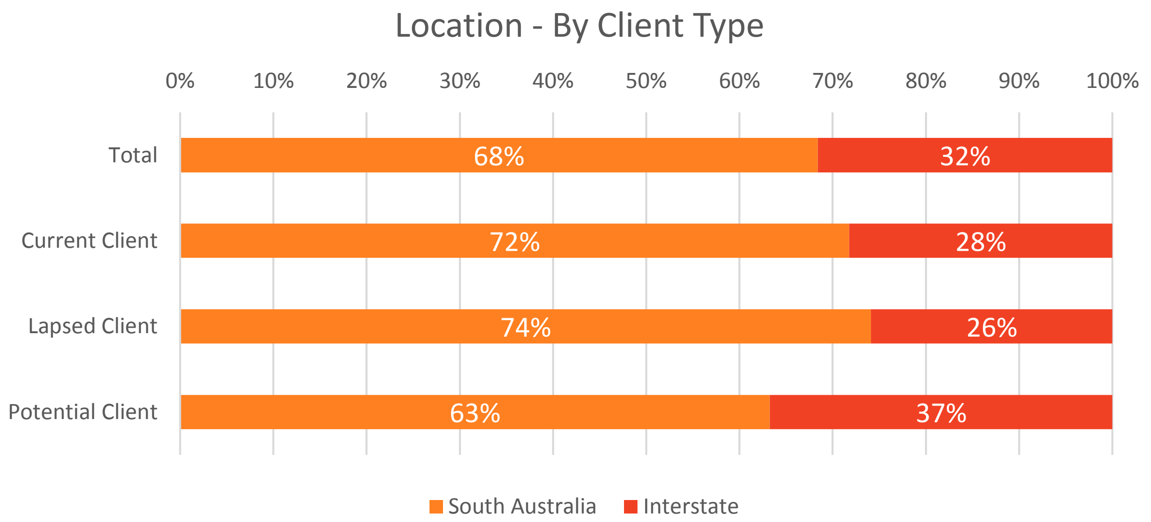
- **Lapsed Client:** A respondent that has undertaken a charter boat trip in South Australia in the past, but not within the past 12 months

- **Potential Client:** A respondent that has not undertaken a charter boat trip in South Australia in the past

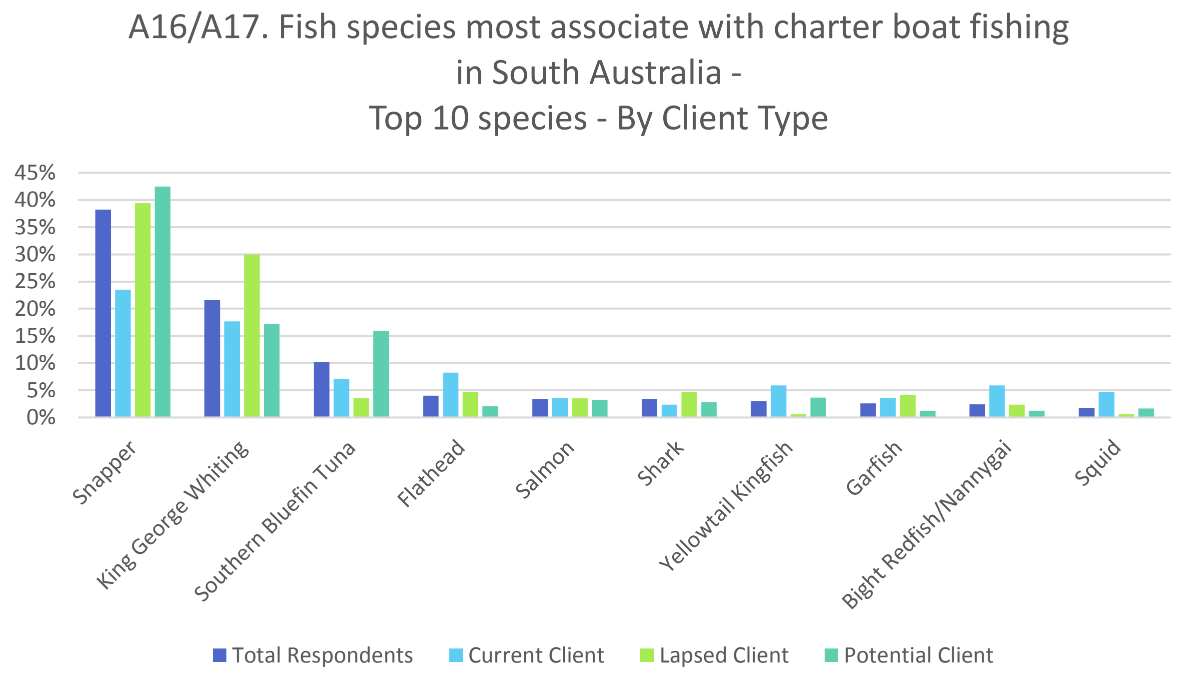


Overall, 17% (n=85) are Current Clients, 34% (n=170) are Lapsed Clients and 49% (n=245) are Potential Clients.

Where appropriate, the results are also presented by where the respondent resides (South Australia vs Interstate), and which fish species they most associate with South Australia (Snapper, King George Whiting, Southern Bluefin Tuna, and Other species).



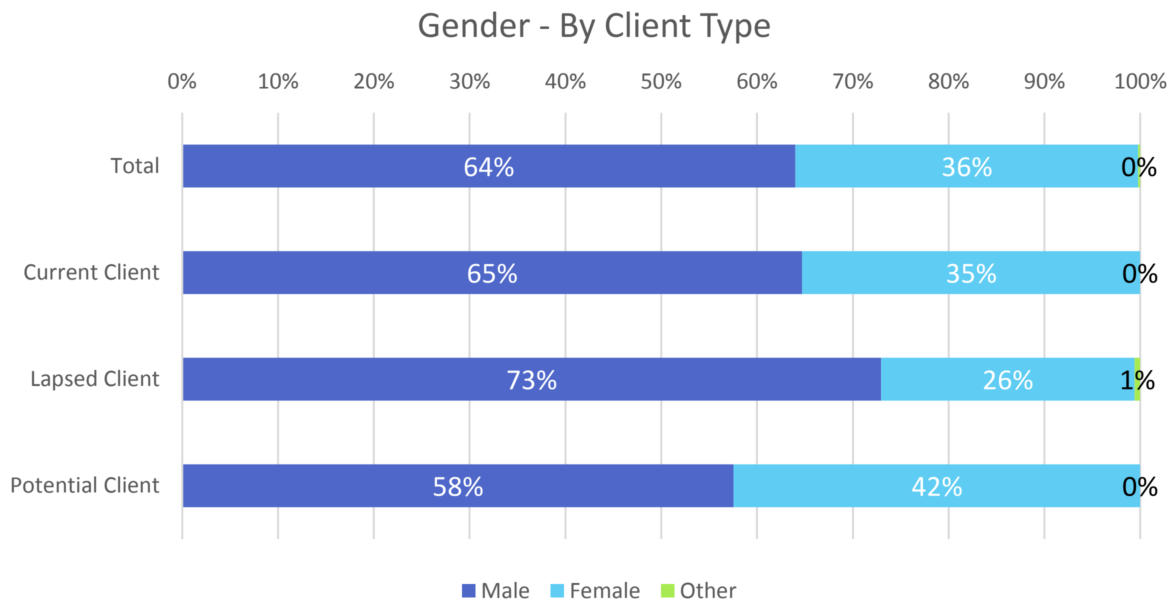
Overall, 68% of respondents reside in South Australia and 32% reside interstate. The breakdown of which states can be seen at the results for S4.



Perhaps unsurprisingly, the species most associated with fishing in South Australia is Snapper (38%), followed by King George Whiting (22%) and Southern Bluefin Tuna (10%). For the results, we have combined all other species in a single category that makes up the remaining 30%.

S1. Gender

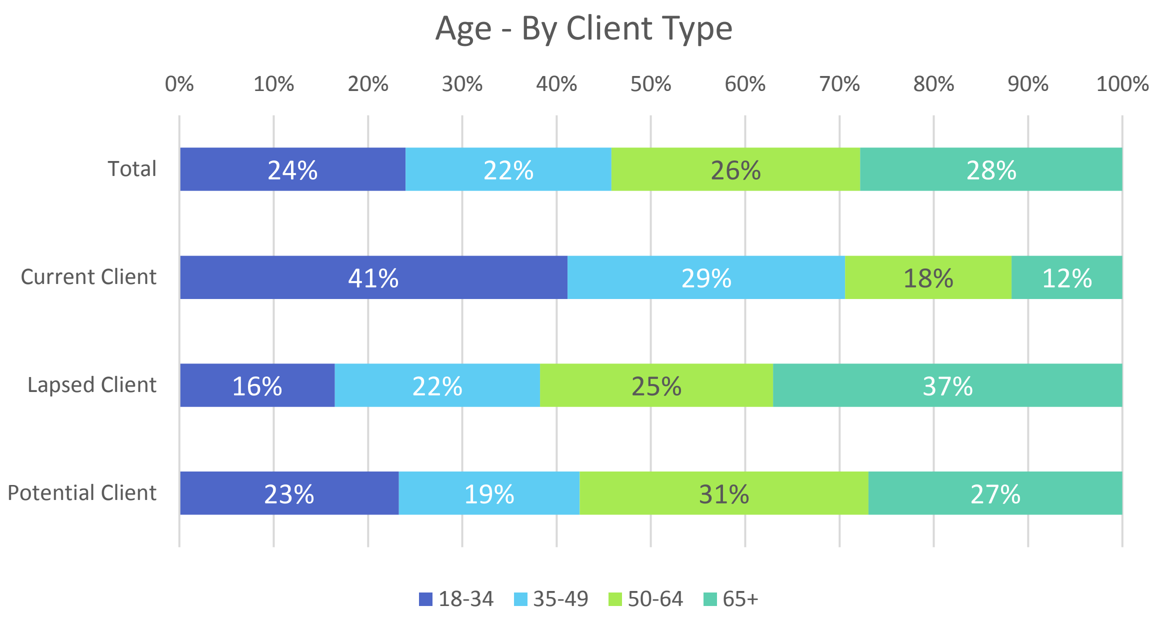
S1 Gender	Total	Current Clients	Lapsed Clients	Potential Clients
Base: Total Respondents	500	85	170	245
Male	64%	65%	73%	58%
Female	36%	35%	26%	42%
Other	0%	0%	1%	0%



Approximately two-thirds of the respondents are Male (64%), with 36% Female and <1% are Other. We see a similar result within the client types, with slightly more Males in the Lapsed Client group (73%), and slightly less in the Potential Client group (58%).

S2. Age

S2 Age	Total	Current Clients	Lapsed Clients	Potentia l Clients
Base: Total Respondents	500	85	170	245
18-34	24%	**41%**	16%	23%
35-49	22%	29%	22%	19%
50-64	26%	18%	25%	**31%**
65+	28%	12%	**37%**	27%



Overall, approximately a quarter of the sample fits within each of the broad age categories with 24% 18-34 years, 22% 35-49 years, 26% 50-64 years, and 28% 65+ years.

Interestingly, the Current Clients are a younger profile, with 41% aged 18-34 years, and only 12% aged 65+, and the Lapsed Clients are an older profile with 16% aged 18-34 years and 37% aged 65+.

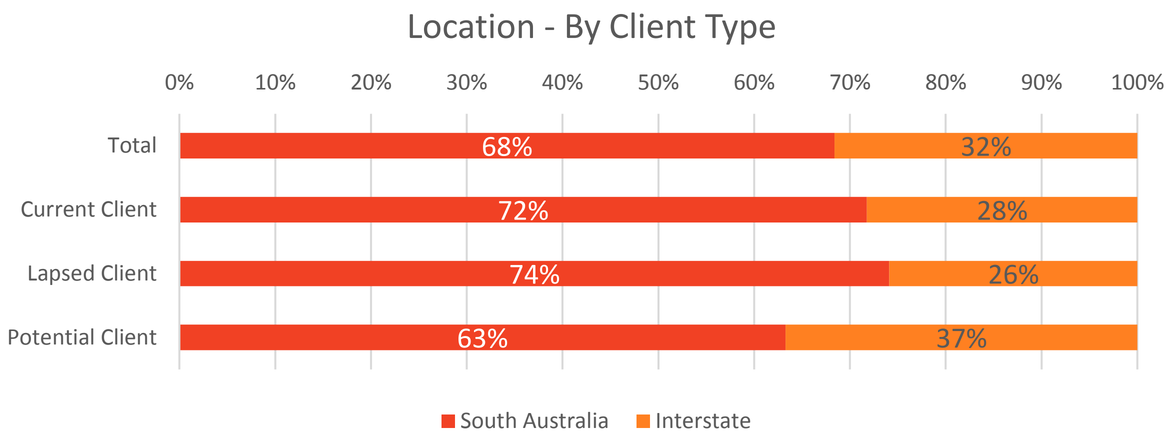
S3. Do you reside in Australia or overseas?

S3. Reside in Australia or overseas	Total	Current Clients	Lapsed Clients	Potential Clients
Base: Total Respondents	500	85	170	245
Australia	100%	100%	100%	100%
Overseas	0%	0%	0%	0%

All respondents captured in this survey reside in Australia.

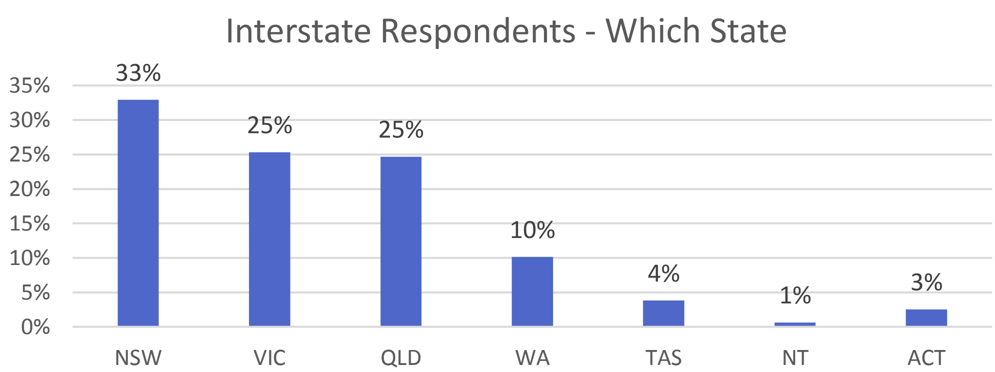
S4. Location in Australia

S4. Location	Total	Current Clients	Lapsed Clients	Potential Clients
Base: Total Respondents	500	85	170	245
South Australia	68%	72%	74%	63%
Interstate	32%	28%	26%	37%



Approximately two-thirds of respondents reside in South Australia, and a third from interstate. The proportion of South Australian residents is higher among the Current Client (72%) and Lapsed Client (74%) sample groups, with a higher proportion of interstate residents among the Potential Clients (37%).

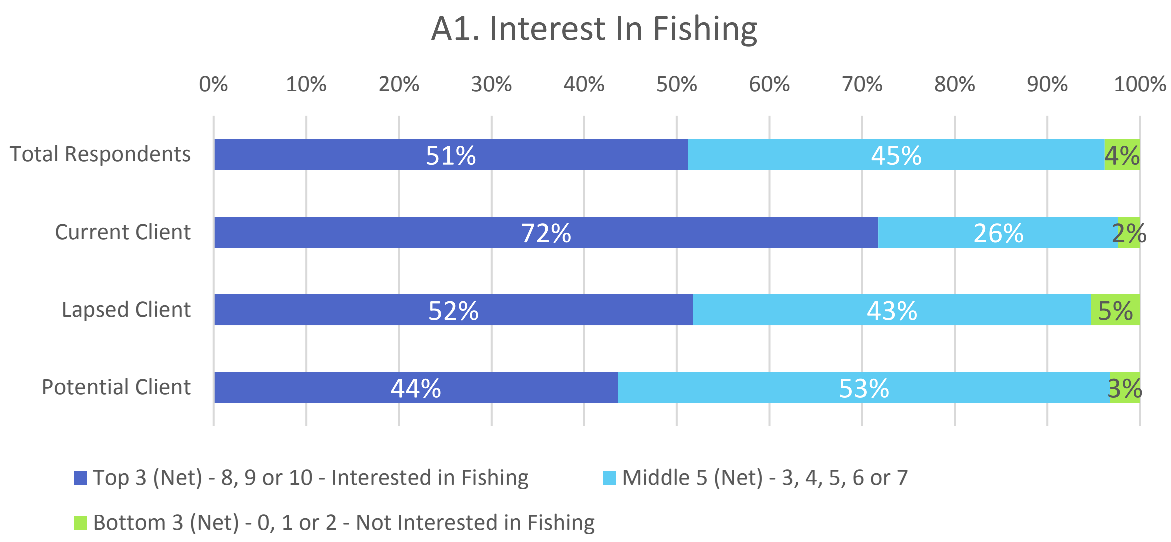
Of those residing interstate, below is the breakdown of which state they reside in:



A third of interstate respondents reside in New South Wales (33%), with a quarter residing in Victoria (25%) and Queensland (25%).

A1. Overall how interested are you in fishing? Please use a 0-10 scale where 0 means 'Not at all interested in fishing' and 10 means 'I am extremely interested in fishing'.

A1. Interest Level in Fishing	Total	Current Clients	Lapsed Clients	Potential Clients
Base: Total Respondents	500	85	170	245
Top 3 (Net) – 8, 9 or 10 – Interested in Fishing	**51%**	**72%**	**52%**	44%
Middle 5 (Net) – 3, 4, 5, 6 or 7	45%	26%	43%	**53%**
Bottom 3 (Net) – 0, 1 or 2 – Not Interested in Fishing	4%	2%	5%	3%

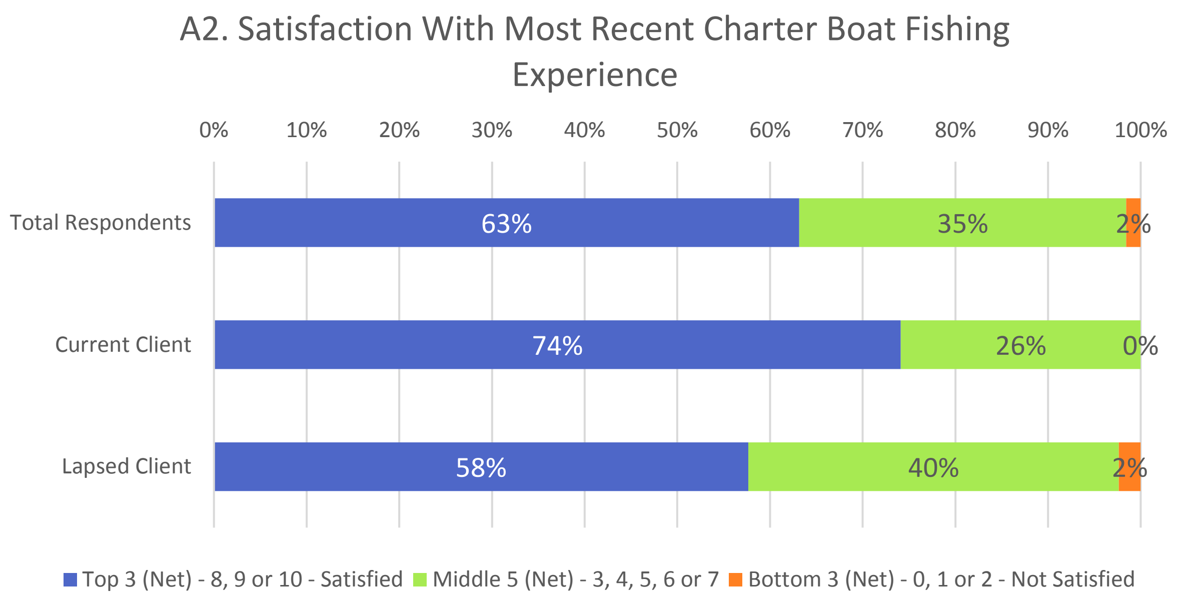


Overall 51% of the respondents indicate they are very interested in fishing (scoring an 8, 9 or 10 on the 10-point scale), with 45% indicating they are neither interested nor not interested in fishing (scoring a 3, 4, 5, 6 or 7 on the 10-point scale), and 4% indicating they are not interested in fishing (scoring a 0, 1 or 2 on the 10-point scale).

Understandably, the interest level in fishing is much higher among the Current Clients (72%) compared to the Lapsed Clients (52%) and Potential Clients (44%).

A2. How satisfied were you with your most recent charter boat fishing experience? Please use a 0-10 scale where 0 means 'Not at all satisfied' and 10 means 'Extremely satisfied'.

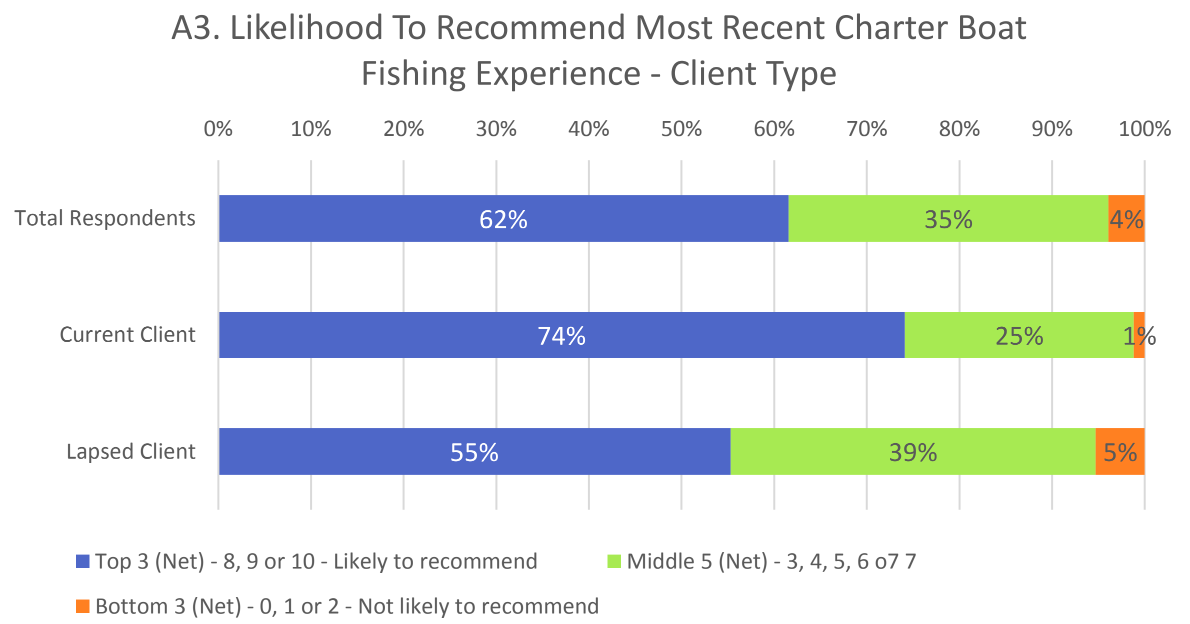
A2. Satisfaction with most recent experience	Total	Current Clients	Lapsed Clients
Base: Total Respondents	255	85	170
Top 3 (Net) – 8, 9 or 10 – Interested in Fishing	**63%**	**74%**	**58%**
Middle 5 (Net) – 3, 4, 5, 6 or 7	35%	26%	40%
Bottom 3 (Net) – 0, 1 or 2 – Not Interested in Fishing	2%	0%	2%



This question was only asked of Current Clients and Lapsed Clients. Current Clients are more satisfied with their recent charter boat fishing experience (74%) compared to the Lapsed Clients (58%).

A3. And how likely are you to recommend your most recent charter boat fishing experience to family or friends? Please use a 0-10 scale where 0 means 'Not at all likely to recommend' and 10 means 'Extremely likely to recommend'.

A3. Likelihood to recommend	Total	Current Clients	Lapsed Clients
Base: Total Respondents	255	85	170
Top 3 (Net) – 8, 9 or 10 – Likely to recommend	**62%**	**74%**	**55%**
Middle 5 (Net) – 3, 4, 5, 6 or 7	35%	25%	39%
Bottom 3 (Net) – 0, 1 or 2 – Not likely to recommend	4%	1%	5%



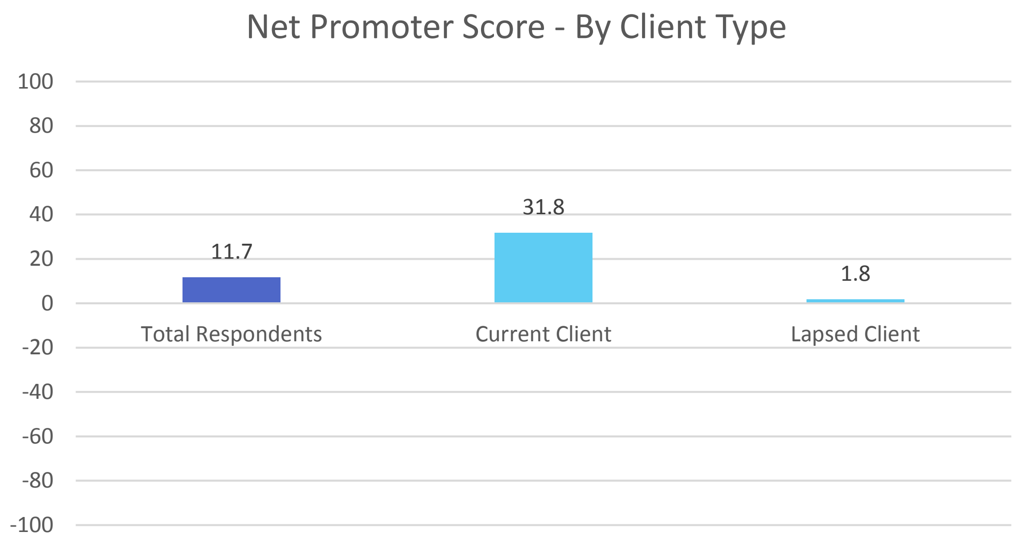
Current Clients are more likely to recommend their most recent charter boat fishing experience to others (74%) compared to Lapsed Clients (55%).

A3. Net Promoter Score	Total	Current Clients	Lapsed Clients
Base: Total Respondents	255	85	170
Promoters (9 or 10)	33.3%	41.2%	29.4%
Passives (7 or 8)	45.1%	49.4%	42.9%
Detractors (0 to 6)	21.6%	9.4%	27.6%
Net Promoter Score (Promoters – Detractors)	**+11.7**	**+31.8**	**+1.8**

The Net Promoter Score (NPS) is calculated from the recommendation question, where responses are grouped into three categories depending on the score given. Those who gave a 9 or 10 are considered to be 'Promoters' and are those who will naturally and spontaneously positively recommend their most recent charter boat experience. Those who gave a 7 or 8 are considered to be 'Passives' and are those who will not positively recommend or comment negatively about their most recent charter boat experience. Those who gave a score below 7 are considered to be 'Detractors' and are more likely to comment negatively about their recent charter boat experience.

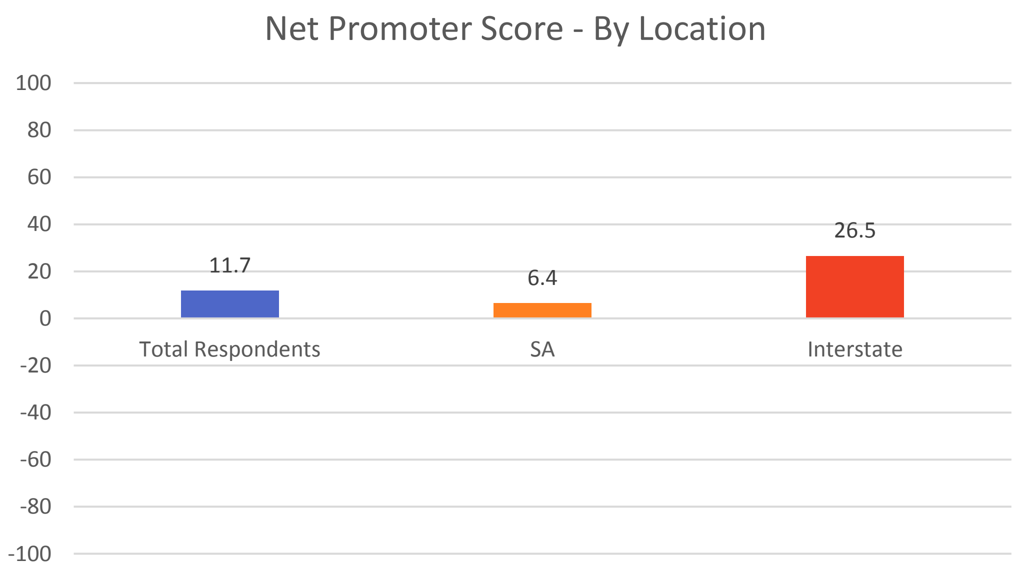
The NPS is then calculated by subtracting the percentage of Detractors from the percentage of Promoters, giving a score between -100 and +100 – that is, if a score of -100 was achieved, this would indicate all respondents are Detractors, or if a score of +100 was achieved, this would indicate all respondents are Promoters. A negative result indicates more work needs to be done to improve the experience, a positive result is a good result, and a score over +50 indicates an excellent outcome. The result here of +11.7 indicates there are more Promoters than Detractors, but more work needs to be done to shift more Detractors into Passives and Passives into Promoters.

Current Clients have a NPS of +31.8 indicating a good result with more talking positively about their recent experience than negatively. This result is much higher than the Lapsed Clients (+1.8), indicating that improvements to the industry have occurred.



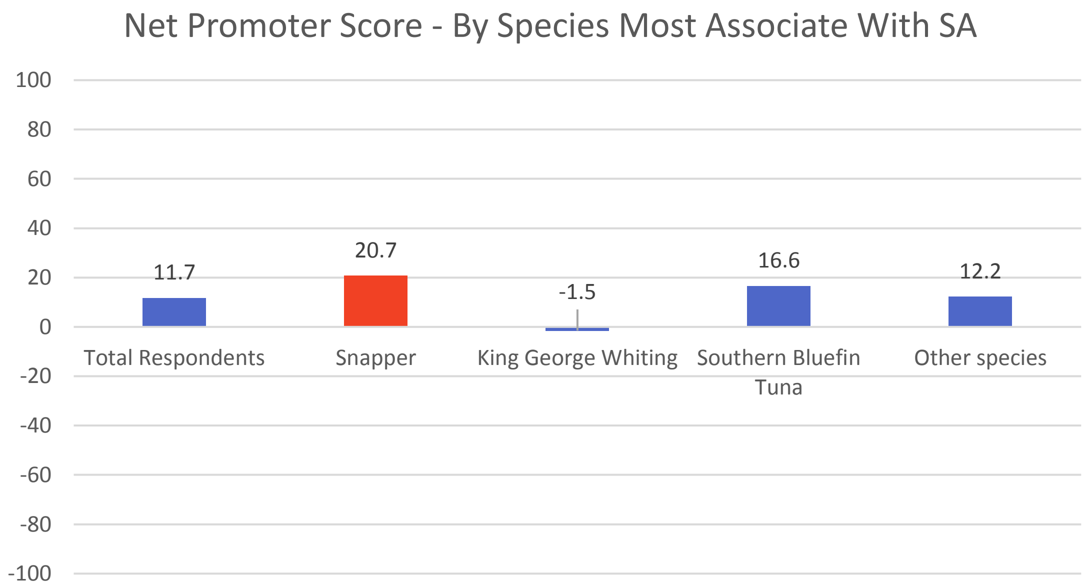
In reviewing the NPS result across resident location and which fish species is most associated with SA, we see some key differences begin to emerge:

A3. Net Promoter Score	Total	South Australian Residents	Interstate Residents
Base: Total Respondents	255	187	68
Promoters (9 or 10)	33.3%	31.0%	39.7%
Passives (7 or 8)	45.1%	44.4%	47.1%
Detractors (0 to 6)	21.6%	24.6%	13.2%
Net Promoter Score (Promoters – Detractors)	**+11.7**	**+6.4**	**+26.5**



While both NPS results are positive, those from interstate (+26.5) are more likely to talk positively about their charter boat fishing experience than those from South Australia (+6.4).

A3. Net Promoter Score	Total	Snapper	King George Whiting	Southern Bluefin Tuna	Other species
Base: Total Respondents	255	87	66	12	90
Promoters (9 or 10)	33.3%	40.2%	27.3%	33.3%	31.1%
Passives (7 or 8)	45.1%	40.2%	43.9%	50.0%	50.0%
Detractors (0 to 6)	21.6%	19.5%	28.8%	16.7%	18.9%
Net Promoter Score (Promoters – Detractors)	**+11.7**	**+20.7**	**-1.5**	**+16.6**	**+12.2**



Those who mostly associate Snapper and Southern Bluefin Tuna with fishing in South Australia have an NPS result of +20.7 and +16.6, indicating a good result with more talking positively than negatively about their experience.

Those who mostly associated King George Whiting with fishing in South Australia have an NPS result of -1.5, indicating more are talking negatively about their experience than positively.

A4. Why are you not likely to recommend your most recent charter boat fishing experience to family or friends? What specifically about the experience would you like improved to have you rate this higher?

A4. Top 5 Reasons Not Likely to Recommend	Total	Current Client	Lapsed Client
Base: Total Respondents	162	48	114
Did not catch fish as expected, very few catches	**17%**	13%	**18%**
Cost was too high, poor value for money	16%	**15%**	17%
Too windy, bad weather	10%	6%	11%
Motion sickness, health	6%	2%	8%
Poorly staffed, inexperienced, unprofessional	6%	6%	5%

The main reasons for not recommending the charter boat experience including not catching fish (17%), cost (16%), and weather-related conditions including too windy (10%) and motion sickness (10%). These top reasons are common among both Current Clients and Lapsed Clients.

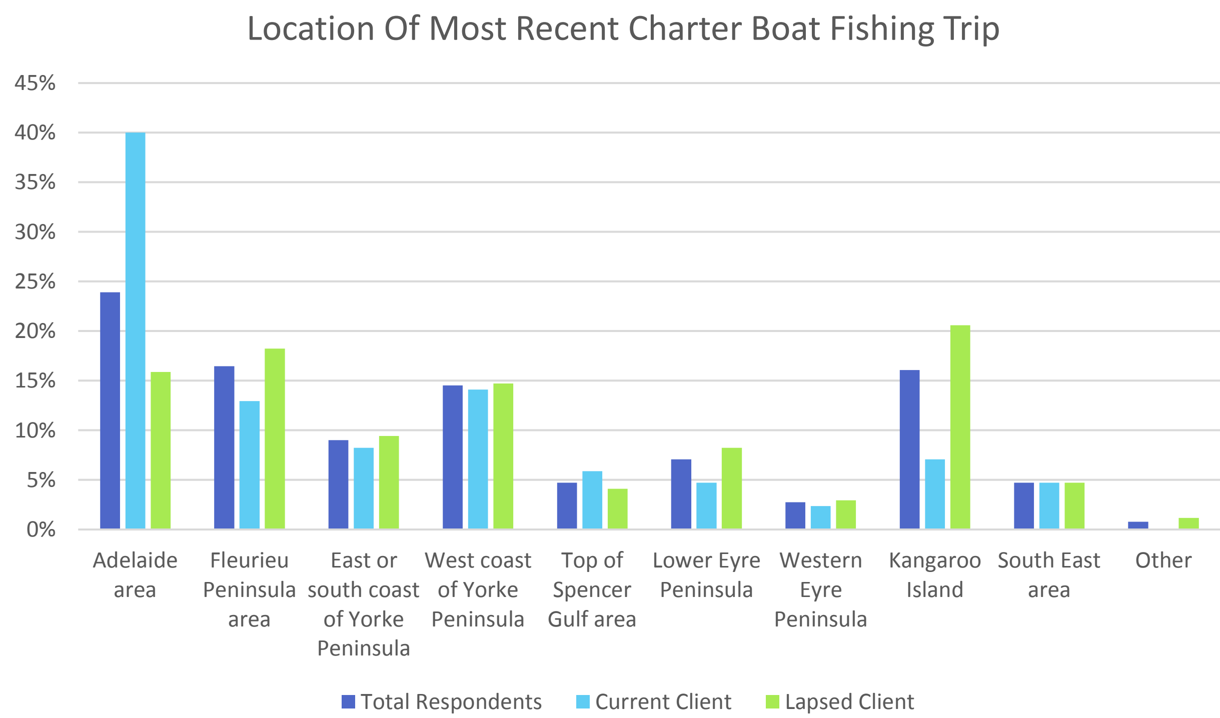
A5. Why are you likely to recommend your most recent charter boat fishing experience to family or friends? What made your experience so memorable?

A5. Top 5 Reasons Why Likely To Recommend	Total	Current Client	Lapsed Client
Base: Total Respondents	85	35	50
Fun, enjoyable, good time	**49%**	**54%**	**46%**
Was able to catch fish as expected, hoped	32%	29%	34%
Professional, well organised, well managed	18%	23%	14%
Well-chosen location for fishing	12%	9%	14%
Great scenery, area	7%	3%	10%

The main reasons for recommending the most recent charter boat experience included it being a fun and enjoyable experience (49%), being able to catch fish as expected (32%), being a professionally run operation (18%) – especially for current clients, and that the location chosen for fishing was well-chosen (12%).

A6/A7. Where did your most recent charter boat fishing trip depart from?

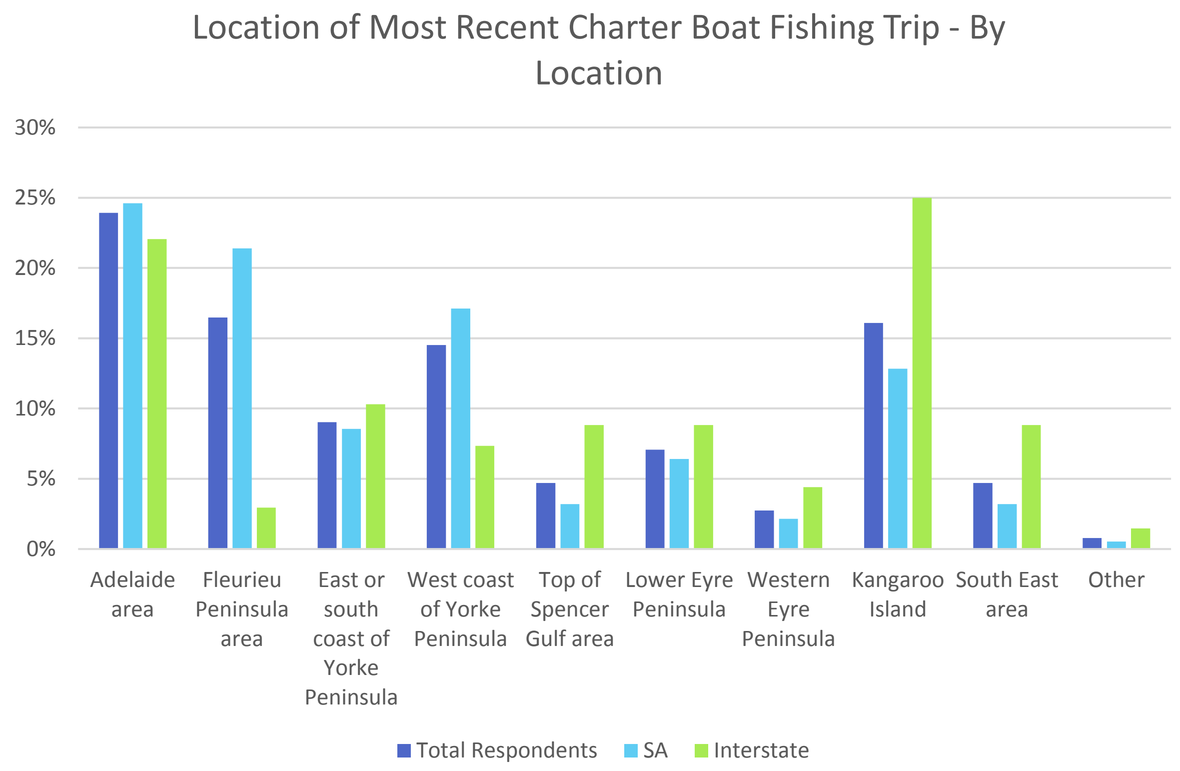
A6/A7. Departure location of most recent trip	Total	Current Client	Lapsed Client
Base: Total Respondents	255	85	170
Adelaide area	**24%**	**40%**	16%
Fleurieu Peninsula area	16%	13%	18%
East or south coast of Yorke Peninsula	9%	8%	9%
West coast of Yorke Peninsula	15%	14%	15%
Top of Spencer Gulf area	5%	6%	4%
Lower Eyre Peninsula	7%	5%	8%
Western Eyre Peninsula	3%	2%	3%
Kangaroo Island	16%	7%	**21%**
South East area	5%	5%	5%
Other	1%	0%	1%



Overall 24% of recent charter boat trips departed from the Adelaide region, with 16% from the Fleurieu Peninsula area and 15% from the west coast of the Yorke Peninsula.

For Current Clients, 40% of recent charter boat trips departed from the Adelaide region, with 14% from the west coast of the Yorke Peninsula and 13% from the Fleurieu Peninsula area.

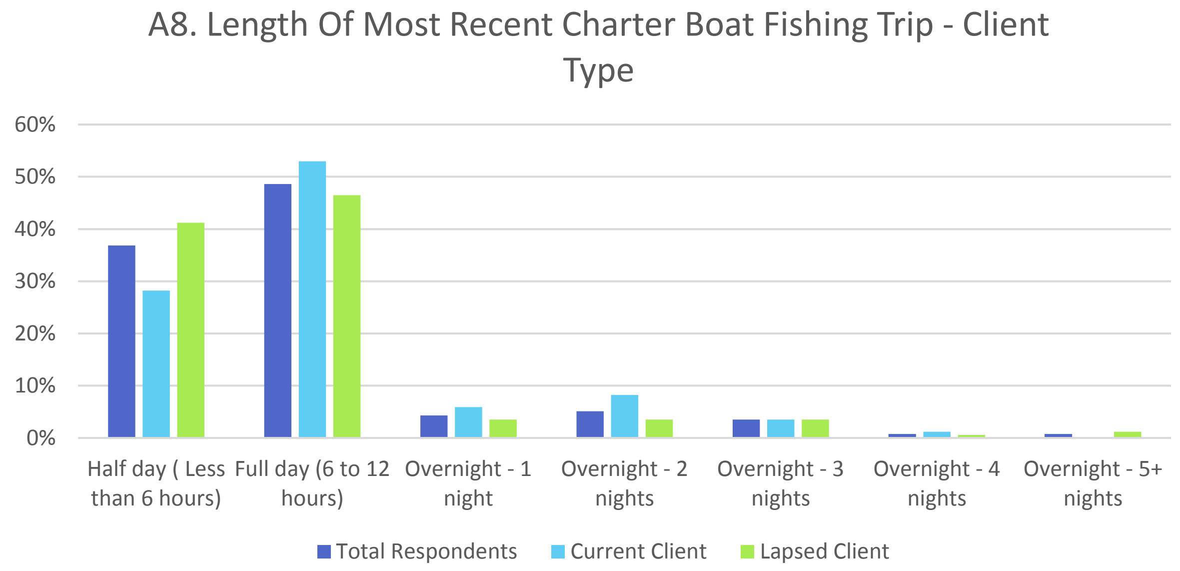
For Lapsed Clients, 21% of recent charter boat trips departed from Kangaroo Island, with 18% from the Fleurieu Peninsula region and 16% from the Adelaide region.



South Australian residents are more likely to have undertaken a charter boat trip from the Fleurieu Peninsula (21%) than Intestate residents (3%), whereas Interstate residents are more likely to have undertaken a charter boat trip from Kangaroo Island (25%) compared to South Australian residents (13%).

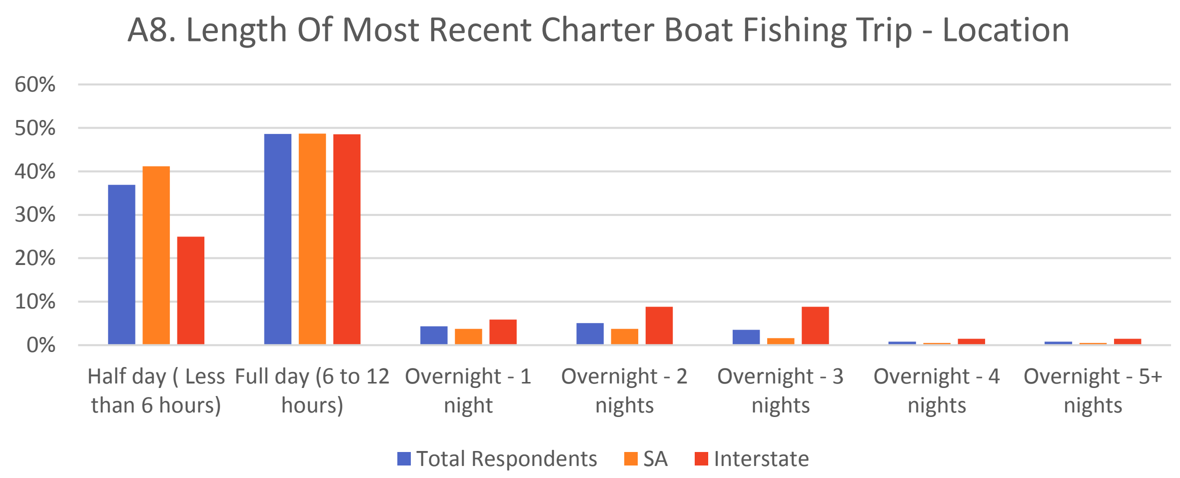
A8. How long was your most recent charter boat fishing trip (i.e. time spent on the boat)?

A8. Length of most recent trip	Total	Current Client	Lapsed Client
Base: Total Respondents	255	85	170
Half day (Less than 6 hours)	37%	28%	41%
Full day (6 to 12 hours)	**49%**	**53%**	**46%**
Overnight – 1 night	4%	6%	4%
Overnight – 2 nights	5%	8%	4%
Overnight – 3 nights	4%	4%	4%
Overnight – 4 nights	1%	1%	1%
Overnight – 5+ nights	1%	0%	1%



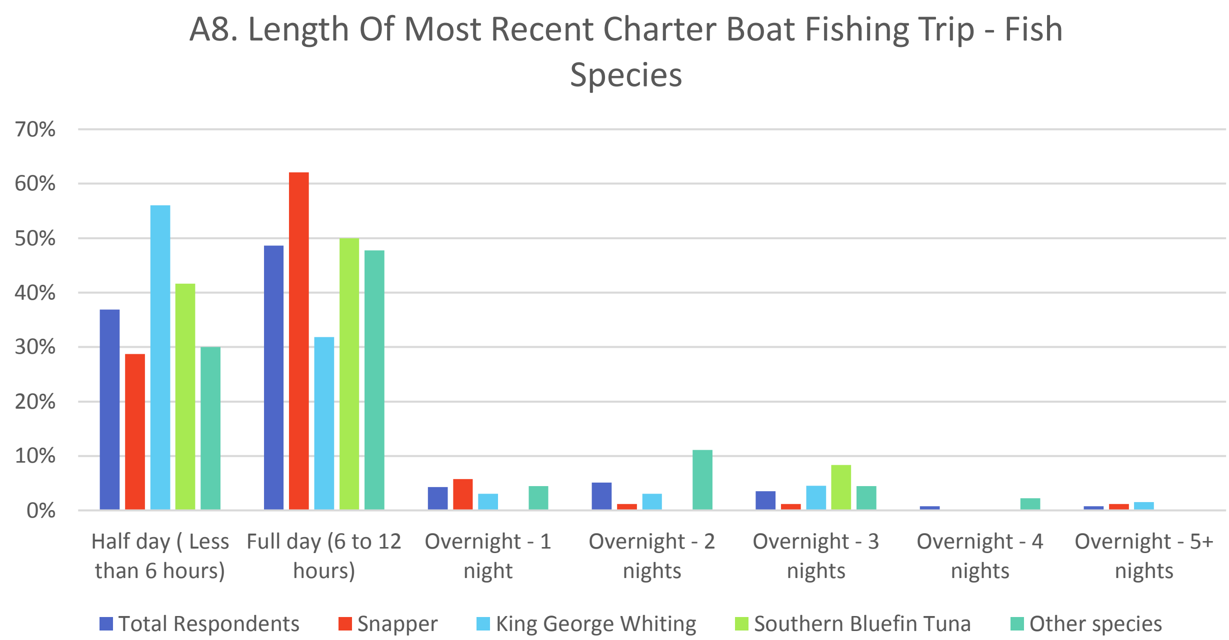
Overall, 49% of all recent charter boat experiences has been a full day (6 to 12 hours), with 37% a half day experience and 14% multi-day experiences. For Current Clients, 53% of recent charter boat experiences has been a full day, with 28% a half day, and 19% multi-day experiences. For Lapsed Clients, 46% have been full day experiences, 41% half day experiences and 13% multi-day experiences.

A8. Length of most recent trip	Total	South Australia	Interstate
Base: Total Respondents	255	187	68
Half day (Less than 6 hours)	37%	41%	25%
Full day (6 to 12 hours)	**49%**	**49%**	**49%**
Overnight – 1 night	4%	4%	6%
Overnight – 2 nights	5%	4%	9%
Overnight – 3 nights	4%	2%	9%
Overnight – 4 nights	1%	1%	1%
Overnight – 5+ nights	1%	1%	1%



When comparing where the respondent resides, 49% of South Australian residents most recent experience was a full day, with 41% a half day and 10% a multi-day experience. Similarly, 49% of Interstate residents most recent experience was a full day, but only 25% experienced a half-day, and 26% undertaking a multi-day experience.

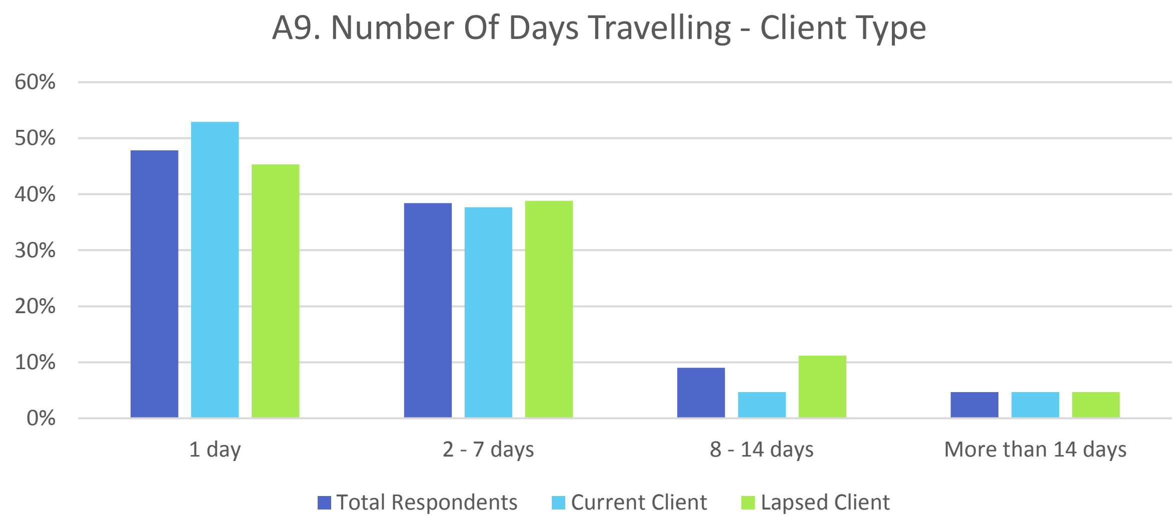
A8. Length of most recent trip	Total	Snapper	King George Whiting	Southern Bluefin Tuna	Other species
Base: Total Respondents	255	87	66	12	90
Half day (Less than 6 hours)	37%	29%	**56%**	42%	30%
Full day (6 to 12 hours)	**49%**	**62%**	32%	**50%**	**48%**
Overnight – 1 night	4%	6%	3%	0%	4%
Overnight – 2 nights	5%	1%	3%	0%	11%
Overnight – 3 nights	4%	1%	5%	8%	4%
Overnight – 4 nights	1%	0%	0%	0%	2%
Overnight – 5+ nights	1%	1%	2%	0%	0%



Those who mostly associate Snapper with SA are more likely to have had a full day experience (62%) and similarly those who mostly associate Southern Bluefin Tuna with SA are more likely to have had a full day experience (50%), whereas those who mostly associate King George Whiting are more likely to have had a half-day experience (56%).

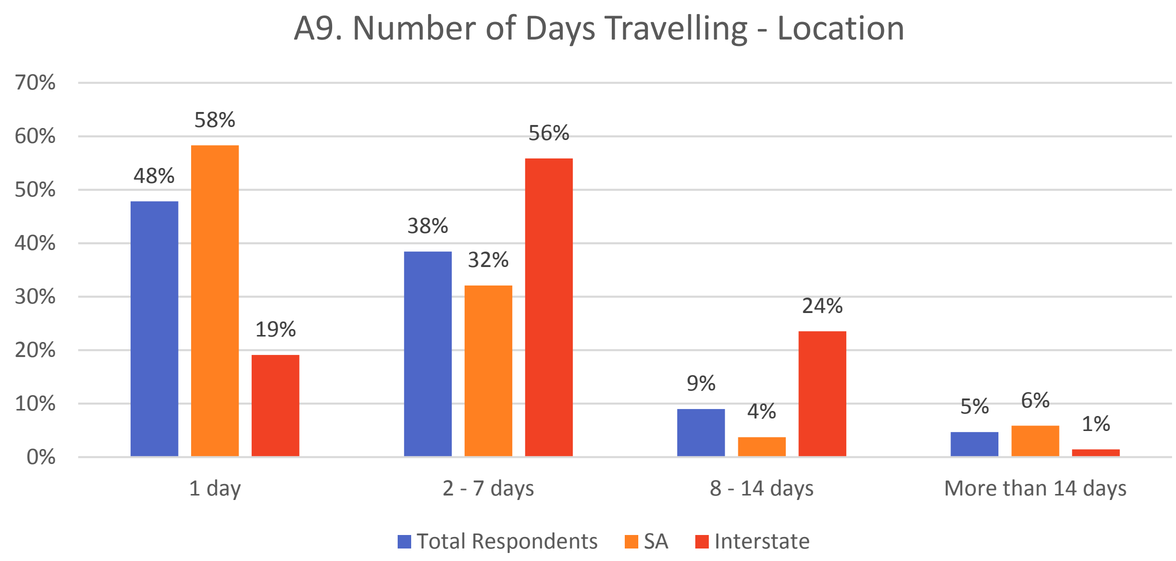
A9. How many days did you spend travelling in South Australia in total when you went on your most recent charter boat fishing trip?

A9. Number of days travelling in SA	Total	Current Client	Lapsed Client
Base: Total Respondents	255	85	170
1 day	**48%**	**53%**	**45%**
2-7 days	38%	38%	39%
7-14 days	9%	5%	11%
14+ days	5%	5%	5%



Approximately half of respondents (48%) travelled for a single day when undertaking their most recent charter boat experience. This result is replicated for the Current Clients and Lapsed Clients.

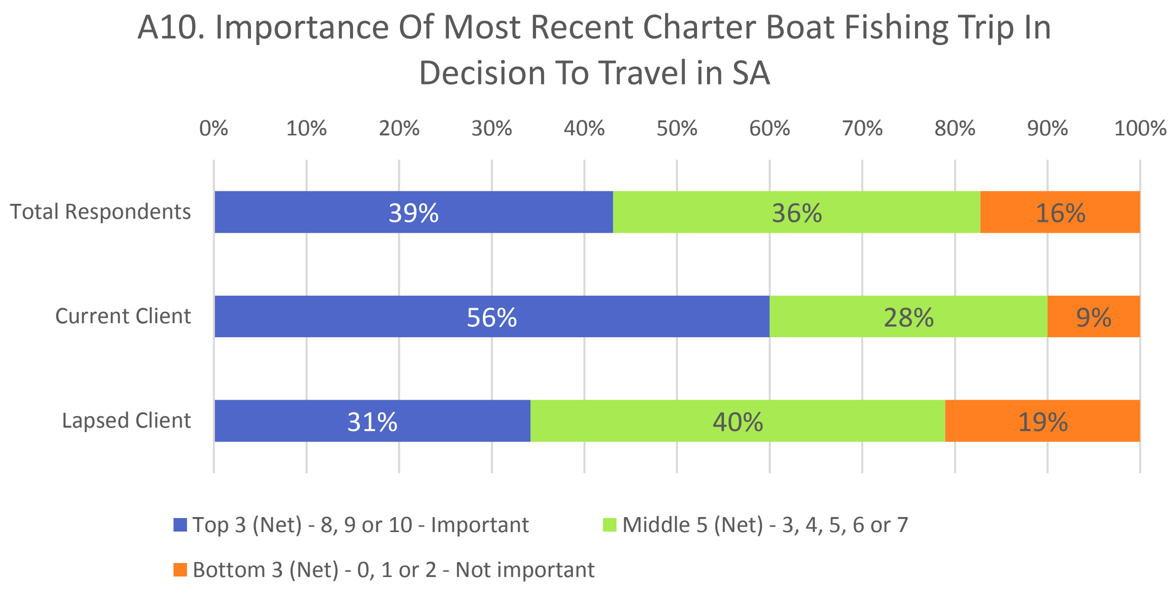
A9. Number of days travelling in SA	Total	South Australia	Interstate
Base: Total Respondents	255	187	68
1 day	**48%**	**58%**	19%
2-7 days	38%	32%	**56%**
7-14 days	9%	4%	24%
14+ days	5%	6%	1%



Interstate residents are more likely to travel for a longer period than South Australian residents with 56% travelling for 2-7 days (compared with 32%) and 24% travelling for 7-14 days (compared with 4%).

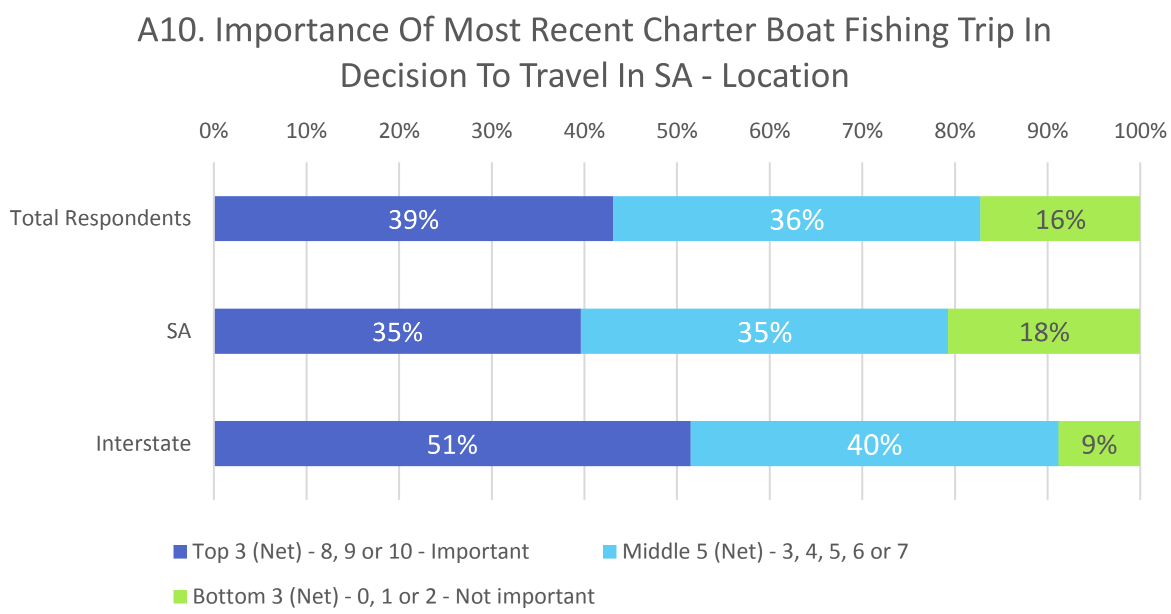
A10. How important was going on your most recent charter boat fishing trip in your decision to travel in South Australia?

A10. Importance of charter boat trip on SA travel decision	Total	Current Client	Lapsed Client
Base: Total Respondents	255	85	170
Top 3 (Net) – 8, 9 or 10 – Important	**39%**	**56%**	31%
Middle 5 (Net) – 3, 4, 5, 6 or 7	36%	28%	**40%**
Bottom 3 (Net) – 0, 1 or 2 – Not Important	16%	9%	19%



Overall, 39% of respondents indicated the charter boat experience was an important element in their decision to travel in SA, with 16% indicating the charter boat experience was not important. Current Clients indicated their charter boat experience was a more important part of their decision to travel (56%) compared wo the Lapsed Clients (31%).

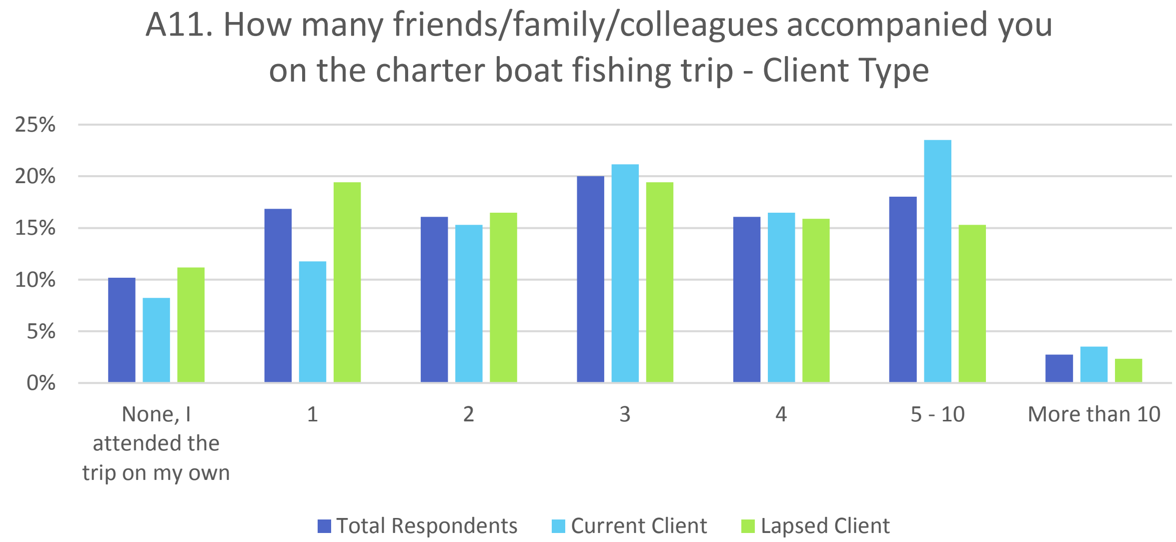
A10. Importance of charter boat trip on SA travel decision	Total	South Australia	Interstate
Base: Total Respondents	255	187	68
Top 3 (Net) – 8, 9 or 10 – Important	**39%**	**35%**	**51%**
Middle 5 (Net) – 3, 4, 5, 6 or 7	**36%**	**35%**	**40%**
Bottom 3 (Net) – 0, 1 or 2 – Not Important	16%	18%	9%



35% of South Australian and 51% of Interstate respondents indicated the charter boat experience was an important element in their decision to travel in SA, with 18% South Australian and 9% Interstate respondents indicating the charter boat experience was not important.

A11. How many friends/family/colleagues accompanied you on the charter boat fishing trip?

A11. Number of people on trip	Total	Current Client	Lapsed Client
Base: Total Respondents	255	85	170
None – I attended solo	10%	8%	11%
1	17%	12%	**19%**
2	16%	15%	16%
3	**20%**	21%	**19%**
4	16%	16%	16%
5-10	18%	**24%**	15%
More than 10	3%	4%	2%



Current Clients have a higher number of people participating in their recent charter boat fishing trips than the Lapsed Clients.

A12a. What types of things would you like provided to you during a charter boat fishing experience?

A12a. Top 6 things like to be provided during charter boat experience	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Food/snacks	**32%**	20%	**41%**	**43%**
Drinks provided	31%	21%	32%	36%
Gear, equipment provided	30%	**34%**	35%	26%
Bait, berley provided	26%	24%	35%	22%
Lunch provided	14%	12%	33%	14%
Guidance, education, assistance by a knowledgeable person	12%	6%	14%	16%

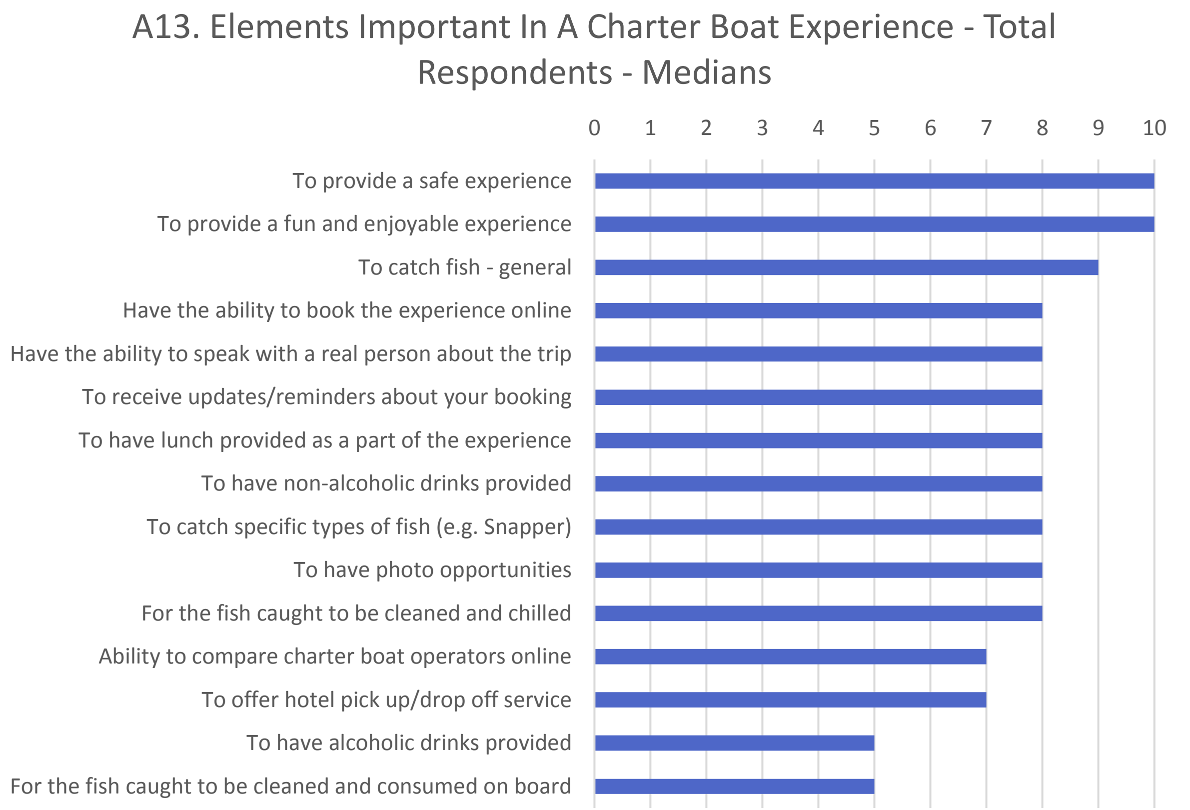
The top things respondents wish to be provided during a charter boat fishing experience include food/snacks (32%), drinks (31%), and fishing gear/equipment (30%). Current Clients are thinking more about the fishing itself with more of a focus on fishing gear/equipment (34%) and bait, berley (24%) compared with food/snacks (20%) and drinks (21%). Lapsed Clients and Potential Clients are thinking more about food/snacks (41% and 43% respectively), and drinks (32% and 36% respectively).

A12b. What do/did you expect to be doing during the charter boat fishing experience?

A12b. Top 6 things expected to be doing during experience	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Fishing	**52%**	**41%**	**43%**	**62%**
To catch fish	21%	24%	26%	16%
Relaxation, enjoyment, fun	14%	6%	21%	11%
Pleasant sightseeing, views	7%	5%	6%	8%
To be educated/shown how to fish	7%	4%	4%	11%
To eat food/snacks	6%	7%	3%	7%

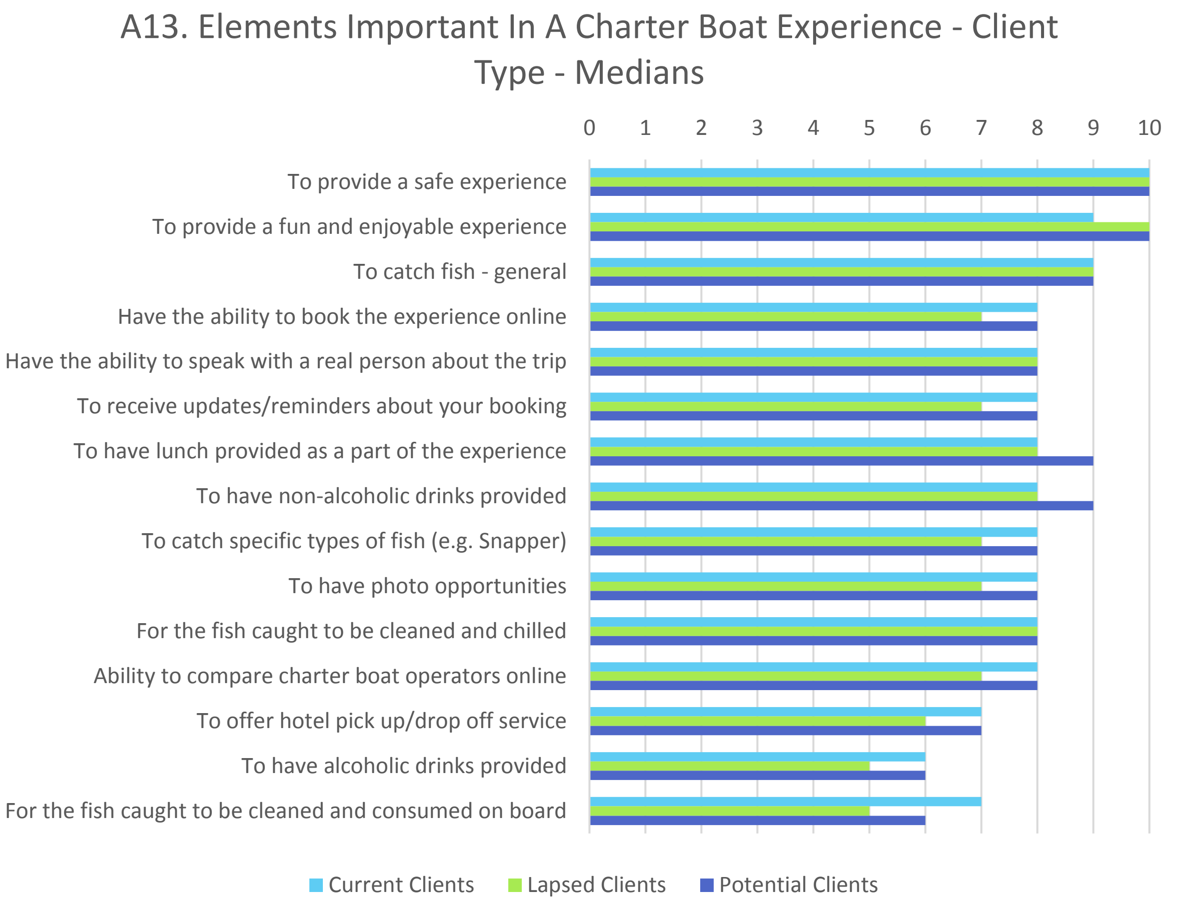
The top activities respondents expect to be doing on a charter boat experience include fishing (52%), catching fish (21%) and relaxing, having a good time (14%). These top activities are common among all client types.

A13. Thinking about charter boat fishing trips in general, how <u>important</u> are the following elements to you? Please use a 0-10 scale for each where 0 means 'Not at all important' and 10 means 'Extremely important'.



The results above have been presented using the Median score which allows us to present a hierarchy of important elements. Overall, the elements that are extremely important include 'providing a safe experience' (Median of 10), and 'providing a fun and enjoyable experience' (Median of 10) – this result highlights these are 'must haves' for a charter boat experience. 'Catching fish in general' is also important (Median of 9), and more important than 'catching specific types of fish' (Median of 8). 'Having lunch provided' (Median of 8) and 'non-alcoholic drinks provided' (Median of 8) are important elements.

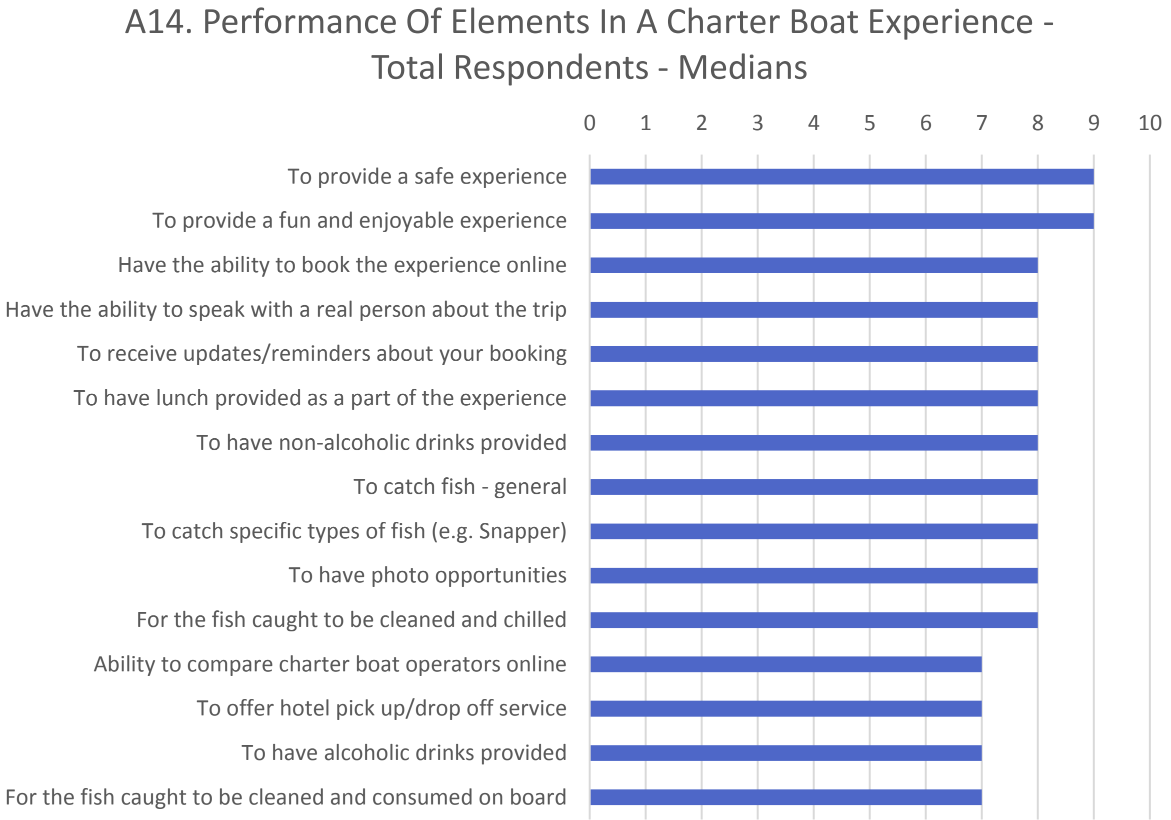
Those elements that are less important include 'having alcoholic drinks provided' (Median of 5) and 'for the fish caught to be cleaned and consumed on board' (Median of 5).



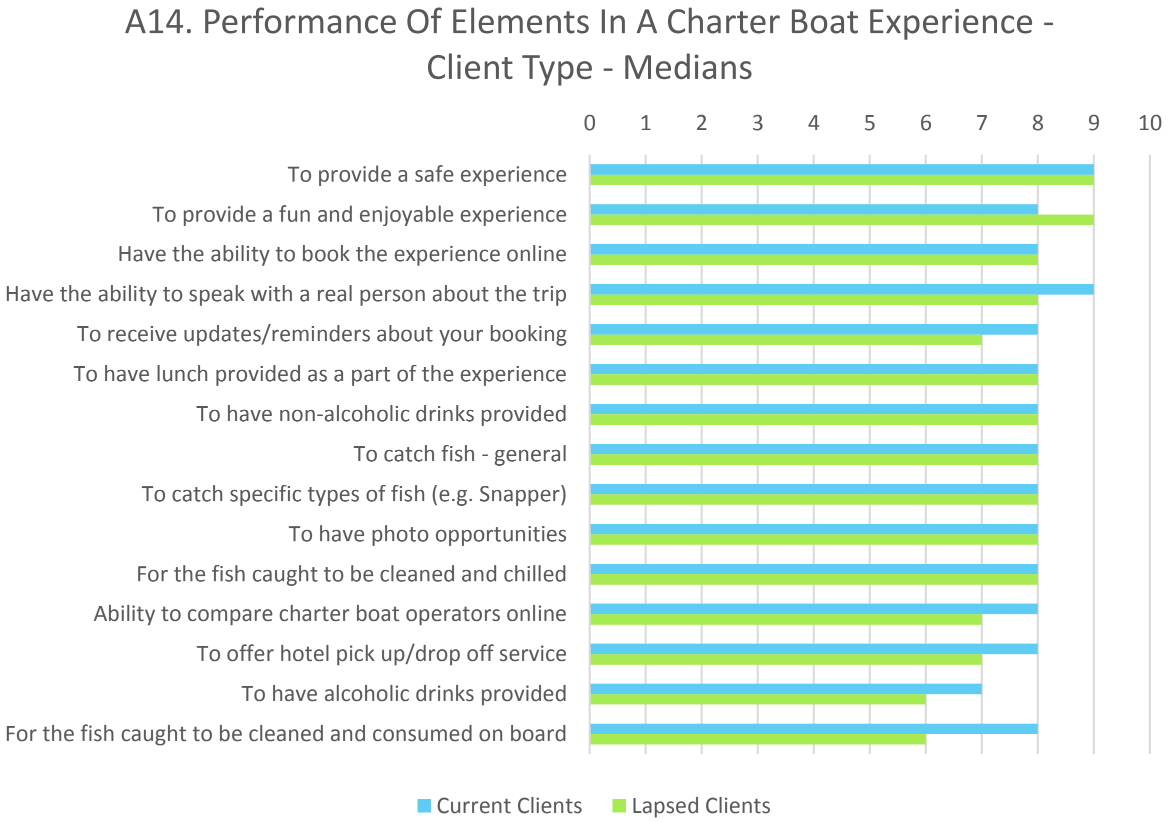
The results by client types show a similar hierarchy of importance as the overall result, with 'providing a safe experience' (Median of 10 for all) the most important element, followed by 'providing a fun and enjoyable experience' (Median of 9 for Current Clients, Median of 10 for Lapsed Clients and Potential Clients). 'Catching fish in general' is also important (Median of 9 for all), and more important than 'catching specific types of fish' (Median of 8 for Current Clients and Potential Clients, Median of 7 for Lapsed Clients). For Potential Clients, 'having lunch provided' and 'having non-alcoholic drinks provided' is more important, and of equal importance with 'catching fish in general' (Median of 9).

Those areas of lower importance include 'having alcoholic drinks provided' (Median of 6 for Current Clients and Potential Clients, Median of 5 for Lapsed Clients), and 'for the fish caught to be cleaned and consumed on board' (Median of 7 for Current Clients, Median of 6 for Potential Clients and Median of 5 for Lapsed Clients).

A14. And thinking about your most recent charter boat fishing experience, how did your experience <u>perform</u> on each of the following elements? Please use a 0-10 scale where 0 means 'Did not perform well at all' and 10 means 'Performed very well'.



Similar to the previous question, the results have been presented using the Median score so a hierarchy of elements can be presented to show where charter boat experiences are performing well. Overall, this result shows that charter boat experiences are 'providing a safe experience' (Median of 9), and 'providing a fun and enjoyable experience' (Median of 9). Areas that charter boat experiences are performing less well include 'ability to compare charter boat operators online' (Median of 7), 'offering hotel pick up/drop off service' (Median of 7), 'having alcoholic drinks provided' (Median of 7) and 'for the fish caught to be cleaned and consumed on board' (Median of 7).

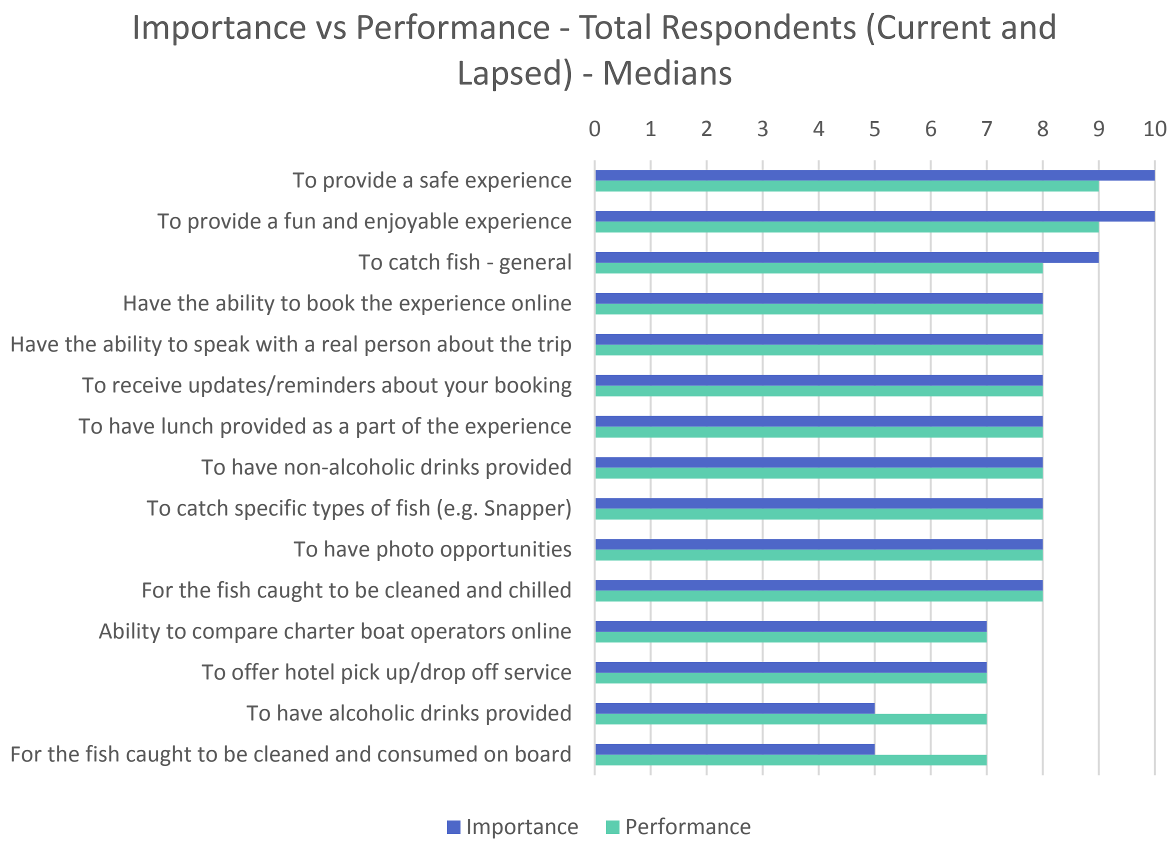


Current Clients indicate that charter boat experiences are 'providing a safe experience' (Median of 9) and 'have the ability to speak with a real person about the trip' (Median of 9). Lapsed Clients indicate that charter boat experiences are also 'providing a safe experience' (Median of 9) and 'providing a fun and enjoyable experience' (Median of 9).

An element Current Clients indicate having a lower level performance includes 'having alcoholic drinks provided' (Median of 7). All other elements are performing well (Median score of 8).

For Lapsed Clients, elements they indicate having lower level of performance include 'having alcoholic drinks provided' (Median of 6), for the fish caught to be cleaned and consumed on board (Median of 6), to receive updates/reminders about your booking (Median of 7), offering hotel pick up/drop off service (Median of 7) and having the ability to compare charter boat operators online (Median of 7).

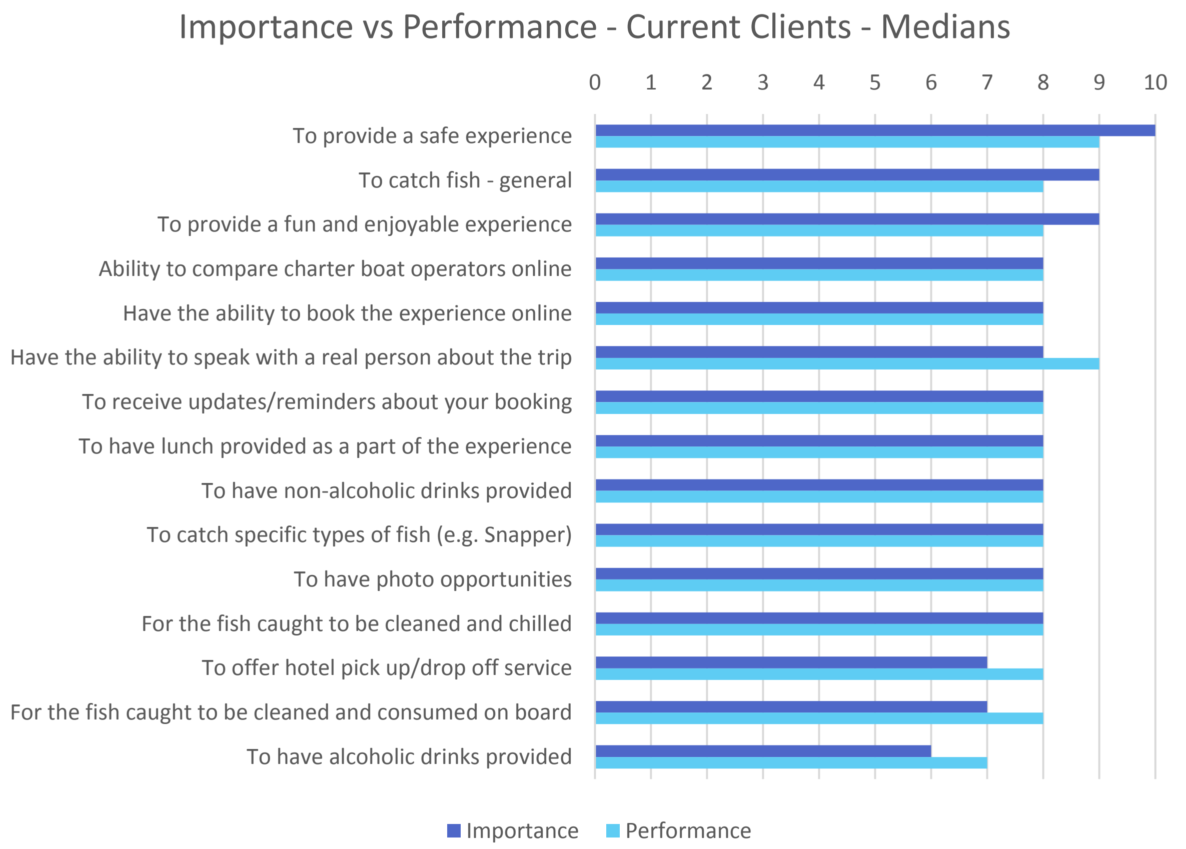
A13 and A14 Comparison – Importance vs Performance



Comparing which elements are important versus the actual performance allows us to determine specifically which elements are performing below expected levels, and so which elements should be focused on to improve, and which areas are performing above expected levels allowing for less of a focus placed on these elements.

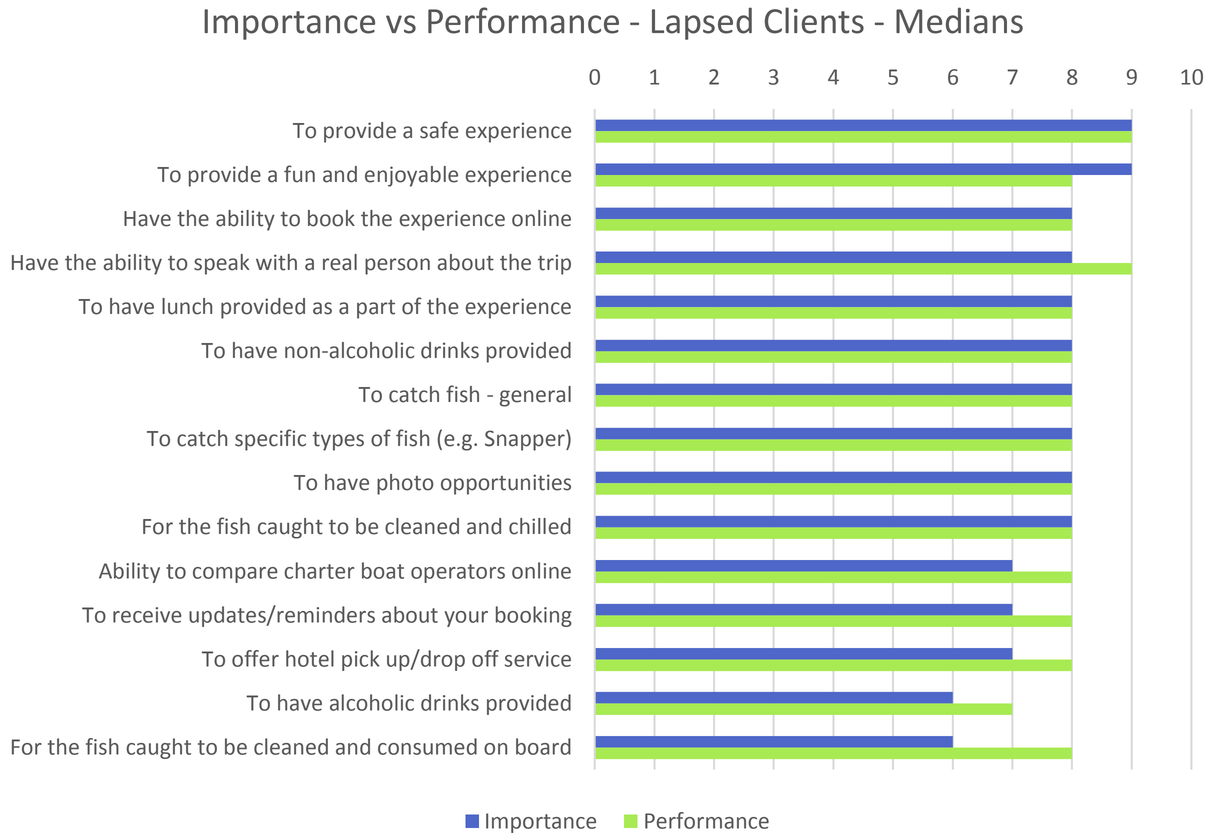
These results highlight three key areas that should be focused on to improve performance, including 'providing a safe experience' (Importance of 10, Performance of 9), 'providing a fun and enjoyable experience' (Importance of 10, Performance of 9), and 'catching fish in general' (Importance of 9, Performance of 8).

Areas where charter boat operators can place less focus include 'having alcoholic drinks provided' (Importance of 5, Performance of 7), and 'for the fish caught to be cleaned and consumed on board' (Importance of 5, Performance of 7).



For the Current Clients, the three key areas to improve performance in are ‘providing a safe experience’ (Importance of 10, Performance of 9), ‘catching fish in general’ (Importance of 9, Performance of 8), and ‘providing a fun and enjoyable experience’ (Importance of 9, Performance of 8).

Areas where they can place less of a focus include ‘having the ability to speak with a real person about the trip’ (Importance of 8, Performance of 9), ‘offering hotel pick up/drop off service’ (Importance of 7, Performance of 8), ‘for the fish caught to be cleaned and consumed on board’ (Importance of 7, Performance of 8), and ‘to have alcoholic drinks provided’ (Importance of 6, Performance of 7).



For the Lapsed Clients, the key area that needs improvement is 'providing a fun and enjoyable experience' (Importance of 9, Performance of 8). All other areas are performing at or above the importance level.

Areas where charter boat operators can place less of a focus on include 'for the fish caught to be cleaned and consumed on board' (Importance of 6, Performance of 8), 'having the ability to speak with a real person about the trip' (Importance of 8, Performance of 9), 'ability to compare charter boat operators online (Importance of 7, Performance of 8), 'to receive updates/reminders about your booking' (Importance of 7, Performance of 8), 'to offer hotel pick up/drop off service' (Importance of 7, Performance of 8), and 'to have alcoholic drinks provided (Importance of 6, Performance of 7).

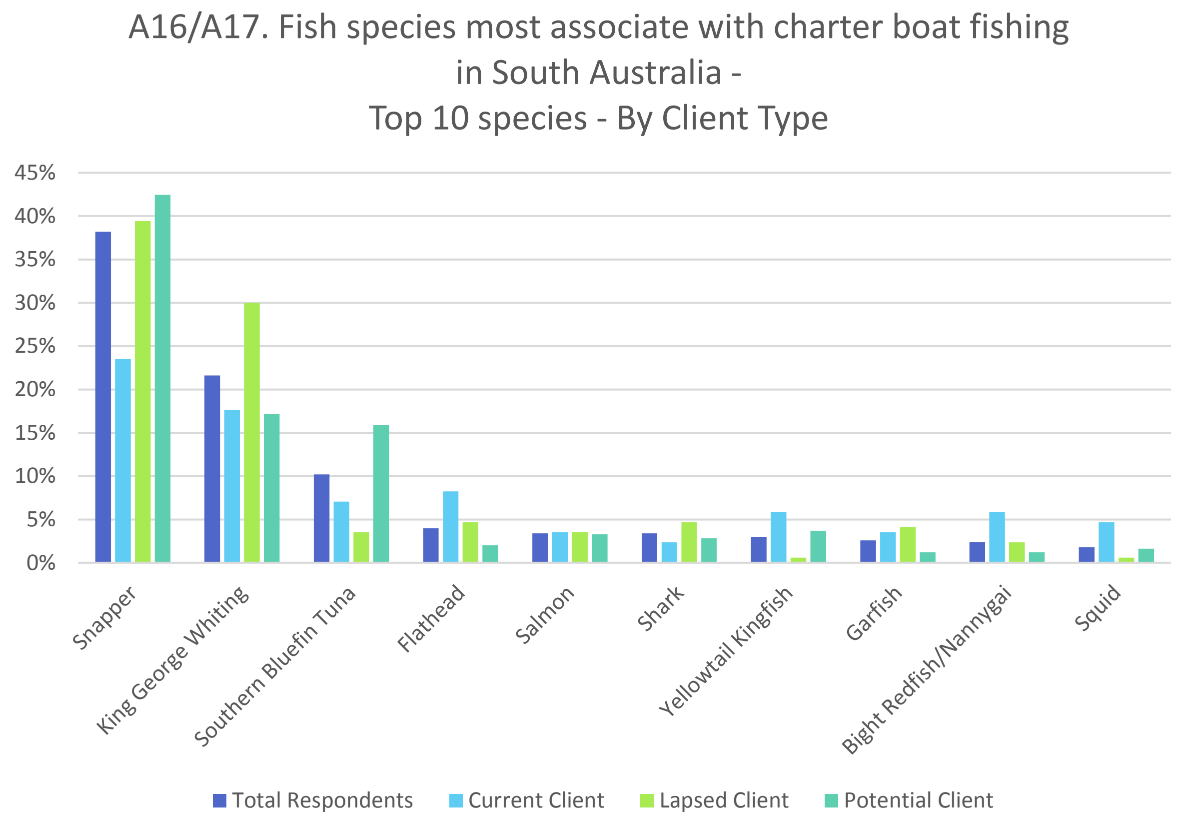
A15. What other things are important for you on a charter boat fishing experience?

A15. Other important things – Top mentions	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Safety – boat, conditions	**15%**	12%	**14%**	**17%**
Creating a positive experience, enjoyable	13%	**15%**	13%	12%
Professional and experienced, high levels of customer service	11%	7%	11%	13%
Providing guidance, education and assistance with fishing	8%	8%	8%	7%
Good weather conditions	7%	6%	10%	4%
Ensure a comfortable, less crowded trip	4%	4%	5%	4%

The respondents provided similar additional important elements as given in the prompted elements, with safety (15%) and creating a positive and enjoyable experience (13%) the top mentions. These additional mentions were consistent across all client types.

A16/A17. Which fish species do you most associate with charter boat fishing in South Australia?

A16/A17. Fish Species Most Associate with SA	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Snapper	**38%**	**24%**	**39%**	**42%**
King George Whiting	**22%**	**18%**	**30%**	**17%**
Southern Bluefin Tuna	**10%**	**7%**	**4%**	**16%**
Flathead	4%	8%	5%	2%
Salmon	3%	4%	4%	3%
Shark	3%	2%	5%	3%
Yellowtail Kingfish	3%	6%	1%	4%
Garfish	3%	4%	4%	1%
Bight Redfish/Nannygai	2%	6%	2%	1%
Squid	2%	5%	1%	2%
Rock Lobster	2%	4%	1%	1%
Flounder	1%	6%	1%	1%
Trevally	1%	1%	1%	1%
Mackerel	1%	2%	0%	1%
Tommy Ruff/Herring	1%	0%	2%	1%
Blue Morwong	1%	2%	0%	0%
Blue Swimmer Crab	1%	1%	1%	0%
Mulloway	1%	0%	0%	0%
Red Mullet	0%	1%	0%	0%
Samson Fish	0%	0%	0%	0%
Snook	0%	0%	0%	0%
Wrasse	0%	0%	0%	0%



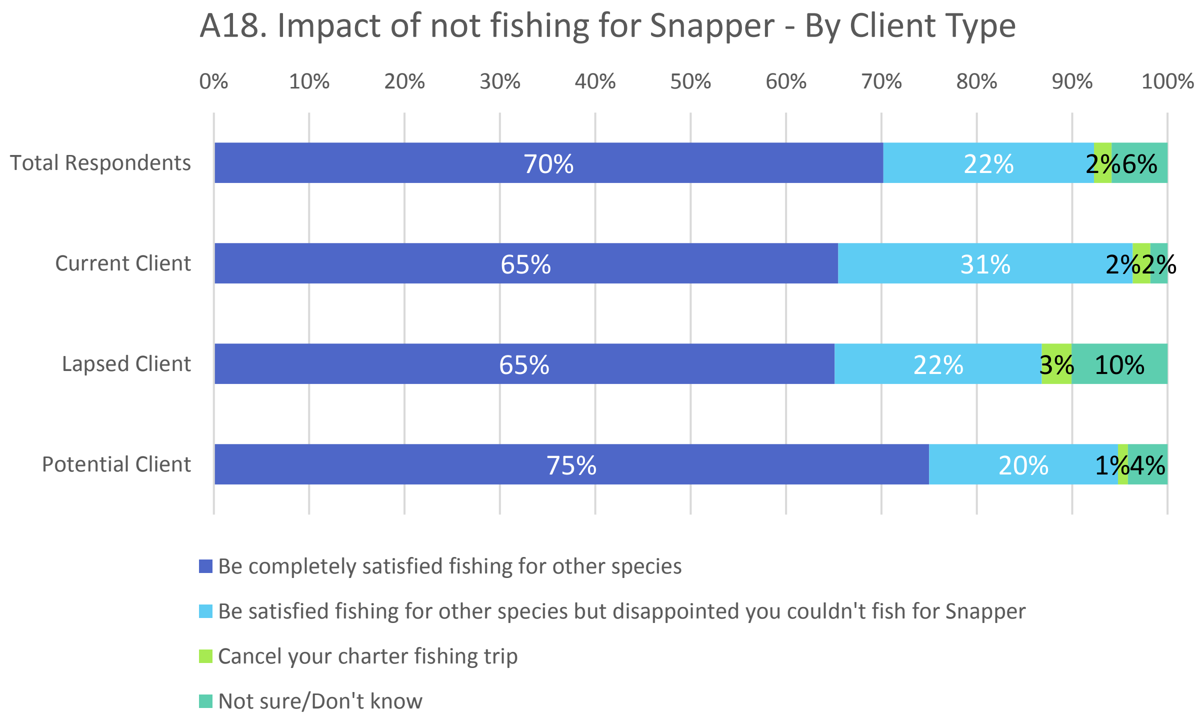
Overall, Snapper (38%) is the fish species most associated with charter boat fishing in South Australia, followed by King George Whiting (22%), and Southern Bluefin Tuna (10%).

This result is similar among the client types, with both Lapsed Clients and Potential Clients associating Snapper more with charter boat fishing in South Australia (39% and 42% respectively compared to 38% overall). Current Clients are less likely to associate Snapper (24% compared to 38% overall), but this is still their top mention. Lapsed Clients are more likely to associate King George Whiting (30% compared with 22% overall) and Potential Clients more likely to associate Southern Bluefin Tuna (16% compared with 10% overall).

All other species have low levels of association with charter boat fishing in South Australia.

A18. If you weren't able to go charter boat fishing for Snapper in South Australia, would you …

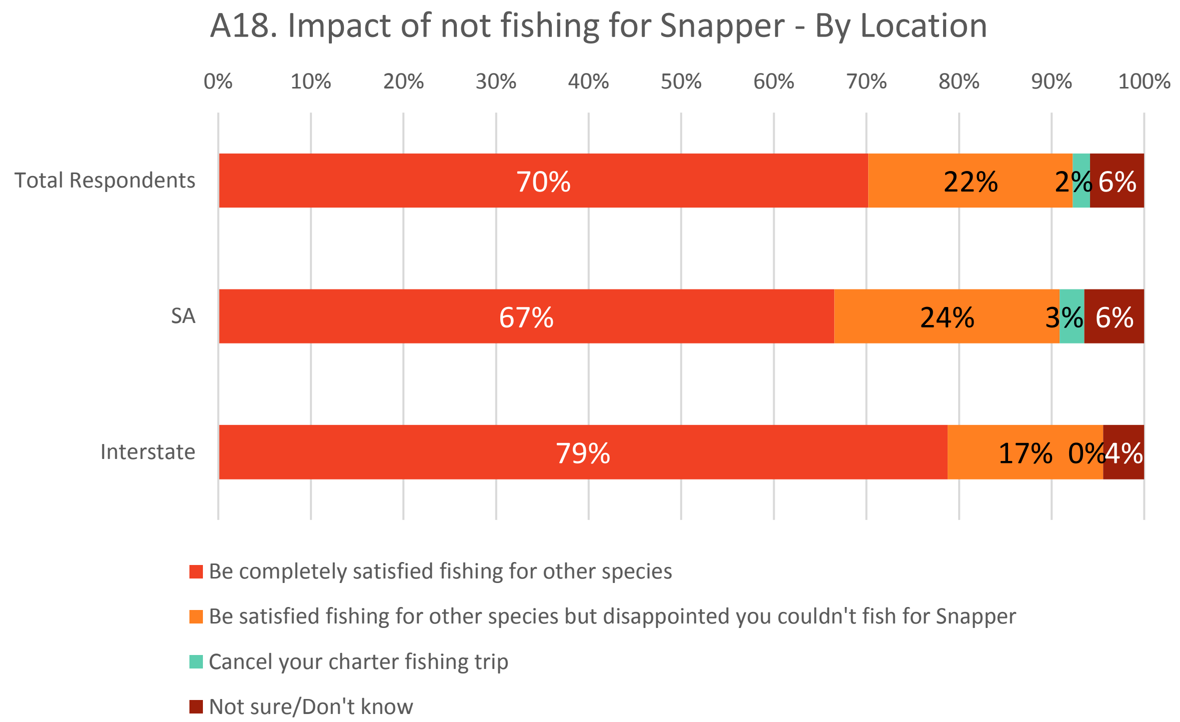
A18. Impact of not able to fish for Snapper	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	376	55	129	192
Be completely satisfied fishing for other species	**70%**	**65%**	**65%**	**75%**
Be satisfied fishing for other species but disappointed you couldn't fish for Snapper	22%	31%	22%	20%
Cancel your charter fishing trip	2%	2%	3%	1%
Not sure/Don't know	6%	2%	10%	4%



Overall, if clients were unable to go charter boat fishing for Snapper, 70% would be completely satisfied fishing for other species, and 22% would be satisfied fishing for other species, but disappointed in not being able to fish for Snapper. 2% indicated they would cancel their charter fishing trip if they could not fish for Snapper.

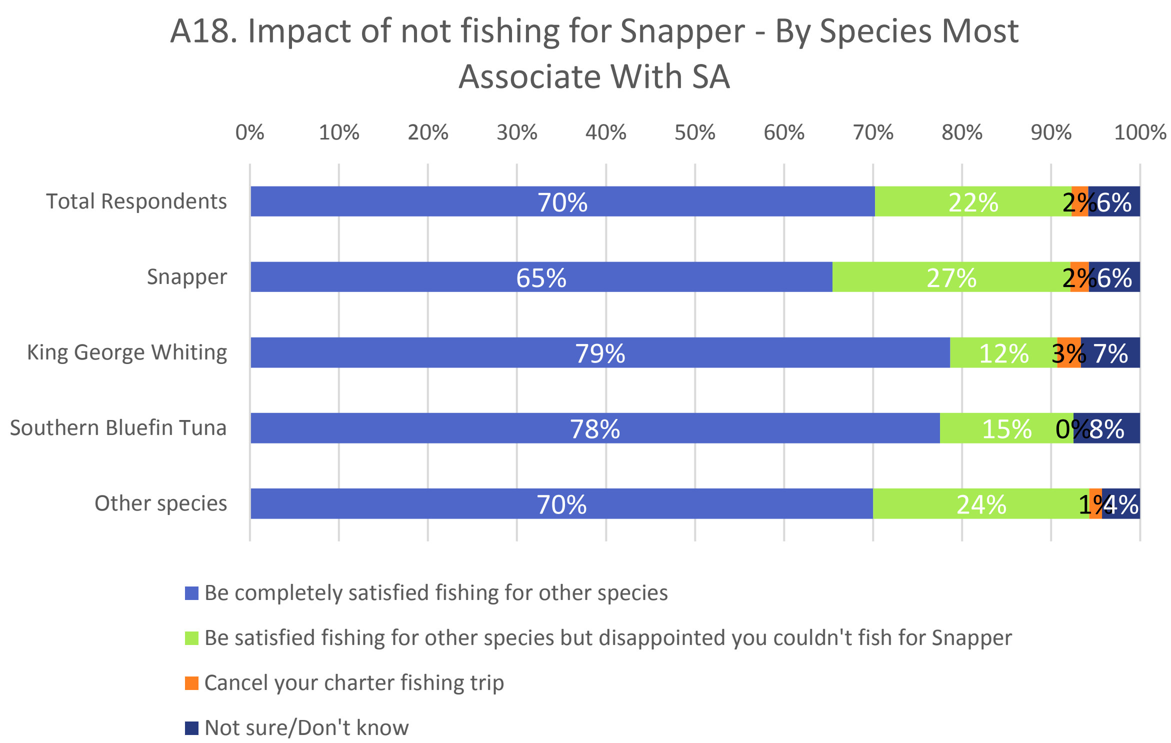
Satisfaction in fishing for other species is higher among the Potential Clients (75%), and slightly lower among the Current Clients (65%) and Lapsed Clients (65%). Current Clients are more likely to be disappointed in not being able to fish for Snapper (31%).

A18. Impact of not able to fish for Snapper	Total	South Australia	Interstate
Base: Total Respondents	376	263	113
Be completely satisfied fishing for other species	**70%**	**67%**	**79%**
Be satisfied fishing for other species but disappointed you couldn't fish for Snapper	22%	24%	27%
Cancel your charter fishing trip	2%	3%	0%
Not sure/Don't know	6%	6%	4%



Interstate residents are much more likely to be satisfied fishing for other species (79%) compared to South Australian residents (67%).

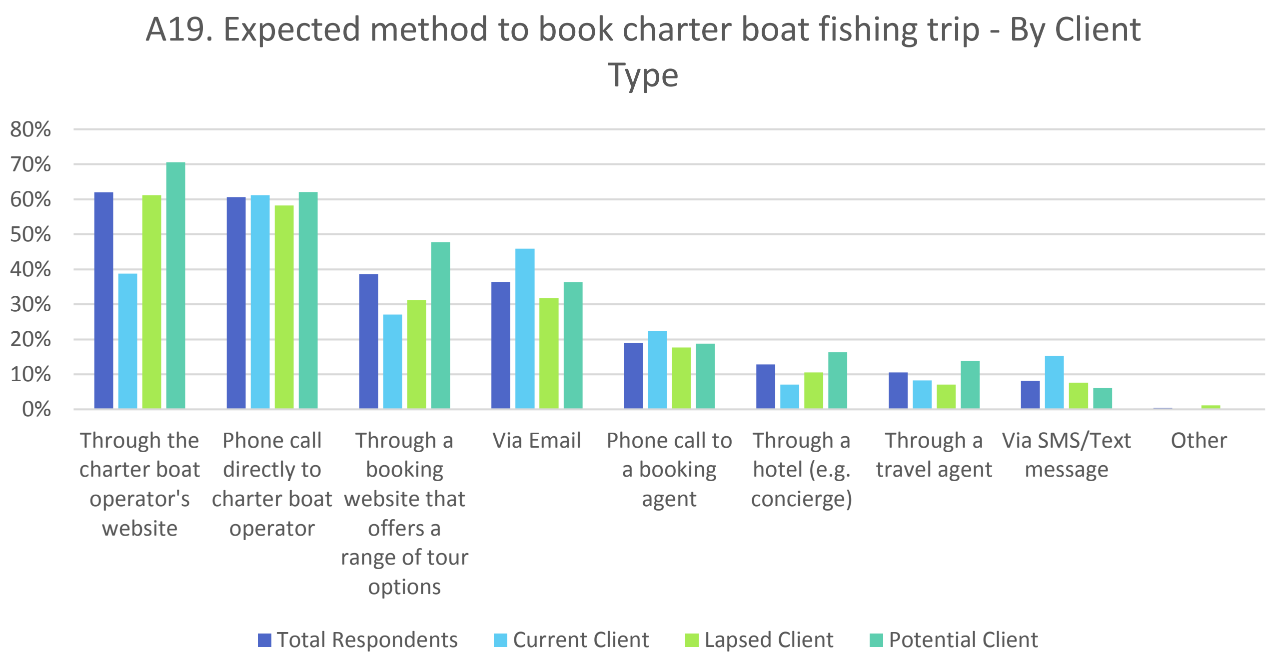
A18. Impact of not able to fish for Snapper	**Total**	**Snapper**	**King George Whiting**	**Southern Bluefin Tuna**	**Other species**
Base: Total Respondents	376	191	75	40	70
Be completely satisfied fishing for other species	**70%**	**65%**	**79%**	**78%**	**70%**
Be satisfied fishing for other species but disappointed you couldn't fish for Snapper	22%	27%	12%	15%	24%
Cancel your charter fishing trip	2%	2%	3%	0%	1%
Not sure/Don't know	6%	6%	7%	8%	4%



Those who mostly associate King George Whiting or Southern Bluefin Tuna with charter boat fishing in South Australia are more likely to be completely satisfied fishing for other species if they were unable to fish for Snapper (79% and 78% respectively compared to 70% overall). Those who mostly associate Snapper with charter boat fishing are more likely to be disappointed if they cannot fish for Snapper (27% compared to 22% overall).

A19. If you were to book a charter boat fishing trip, which of the following ways would you expect to book your trip?

A19. Methods to book charter boat experience	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Through charter boat operator's website	**62%**	39%	**61%**	**71%**
Phone call directly to charter boat operator	**61%**	**61%**	**58%**	**62%**
Through a booking website that offers a range of tour options	39%	27%	31%	**48%**
Via Email	36%	**46%**	32%	36%
Phone call to a booking agent	19%	22%	18%	19%
Through a hotel (concierge)	13%	7%	11%	16%
Through a travel agent	11%	8%	7%	14%
Via SMS/Text message	8%	15%	8%	6%

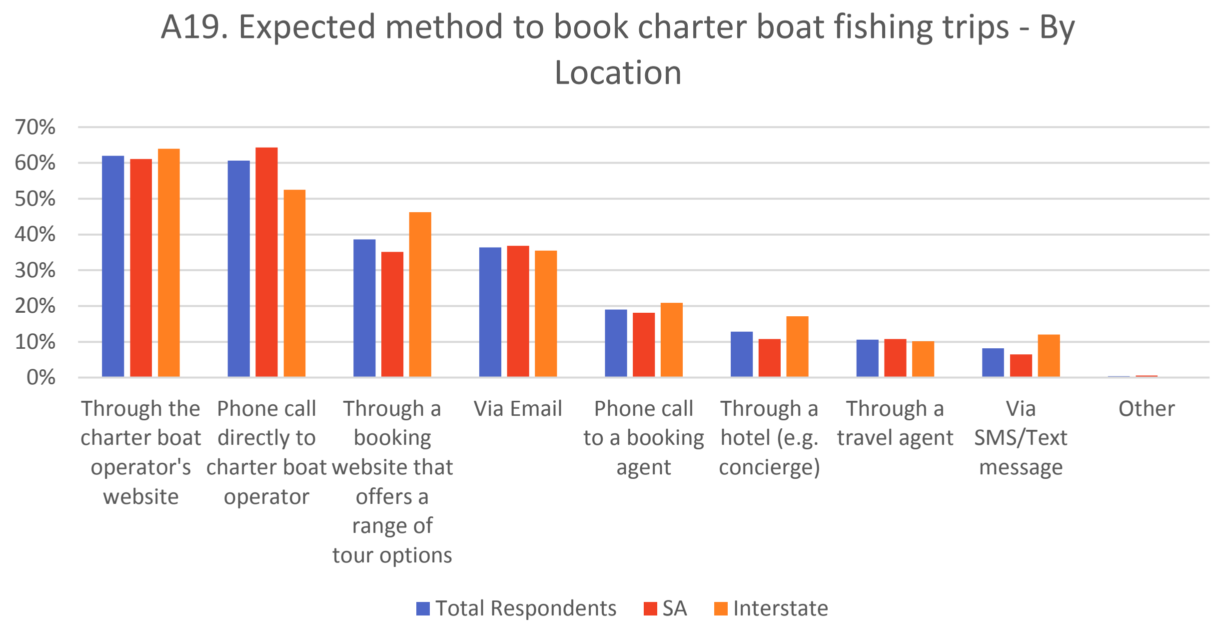


Overall, respondents expect to book through a charter boat operator's website (62%), or by making a phone call directly to the charter boat operator (61%).

All client groups expect to book a charter boat fishing trip by making a phone call directly to the charter boat operator.

There are some key differences between the client groups, including Current Clients less likely to expect to book through a charter boat operator's website (39%) compared to Lapsed Clients (61%) and Potential Clients (71%). Current Clients are more likely to book via email (46%) than Lapsed Clients (32%) and Potential Clients (36%). Potential Clients are more likely to book through a booking website that offers a range of tour options (48%) than Current Clients (27%) and Lapsed Clients (31%).

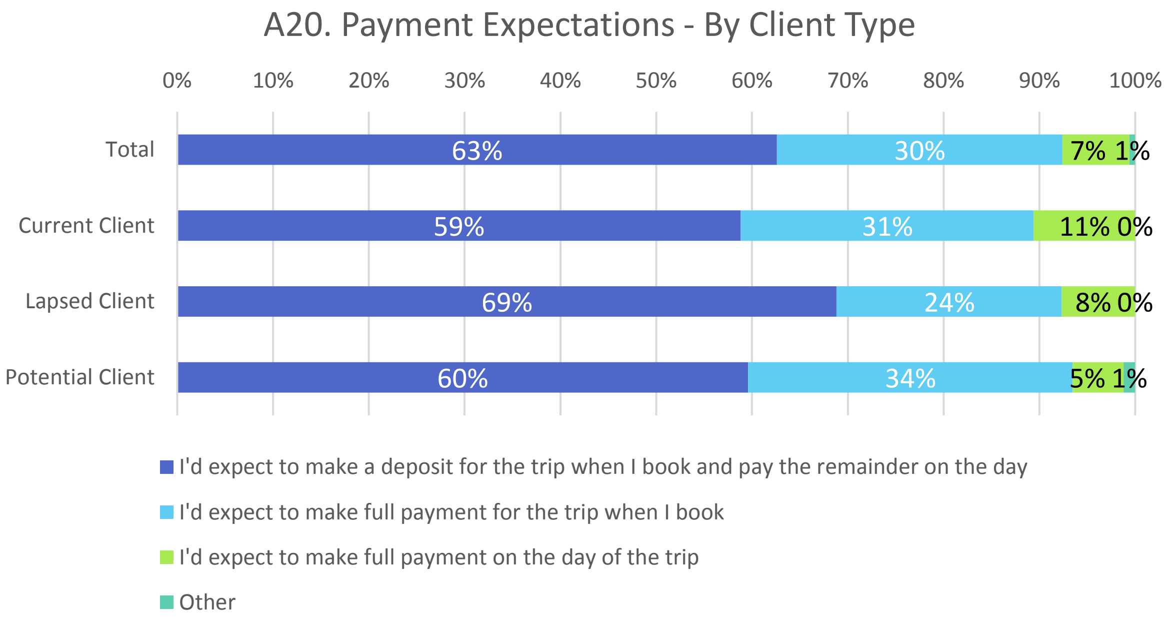
A19. Methods to book charter boat experience	Total	South Australia	Interstate
Base: Total Respondents	500	342	158
Through charter boat operator's website	**62%**	61%	**64%**
Phone call directly to charter boat operator	61%	**64%**	53%
Through a booking website that offers a range of tour options	39%	35%	46%
Via Email	36%	37%	35%
Phone call to a booking agent	19%	18%	21%
Through a hotel (concierge)	13%	11%	17%
Through a travel agent	11%	11%	10%
Via SMS/Text message	8%	6%	12%



South Australian residents are more likely to expect to book by making a call directly to charter boat operator (64%) than Interstate residents (53%). Both South Australian and Interstate residents expect to be able to book through the charter boat operator's website. Interstate residents are more likely to expect to book through a booking website that offers a range of tour options (46%) than South Australia residents (35%).

A20. And when would you expect to pay for the charter boat fishing trip?

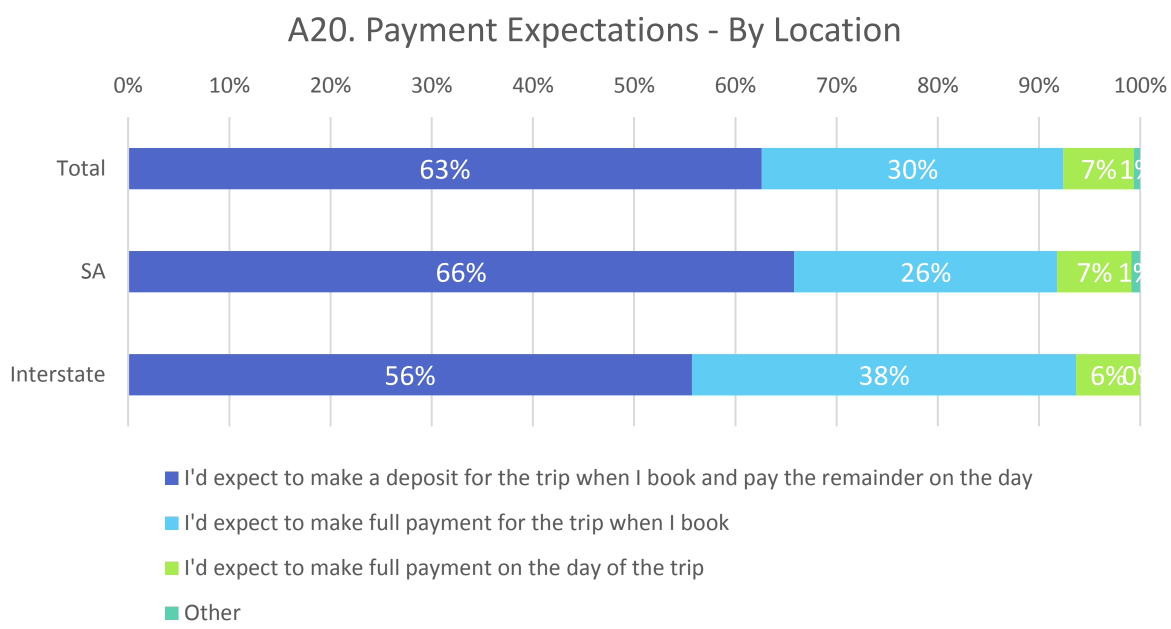
A20. Payment Expectations	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
I'd expect to make a deposit for the trip when I book and pay the remainder on the day	**63%**	**59%**	**69%**	**60%**
I'd expect to make full payment for the trip when I book	30%	31%	25%	34%
I'd expect to make full payment on the day of the trip	7%	11%	8%	5%



Overall, 63% of respondents expect to make a deposit when the charter boat trip is booked, and 30% expect to make full payment for the trip when the charter boat trip is booked.

Across all client groups, some form of up-front payment is expected – either a deposit or to make full payment. Lapsed Clients are more likely to expect to make a deposit when the trip is booked (69% compared to 63% overall), and Potential Clients are more likely to expect to make full payment when the charter boat trip is booked (34% compared to 30% overall).

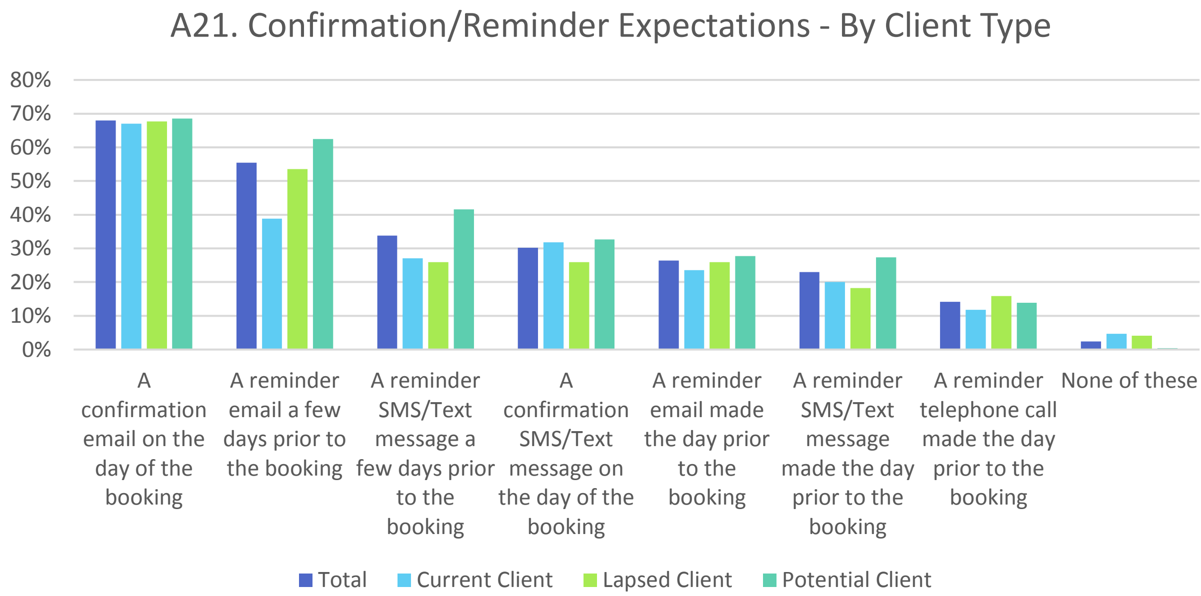
A20. Payment Expectations	**Total**	**South Australia**	**Interstate**
Base: Total Respondents	500	85	170
I'd expect to make a deposit for the trip when I book and pay the remainder on the day	**63%**	**66%**	**56%**
I'd expect to make full payment for the trip when I book	30%	26%	38%
I'd expect to make full payment on the day of the trip	7%	7%	6%



South Australian residents are more likely to expect to make a deposit when the charter boat trip is booked (66% compared to 63% overall), where Interstate residents are more likely to expect to make full payment when the charter boat trip is booked (38% compared to 30% overall).

A21. And once you have your charter boat fishing trip booked, which of the following would you expect to receive?

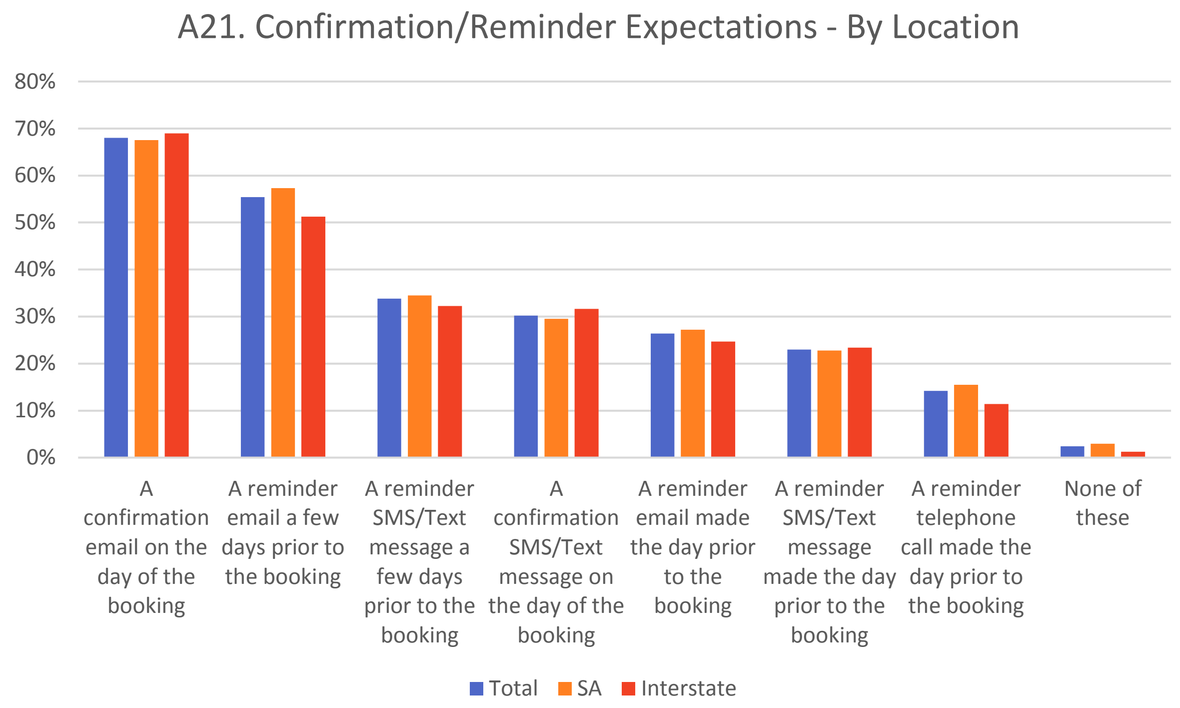
A21. Confirmations/ Reminders	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
A confirmation email on the day of the booking	**68%**	**67%**	**68%**	**69%**
A reminder email a few days to the booking	**55%**	39%	**54%**	**62%**
A reminder SMS/Text message a few days prior to the booking	34%	27%	26%	**42%**
A confirmation SMS/Text message on the day of the booking	30%	32%	26%	33%
A reminder email made the day prior to the booking	26%	24%	26%	28%
A reminder SMS/Text message made the day prior to the booking	23%	20%	18%	27%
A reminder telephone call made the day prior to the booking	14%	12%	16%	14%



Overall, 68% of respondents expect to receive a confirmation email on the day of the booking, 55% expect to receive a reminder email a few days prior to the booking and 34% expect to receive a reminder SMS/Text message a few days prior to the booking.

All client types have a similar top expectation to receive a confirmation email on the day of the booking, with Potential Clients more likely to expect a reminder email a few days prior to the booking (62% compared to 55% overall), and a reminder SMS/Text message a few days prior to the booking (42% compared to 34% overall). Current Clients are less likely to expect a reminder email a few days prior to the booking (39% compared to 55% overall).

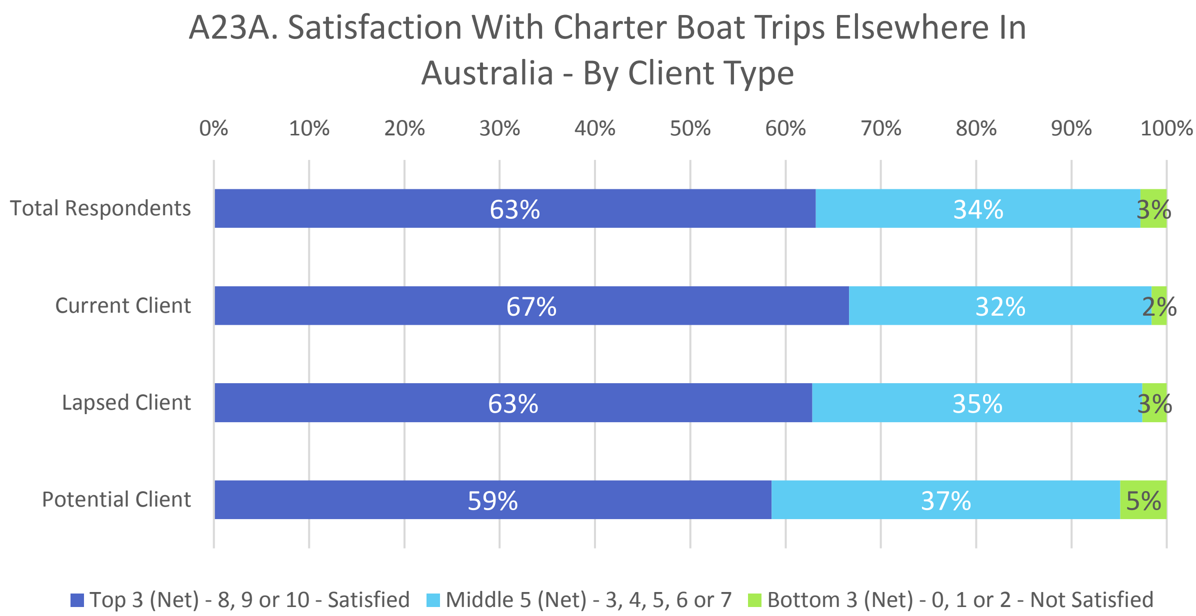
A21. Confirmations/ Reminders	Total	South Australia	Interstate
Base: Total Respondents	500	342	158
A confirmation email on the day of the booking	**68%**	**68%**	**69%**
A reminder email a few days to the booking	55%	57%	51%
A reminder SMS/Text message a few days prior to the booking	34%	35%	32%
A confirmation SMS/Text message on the day of the booking	30%	30%	32%
A reminder email made the day prior to the booking	26%	27%	25%
A reminder SMS/Text message made the day prior to the booking	23%	23%	23%
A reminder telephone call made the day prior to the booking	14%	15%	11%



Comparing South Australian residents to Interstate residents, we see a relatively consistent result, with both expecting to receive a confirmation email on the day of the booking (68% and 69% respectively), and a reminder email a few days prior to the booking (57% and 51% respectively).

A22/A23. Number of charter boat fishing trips undertaken elsewhere in Australia or Overseas in last three years and level of satisfaction with these experiences

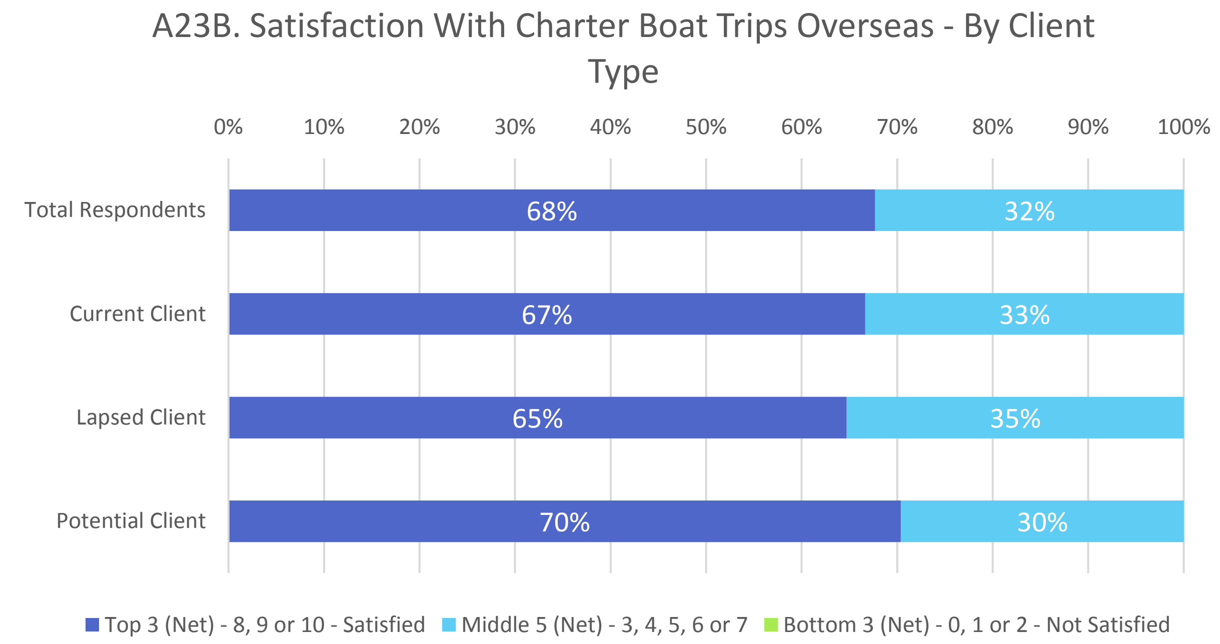
A22/A23. Elsewhere in Australia	Total	Current Client	Lapsed Client	Potential Client
Average number of trips	0.9 trips	2.5 trips	0.9 trips	0.3 trips
Top 3 (Net) – 8, 9 or 10 - Satisfied	**63%**	**67%**	**63%**	**59%**
Middle 5 (Net) – 3, 4, 5, 6 or 7	34%	32%	35%	37%
Bottom 3 (Net) – 0, 1 or 2 – Not Satisfied	3%	2%	3%	5%



Overall, the average number of charter boat trips undertaken in the last three years elsewhere in Australia is 0.9 trips. Current Clients have undertaken more trips elsewhere in Australia in the last three years (2.5 trips) than Lapsed Clients (0.9 trips) and Potential Clients (0.3 trips).

63% are satisfied with the charter boat fishing trips elsewhere in Australia.

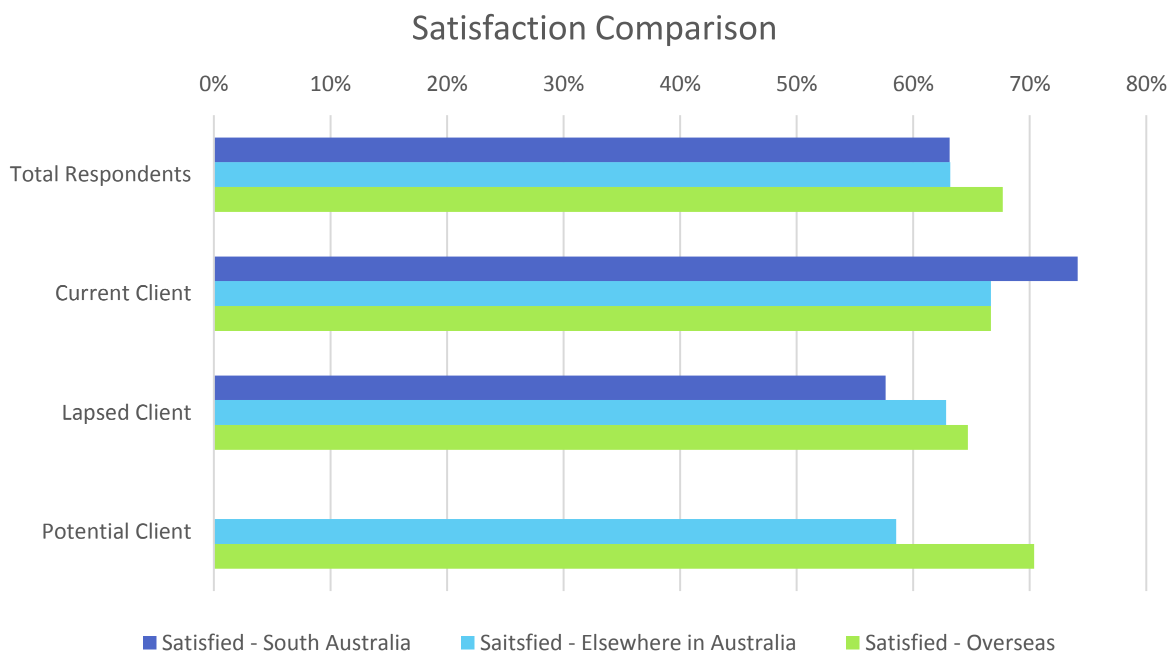
A22/A23. Overseas	Total	Current Client	Lapsed Client	Potential Client
Average number of trips	0.2 trips	0.4 trips	0.1 trips	0.2 trips
Top 3 (Net) – 8, 9 or 10 - Satisfied	**68%**	**67%**	**65%**	**70%**
Middle 5 (Net) – 3, 4, 5, 6 or 7	32%	33%	35%	30%
Bottom 3 (Net) – 0, 1 or 2 – Not Satisfied	0%	0%	0%	0%



Overall, the average number of charter boat trips undertaken in the last three years overseas is 0.2 trips. Current Clients have undertaken more trips elsewhere in Australia in the last three years (0.4 trips) than Lapsed Clients (0.1 trips) and Potential Clients (0.2 trips).

68% are satisfied with the charter boat fishing trips elsewhere in Australia.

Satisfaction comparison	Total	Current Client	Lapsed Client	Potential Client
Satisfied – Most recent South Australian charter boat experience	63%	**74%**	58%	n/a
Satisfied – Charter boat experiences elsewhere in Australia	63%	67%	63%	59%
Satisfied – Charter boat experiences overseas	**68%**	67%	**65%**	**70%**

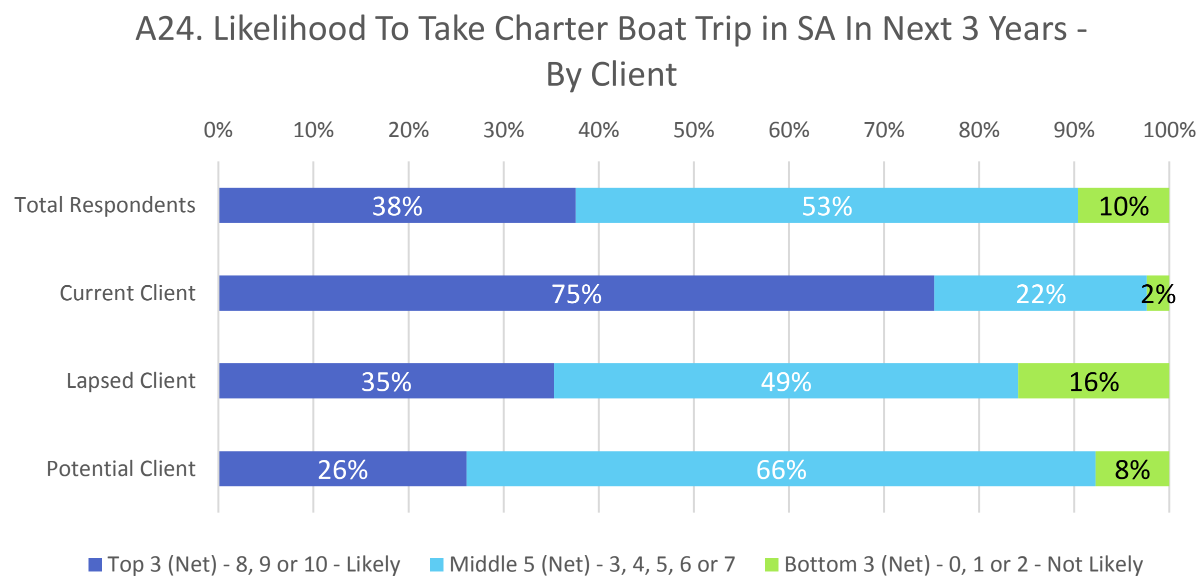


Overall, in comparing the satisfaction levels between the most recent South Australian charter boat experience with those trips undertaken elsewhere in Australia and overseas, we see that those trips undertaken overseas have a higher satisfaction rating (68%) compared to 63% for both South Australian trips and those from elsewhere in Australia.

Current Clients have a higher satisfaction rating for their most recent South Australian trip (74%) than those undertaken elsewhere (67% for both Australia and overseas), whereas Lapsed Clients have a lower satisfaction rating for their most recent South Australian trip (58%) than those undertaken elsewhere (63% elsewhere in Australia and 65% overseas).

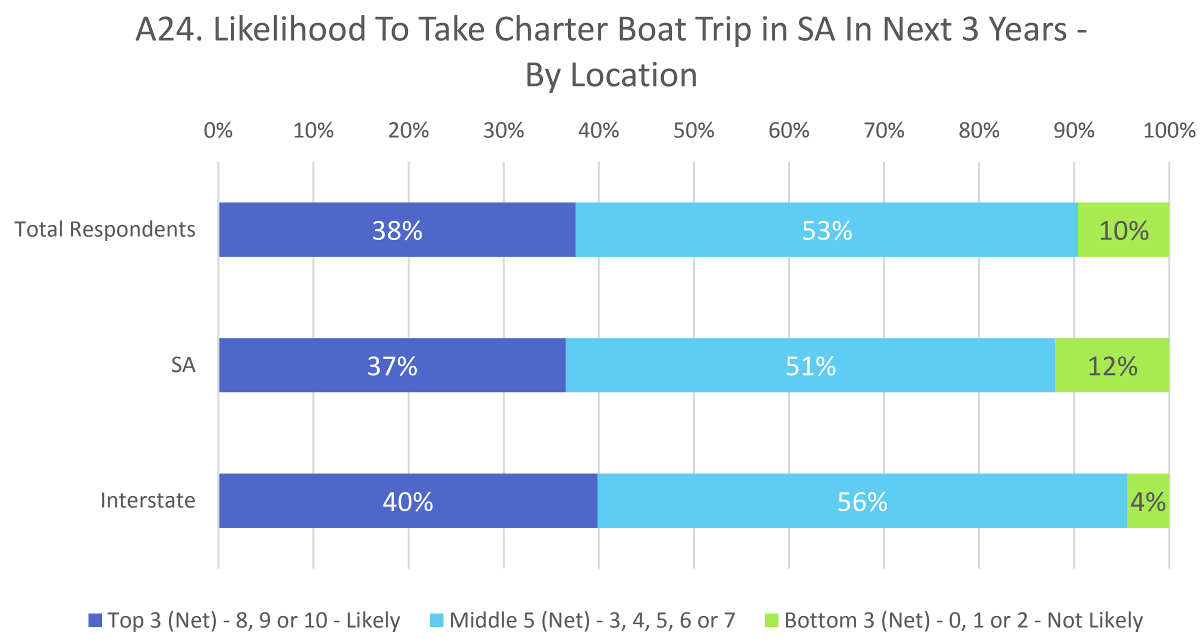
A24. How likely are you to take a charter boat fishing trip in South Australia within the next three years? Please use a 0-10 scale where 0 means 'Not at all likely' and 10 means 'Extremely likely'?

A24. Likelihood to undertake charter boat trip in SA next 3 years	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Top 3 (Net) – 8, 9 or 10 – Likely	38%	**75%**	35%	26%
Middle 5 (Net) – 3, 4, 5, 6 or 7	**53%**	22%	**49%**	**66%**
Bottom 3 (Net) – 0, 1 or 2 – Not Likely	10%	2%	16%	8%



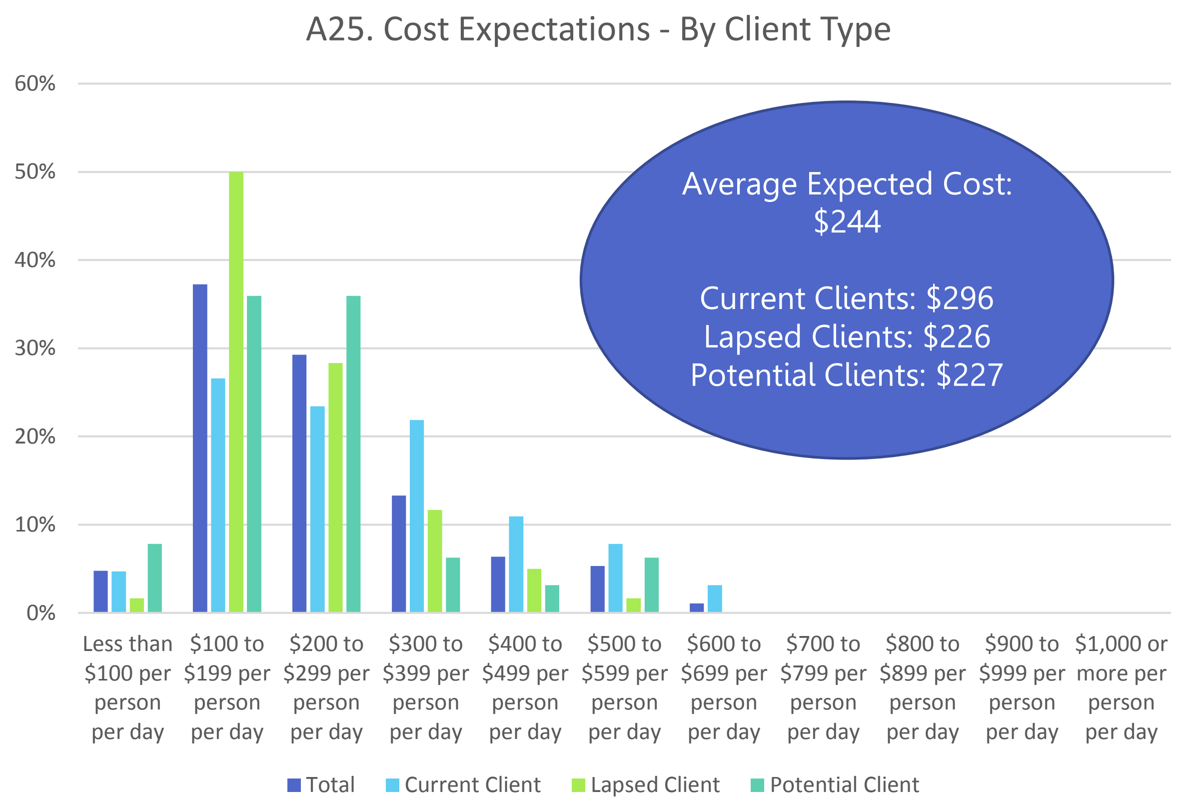
Overall, 38% are likely to undertake a charter boat fishing trip in South Australia in the next 3 years, and 10% are not likely to do so. Current Clients are much more likely to undertake a charter boat fishing trip in South Australia in the next 3 years (75%) compared to Lapsed Clients (35%) and Potential Clients (26%).

A24. Likelihood to undertake charter boat trip in SA next 3 years	Total	South Australia	Interstate
Base: Total Respondents	500	342	158
Top 3 (Net) – 8, 9 or 10 – Likely	38%	37%	**40%**
Middle 5 (Net) – 3, 4, 5, 6 or 7	**53%**	**51%**	**56%**
Bottom 3 (Net) – 0, 1 or 2 – Not Likely	10%	12%	4%

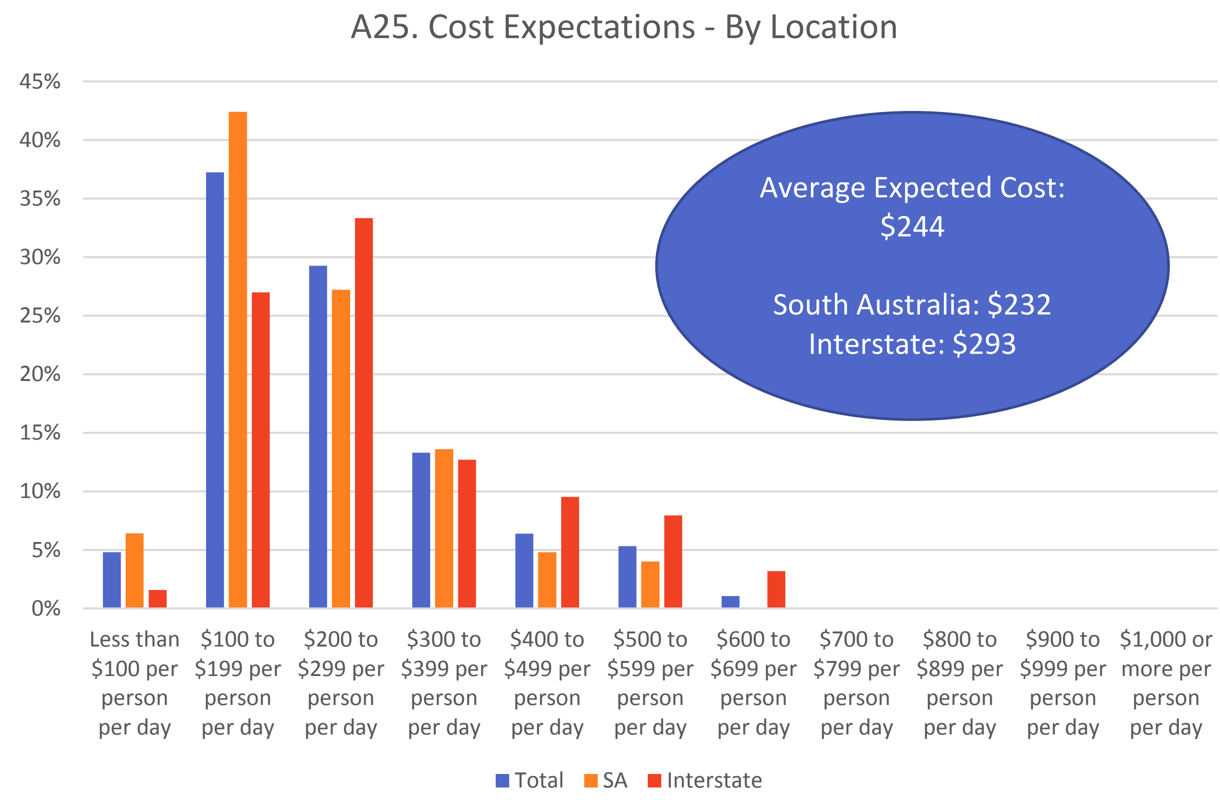


Interstate residents are slightly more likely to undertake a charter boat fishing trip in South Australia within the next three years (40% compared to 38% overall).

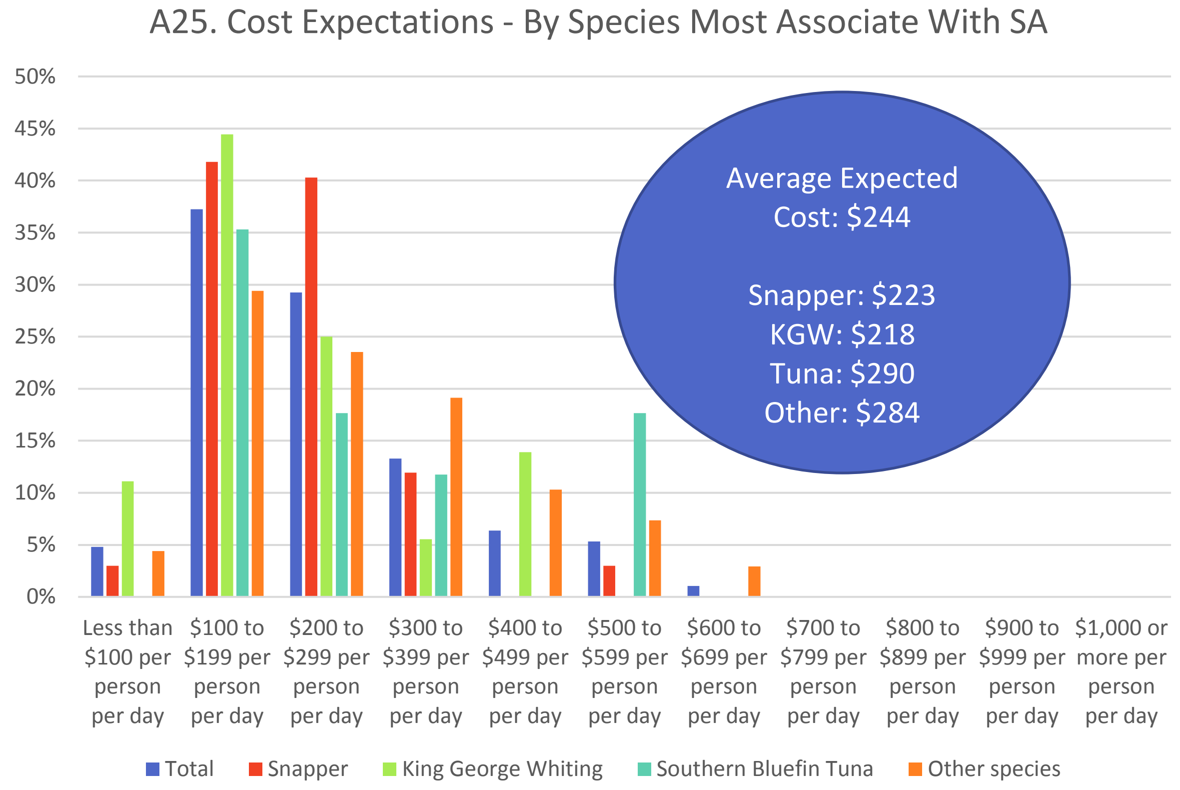
A25. And how much per person per a full day trip would you expect to pay for this charter boat fishing trip?



Overall, the average expected cost for a full day charter boat fishing trip is $244 per person per full day. The expected cost for Current Clients is higher at $296 per person per full day, and lower among both the Lapsed Clients ($226 per person per full day) and Potential Clients ($227 per person per full day).



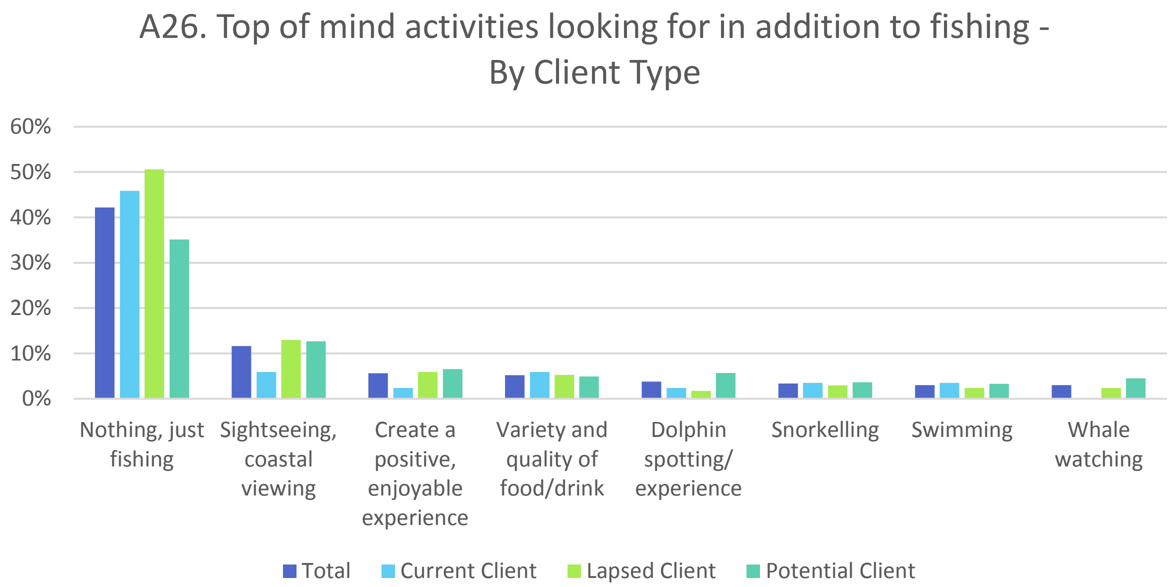
The average expected cost for South Australian residents is $232 per person per full day. Interstate residents expect the cost to be higher and their average expected cost is $293 per person per full day.



Of those that mostly associate Snapper with charter boat fishing in South Australia, their average expected cost is $223 per person per full day. Those that mostly associate King George Whiting with charter boat fishing in South Australia have a slightly lower average expected cost at $218 per person per full day. South Bluefin Tuna associators have a higher average cost expectation of $290 per person per full day.

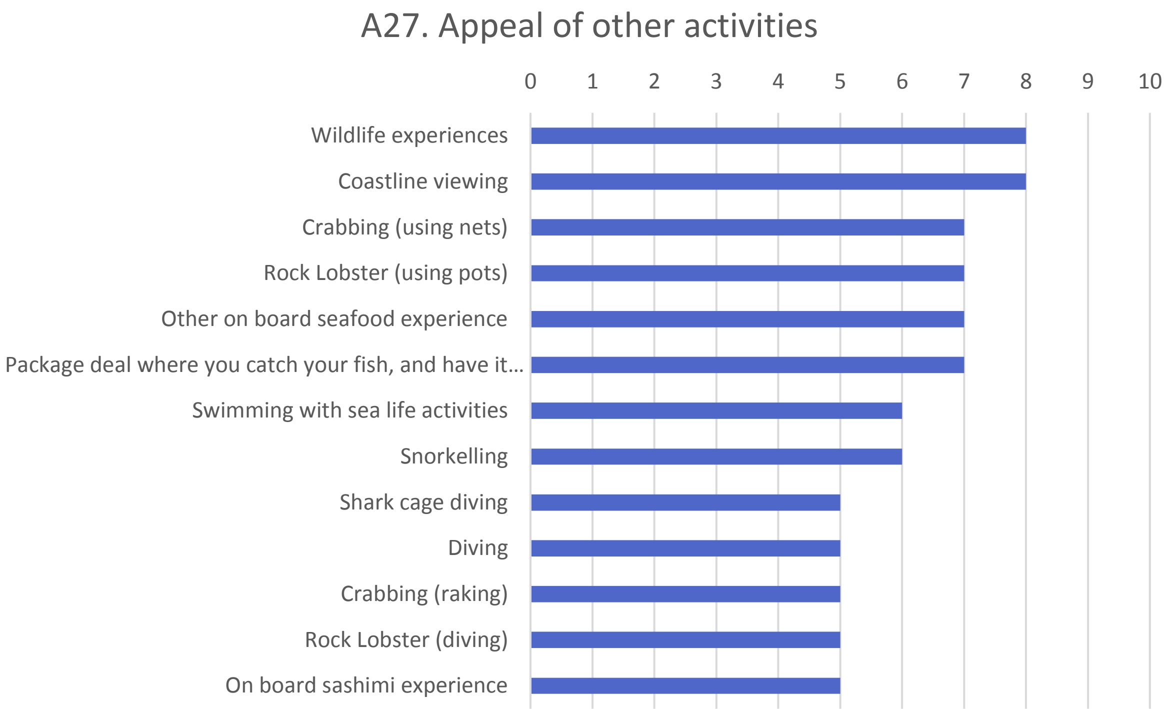
A26. Other than fishing, are there any other activities that you are looking for as a part of a charter boat fishing experience?

A26. Other activities	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Nothing, just fishing	**42%**	**46%**	**51%**	**35%**
Sightseeing, coastal viewing	12%	6%	13%	13%
Create a positive, enjoyable experience	6%	2%	6%	7%
Variety and quality of food/drink	5%	6%	5%	5%
Dolphin spotting/ experience	4%	2%	2%	6%
Snorkelling	3%	4%	2%	3%
Swimming	3%	4%	2%	3%
Whale watching	3%	0%	2%	4%



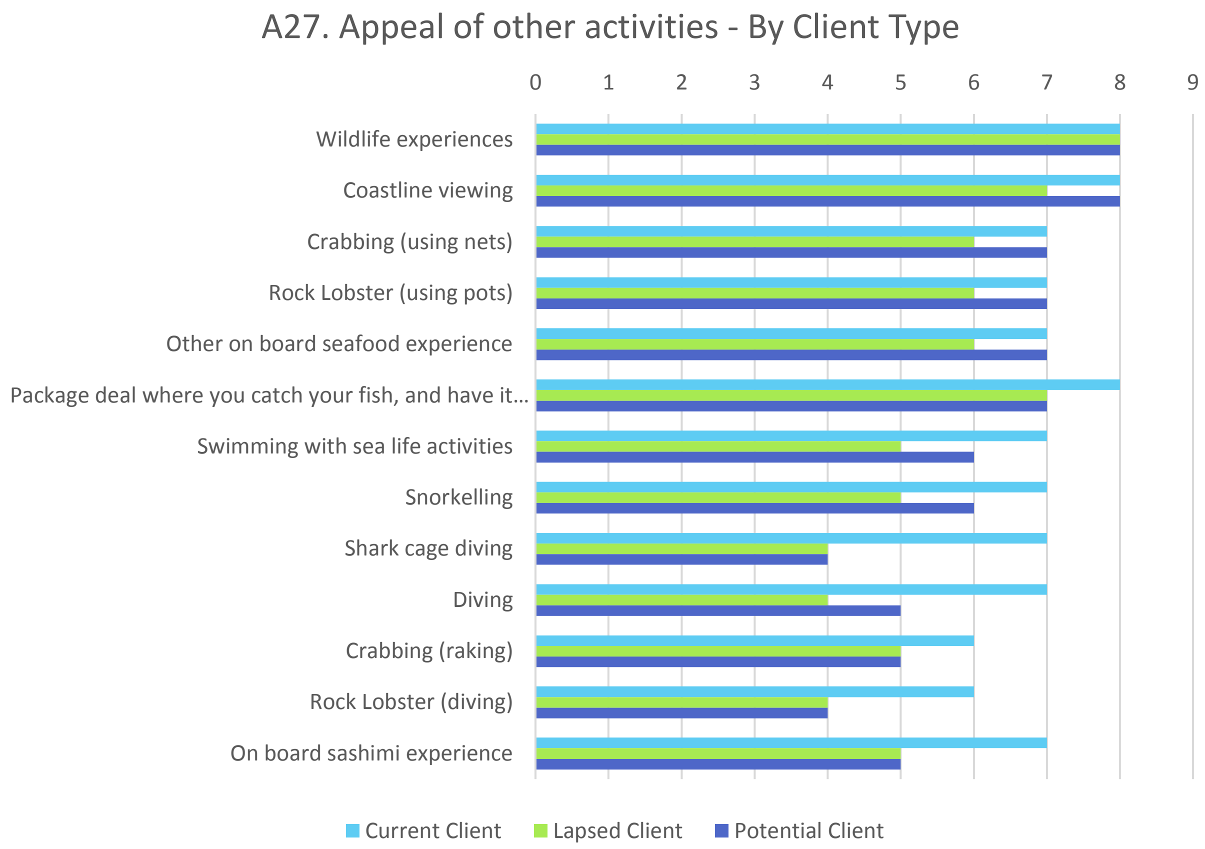
Fishing is clearly the main purpose for a charter boat fishing trip. Other activities that are of interest include sightseeing/coastal viewing (12%), creating a positive and enjoyable experience (6%), and the variety and quality of food and drink on board (5%).

A27. Below are a range of other activities that could possibly be offered on a charter boat fishing experience. How appealing is each of these to you, using a 0-10 scale where 0 means 'Not appealing at all' and 10 means 'Extremely appealing'.



Overall, the additional activities that are most appealing are wildlife experiences (Median score of 8), and coastline viewing (Median score of 8).

Those activities that are less appealing including shark cage diving, diving, crabbing (raking), rock lobster (diving) and an on-board sashimi experience (all a Median score of 5).

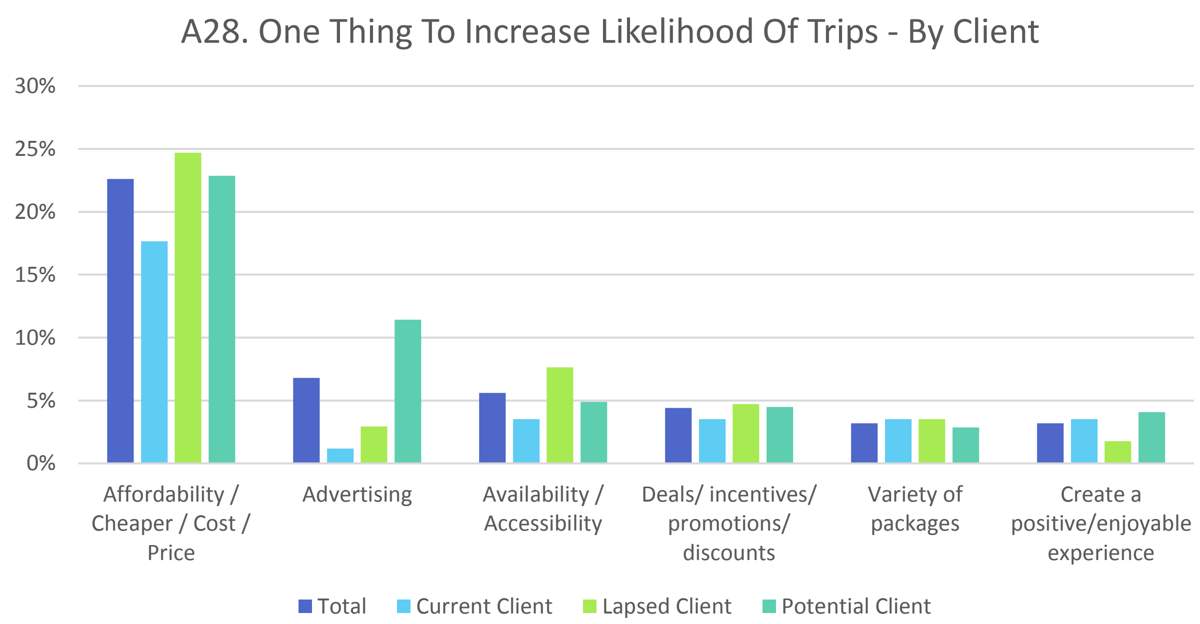


The additional activities of wildlife experiences and coastline viewing are appealing to all three client types.

The Current Clients find the majority of these additional activities more appealing than the Lapsed Clients and Potential Clients. In particular, they find the activity of a package deal where you catch your fish and have it prepared at a local restaurant on the same day more appealing (Median of 8, compared to a Median of 7 for the Lapsed Clients and Potential Clients), an on board sashimi experience more appealing (Median of 7 compared to a Median of 5 for Lapsed Clients and Potential Clients), and shark cage diving more appealing (Median of 7 compared to a Median of 4 for Lapsed Clients and Potential Clients).

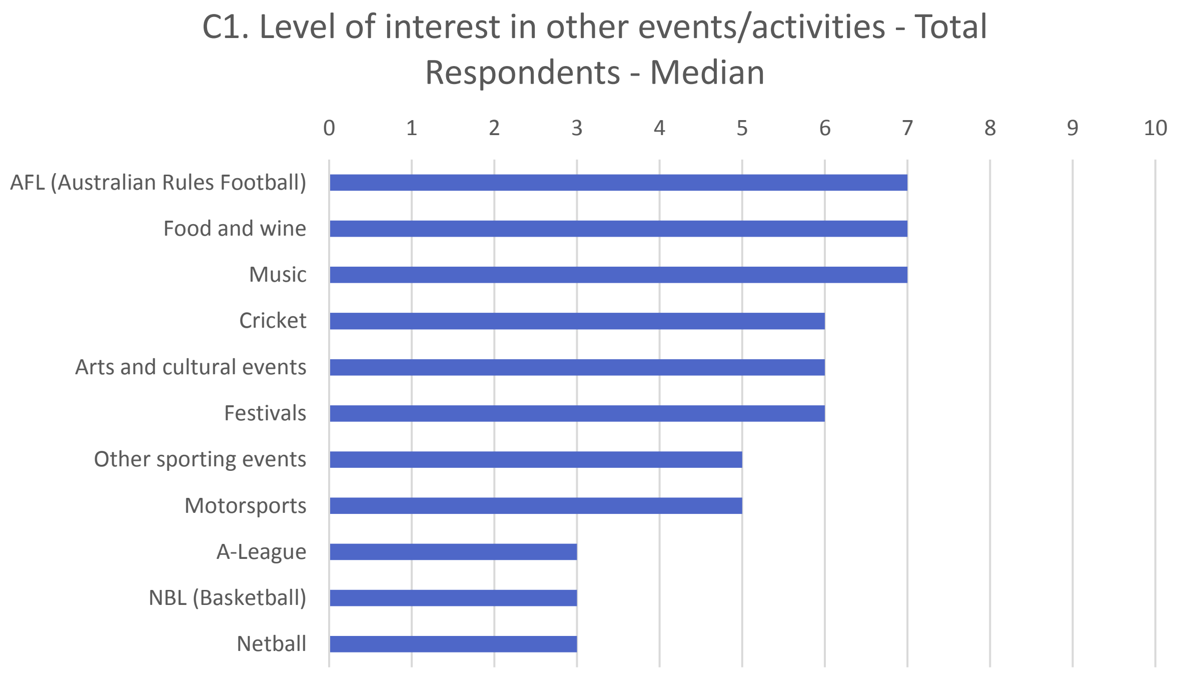
A28. What is the one thing the charter boat fishing industry could do to make you more likely to take trips in the future?

A28. One thing to undertake more trips	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Affordability, cheaper, cost	**23%**	**18%**	**25%**	**23%**
Advertising	7%	1%	3%	**11%**
Availability, make it accessible	6%	4%	8%	5%
Deals, incentives, promotions	4%	4%	5%	4%
Create a positive, enjoyable experience	3%	4%	2%	4%

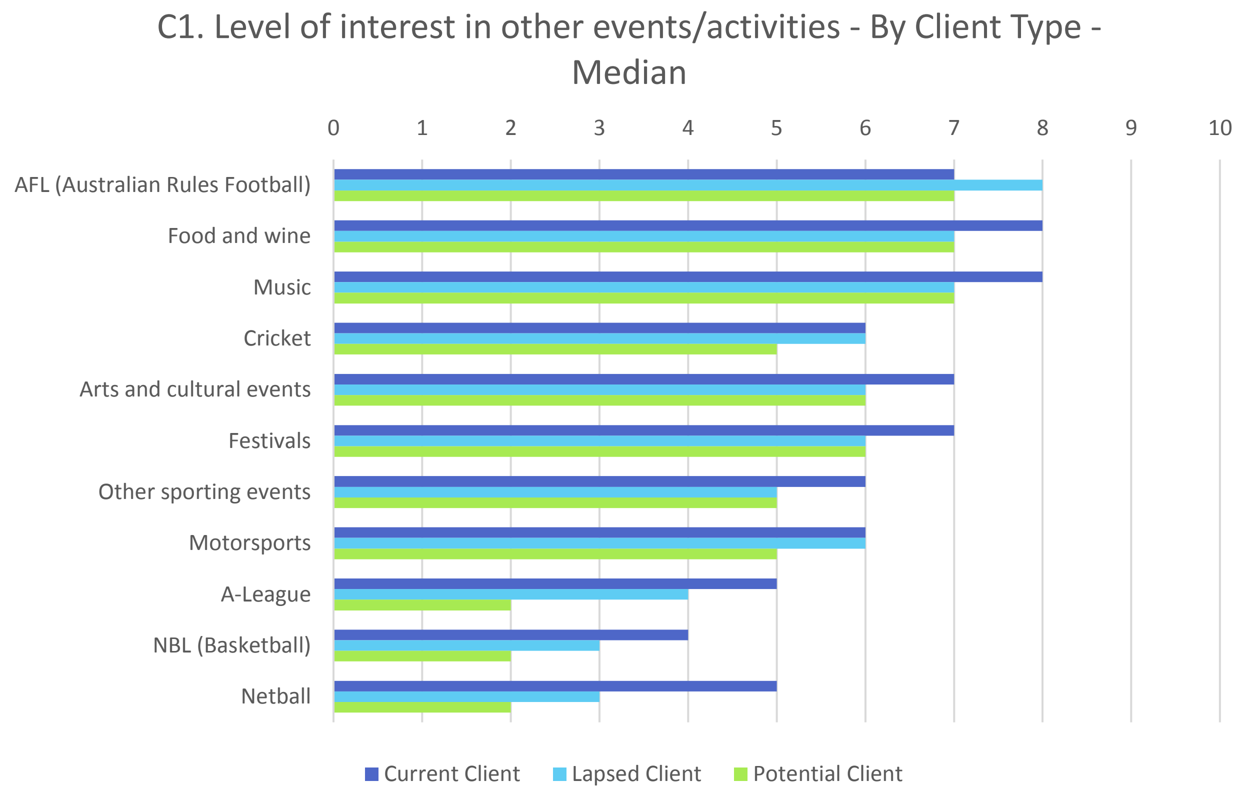


Overall, the one thing the industry could do to increase the number of future trips will be to reduce the cost.

C1. Below is a list of other events and activities in South Australia. Please rate your level of interest in each using a 0-10 scale where 0 means 'Not at all interested' and 10 means 'Extremely interested'.



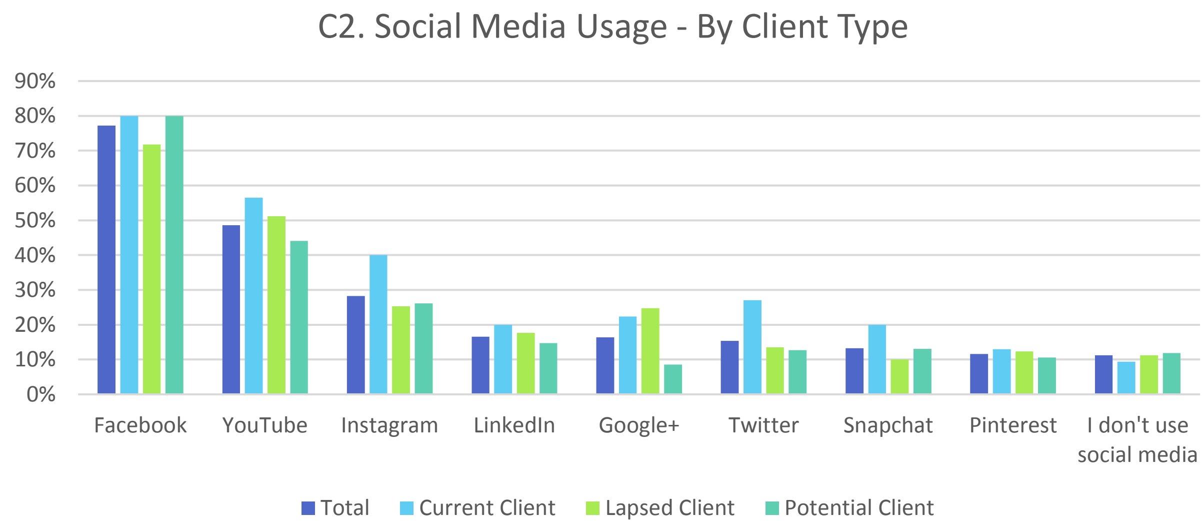
Overall, that activities or events that generated the highest level of interest include AFL, food and wine and music (all Median score of 7). Those that generated the lowest level of interest include A-League, NBL and Netball (all Median score of 3).



Current Clients have a higher level of interest in food and wine and music (Median of 8 compared to a Median of 7 for Lapsed Clients and Potential Clients). Lapsed Clients have a higher level of interest in AFL (Median of 8 compared to Median of 7 for Current Clients and Potential Clients).

C2. Which of the following social media platforms do you use regularly (at least weekly)?

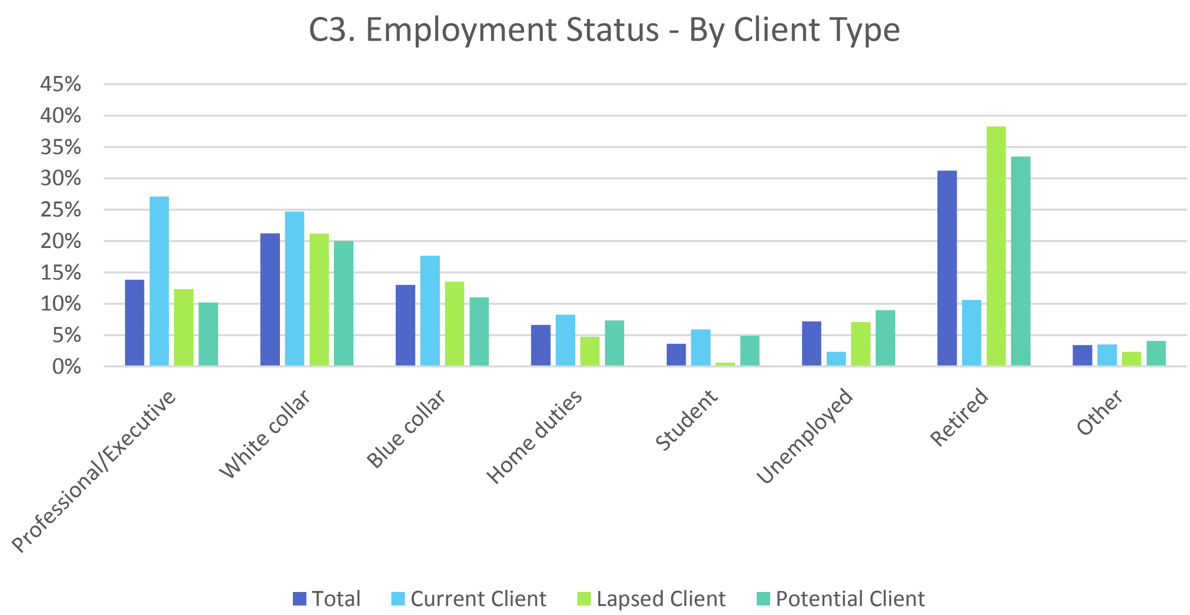
C2. Social Media	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Facebook	**77%**	**80%**	**72%**	**80%**
YouTube	49%	56%	51%	44%
Instagram	28%	40%	25%	26%
LinkedIn	17%	20%	18%	15%
Google+	16%	22%	25%	9%
Twitter	15%	27%	14%	13%
Snapchat	13%	20%	10%	13%
Pinterest	12%	13%	12%	11%
I don't use social media	11%	9%	11%	12%



Social media usage is relatively consistent across all client types, with Facebook clearly the most popular social media platform (77%), followed by YouTube (49%) and Instagram (28%).

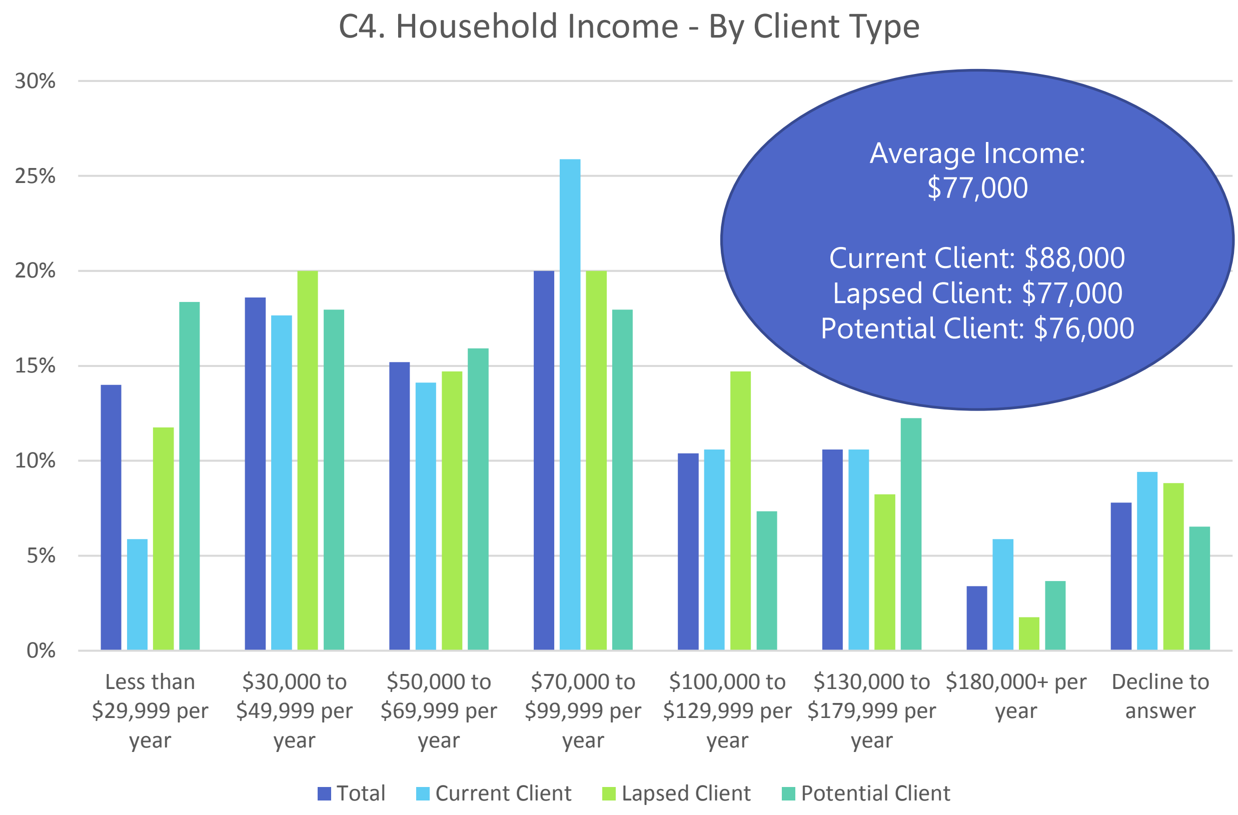
C3. Which of the following best describes your employment status?

C3. Employment status	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Professional/ Executive	14%	**27%**	12%	10%
White collar	**21%**	**25%**	**21%**	**20%**
Blue collar	13%	18%	14%	11%
Home duties	7%	8%	5%	7%
Student	4%	6%	1%	5%
Unemployed	7%	2%	7%	9%
Retired	**31%**	11%	**38%**	**33%**
Other	3%	4%	2%	4%



Overall, 48% of respondents are employed, and 52% are not employed. Current Clients are more likely to be employed (70%) compared to Lapsed Clients (47%) and Potential Clients (41%).

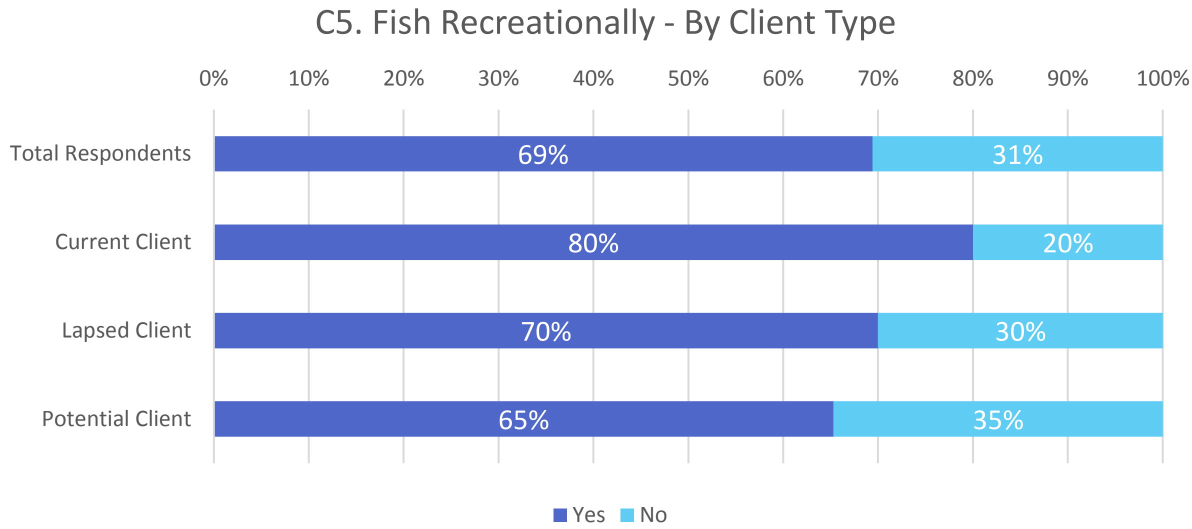
C4. For statistical purposes only, what is your total household income per year?



Overall, the average household income is $77,000 per annum. Current Clients have a higher average household income of $88,000 per annum compared to Lapsed Clients ($77,000) and Potential Clients ($76,000).

C5 and C6. Do you fish recreationally, other than on charter boat fishing trips? How many days per year would you fish recreationally?

C5. Fish recreationally	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Yes	**69%**	**80%**	**70%**	**65%**
No	31%	20%	30%	35%
Average Number of Days Fish Recreationally	20 days	19 days	21 days	20 days

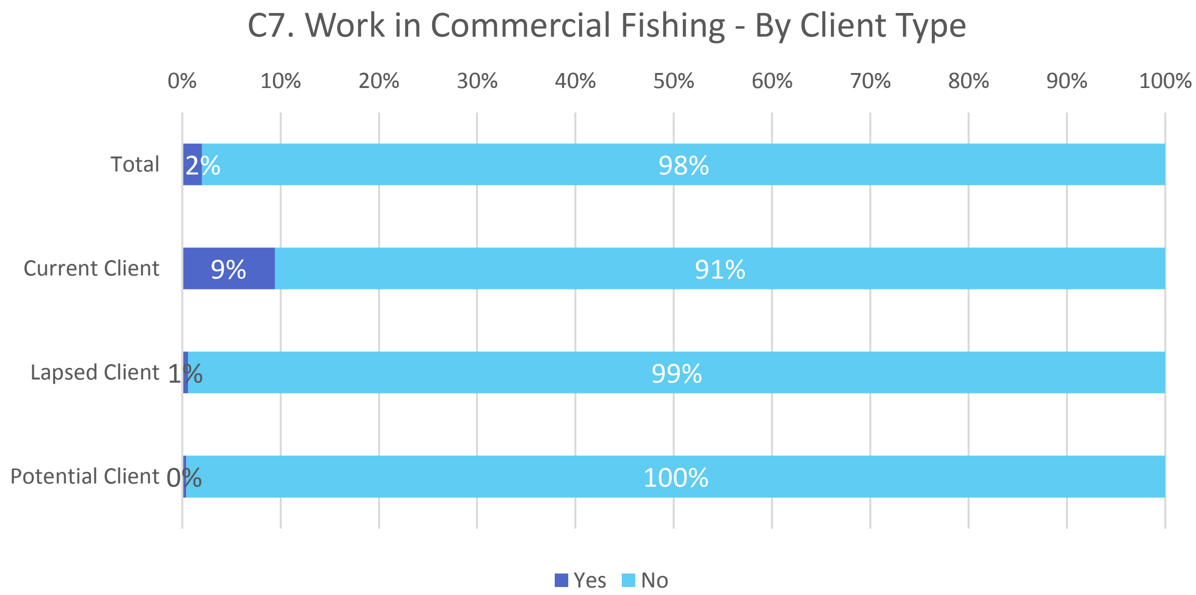


Overall, 69% fish recreationally, other than on charter boat fishing trips. Current Clients are more likely to fish recreationally (80%) compared to Lapsed Clients (70%) and Potential Clients (65%).

Of those that fish recreationally, the average number of days fishing per year is **20 days**.

C7. Do you work in a commercial fishing business?

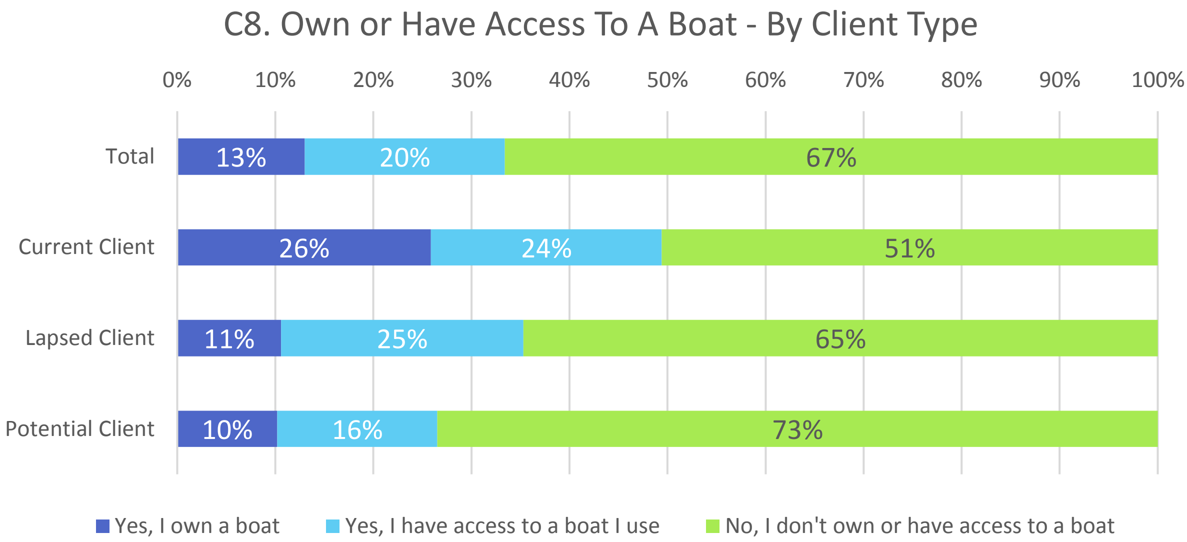
C7. Work in commercial fishing business	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Yes	2%	9%	1%	0%
No	**98%**	**91%**	**99%**	**100%**



Overall, 2% of respondents work in a commercial fishing business. Of the current clients, 9% work in a commercial fishing business, only 1% of Lapsed Clients and 0% of Potential Clients work in a commercial fishing business.

C8. Do you own or have access to a boat?

C8. Access to a boat	Total	Current Client	Lapsed Client	Potential Client
Base: Total Respondents	500	85	170	245
Yes, I own a boat	13%	26%	11%	10%
Yes, I have access to a boat I use	20%	24%	25%	16%
No, I don't own or have access to a boat	**67%**	**51%**	**65%**	**73%**



Overall, 33% of respondents have access to a boat (13% own their own, 20% have access to a boat), and 67% don't own or have access to a boat.

Current Clients are more likely to have access to a boat (49%) than Lapsed Clients (35%) and Potential Clients (27%).

4. Summary and Recommendations

The results for this report have been analysed by the three distinct client types to allow for an in-depth understanding of each type. The following provides a summary of these findings for each type.

Current Clients

Current Clients are defined as those who have undertaken a charter boat fishing trip in South Australia within the last 12 months. As this group has the most recent experience, the findings from this group highlights the current performance of the industry. Current Clients are more likely to be:

- Male (65%) and a younger profile (41% 18-34 years, compared to 24% of the total sample)
- Reside in South Australia (72% compared to 68% of the total sample)
- Employed (70% compared to 48% of the total sample)
- Have a higher level of average household income ($88,000 compared to $77,000 for the total sample)
- Social media users, with their top 3 preferred being Facebook (80% compared to 77% of the total sample), YouTube (56% compared to 49% of the total sample) and Instagram (40% compared to 28% of the total sample)

Current Clients are more interested in fishing, including:

- Have a higher level of interest in fishing (72% compared to 51% of the total sample)
- Fish recreationally (80% compared to 69% of the total sample)
- Have access to a boat (49% compared to 33% of the total sample)

Current Clients most recent charter boat experience was more likely to be:

- A full day experience (53% compared to 49% of the total sample)
- A part of a single day South Australian experience (53% compared to 48% of the total sample)
- An important part of their decision to travel in South Australia (56% compared to 39% of the total sample)
- As part of a larger group, 5-10 people (24% compared to 18% of the total sample)
- More satisfied with their recent charter boat fishing experience (74% compared to 63% of the total sample)
- Be recommending this most recent trip to others, talking more positively about the experience (Net Promoter Score of +31.8 compared to +11.7 for the total sample)

In terms of their charter boat trip expectations, areas where Current Clients place a higher level of importance than the performance include:

- The trip providing a safe experience (Importance median score of 10, Performance median score of 9)
- Catching fish (Importance median score of 9, Performance median score of 8)
- Providing a fun and enjoyable experience (Importance median score of 9, Performance median score of 8)

Areas where current performance is greater than Current Clients level of importance include:

- Having the ability to speak with a real person about the trip (Importance median score of 8, Performance median score of 9)
- Offering hotel pick-up/drop-off service (Importance median score of 7, Performance median score of 8)
- For the fish to be cleaned and consumed on board (Importance median score of 7, Performance median score of 8)
- To have alcoholic drinks provided (Importance median score of 6, Performance median score of 7)

The top 3 fish species Current Clients mostly associate with South Australia include Snapper (24%), King George Whiting (18%) and Southern Bluefin Tuna (7%), which are all lower than the total sample:

- Snapper association with charter boat fishing in South Australia is lower (24% compared to 38% of the total sample) possibly indicating a shift in association due to recent restrictions.
- King George Whiting association with charter boat fishing in South Australia is lower for this group (18% compared to 22% of the total sample).
- Other species, including Flathead (8% compared to 4% of the total sample), Flounder (6% compared to 1% of the total sample), Bight Redfish/Nannygai (6% compared to 2% of the total sample) and Yellowtail Kingfish (6% compared to 3% of the total sample) have higher levels of association.

If Current Clients were unable to fish for Snapper, 65% would be completely satisfied fishing for other species (compared to 70% of the total sample), 31% would be disappointed they couldn't fish for Snapper (compared to 22% of the total sample).

In regards to booking a charter boat fishing trip, Current Clients are likely to:

- Call the charter boat operator directly (61% compared to 61% of the total sample)
- Book via email (46% compared to 36% of the total sample)
- Expect to make a deposit for the trip when it is booked (59%, compared to 63% of the total sample)
- Receive a confirmation email on the day of the booking (67% compared to 68% of the total sample)

Current Clients are less likely to:

- Book through charter boat operator's website (39% compared to 62% of the total sample)
- Receive reminders about their booking, including email a few days prior (39% compared to 55% of the total sample), and reminder SMS/Text message a few days prior (27% compared to 34% of the total sample)

Current Clients are more likely to:

- Undertake a charter boat fishing trip in the next 3 years (75% compared to 38% of the total sample)
- Estimate this to cost more than other client types ($296 compared to $244 by the total sample)
- Be interested in additional activities if offered, including wildlife experiences (Median of 8), coastline viewing (Median of 8), a package deal where a local restaurant prepares the fish caught (Median of 8)

In summary, the Current Clients are a younger and more affluent group, with higher levels of interest in fishing, have the intention to undertake charter boat fishing trips in the future, and spend more doing so, and are talking positively about their recent experiences.

This client group is an extremely important group as they offer the potential to positively influence others to undertake charter boat fishing trips.

Lapsed Clients

Lapsed Clients are defined as those who have undertaken a charter boat fishing trip in South Australia in the past but not within the last 12 months. This group are more likely to be those that have 'tuned off' from the charter boat fishing experiences. Lapsed Clients are more likely to be:

- Male (73%) and an older profile (37% 65+ years, compared to 28% of the total sample)
- Reside in South Australia (74% compared to 68% of the total sample)
- Retired (38% compared to 31% of the total sample)
- Have an average level of household income ($77,000 compared to $77,000 for the total sample)
- Social media users, with their top 3 preferred being Facebook (72% compared to 77% of the total sample), YouTube (51% compared to 49% of the total sample) and Instagram (25% compared to 28% of the total sample)

Lapsed Clients have an average level of interest in fishing, including:

- Average level of interest in fishing (52% compared to 51% of the total sample)

> Fish recreationally (70% compared to 69% of the total sample)
> Have access to a boat (36% compared to 33% of the total sample)

Lapsed Clients most recent charter boat experience was more likely to be:

> A full day experience (46% compared to 49% of the total sample)
> A part of a single day South Australian experience (45% compared to 48% of the total sample)
> Neither an important nor unimportant part of their decision to travel in South Australia (40% compared to 36% of the total sample)
> As part of a smaller group, 1 additional person (19% compared to 17% of the total sample)
> Less satisfied with their recent charter boat fishing experience (58% compared to 63% of the total sample)
> Not recommending this most recent trip to others, not talking positively or negatively about the experience (Net Promoter Score of +1.8 compared to +11.7 for the total sample)

In terms of their charter boat trip expectations, areas where Lapsed Clients place a higher level of importance than the performance include:

> Providing a fun and enjoyable experience (Importance median score of 9, Performance median score of 8)

Areas where current performance is greater than Lapsed Clients level of importance include:

> Having the ability to speak with a real person about the trip (Importance median score of 8, Performance median score of 9)
> Ability to compare charter boat operators online (Importance median score of 7, Performance median score of 8)
> Offering hotel pick-up/drop-off service (Importance median score of 7, Performance median score of 8)
> For the fish to be cleaned and consumed on board (Importance median score of 6, Performance median score of 8)
> To have alcoholic drinks provided (Importance median score of 6, Performance median score of 7)

The top 3 fish species Lapsed Clients mostly associate with South Australia include Snapper (39%), and King George Whiting (30%), which are both higher than the total sample, and Southern Bluefin Tuna (4%), which is lower than the total sample:

- Snapper association with charter boat fishing in South Australia is higher (39% compared to 38% of the total sample).
- King George Whiting association with charter boat fishing in South Australia is higher for this group (30% compared to 22% of the total sample).
- Other species, including Flathead (5% compared to 4% of the total sample), Shark (5% compared to 3% of the total sample), and Garfish (4% compared to 3% of the total sample) have higher levels of association.

If Lapsed Clients were unable to fish for Snapper, 65% would be completely satisfied fishing for other species (compared to 70% of the total sample), 22% would be disappointed they couldn't fish for Snapper (compared to 22% of the total sample).

In regards to booking a charter boat fishing trip, Lapsed Clients are likely to:

- Book through charter boat operator's website (61% compared to 62% of the total sample)
- Expect to make a deposit for the trip when it is booked (69%, compared to 63% of the total sample)
- Receive a confirmation email on the day of the booking (68% compared to 68% of the total sample)

Lapsed Clients are less likely to:

- Book through a booking website that offers a range of tour options (31% compared to 39% of the total sample)
- Expect to make full payment for the trip when booked (25% compared to 30% of the total sample)
- Receive an SMS/Text reminder a few days prior to the booking (26% compared to 34% of the total sample).

Lapsed Clients are less likely to:

- Undertake a charter boat fishing trip in the next 3 years (35% compared to 38% of the total sample)
- Estimate this to cost less than other client types ($226 compared to $244 by the total sample)
- Be interested in additional activities if offered, including wildlife experiences (Median of 8), coastline viewing (Median of 7), a package deal where a local restaurant prepares the fish caught (Median of 7)

In summary, the Lapsed Clients are an older group, with average levels of interest in fishing, are less likely to undertake a trip in the next 3 years, and are looking to spend less doing so. This group is not talking positively or negatively about their previous charter boat experience, and will need conversion to convince them to undertake another trip in the future.

Potential Clients

Lapsed Clients are defined as those who have never undertaken a charter boat fishing trip in South Australia but would be open to doing so in the next 12 months. This group are those who charter boat operators should be targeting to attract additional participation. Potential Clients are more likely to be:

> Male (58%) and a slightly older profile (31% 50-64 years, compared to 26% of the total sample)
> Mostly reside in South Australia (63%) but more located interstate than the other client groups (37% compared to 32% of the total sample)
> Retired (33% compared to 31% of the total sample)
> Have an average level of household income ($76,000 compared to $77,000 for the total sample)
> Social media users, with their top 3 preferred being Facebook (80% compared to 77% of the total sample), YouTube (44% compared to 49% of the total sample) and Instagram (26% compared to 28% of the total sample)

Potential Clients have a lower level of interest in fishing, including:

> Lower level of interest in fishing (44% compared to 51% of the total sample)
> Fish recreationally slightly less (65% compared to 69% of the total sample)
> Don’t have as much access to a boat as other client groups (26% compared to 33% of the total sample)

In terms of their charter boat trip expectations, areas where Potential Clients place a high level of importance include:

> Providing a fun and enjoyable experience (Importance median score of 10)
> To provide a safe experience (Median score of 10)
> To catch fish (Median score of 9)
> To have lunch provided as part of the experience (Median score of 9)

> To have non-alcoholic drinks provided (Median score of 9)

Areas that are not important for Potential Clients include:

> For the fish caught to be cleaned and consumed on board (Median score of 6)
> To gave alcoholic drinks provided (Median score of 6)

The top 3 fish species Potential Clients mostly associate with South Australia include Snapper (42% the highest among the client groups), King George Whiting (17%), and Southern Bluefin Tuna (16%):

> Snapper association with charter boat fishing in South Australia is higher (42% compared to 38% of the total sample).
> King George Whiting association with charter boat fishing in South Australia is lower for this group (17% compared to 22% of the total sample).
> Southern Bluefin Tuna association with charter boat fishing in South Australia is higher for this group (16% compared to 10% of the total sample)

If Potential Clients were unable to fish for Snapper, 75% would be completely satisfied fishing for other species (compared to 70% of the total sample), 20% would be disappointed they couldn't fish for Snapper (compared to 22% of the total sample).

In regards to booking a charter boat fishing trip, Potential Clients are likely to:

> Book through charter boat operator's website (71% compared to 62% of the total sample)
> Expect to make a deposit for the trip when it is booked (60%, compared to 63% of the total sample)
> Receive a confirmation email on the day of the booking (69% compared to 68% of the total sample)
> Receive a reminder email a few days prior to the booking (62% compared to 55% of the total sample)

Potential Clients are less likely to:

> Expect to make full payment on the day of the trip (5% compared to 7% of the total sample)

Potential Clients are less likely to:

> Undertake a charter boat fishing trip in the next 3 years (26% compared to 38% of the total sample)

- Estimate this to cost less than other client types ($227 compared to $244 by the total sample)
- Be interested in additional activities if offered, including wildlife experiences (Median of 8), and coastline viewing (Median of 8)

In summary, the Potential Clients are looking for a fun, enjoyable and safe whole package experience where lunch and drinks are provided, and can be booked online. They are looking to catch fish, but are not concerned about specific species, with coastline viewing and fun important elements of the experience.

Key Findings

The following section provides an overall summary of the key study findings:

- Overall, approximately two-thirds (63%) are satisfied with their most recent charter boat fishing trip. Satisfaction is higher among the more recent trips with Current Clients 74% and Lapsed Clients 58%.

- The overall Net Promoter Score is +11.7 indicating those who have been on a charter boat fishing trip are more likely to talk positively than negatively about the experience. The Current Clients have the highest Net Promoter Score with +31.8, compared to Lapsed Clients with +1.8.

- Interstate residents (+26.5) have a higher Net Promoter Score than South Australian residents (+6.4).

- Those who mostly associate Snapper (+20.7) with charter boat fishing in South Australia have a higher Net Promoter Score than other species, with those who mostly associate King George Whiting (-1.5) with fishing in South Australia more likely to talk negatively about their experience than positively.

- Top-of-mind things clients want provided during a charter boat fishing trip include food/snacks (32%), drinks (31%) and fishing gear/equipment (30%).

- Elements where current charter boat experiences are performing below expected levels include providing a safe experience (Importance median of 10, Performance median of 9), providing a fun and enjoyable experience (Importance median of 10, Performance median of 9), and catching fish (Importance median of 9, Performance median of 8)

> Elements where current charter boat experiences are performing above expected levels include having alcoholic drinks provided (Importance median of 5, Performance median of 7), and having the fish caught to be cleaned and consumed on board (Importance median of 5, Performance median of 7).

> Snapper (38%), King George Whiting (22%) and Southern Bluefin Tuna (10%) are the three species most associated with charter boat fishing in South Australia.

> If unable to fish for Snapper, 70% will be completely satisfied with fishing for other species, and 22% will be disappointed they cannot fish for Snapper, but be satisfied fishing for other species. 2% will cancel their trip.

> Bookings are most likely to be undertaken through charter boat operator's website (62%) or by a phone call directly to the charter boat operator (61%).

> A confirmation email sent on the day of the booking (68%) and a reminder email send a few days prior to the booking (55%) are expected.

> A deposit is expected at the time of booking (63%), and only 7% would expect to make full payment on the day of the trip itself.

> Satisfaction with South Australian charter boat experiences (63%) is on par with other Australian charter boat experiences (63%), but overseas experiences are performing better (68%).

> 38% are likely to undertake a charter boat fishing trip in the next 3 years, with Current Clients much more likely (75%), and Potential Clients less likely (26%). The average expected cost of that trip is $244 per person for a full day experience.

> Additional activities of interest include wildlife experiences (Median score of 8), and coastline viewing (Median score of 8). Activities not of interest include Diving (Median score of 5), on board sashimi experience (Median score of 5), shark cage diving (Median score of 5).

> The one thing that could be done to improve the number of charter boat trips taken is to improve its affordability (23%).

Recommendations

In summary, the findings from the Client Survey indicate that the Charter Boat Industry, in terms of meeting client expectations, is performing adequately as opposed to exceptionally. This will be addressed in the Charter Boat Industry Growth Plan that will be prepared on completion of the Charter Boat Industry Operators' survey. This will include mapping the client journey and all of the associated touch points.

There are some key take-outs from the survey findings that are worth highlighting:

6. Snapper and tuna are clearly the two key species that the market is focused on. Therefore, a collaborative effort by government and industry to ensure this demand can be met will be rewarded by market growth.

7. The key drivers for a positive charter boat fishing experience are a 'fun, enjoyable, good time' and being 'able to catch fish as expected, hoped'. This should then be reflected in the promise for the fishing trip (all marketing collateral), the booking experience, the trip itself and the post-trip experience (post-trip engagement and reward). It is noted that the market segment with the greatest propensity to book another trip is the Current Clients.

8. It is also noted that a safe experience is essential. The market needs to be aware that safety is a priority, but this needs to be managed so the market is reassured not alarmed.

9. The most attractive option is an all-day experience so packaging this up to include optional paid for add-ons (value-add) is worth considering. Co-promotion with other events and activities such as AFL, food and wine, and music events and festivals should be considered. In the case of the interstate market, co-promotion with Kangaroo Island as the destination should be considered.

10. Booking, confirmation and payment options need to be brought up to an overall contemporary standard that meets market expectations.

Appendix A - Questionnaire

FRDC Client Survey – Chartered Fishing Experiences in South Australia

Introduction

[ONLINE PANEL – No scripted introduction needed as managed by online panel provider.]

Respondent Information

Client Identity: This study is being completed on behalf of the Surveyed Charter Boat Owners and Operators Association of South Australia, Department of Primary Industries and Regions South Australia (PIRSA), and the Fisheries Research and Development Corporation (FRDC)

Topic: This study relates to charter boat fishing in South Australia

Source of Research Sample: Online research-only panel

Will My Survey Answers Be Kept Confidential?: Yes, individual respondents will not be able to be identified from the research results. The survey is guaranteed to be anonymous and confidential under the Australian Privacy legislation, and as soon as the final data has been checked and verified, all contact details will be permanently destroyed.

Survey Length: 15 minutes

[OPERATOR LISTS]

Introduction – Online Version

Thank you for participating in this survey regarding charter boat fishing in South Australia. The survey should take approximately 15 minutes of your time. Please read each question carefully and select the response that best fits you.

Privacy: In accordance with the Australian Market and Social Research Society code of conduct, all of your answers to this survey will be kept strictly confidential. Would you like to know more about our privacy compliance?

If want to know more: The information you provide will be used only for research purposes. Your answers will be combined with those of other participants to help our client in their decision making. Once the information processing and validation period has finished your name and contact details will be removed from your response to this survey. After that time we will no longer be able to identify the responses provided by you. However, for the period that your name and contact details remain with your survey responses, which will be approximately 3 months, you can contact us again to gain access to your information or have it deleted. If you have any further queries regarding this survey, you can contact out office during business hours on 1800 077 789.

Client Identity: This study is being completed on behalf of the Surveyed Charter Boat Owners and Operators Association of South Australia, Department of Primary Industries and Regions South Australia (PIRSA), and the Fisheries Research and Development Corporation (FRDC)

Topic: This study relates to charter boat fishing in South Australia

Source of Research Sample: Your contact details have been supplied to us by the charter boat industry

Survey Length: 15-minutes

<u>Introduction – Telephone Version</u>

Good morning/afternoon/evening. My name is [INTERVIEWER NAME] from Action Market Research. We are conducting a survey on behalf of the Surveyed Charter Boat Owners and Operators Association of South Australia about your experiences regarding Charter Boat fishing trips. We are not selling anything and we just want to include your opinions about your most recent Charter Boat fishing trip and ideas for improving the experience. The survey should take approximately 15 minutes of your time. Are you able to help us today?

Privacy: In accordance with the Australian Market and Social Research Society code of conduct, all of your answers to this survey will be kept strictly confidential. Would you like to know more about our privacy compliance?

If want to know more: The information you provide will be used only for research purposes. Your answers will be combined with those of other participants to help our client in their decision making. Once the information processing and validation period has finished your name and contact details will be removed from your response to this survey. After that time we will no longer be able to identify the responses provided by you. However, for the period that your name and contact details remain with your survey responses, which will be approximately 3 months, you can contact us again to gain access to your information or have it deleted. If you have any further queries regarding this survey, you can contact out office during business hours on 1800 077 789.

Client Identity: This study is being completed on behalf of the Surveyed Charter Boat Owners and Operators Association of South Australia, Department of Primary Industries and Regions South Australia (PIRSA), and the Fisheries Research and Development Corporation (FRDC)

Topic: This study relates to charter boat fishing in South Australia

Source of Research Sample: Your contact details have been supplied to us by the charter boat industry

Survey Length: 15-minutes

[INTERVIEWER NOTES]

The Telecommunications Act requires that we provide the respondent with as much information as possible when answering their questions. We MUST tell the name of the client commissioning the research if asked, and we MUST disclose the origin of the sample upon request.

SAMPLE TARGETS

Sample Group	**Minimum Target Number of Completes**
Current Customer	50
Lapsed Customer	50
Potential Customer	200

Section S - Screening

[ASK ALL]

S1. [RECORD GENDER]

Male	1
Female	2
Other	3

[ASK ALL]

S2. Which of the following age categories are you in?

Under 18	1	TERMINATE
18-24	2	
25-29	3	
30-34	4	
35-39	5	
40-44	6	
45-49	7	
50-54	8	
55-59	9	
60-64	10	
65-69	11	
70-74	12	
75+	13	

[ASK ALL]

S3. Do you reside in Australia or overseas?

Australia	1
Overseas	2

[IF S3=1]

S4. What is the postcode where you reside?

[CAPTURE 4 DIGIT POSTCODE]

[IF S3=2]

S5. Which country do you reside in?

[OPEN END]

This survey is about charter boat fishing trip experiences in South Australia. A charter boat fishing trip is defined as fishing from a vessel carrying a passenger or passengers for hire who are engaged in recreational fishing. The boat will have a skipper and the trip can last anywhere from a few hours to several overnights depending on the nature of the trip. While we refer to charter boat fishing throughout this questionnaire we recognise that charter boat operators can provide a range of onboard services and activities.

[ASK ALL]

S6. Within the last 12 months, have you undertaken a charter boat fishing trip in South Australia?

Yes, in the last 12 months	1	CURRENT CUSTOMER GROUP
No, not in the last 12 months, but have done so previously	2	LAPSED CUSTOMER GROUP
No, have never undertaken a charter boat fishing trip in South Australia	3	

[IF S6=3]

S7. Would you be interested in undertaking a charter boat fishing trip in South Australia in the next 12 months?

Yes, definitely interested	1	POTENTIAL CUSTOMER
Yes, possibly interested	2	POTENTIAL CUSTOMER
Interested, but not in the next 12 months	3	TERMINATE
Not interested	4	TERMINATE

[VARIABLE STORE]

S8. [PROGRAMMER STORE VARIABLE HERE FOR USE THROUGHOUT SURVEY]

Current Customer (S6=1)	1
Lapsed Customer (S6=2)	2
Potential Customer (S7=1,2)	3

SECTION A – INDUSTRY GROWTH

[ASK ALL]

A1. Overall how interested are you in fishing? Please use a 0-10 scale where 0 means 'Not at all interested in fishing' and 10 means 'I am extremely interested in fishing'.

(0) Not at all interested in fishing	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) I am extremely interested in fishing

[ASK ALL CURRENT AND LAPSED CUSTOMERS]

A2. How satisfied were you with your most recent charter boat fishing experience? Please use a 0-10 scale where 0 means 'Not at all satisfied' and 10 means 'Extremely satisfied'.

(0) Not at all satisfied	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Extremely satisfied

[ASK ALL CURRENT AND LAPSED CUSTOMERS]

A3. And how likely are you to recommend your most recent charter boat fishing experience to family or friends? Please use a 0-10 scale where 0 means 'Not at all likely to recommend' and 10 means 'Extremely likely to recommend'.

(0) Not at all likely to recommend	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Extremely likely to recommend

[ASK IF A3=0-8]

A4. Why are you not likely to recommend your most recent charter boat fishing experience to family or friends? What specifically about the experience would you like improved to have you rate this higher?

[OPEN END]

[ASK IF A3=9,10]

A5. Why are you likely to recommend your most recent charter boat fishing experience to family or friends? What made this experience so memorable?

[ASK ALL]

A6. Which areas of South Australia have you taken charter boat trips from <u>in the last 12 months/in the past</u>?

- select multiple

Adelaide area (e.g. Glenelg, West Beach, Port Adelaide)	
Fleurieu Peninsula area (e.g. Cape Jervis, Victor Harbor, Wirrina Cove)	
East or south coast of Yorke Peninsula (e.g. Port Wakefield, Ardrossan, Edithburgh, Marion Bay, Pondalowie Bay)	
West coast of Yorke Peninsula (e.g. Wallaroo, Moonta, Port Hughes, Port Turton, Corny Point)	
Top of Spencer Gulf area (e.g. Port Pirie, Port Germein, Port Bonython, Port Augusta, Whyalla, Cowell)	
Lower Eyre Peninsula (e.g. Port Lincoln, Tumby Bay, Coffin Bay)	
Western Eyre Peninsula (e.g. Elliston, Streaky Bay, Smoky Bay, Venus Bay, Fowlers Bay, Ceduna)	
Kangaroo Island	
South East area (e.g. Robe, Port MacDonnell, Kingston)	
Other (specify)	

[ASK IF A6 HAS MORE THAN ONE MENTION]

A7. Where did your most recent charter boat fishing trip depart from?

Adelaide area (e.g. Glenelg, West Beach)	
Fleurieu Peninsula area (e.g. Cape Jervis, Victor Harbor, Wirrina Cove)	
East or south coast of Yorke Peninsula (e.g. Port Wakefield, Ardrossan, Edithburgh, Marion Bay, Pondalowie Bay)	
West coast of Yorke Peninsula (e.g. Wallaroo, Moonta, Port Hughes, Port Turton, Corny Point)	
Top of Spencer Gulf area (e.g. Port Pirie, Port Germein, Port Bonython, Port Augusta, Whyalla, Cowell)	
Lower Eyre Peninsula (e.g. Port Lincoln, Tumby Bay, Coffin Bay)	
Western Eyre Peninsula (e.g. Elliston, Streaky Bay, Smoky Bay, Venus Bay, Fowlers Bay, Ceduna)	
Kangaroo Island	
South East area (e.g. Robe, Port MacDonnell, Kingston)	
Other (specify)	

[ASK ALL CURRENT AND LAPSED CUSTOMERS]

A8. How long was your most recent charter boat fishing trip (i.e. time spent on the boat)?

Half day (<6 hours)	1
Full day (6-12 hours)	2
Overnight – 1 night	3
Overnight – 2 nights	4
Overnight – 3 nights	5
Overnight – 4 nights	6
Overnight – 5+ nights	7

[ASK ALL CURRENT AND LAPSED CUSTOMERS]

A9. How many days did you spend travelling in South Australia in total when you went on your most recent charter boat fishing trip?

1 day	1
2-7 days	2
7-14 days	3
14+ days	4

[ASK ALL CURRENT AND LAPSED CUSTOMERS]

A10. How important was going on your most recent charter boat fishing trip in your decision to travel in South Australia?

(0)	Not at all important – would have travelled anyway	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Extremely important – would not have travelled otherwise	99 N/A

[ASK ALL CURRENT AND LAPSED CUSTOMERS]

A11. How many friends/family/colleagues accompanied you on the charter boat fishing trip?

0	1
1	2
2	3
3	4
4	5
5-10	6
More than 10	7

[ASK ALL] [POTENTIAL / CURRENT AND LAPSED CUSTOMERS]

A12a. What types of things would you like provided to you during a charter boat fishing experience? / What types of things were provided to you during the charter boat fishing experience?

A12b. What do you expect to be doing during the charter boat fishing experience? / What did you expect to be doing during the charter boat fishing experience? Please be as detailed as possible.

[OPEN END]

[ASK ALL]

A13. Thinking about charter boat fishing trips in general, how important are the following elements to you? Please use a 0-10 scale for each where 0 means 'Not at all important' and 10 means 'Extremely important'.

Ability to compare charter boat operators online	0-10
Have the ability to book the experience online	0-10
Have the ability to speak with a real person about the trip	0-10
To receive updates/reminders about your booking	0-10
To offer hotel pick up/drop off service	0-10
To have lunch provided as a part of the experience	0-10
To have non-alcoholic drinks provided	0-10
To have alcoholic drinks provided	0-10
To catch fish – general	0-10
To catch specific types of fish (e.g. Snapper)	0-10
To have photo opportunities	0-10
For the fish caught to be cleaned and chilled	0-10
For the fish caught to be cleaned and consumed on board	0-10
To provide a safe experience	0-10
To provide a fun and enjoyable experience	0-10

[ASK ALL CURRENT AND LAPSED CUSTOMERS]

A14. And thinking about your most recent charter boat fishing experience, how did your experience perform on each of the following elements? Please use a 0-10 scale where 0 means 'Did not perform well at all' and 10 means 'Performed very well'.

99 – N/A – I wasn't aware of this

Ability to compare charter boat operators online	0-10	99 N/A
Have the ability to book the experience online	0-10	99 N/A
Have the ability to speak with a real person about the trip	0-10	99 N/A
To receive updates/reminders about your booking	0-10	99 N/A
To offer hotel pick up/drop off service	0-10	99 N/A
To have lunch provided as a part of the experience	0-10	99 N/A
To have non-alcoholic drinks provided	0-10	99 N/A
To have alcoholic drinks provided	0-10	99 N/A
To catch fish – general	0-10	99 N/A
To catch specific types of fish (e.g. Snapper)	0-10	99 N/A
To have photo opportunities	0-10	99 N/A
For the fish caught to be cleaned and chilled	0-10	99 N/A
For the fish caught to be cleaned and consumed on board	0-10	99 N/A
To provide a safe experience	0-10	99 N/A
To provide a fun and enjoyable experience	0-10	99 N/A

[ASK ALL]

A15. What other things are important for you on a charter boat fishing experience?

[OPEN END]

[ASK ALL]

A16. Which of the following fish species do you associate with charter boat fishing in South Australia? You can choose as many apply.

Bight Redfish/Nannygai	1
Blue Morwong	2
Flathead	3
Flounder	4
Garfish	5
Blue Swimmer Crab	6
King George Whiting	7
Rock Lobster	8
Mackerel	9
Mulloway	10
Red Mullet	11
Salmon	12
Samson fish	13
Shark	14
Snapper	15
Snook	16
Southern Bluefin Tuna	17
Squid	18
Tommy Ruff/Herring	19
Trevally	20
Wrasse	21
Yellowtail Kingfish	22
Other (specify)	23

I

[ASK IF A16 HAS MORE THAN ONE MENTION]

A17. Which of the following fish species do you <u>most associate</u> with charter boat fishing in South Australia? You can only choose one species.

Bight Redfish/Nannygai	1
Blue Morwong	2
Flathead	3
Flounder	4
Garfish	5
Blue Swimmer Crab	6
King George Whiting	7
Rock Lobster	8
Mackerel	9
Mulloway	10
Red Mullet	11
Salmon	12
Samson fish	13
Shark	14
Snapper	15
Snook	16
Southern Bluefin Tuna	17
Squid	18
Tommy Ruff/Herring	19
Trevally	20
Wrasse	21
Yellowtail Kingfish	22
Other (specify)	23

[IF A16 = 15 or A17 = 15 SNAPPER MENTIONED]

A18. If you weren't able to go charter boat fishing for Snapper in South Australia, would you …

Be completely satisfied fishing for other species	1
Be satisfied fishing for other species but disappointed you couldn't fish for Snapper	2
Cancel your charter fishing trip	3
Not sure/don't know	4

[ASK ALL]

A19. If you were to book a charter boat fishing trip, which of the following ways would you expect to book your trip? MR

Phone call directly to charter boat operator	1
Phone call to a booking agent	2
Via Email	3
Via SMS/Text message	4
Through the charter boat operator's website	5
Through a booking website that offers a range of tour options	6
Through a hotel (e.g. concierge)	7
Through a travel agent	8
Other (specify)	9

[ASK ALL]

A20. And when would you expect pay for the charter boat fishing trip? SR

I'd expect to make full payment for the trip when I book	1
I'd expect to make a deposit for the trip when I book and pay the remainder on the day	2
I'd expect to make full payment on the day of the trip	3
Other (specify)	4

[ASK ALL]

A21. And once you have your charter boat fishing trip booked, which of the following would you expect to receive (please nominate as many as apply to you)? MR

A confirmation email when I make the booking	1
A reminder email a few days prior to the booking	2
A reminder email made the day prior to the booking	3
A confirmation SMS when I make the booking	4
A reminder SMS a few days prior to the booking	5
A reminder SMS made the day prior to the booking	6
A reminder telephone call made the day prior to the booking	7
None of these	8

[ASK ALL]

A22. Over the last three years, how many charter boat fishing trips have you undertaken:

Elsewhere in Australia (not in South Australia)	Capture Number
Overseas	Capture Number

[ASK IF A22>=1 FOR EITHER OPTION]

A23. How satisfied were you with the charter boat fishing trips elsewhere in Australia/Overseas? Please use a 0-10 scale where 0 means 'Not at all satisfied' and 10 means 'Extremely satisfied'.

Elsewhere in Australia (not in South Australia)	0-10
Overseas	0-10

[ASK ALL]

A24. How likely are you to take a charter boat fishing trip in South Australia within the next three years? Please use a 0-10 scale where 0 means 'Not at all likely and 10 means 'Extremely likely'.

(0) Not at all likely	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Extremely likely

[ASK IF QA24 >7]

A25. And how much per person per a full day trip would you expect to pay for this charter boat fishing trip? If you would only go on a half-day trip please double the amount. That is if your budget for a half-day trip is $100 please enter $200 to convert the amount to a full day.SR

Less than $100 per person per day per person	1
$100 to $199 per person per day	2
$200 to $299 per person per day	3
$300 to $399 per person per day	4
$400 to $499 per person per day	5
$500 to $599 per person per day	6
$600 to $699 per person per day	7
$700 to $799 per person per day	8
$800 to $899 per person per day	9
$900 to $999 per person per day	10
$1,000 or more per person per day	11
Not sure	12

[ASK ALL]

A26. Other than fishing, are there any other activities that you are looking for as a part of a charter boat fishing experience?

[OPEN END]

[ASK ALL]

A27. Below are a range of other activities that could possibly be offered on a charter boat fishing experience. How appealing is each of these to you, using a 0-10 scale where 0 means 'Not appealing at all' and 10 means 'Extremely appealing'.

Wildlife experiences (e.g. seeing sea lions, dolphins, etc.)	0-10
Coastline viewing	0-10
Swimming with sea life activities (e.g. swimming with tuna, sea lions etc.)	0-10
Shark cage diving	0-10
Snorkeling	0-10
Diving	0-10
Crabbing (using nets)	0-10
Crabbing (raking)	0-10
Rock Lobster (using pots)	0-10
Rock Lobster (diving)	0-10
On board sashimi experience	0-10
Other on board seafood experience	0-10
Package deal where you catch your fish, and have it prepared at local restaurant that same day	0-10

[ASK ALL]

A28. What is the one thing the charter boat fishing industry could do to make you more likely to take trips in the future?

OPEN END

SECTION C – RESPONDENT PROFILE/DEMOGRAPHICS

[ASK ALL]

C1. Below is a list of other events and activities in South Australia. Please rate your level of interest in each using a 0-10 scale where 0 means 'Not at all interested and 10 means 'Extremely interested'

AFL (Australian Rules Football)	0-10
A-League (Soccer)	0-10
Cricket	0-10
NBL (Basketball)	0-10
Netball	0-10
Other sporting events	0-10
Food and wine	0-10
Arts and cultural events	0-10
Music	0-10
Motorsports	0-10
Festivals	0-10

[ASK ALL]

C2. Which of the following social media platforms do you use regularly (at least weekly)? Please select all that apply.

Facebook	1
Twitter	2
Instagram	3
Snapchat	4
Pinterest	5
YouTube	6
Reddit	7
Google+	8
LinkedIn	9
Tumblr	10
Other (specify)	11
I don't use social media	12

[ASK ALL]

C3. Which of the following best describes your employment status?

Professional/Executive	1
White collar	2
Blue collar	3
Home duties	4
Student	5
Unemployed	6
Retired	7
Other	8

[ASK ALL]

C4. For statistical purposes only, what is your total household income per year?

Less than $29,999 per year	1
$30,000 to $49,999 per year	2
$50,000 to $69,999 per year	3
$70,000 to $99,999 per year	4
$100,000 to $129,999 per year	5
$130,000 to $179,999 per year	6
$180,000+ per year	7
Decline to answer	8

[ASK ALL]

C5. Do you fish recreationally, other than on charter boat fishing trips?

Yes	1
No	2

[IF YES AT C6]

C6. How many days per year would you fish recreationally?

CAPTURE NUMBER OF DAYS	

[ASK ALL]

C7. Do you work in a commercial fishing business?

Yes	1
No	2

[ASK ALL]

C8. Do you own or have access to a boat?

Yes, I own a boat	1
Yes, I have access to a boat I use	2
No, I don't own or have access to a boat	3

THANK AND CLOSE

Appendix B – Tables and Charts

These have been provided as separate file attachments.

Appendix 2 Charter Boat Fishing Client Survey Research: Addendum (Action Market Research et al, 2019b)

Charter Boat Fishing Client Survey Research: Addendum

PREPARED FOR

Julian Morison, BDO EconSearch

PREPARED BY

Luke Sexton, Nicola Pitt and Neil Howells (Hudson Howells)

DATE

14 May 2019

This study, '2018-154: A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery' is supported by funding from the FRDC on behalf of the Australian Government

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ADDENDUM

Following the presentation of the Top Line Client Survey Results held April 9 2019, the following additional information was requested:

1. To generate Net Promoter Score, Satisfaction and appealing activity results by the location of the most recent charter boat fishing experience
2. To provide a comparison of the Charter Boat Industry net promoter score to other industries
3. To provide additional explanation around the differences in likelihood to book a trip in the next 3 years by client types
4. Provide an additional recommendation to include an example of a collaborative effort between government and industry working together to provide information.

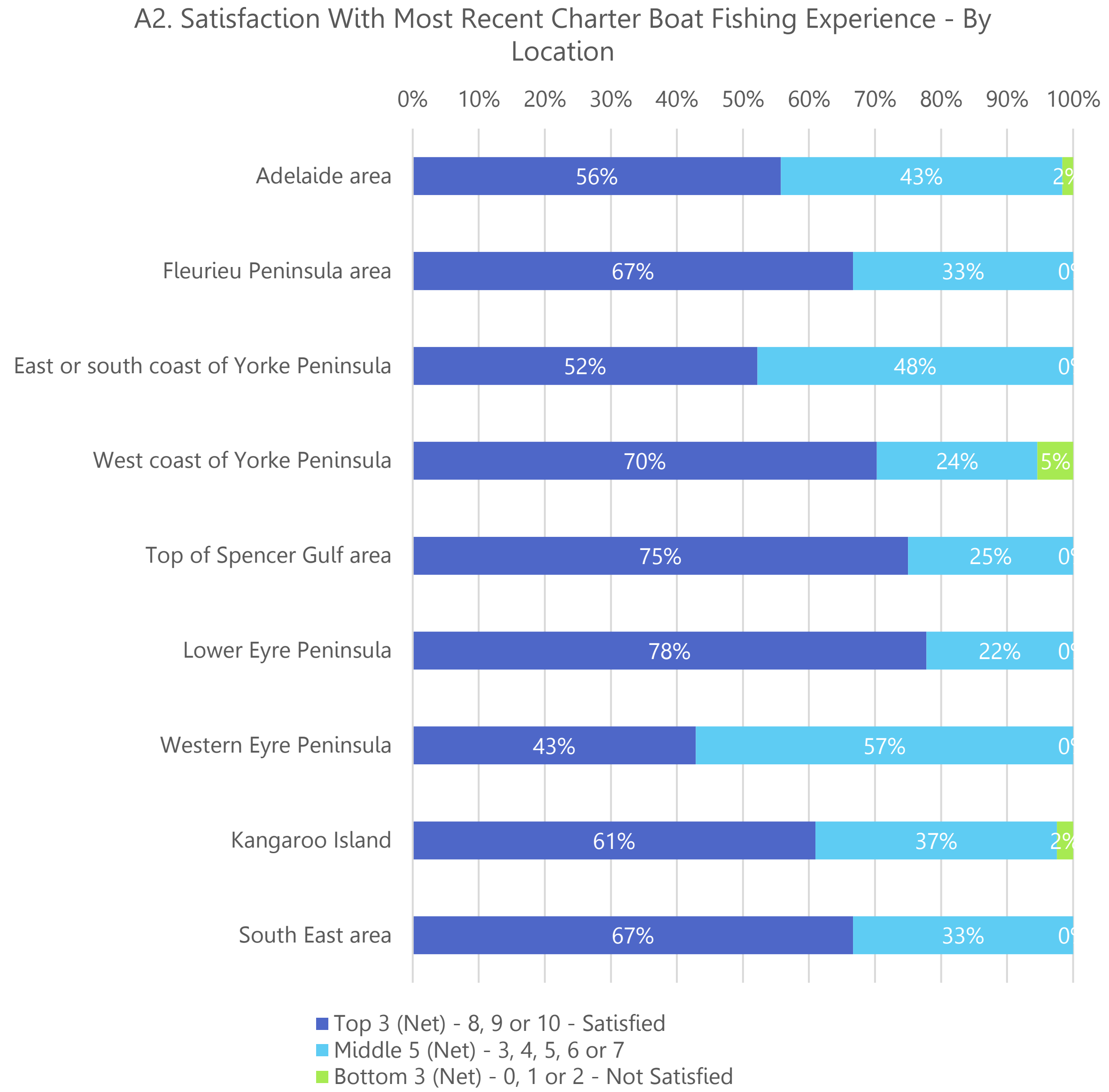
1. Results by Location of Most Recent Charter Boat Fishing Experience

The location of the most recent charter boat fishing trip was captured from the Current and Lapsed Clients. The table below shows the number of respondents and percentage for each region captured:

A6/A7. Location of Most Recent Chart Boat Fishing Trip	Counts (n)	Percentages (%)
Adelaide area (e.g. Glenelg, West Beach)	61	24%
Fleurieu Peninsula area (e.g. Cape Jervis, Victor Harbor, Wirrina Cove)	42	16%
East or South coast of Yorke Peninsula (e.g. Port Wakefield, Ardrossan, Edithburgh, Marion Bay, Pondalowie Bay)	23	9%
West coast of Yorke Peninsula (e.g. Wallaroo, Moonta, Port Hughes, Port Turton, Corny Point)	37	15%
Top of Spencer Gulf area (e.g. Port Pirie, Port Germein, Port Bonython, Port Augusta, Whyalla, Cowell)	12	5%
Lower Eyre Peninsula (e.g. Port Lincoln, Tumby Bay, Coffin Bay)	18	7%
Western Eyre Peninsula (e.g. Elliston, Streaky Bay, Smoky Bay, Venus Bay, Fowlers Bay, Ceduna)	7	3%
Kangaroo Island	41	16%
South East area (e.g. Robe, Port MacDonnell, Kingston)	12	5%

It is important to note that some of the sample sizes are very small (e.g. Western Eyre Peninsula has only 7 respondents), and the results provided below are only indicative for these regions.

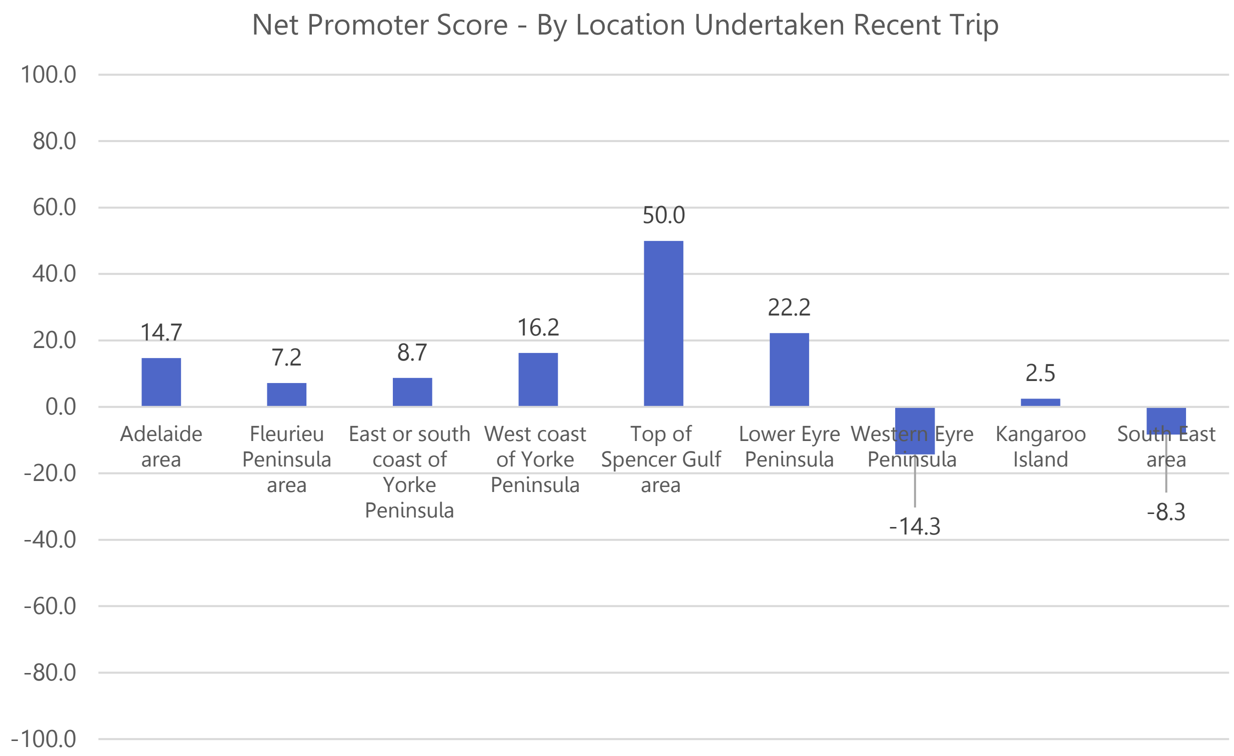
Satisfaction with Recent Charter Boat Fishing Experience by Location



Overall the level of satisfaction with the most recent charter boat experience is good with 63% indicating a score of 8, 9 or 10 on a 10-point scale. Within each region, those regions driving overall higher levels of satisfaction include the Lower Eyre Peninsula (78%), Top of the Spencer Gulf area (75%), and the West coast of the Yorke Peninsula (70%).

The regions where there are lower levels of satisfaction include the Western Eyre Peninsula area (43%), East or south coast of the Yorke Peninsula (52%), the Adelaide area (56%) and Kangaroo Island (61%).

Net Promoter Score by Location



A3. Net Promoter Score	Adelaide area	Fleurieu	East/ South Coast Yorke	West Coast Yorke	Top of Spencer Gulf area	Lower Eyre	Western Eyre	Kangaroo Island	South East
Base	61	42	23	37	12	18	7	41	12
Promoters (9 or 10)	34.4%	28.6%	30.4%	37.8%	50.0%	38.9%	28.6%	29.3%	25.0%
Passives (7 or 8)	45.9%	50.0%	47.8%	40.5%	50.0%	44.4%	28.6%	43.9%	41.7%
Detractors (0 to 6)	19.7%	21.4%	21.7%	21.6%	0.0%	16.7%	42.9%	26.8%	33.3%
NPS	**+14.7**	**+7.2**	**+8.7**	**+16.2**	**+50.0**	**+22.2**	**-14.3**	**+2.5**	**-8.3**

The Net Promoter Score (NPS) is calculated from the recommendation question, where responses are grouped into three categories depending on the score given. Those who gave a 9 or 10 are considered to be 'Promoters' and are those who will naturally and spontaneously positively recommend their most recent charter boat experience. Those who gave a 7 or 8 are considered to be 'Passives' and are those who will not positively recommend or comment negatively about their most recent charter boat experience. Those who gave a score below 7 are considered to be 'Detractors' and are more likely to comment negatively about their recent charter boat experience.

The NPS is then calculated by subtracting the percentage of Detractors from the percentage of Promoters, giving a score between -100 and +100 – that is, if a score of -100 was achieved, this would indicate all respondents are Detractors, or if a score of +100 was achieved, this would indicate all respondents are Promoters. A negative result indicates more work needs to be done to improve the experience, a positive result is a good result, and a score over +50 indicates an excellent outcome. The overall result here of +11.7 indicates there are more Promoters than Detractors, but more work needs to be done to shift more Detractors into Passives and Passives into Promoters.

The regions with the highest Net Promoter Scores include the Top of the Spencer Gulf area (+50), the Lower Eyre Peninsula area (+22.2) and the West Coast of the Yorke Peninsula area (+16.2), all indicating that more are talking positively about their recent experience than negatively.

The regions with lower Net Promoter Scores include the Western Eyre Peninsula area (-14.3), and the South East (-8.3) with more talking negatively about their recent experience than positively.

Appeal of Additional Activities by Location

The table on the following page shows the median score results for each of the prompted activities tested. The median score is used to show the most common response given within each location, and the higher the score, the more appealing this activity is.

Overall, the most appealing additional activities include Wildlife experiences and Coastline viewing. Wildlife experiences receive a median score of 7 or higher for all locations and a high score of 8 for the Adelaide, Fleurieu Peninsula, East/South Coast of the Yorke Peninsula, Lower Eyre Peninsula, Kangaroo Island and South East locations. Coastline viewing received a high median score of 8 for the Adelaide, Fleurieu, and Lower Eyre Peninsula locations.

Those activities that are less appealing include Rock Lobster (diving), Crabbing (raking), On board sashimi experience and Shark cage diving. However, each of these has locations that are more appealing with Rock Lobster (diving), Crabbing (raking) and on-board sashimi experience all rating highly in the Top of the Spencer Gulf region, and Shark cage diving rating appealing in the Lower Eyre Peninsula region.

Appealing additional activities (Median Score)	Adelaide area	Fleurieu Peninsula area	East or south coast of Yorke Peninsula	West coast of Yorke Peninsula	Top of Spencer Gulf area	Lower Eyre Peninsula	Western Eyre Peninsula	Kangaroo Island	South East area
Base	61	42	23	37	12	18	7	41	12
Wildlife experiences (e.g. seeing sea lions, dolphins etc.)	**8**	**8**	**8**	7	7	**8**	7	**8**	**8**
Coastline viewing	**8**	**8**	7	6	7	**8**	7	7	7
Swimming with sea life activities (e.g. swimming with tuna, sea lions, etc.)	7	7	7	5	7	7	5	5	**8**
Shark cage diving	6	5	3	2	7	**8**	6	3	5
Snorkelling	6	7	6	5	7	7	2	5	7
Diving	6	5	5	4	**8**	5	5	4	6
Crabbing (using nets)	7	7	6	7	**8**	5	5	5	7
Crabbing (raking)	6	6	3	5	7	3	5	4	7
Rock Lobster (using pots)	6	7	6	**8**	**8**	6	7	6	7
Rock Lobster (diving)	6	5	2	3	**8**	4	2	2	5
On board sashimi experience	6	5	5	5	7	5	5	3	5
Other on-board seafood experience	7	7	6	7	**8**	7	6	5	7

Package deal where you catch your fish and have it prepared at a local restaurant that same day	7	**8**	7	7	**8**	**8**	6	6	7

Location Summary

Adelaide area

24% of Current and Lapsed Clients indicated their most recent charter boat experience was from the Adelaide area (e.g. Glenelg, West Beach). Of those who undertook a charter boat fishing trip in this region:

> 56% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 43% indicating they are neither satisfied nor dissatisfied and 2% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is +14.7, indicating that more are talking positively about their recent experience than negatively, however there is room for improvement.

> The additional activities that would be of interest to this location include Wildlife experiences and Coastline viewing, both receiving a median score of 8

Fleurieu Peninsula area

16% of Current and Lapsed Clients indicated their most recent charter boat experience was from the Fleurieu Peninsula area (e.g. Cape Jervis, Victor Harbor, Wirrina Cove). Of those who undertook a charter boat fishing trip in this region:

> 67% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 33% indicating they are neither satisfied nor dissatisfied and 0% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is +7.2, indicating that more are talking positively about their recent experience than negatively, however there is room for improvement.

> The additional activities that would be of interest to this location include Wildlife experiences, Coastline viewing and offering a package deal where you catch your fish and have it prepared at a local restaurant that same day, both receiving a median score of 8.

East or South Coast of Yorke Peninsula

9% of Current and Lapsed Clients indicated their most recent charter boat experience was from the East or South Coast of the Yorke Peninsula (e.g. Port Wakefield, Ardrossan, Edithburgh, Marion Bay, Pondalowie Bay). Of those who undertook a charter boat fishing trip in this region:

> 52% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 48% indicating they are neither satisfied nor dissatisfied and 0% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is +8.7, indicating that more are talking positively about their recent experience than negatively, however there is room for improvement.

> The additional activity that would be of interest to this location includes Wildlife experiences receiving a median score of 8.

West Coast of Yorke Peninsula

15% of Current and Lapsed Clients indicated their most recent charter boat experience was from the West Coast of Yorke Peninsula (e.g. Wallaroo, Moonta, Port Hughes, Port Turton, Corny Point). Of those who undertook a charter boat fishing trip in this region:

> 70% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 24% indicating they are neither satisfied nor dissatisfied and 5% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is +16.2, indicating that more are talking positively about their recent experience than negatively, however there is room for improvement.

> The additional activity that would be of interest to this location includes Rock Lobster (using pots) receiving a median score of 8.

Top of Spencer Gulf area

5% of Current and Lapsed Clients indicated their most recent charter boat experience was from the Top of the Spencer Gulf area (e.g. Port Pirie, Port Germein, Port Bonython, Port Augusta, Whyalla, Cowell). Of those who undertook a charter boat fishing trip in this region:

> 75% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 25% indicating they are neither satisfied nor dissatisfied and 0% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is +50.0, indicating that more are talking positively about their recent experience than negatively. This is a very strong result and the highest among all locations, but this should be tempered with only having 12 respondents rate these experiences.

> Additional activities appealing for this location include Diving, Crabbing (using nets), Rock Lobster (using pots), Rock Lobster (diving), other on-board seafood experiences, and a package deal where you catch your fish and have it prepared at a local restaurant that same day, all receiving a median score of 8.

Lower Eyre Peninsula

7% of Current and Lapsed Clients indicated their most recent charter boat experience was from the Lower Eyre Peninsula area (e.g. Port Lincoln, Tumby Bay, Coffin Bay). Of those who undertook a charter boat fishing trip in this region:

> 78% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 22% indicating they are neither satisfied nor dissatisfied and 0% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is +22.2, indicating that more are talking positively about their recent experience than negatively, however there is room for improvement.

> The additional activities that would be of interest to this location include Wildlife experiences, Coastline viewing and shark cage diving, all receiving a median score of 8.

Western Eyre Peninsula

3% of Current and Lapsed Clients indicated their most recent charter boat experience was from the Western Eyre Peninsula area (e.g. Elliston, Streaky Bay, Smoky Bay, Venus Bay, Fowlers Bay, Ceduna). Of those who undertook a charter boat fishing trip in this region:

> 43% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 57% indicating they are neither satisfied nor dissatisfied and 0% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is -14.3, indicating that more are talking negatively about their recent experience than positively. The first goal here should be to move this result into the positive territory.

> The additional activities that would be of interest to this location include Wildlife experiences, Coastline viewing and Rock Lobster (using pots), all receiving a median score of 7.

Kangaroo Island

16% of Current and Lapsed Clients indicated their most recent charter boat experience was from the Kangaroo Island area. Of those who undertook a charter boat fishing trip in this region:

> 61% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 37% indicating they are neither satisfied nor dissatisfied and 2% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is +2.5, indicating there are almost equal numbers of those talking positively and negatively about the experience, indicating significant room for improvement.

> The additional activity that would be of interest to this location includes Wildlife experiences, receiving a median score of 8.

South East area

5% of Current and Lapsed Clients indicated their most recent charter boat experience was from the South East area (e.g. Robe, Port MacDonnell, Kingston). Of those who undertook a charter boat fishing trip in this region:

> 67% indicated they are satisfied with their most recent experience, soring an 8, 9 or 10 on a 10-point scale, with 33% indicating they are neither satisfied nor dissatisfied and 0% indicating they were not satisfied with the experience.

> The Net Promoter Score for this region is -8.3, indicating there are more talking negatively about their most recent experience than positively, and the first goal here should be to shift this result into positive territory.

> The additional activities that would be of interest to this location includes Wildlife experiences and Swimming with sea life activities, both receiving a median score of 8.

2. Net Promoter Score Comparison

Net Promoter Score Ranges

One method to use the Net Promoter Score is as a tool to measure industry performance over time. The result from this survey provides a snapshot at a point in time as to how the industry is performing and, as this is the first time a Net Promoter Score has been generated for the Charter Boat industry, should be considered your Benchmark result and further research should be undertaken on a regular basis to measure your performance against this.

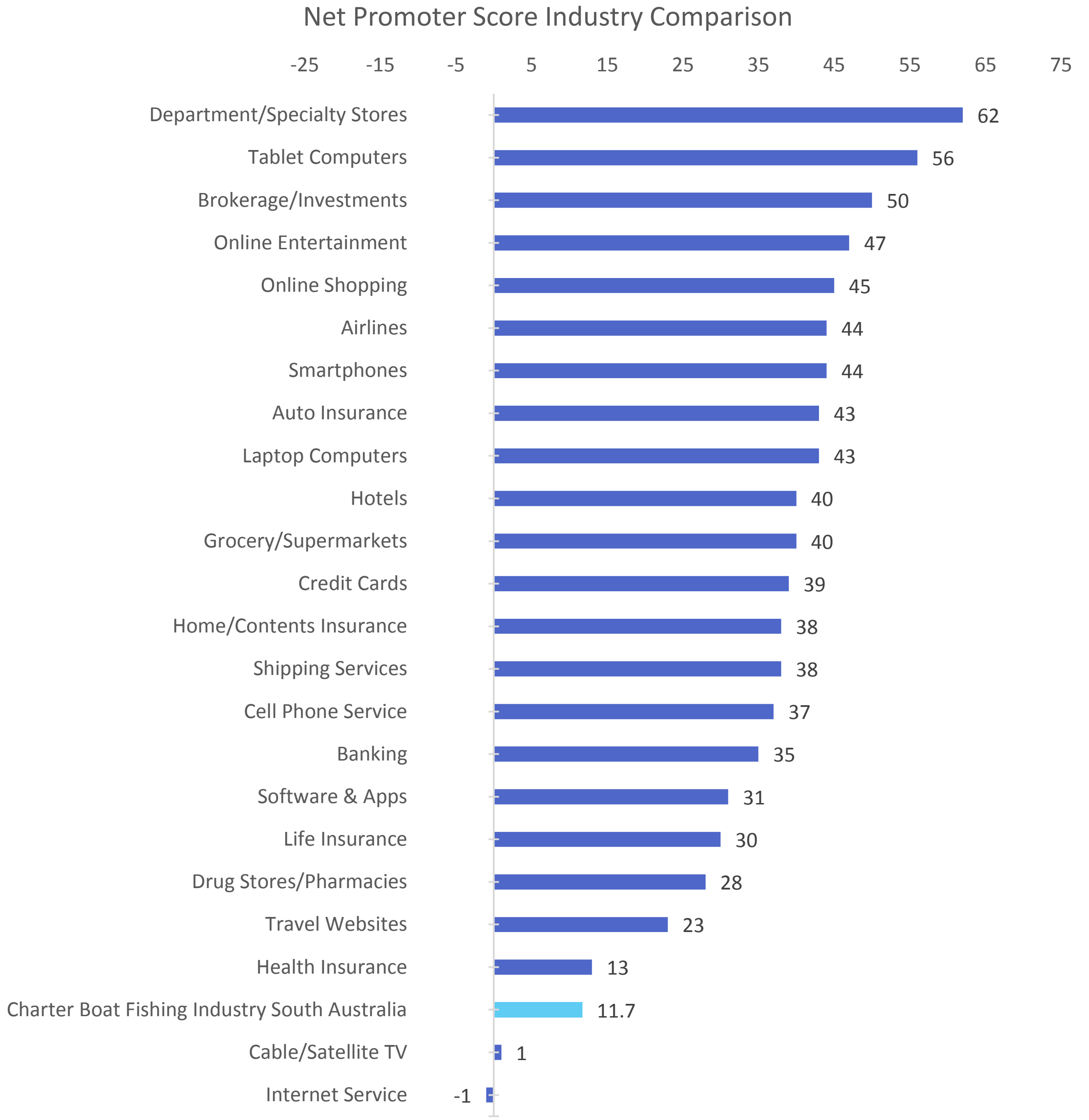
We recommend the use of ranges to determine the performance of your NPS:

- If the score is zero or below (0 to -100), then this result indicates you have more people talking negatively about your service than positively and needs immediate attention.
- If the score is between 1 and 30, then this result is considered to be good but there is significant room for improvement. While there are more people talking positively than negatively, there are likely to be many not talking at all about your service and is a missed opportunity to have them promote your product.
- If the score is between 31-70 then this is a very good result, indicating the majority are talking positively about your service.
- If the score is between 71-100 then this is an outstanding result, indicating that loyalty among your customers is incredibly high and all freely promote your services.

The current overall score of +11.7 is a good result with room for improvement, indicating that there are more talking positively about their recent charter boat fishing experience than those who are talking negatively about it. The aim for the industry as a whole should be to improve service standards so that this score is improving year on year. The recommendations from this report provides guidance on how to improve this result.

Comparing Industry Results

Another benefit of the Net Promoter Score is it enables comparison with a range of other industries, allowing for an understanding of relative performance. It's important to consider that the Charter Boat Fishing industry is likely to have a more positive association than other industries in general (e.g. petroleum, mining etc.), and it might have a more negative association than others (e.g. charities). The chart below shows a range of industries from a 2018 Satmetrix NICE report and where the Charter Boat industry result sits amongst these (http://info.nice.com/rs/338-EJP-431/images/NICE-Satmetrix-infographic-2018-b2c-nps-benchmarks-050418.pdf):



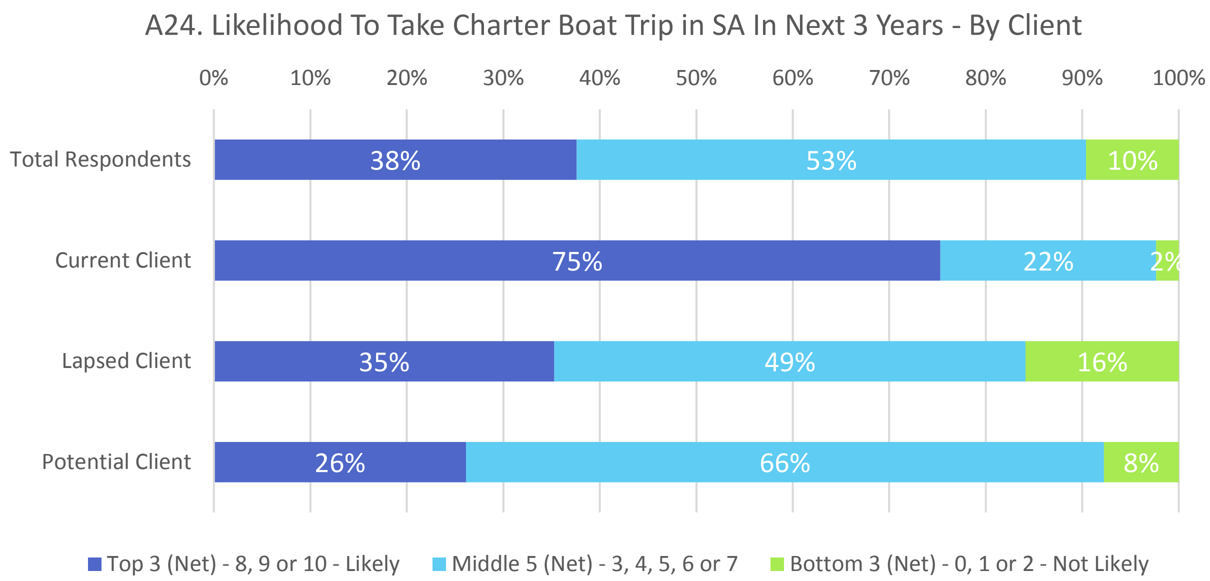
It's important to note that these Net Promoter Score results are from US based companies, and these results should only be used as a relative guide to the current performance of the Charter Boat Fishing industry in South Australia.

If we review those industries within the same broad category of hospitality/tourism, we see that Airlines have an average NPS of +44, Hotels have an average NPS of +40, and Travel Websites have an average NPS of +23.

This enables the Charter Boat industry to consider and set a realistic NPS goal to achieve, and our recommendation would be to set your sights on moving two places up, and achieving an NPS of over +23.

3. Explain Differences in Likelihood to Book A Trip In Next 3 Years

The likelihood to book a trip in the next 3 years was asked on a 10-point scale, where 0 means 'Not at all likely' and 10 means 'Extremely likely'. The result by client type is shown in the chart below:



Current clients are clearly the most important customer market to tap into with 75% indicating they are likely to book another trip within the next 3 years. Lapsed clients are less likely with 35% indicating they'd be likely to book a trip with the next 3 years, and Potential clients are 26% likely to book a trip within the next 3 years.

Current Clients are more satisfied with their recent trip, are more likely to recommend this recent trip to others (+31.8 NPS), and are much more likely to undertake another trip in the next 3 years. This group requires regular follow-ups, to be provided with encouragement to book another trip through the use of discounts, offers and promotions. This group should also be utilised to promote their recent experiences by tagging the Charter Boat operator in social media posts and photos, and providing positive reviews on TripAdvisor. This group is already primed, have positive things to say about their recent experience, and are looking for an opportunity to repeat the experience. The charter boat operators' roles are to make it easy for the Current Clients to book another trip, be pro-active by keeping in touch with offers and opportunities, to keep information on hand about each of these customers (such as birthdays, major upcoming life events, fish species caught), and to remind these customers of their recent positive experience.

Lapsed Clients are satisfied with their recent trip but not as intensely as the Current Clients, are neither likely nor unlikely to recommend their recent trip to others (+1.8 NPS), and are less likely to undertake another trip in the next 3 years. This group hasn't undertaken a recent trip and most are not intending to undertake another soon, indicating this group has 'switched off' from the charter boat fishing experiences. They need to be re-engaged through the use of targeted promotions (such as repeat customer discounts, or trip anniversary special offers), by offering new experiences, and showcasing the benefits of undertaking another trip. Charter boat operators should remind these previous customers of their past positive experience, inform these customers that the fish are still biting and to invite them back to fish again this season through special returning customer offers and discounts. These clients are not lost, but have forgotten about their previous experience, and need to be reminded to encourage greater future participation.

A quarter of Potential Clients (26%) are likely to undertake a charter boat fishing experience in the next 3 years. This result highlights a large untapped market of potential charter boat fishing clients that could be lured to the experiences through the use of targeted promotions and advertising. The role of the charter boat operator is to make the decision to undertake this trip as easy as possible for these Potential Clients by offering a simple, easy to use and online booking experience, followed by an experience that matches or exceeds their expectations. Charter boat operators need to advertise and be present where these Potential Clients are looking, with a website and social media presence being 'must haves', and to provide clear and easy to digest information.

Overall, it is clear that there is a significant market opportunity for charter boat operators to build customer relationships, and those operators that don't better be prepared to be the cheapest. To do so, charter boat operators should invest in Customer Relationship Management (CRM) systems that captures the most relevant information about each customer for the service they provide. This system should capture elements about each client such as:

- Date of birth, so that a birthday reminder can be sent, promotional discounts for the month of their birthday, and to celebrate major milestone birthdays with specially designed packages
- Fish species caught and by size, so that promotions can be offered to tempt clients to go for another type of species
- Family information (e.g. are they married, do they have kids), allowing for a more personalised approach when talking with these customers directly
- Occupation – what type of work do they do, what is their title and what do they do at work?
- Recreation – what do they like to do outside of fishing? Can you match this with their fishing experience somehow?
- Dreams – what is their dream fish to catch in South Australian waters? How does the operator help them get this?

This system doesn't need a great deal of investment, and can be as simple as a notebook or a spreadsheet. Each interaction with a client is an opportunity to find out more about each customer, to help build a profile of who your clients are, allowing for better targeting of promotions and advertising, potentially saving on future marketing spend.

4. Collaborative Government and Industry Recommendation

One of our key recommendations was:

'Snapper and tuna are clearly two key species that the market is focused on. Therefore, a collaborative effort by government to ensure this demand can be met will be rewarded by market growth'

One key barrier to fishing for snapper are the seasonal closures and use of temporary closures throughout the year. Examples of collaborative efforts by government and industry to aid this would be:

- For both government and industry to focus on using positive language, to promote when you can fish for each species, instead of the focus being on closures. We recommend government designing an easy to use website that allows the visitor to select which species they're wanting to fish for and providing opening dates (rather than only listing closing dates) for when this fish is able to be caught. A logo should then be designed promoting being 'open for fishing' that can be positioned on charter boat operator websites that links to the government website.
- The results from this survey indicate the charter boat operators are needing to improve their web presence, including websites with booking functions and social media pages, and these elements are seen as requirements from all client groups. Government assistance and/or incentives to assist operators to improve their web presence will help operators improve their chances of additional bookings throughout the year.

Appendix 3 Charter Boat Fishing Licence Holder Survey Research: Summary of Research Results (Action Market Research et al, 2019e)

Charter Boat Fishing Licence Holder Research: Summary of Research Results

PREPARED FOR

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DATE

4 June 2019

This study, '2018-154: A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery' is supported by funding from the FRDC on behalf of the Australian Government.

Table of Contents

Tips for Getting the Most out of your Report

Action Market Research and Hudson Howells appreciates the investment you have made in undertaking this research, so it is important to us that you are able to get maximum value for your investment. The following tips are intended to help with this.

This report contains an Executive Summary. This is a 'true' Executive Summary and does not contain any information that is not included in the body of the report. If you intend to read the entire report, please don't bother to read the Executive Summary. One of the main advantages of this approach is that the Executive Summary can be lifted from the report and pasted into other reports you might be preparing (Board Reports, etc.)

The 'Research Findings – Detail' section of this report presents key findings from the survey results.

If you would like to see the full set of tabulated results, please see the attached appendix to this report in MS Excel format. The survey data spreadsheets include all of the tables, charts and verbatim comments made by the survey respondents listed per survey question. This means you can easily prepare a chart in a different layout or cut and paste tables into a new spreadsheet.

Finally, as you go through the report, you may wish to cross-tabulate one set of data against another. We are always happy to provide additional analyses.

Thank you for using Action Market Research and Hudson Howells and we trust you enjoy reading the report.

EXECUTIVE SUMMARY

<u>This summary contains the main highlights of the report. Readers intending to examine the entire report should proceed directly to Section 1.</u>

Background and Research Objective

The Charter Boat Fishery is a commercial platform for undertaking recreational fishing. In 2016/17, there were 100 licenced Charter Boat operators of which only 59 were active, and the number of active licences has been declining since 2005/06 (by almost 25%). Over the same period the number of clients has declined to the lowest levels recorded, from 19,540 clients in 2005/06 to just 14,459 clients in 2016/17.

The Charter Boat industry has highlighted a need to address this declining trend through understanding the needs and wants of the fishery's client group (recreational fishers), understanding what opportunities exist and to determine the capacity of the charter fleet to meet this demand.

Action Market Research and Hudson Howells were engaged by BDO EconSearch to undertake research into the Charter Boat industry to determine ways to address the declining trend. A holistic research approach has been undertaken whereby all key stakeholders within the industry have been consulted to ensure the research design and tools cover the key issues, and the key outcomes are well informed and highly relevant. This has included:

- Rapid Appraisal Depth Interviews with key stakeholders, including representatives from PIRSA, SATC, SCBOOASA, and highly informed individuals (completed in February 2019)
- A Licence Holder Workshop with six current Licence Holders to further understand impressions of the industry, impacts of closures and regulations, competition and client types, and ideas how to improve (completed in February 2019)
- A survey of Current, Lapsed and Potential clients to determine the needs and wants of these different client groups, and opportunities to arrest the industry decline

The information collected informed the design of a questionnaire used to survey Charter Boat Licence Holders and this report details the findings of this survey.

The preparation of this report has been made possible by project 2018-154 'A market research-driven and co-management approach to developing an industry strategy for the South Australian Charter Boat Fishery' which has been supported by funding from the Fisheries Research and Development Corporation on behalf of the Australian Government.

Methodology

A questionnaire was developed (Appendix A) from the consultations undertaken with key industry stakeholders, Licence Holders and from the industry opportunities highlighted in the Client survey. We received contacts from several sources for this research:

> Surveyed Charter Boat Owners & Operators Association of South Australia list of current Licence Holders.
> BDO EconSearch's database of Licence Holders.
> Our own searches and lookups of Charter Boat operators, including Google searches, and from our own database of business contacts in South Australia.

This generated a total of 75 unique contacts to be targeted for the research, and 26 interviews were completed. The survey was conducted by telephone using our Computer Aided Telephone Interviewing system, and completed by an Executive Level and ISO20252 trained interviewer.

Licence Holder Summary

Licence Holders are defined as those who have a current and active Charter Boat licence in South Australia. This group is more likely to:

> Have operated in the Charter Boat fishery for a significant amount of time, with 17.1 years the average length of time working in the industry.
> Have owned a licence for over 10 years (average 12.9 years).
> Be a single generation business (88%).
> Be a member of the Surveyed Charter Boat Owners and Operators Association of South Australia (69%).
> Be middle-aged, with an average operator age of 55 years.

Licence Holders tend to lack confidence in their business and the industry as a whole, with the majority of Licence Holders:

> Indicating their business performance has stayed the same across the last 12 months (69%).
> Claiming there is unlikely to be any significant improvement in their business performance across the next 12 months (mean score of 3.7 out of 10).
> Perceiving the Charter Boat industry to be in decline (mean score of 3.6 out of 10).

The top-of-mind (unprompted) key issues impacting their businesses include:

> Closures of areas where fishing has been undertaken previously/Nov-Dec Snapper closure/Marine Parks (35%).
> Fish stocks/number of fish available (19%).

- > Reductions in bag limits (12%).

When prompted with a list of issues to rate, the top 3 issues impacting the Charter Boat industry are perceived to be:

- > Species closures (e.g. Snapper closure between Nov 1 and Dec 15) (62%).
- > Yearly cost of Charter Boat licence (58%).
- > Current access to fishing areas (46%).

The top-of-mind (unprompted) changes operators consider would improve their business include:

- > Reopening closed areas/dates for fishing, giving access to areas closed for fishing e.g. Marine Parks (23%).
- > Advertising/promotion of Charter Boat fishing/SA Tourism to promote (12%).
- > Increasing bag limits to improve Charter Boat customer satisfaction (12%).

When prompted with a range of ways Licence Holders could improve their business performance, the top opportunities identified include:

- > Getting reviews and recommendations from those who have undertaken a trip e.g. TripAdvisor, word of mouth (81%).
- > Keeping in touch with previous customers and attracting repeat business (69%).
- > Upgrading gear and equipment to remain current (58%).
- > Maintaining a social media presence to promote your Charter Boat fishing experience (58%).

The ideas that would have the greatest positive impact on their business include:

- > Getting reviews and recommendations from those who have undertaken a trip e.g. TripAdvisor, word of mouth (Positive 74% increase in business performance).
- > Keeping in touch with previous customers and attracting repeat business (Positive 68% increase in business performance).
- > Making improvements to your website (Positive 53% improvement in business performance).

In terms of how Licence Holders are promoting their businesses:

- > 85% are using social media for the business.
- > 81% are operating a website.
- > 73% using email communication to send information and/or offers to clients.

Licence Holders are less likely to undertake advertising with:

- > 42% advertising online (such as Google Ads).
- > 42% advertising through the South Australian Tourism Commission's tour portal.
- > 23% attending trade shows/expositions (e.g. SA Boat and Fishing Show).
- > 8% advertising on radio (such as 5AA's Fishing Show).

Licence Holders are generally not confident in using digital media to promote and attract customers (54%).

Licence Holders usually take booking by phone (96%), and only 27% are undertaking bookings through their website. Licence Holders are not using alternative booking methods such as booking websites, travel agents, or through hotel concierges.

Only half of Licence Holders are taking some form of payment up front (either payment in full (8%) or a deposit (42%), with 46% taking full payment for the trip on the day of the trip itself.

Licence Holders are generally making a reminder call the day prior to the trip itself (85%), with only 58% sending a confirmation on the day the booking is made.

Licence Holders are generally informing the customers at the time of enquiry about fish species closures, bag limits and/or other regulations (81%), with only 8% having information regarding these regulations available on their website, and 8% having these included in their standard terms and conditions.

In regards to activities/services provided as part of a Charter Boat Fishing experience; Licence Holders are providing:

- Fishing (100%)
- Wildlife Experiences (92%)
- Chilling caught fish (92%)
- Coastline viewing (77%)
- Cleaning caught fish (77%)

Licence Holders are less likely to be providing:

- Non-alcoholic beverages (69%)
- Food/lunch (58%)
- Alcoholic beverages (23%)

Licence Holders perceive that approximately half of all bookings made are doing so to fish specifically for Snapper (50.2%), with 38% booking to catch fish (not specifically Snapper) and 12% booking for the experience itself.

Licence Holders generally feel they understand the Charter Boat fishery management requirements (73%). Nearly half believe that recent changes in fishery management have made it more difficult to run their business (46%) and believe it is more difficult to have a say in the management of the Charter Boat Fishery (42%). They are somewhat satisfied with the lifestyle of running a Charter Boat business (6.9 out of 10).

In summary, the Licence Holders are currently lacking confidence in their business performance and in terms of where the industry is currently headed. They believe the key top-of-mind issues for this relate to the fishing closures, fishing zones and bag limits. Licence Holders recognise that word-of-mouth recommendations and the importance of maintaining a social media presence are their key drivers for new business, but lack the confidence to be able to use digital media to promote their business. While most are operating a website and have some form of social media presence, only a quarter are taking online bookings, and half are not taking any up-front customer payments. The Licence Holders are taking responsibility to inform their customers about fish species closures, bag limits and other regulations, and are doing so at the time of phone enquiry, and not providing this information on their website or as part of standard terms and conditions. The experiences they offer will always include fishing, and mostly include wildlife experiences, and some coastline viewing, but will not always be accompanied by food and/or drink. Licence Holders believe that half of all bookings made are to specifically catch Snapper.

Comparison to Client Survey

When comparing the Licence Holder survey results with those from the recently completed Client Survey we are able to determine specific areas where the Licence Holders are meeting expectations and areas where there are opportunities for improvement.

Licence Holders are accurately recognising the importance and power of recommendation and how receiving a positive review can be a powerful business growth driver for their business. Current Clients (those who have undertaken a trip within the last 12 months) have a higher Net Promoter Score than Lapsed Clients (those who have undertaken a trip, but not within the last 12 months), and Licence Holders need to leverage this group by being asked to tag the Charter Boat operator in social media posts, photos and providing positive reviews on TripAdvisor. This request is best made at the conclusion of the trip.

The three most important elements for clients are for Licence Holders to provide a safe trip, to provide a fun and enjoyable experience and to catch fish. These are the three elements where the importance was higher than performance for clients, indicating areas for Licence Holders to improve. Other key expected elements include having lunch and drinks provided as part of the experience, and should, in-fact, be considered as 'must-haves' for Licence Holders to provide.

Clients are expecting to book their experience online via the Charter Boat operator's website. This is a key area for Licence Holders to improve as only 27% of current Licence Holders are taking online bookings.

Similarly, clients are expecting to make some form of up-front payment, with either a deposit made at the time of booking (63%) or payment to be made in full (30%), with only 7% indicating payment should be made on the day of the trip. Currently only 50% of Licence Holders are taking some form of up-front payment, potentially leading to loss of income due to last minute cancellations.

The majority of clients expect to receive a confirmation email on the day the booking is made (68%) with only 14% expecting to receive a reminder call the day before the experience. Currently 58% of Licence Holders are sending an email on the day of the booking, and the majority (85%) are making reminder calls the day prior to the experience.

Clients would be interested in wildlife experiences and coastline viewing as a part of their trip, and Licence Holders indicate these are currently being provided – wildlife experiences (92% currently offered) and coastline viewing (77% currently offered). These should form a key part of the marketing collateral for the operators.

Clients consider Snapper to be the main fish species associated with fishing in South Australia. If clients could not fish for Snapper, the majority (70%) would be completely satisfied fishing for another species. Licence Holders indicate that 50% of all bookings are made to specifically fish for Snapper, indicating an opportunity for Licence Holders to refocus their marketing on a range of species to catch.

Conclusion and Recommendations

A Charter Boat Fishery Growth Plan (Growth Plan) is being prepared as part of this project. The Growth Plan will identify the key issues identified through both the Client Survey and the Licence Holders' Survey and distil this into an actionable plan for the Charter Boat industry.

1. Background and Research Objective

The Charter Boat Fishery is a commercial platform for undertaking recreational fishing. In 2016/17, there were 100 licenced Charter Boat operators of which only 59 were active, and the number of active licences has been declining since 2005/06 (by almost 25%). Over the same period the number of clients has declined to the lowest levels recorded, from 19,540 clients in 2005/06 to just 14,459 clients in 2016/17.

The Charter Boat industry has highlighted a need to address this declining trend through understanding the needs and wants of the fishery's client group (recreational fishers), understanding what opportunities exist and to determine the capacity of the charter fleet to meet this demand.

Action Market Research and Hudson Howells were engaged by BDO EconSearch to undertake research into the Charter Boat industry to determine ways to address the declining trend. A holistic research approach has been undertaken whereby all key stakeholders within the industry have been consulted to ensure the research design and tools cover the key issues, and the key outcomes are well informed and highly relevant. This has included:

- Rapid Appraisal Depth Interviews with key stakeholders, including representatives from PIRSA, SATC, SCBOOASA, and highly informed individuals (completed in February 2019)
- A Licence Holder Workshop with six current Licence Holders to further understand impressions of the industry, impacts of closures and regulations, competition and client types, and ideas how to improve (completed in February 2019)
- A survey of Current, Lapsed and Potential clients to determine the needs and wants of these different client groups, and opportunities to arrest the industry decline

The information collected informed the design of a questionnaire used to survey Charter Boat Licence Holders and this report details the findings of this survey.

2. Methodology

A questionnaire was developed (Appendix A) from the consultations undertaken with key industry stakeholders, Licence Holders and from the industry opportunities highlighted in the Client survey. We received contacts from several sources for this research:

- Surveyed Charter Boat Owners & Operators Association of South Australia list of current Licence Holders.
- BDO EconSearch's database of Licence Holders.
- Our own searches and lookups of Charter Boat operators, including Google searches, and from our own database of business contacts in South Australia.

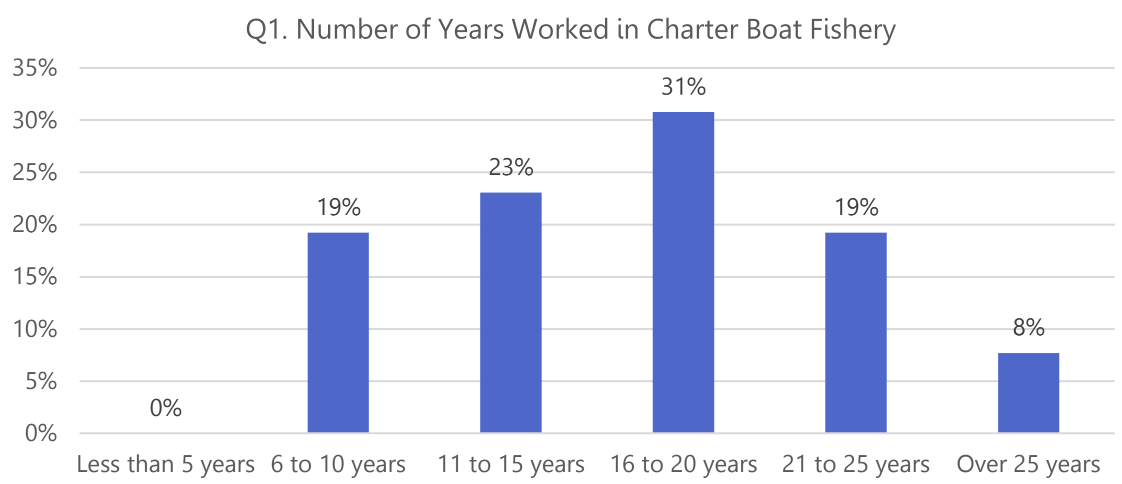
This generated a total 75 unique targets to be targeted for the research, and 26 interviews were completed. The survey was conducted by telephone using our Computer Aided Telephone Interviewing system, and completed by an Executive Level and ISO20252 trained interviewer.

3. Research Findings in Detail

This section of the report details the overall findings for each of the Industry Growth questions. The format of this section follows the sequence of the survey questionnaire. A copy of the cross-tabulated data in MS Excel format has been provided separately (refer Appendix B).

Q1. Number of years worked in Charter Boat fishery

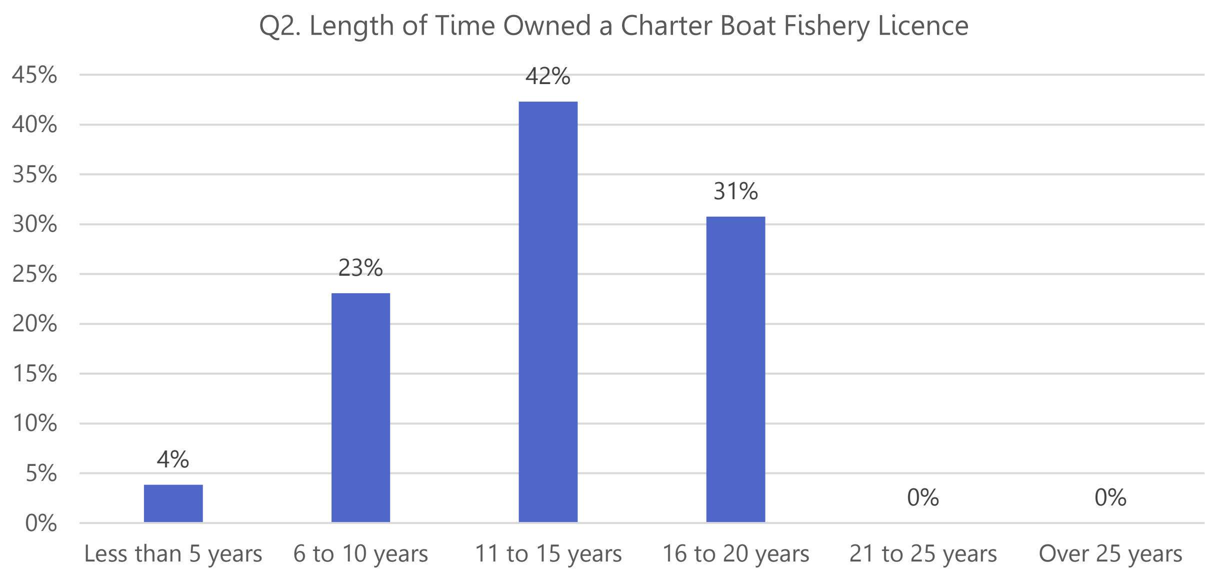
Q1. How many years have you worked in the Charter Boat fishery?	Total
Base: Total Respondents	26
Less than 5 years	0%
6 to 10 years	19%
11 to 15 years	23%
16 to 20 years	31%
21 to 25 years	19%
Over 25 years	8%
Average number of years worked in Charter Boat fishery	**17.1 years**



All respondents have had significant experience working in the Charter Boat fishery, with most having more than 10 years of experience, and an average of 17.1 years of working experience.

Q2. Length of Time Owned a Charter Boat Fishery Licence

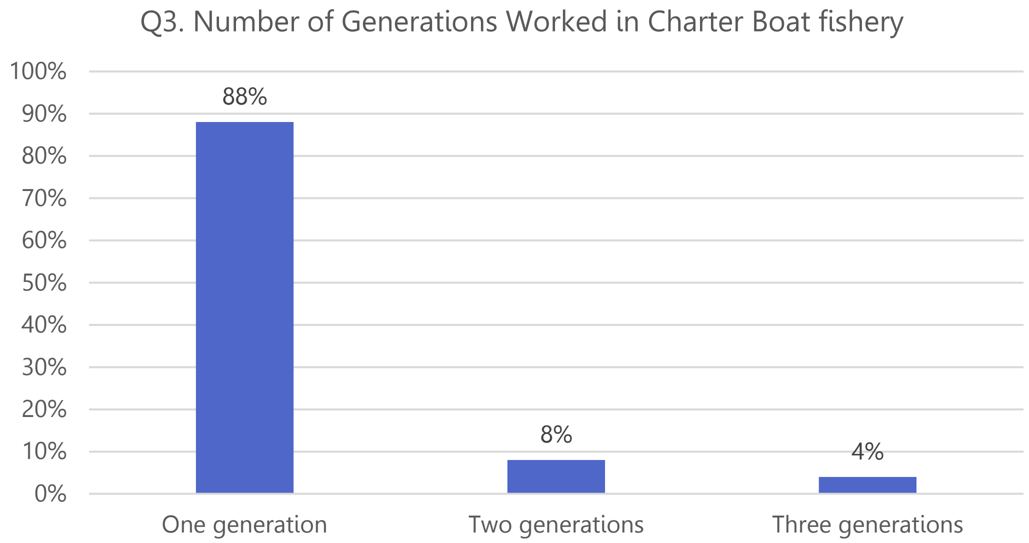
Q2. How long have you owned a licence in the Charter Boat fishery?	Total
Base: Total Respondents	26
Less than 5 years	4%
6 to 10 years	23%
11 to 15 years	42%
16 to 20 years	31%
21 to 25 years	0%
Over 25 years	0%
Average Length of Time Owned a Charter Boat Fishery Licence	**12.9 years**



The majority of Licence Holders have owned their Charter Boat licence for over 10 years, with 12.9 years the average length of time.

Q3. Number of Generations Worked in Charter Boat Fishery

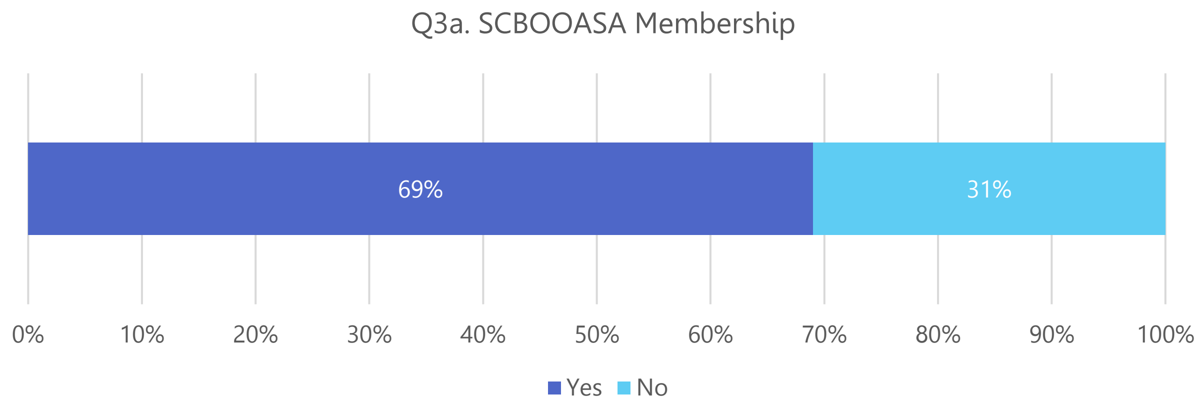
Q3. How many generations of your family have worked in the Charter Boat fishery?	Total
Base: Total Respondents	26
One	88%
Two	8%
Three	4%
Average Number of Generations	**1.1 generations**



The majority of Licence Holders are single-generation businesses.

Q3a. Surveyed Charter Boat Owners and Operators Association of South Australian Membership

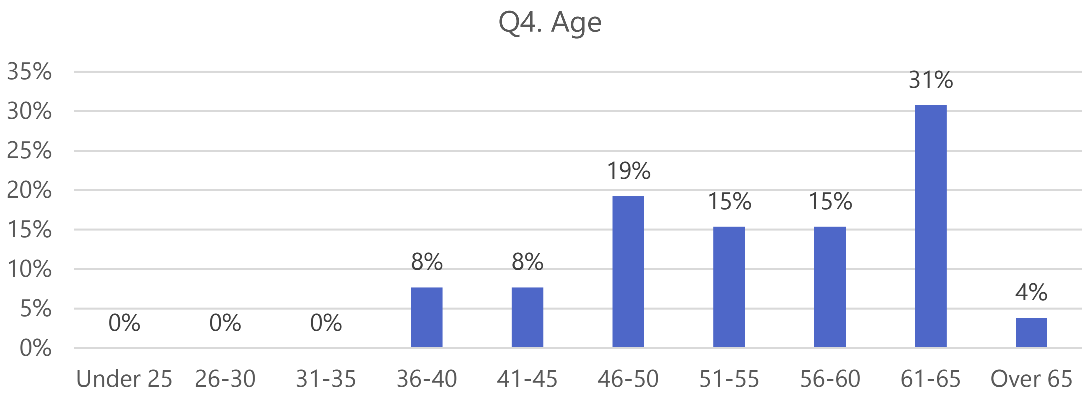
Q3a. Are you currently a member of the Surveyed Charter Boat Owners and Operators Association of South Australia	Total
Base: Total Respondents	26
Yes	**69%**
No	31%



The majority of Licence Holders interviewed (69%) are current members of the Surveyed Charter Boat Owners and Operators Association of South Australia, and 31% are non-members.

Q4. Age

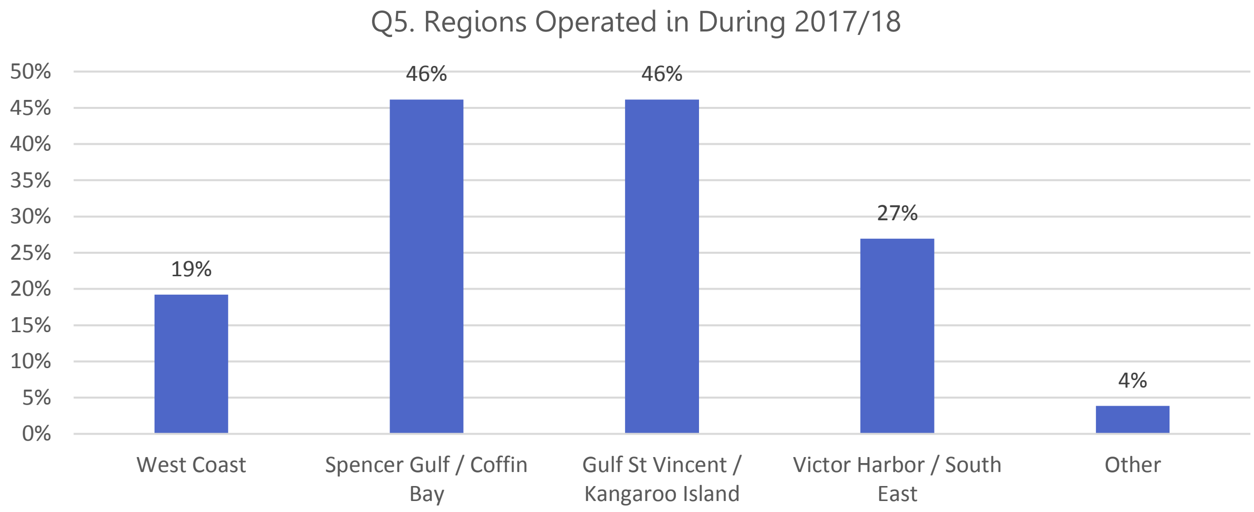
Q4. Which of the following best describes your age bracket?	Total
Base: Total Respondents	26
Under 25	0%
26 to 30 years	0%
31 to 35 years	0%
36 to 40 years	8%
41 to 45 years	8%
46 to 50 years	19%
51 to 55 years	15%
56 to 60 years	15%
61 to 65 years	31%
Over 65 years	4%
Average Age	**55 years**



The majority of Licence Holders are over 50 years of age, with 55 years the current average age. There are no current Licence Holders under 36 years of age.

Q5. Region Operated In

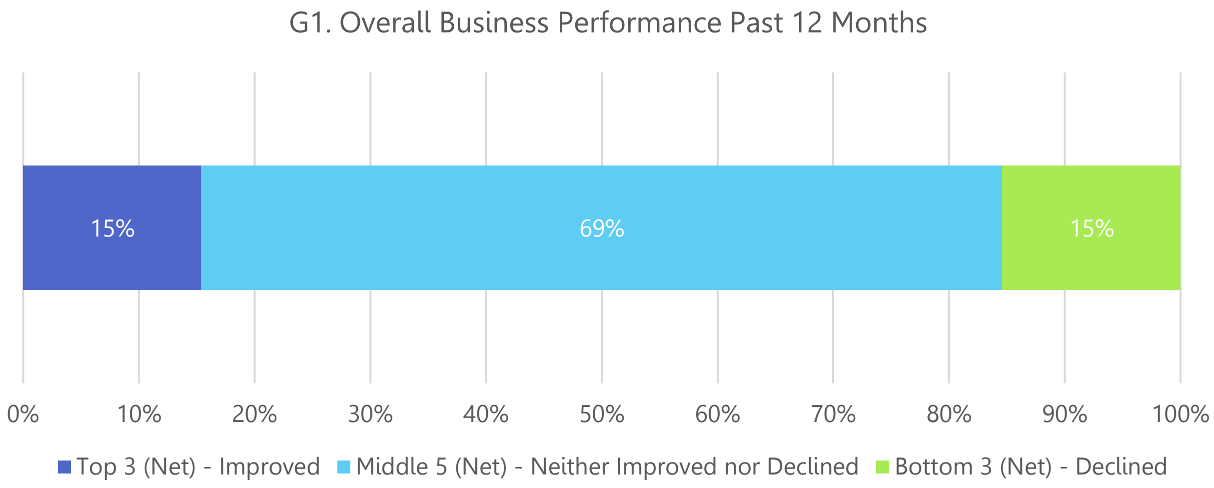
Q5. In which of the following fishing regions did you operate during 2017/18	Total
Base: Total Respondents	26
West Coast	19%
Spencer Gulf / Coffin Bay	**46%**
Gulf St Vincent / Kangaroo Island	**46%**
Victor Harbor / South East	27%
Other	4%



46% of Licence Holders operated in the Spencer Gulf / Coffin Bay region and Gulf St Vincent / Kangaroo Island region. 27% operated in the Victor Harbor / South East region, and 19% operated from the West Coast region.

G1. Overall Business Performance

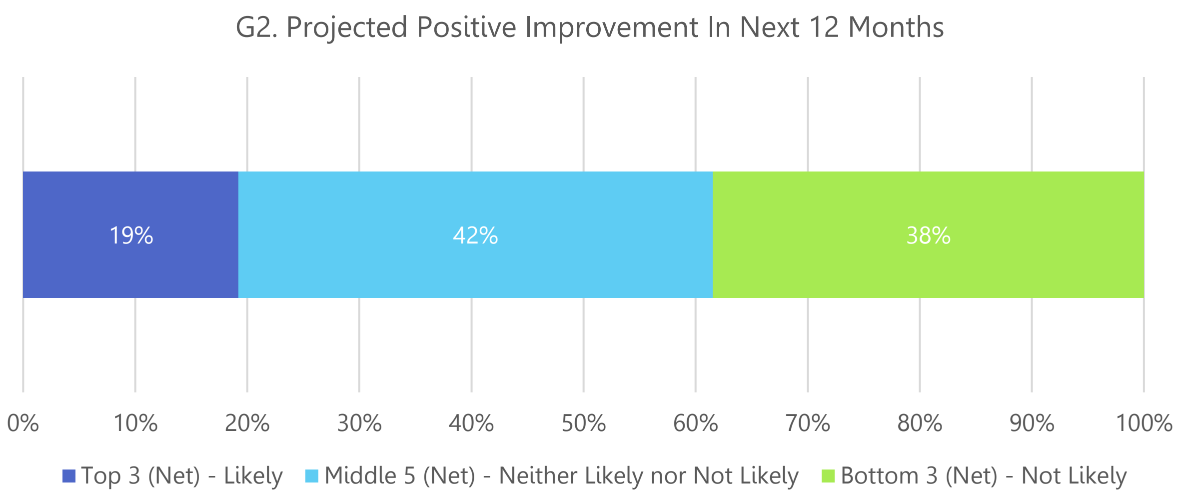
G1. Over the last 12 months, how would you rate your overall business performance? Please use a 0 to 10 scale where 0 means your business performance has declined a great deal, 5 means your business performance has stayed the same, and 10 means your business performance has improved a great deal	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Improved	15%
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Stayed the same	**69%**
Bottom 3 (Net) – 0, 1 or 2 – Declined	15%
Mean	5.0
Median	5.0



Overall, business performance across the past 12 months has stayed the same (69%), with 15% of businesses indicating performance has improved and 15% indicating performance has declined.

G2. Projected Positive Improvement in Next 12 Months

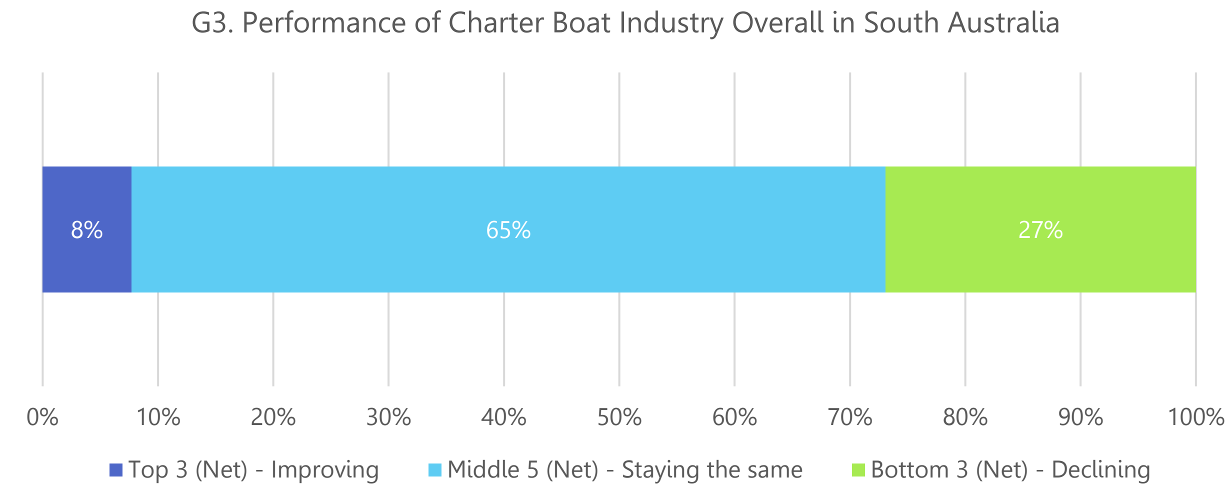
G2. How likely is it that there will be a significant positive improvement in the performance of your business in the next 12 months? Please use a 0 to 10 scale, where 0 means 'Not at all likely' and 10 means 'Extremely likely'	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Likely	19%
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Neither Likely nor Not Likely	**42%**
Bottom 3 (Net) – 0, 1 or 2 – Not Likely	38%
Mean	3.7
Median	3.0



The majority of operators believe it is unlikely there will be a positive improvement in performance of their business in the next 12 months, with 42% indicating neither likely nor not likely, and 38% indicating not likely.

G3. Performance of Charter Boat Industry Overall in South Australia

G3. When you look at the performance of the Charter Boat Fishing industry overall in South Australia, do you feel that it is improving, staying about the same or declining? Please use a 0 to 10 scale where 0 means 'Declining' and 10 means 'Improving'.	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Improving	8%
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Staying the same	**65%**
Bottom 3 (Net) – 0, 1 or 2 – Declining	27%
Mean	3.6
Median	4.0



Operators overall perception of the performance of the Charter Boat Fishing industry in South Australia is that it is in decline, with an average score of 3.6 out of 10.

The results from G1, G2 and G3 provide a snapshot of business confidence for this industry. With business performance across the last 12 months stagnant (Result for G1 is an average of 5 out of 10), and projecting a decline in performance in the next 12 months (Result for G2 is an average of 3.7 out of 10), it is no surprise that operators' perceptions are the industry is in decline. Providing operators with guidance on how to tackle their business challenges may be a way to boost business confidence, but will need 'buy in' from the operators to be effective.

G4A. What are the key issues impacting on your business performance?

G4A. What are the key issues impacting on your business performance?	Total
Base: Total Respondents	26
Closures of areas where fishing has been undertaken previously/Nov-Dec Snapper closures/Marine Parks	**35%**
Fish stocks/number of fish available	19%
Reductions in bag limits	12%
Communication regarding closures/expected closures	8%
Cost of licence fees	8%
AMSA regulations making it hard for Charter Boats to upgrade	8%
PIRSA regulations on Charter Boat catch limits differing from recreational limits	8%
Need for recreational fishing licences	8%
Generally, a lower level of interest in fishing	4%
Cost associated with surveying equipment	4%
Cost of fuel	4%
Lack of positive messaging regarding fishing/season opening	4%
Extension of species closures	4%
Fish size limits at particular times of the year	4%
Inability to catch rock lobster on Charter Boat licence	4%
AMSA regulations making it more expensive to operate	4%
Prawn trawlers ruining the seabed in the Gulf	4%
Introduction of new government levies and red tape	4%
Recreational fishing impacting on fish stocks	4%
Cost of living/customers not having enough disposable income to afford recreational activities	4%
Reduction in tourism	4%

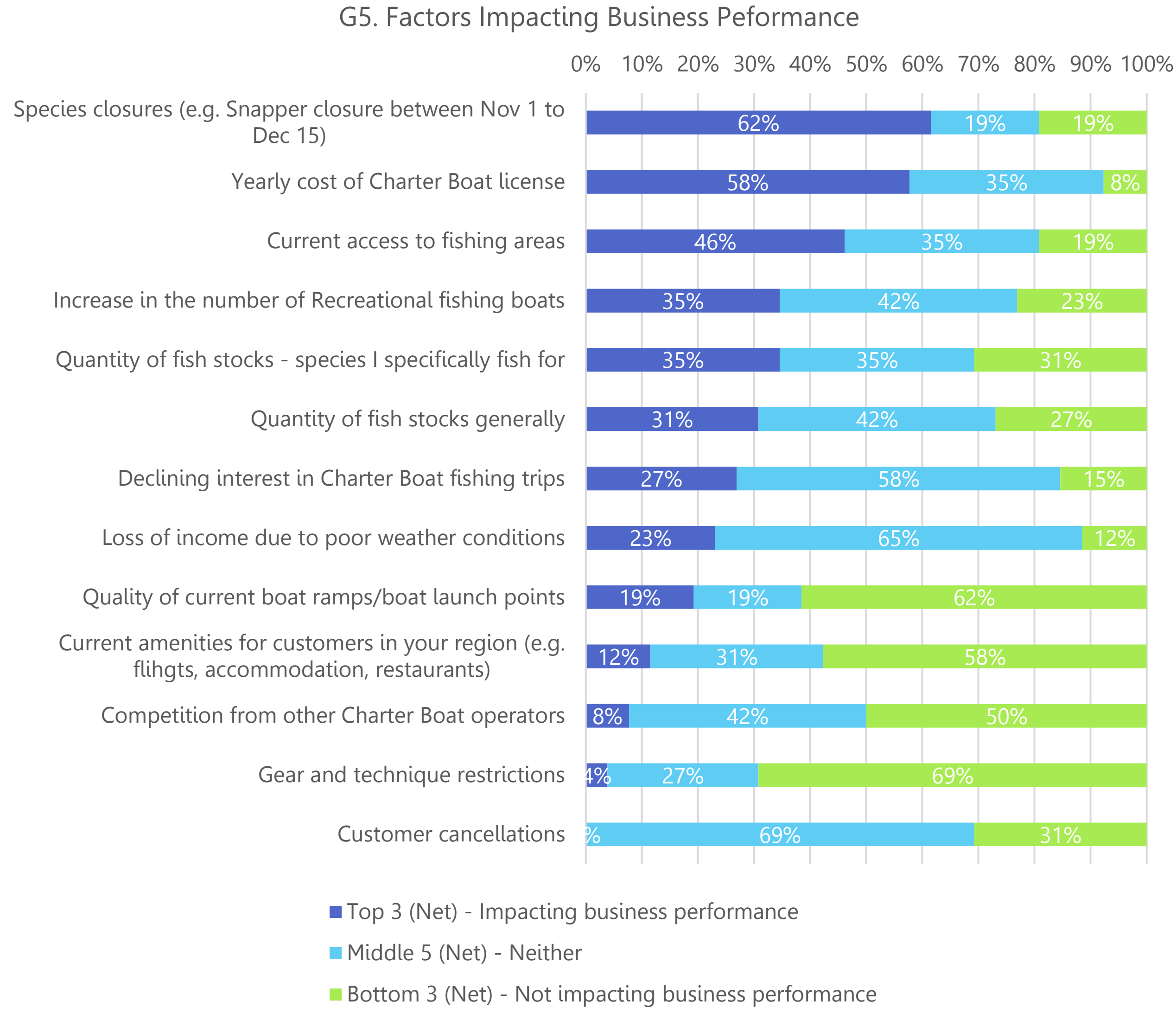
The main perceived issues impacting on business performance relate to the closures, including Snapper fishing closures, spatial closures and marine parks (35%). There are concerns regarding the fish stocks (19%) and the reduction in bag limits (12%). Costs are a key issue, with the cost of licence fees (8%), costs associated with fuel (4%) and surveying equipment (4%), and AMSA regulations (4%).

G4B. What specific things could be improved that would have a positive impact on your business performance?

G4B. What specific things could be improved that would have a positive impact on your business performance?	Total
Base: Total Respondents	26
Reopening closed areas/dates for fishing, giving access to areas to fish (e.g. marine parks)	**23%**
Advertising/promotion of Charter Boat fishing/SA Tourism to promote	12%
Increase bag limits to improve Charter Boat customer satisfaction	12%
Improve the overall financial climate	8%
Increasing fish numbers	4%
Shift the negative communication (e.g. closures) to the positive	4%
Improved facilities/boat ramps	4%
Reduction in government fees/levies	4%
Installation of artificial wrecks to allow fish to breed	4%
Limit prawn trawlers to 15m of water in the Gulf	4%
Regulate the recreational fishers	4%
Allow processing of fish at sea on extended trips	4%

Operators would like to have fishing access to areas that are currently closed, and to be able to fish for species during the closure dates (23%). Other ideas include having a focus on advertising/promotion of the Charter Boat industry (12%) and to increase the bag limits for Charter Boats specifically (12%).

G5. Prompted Factors Impacting Business Performance



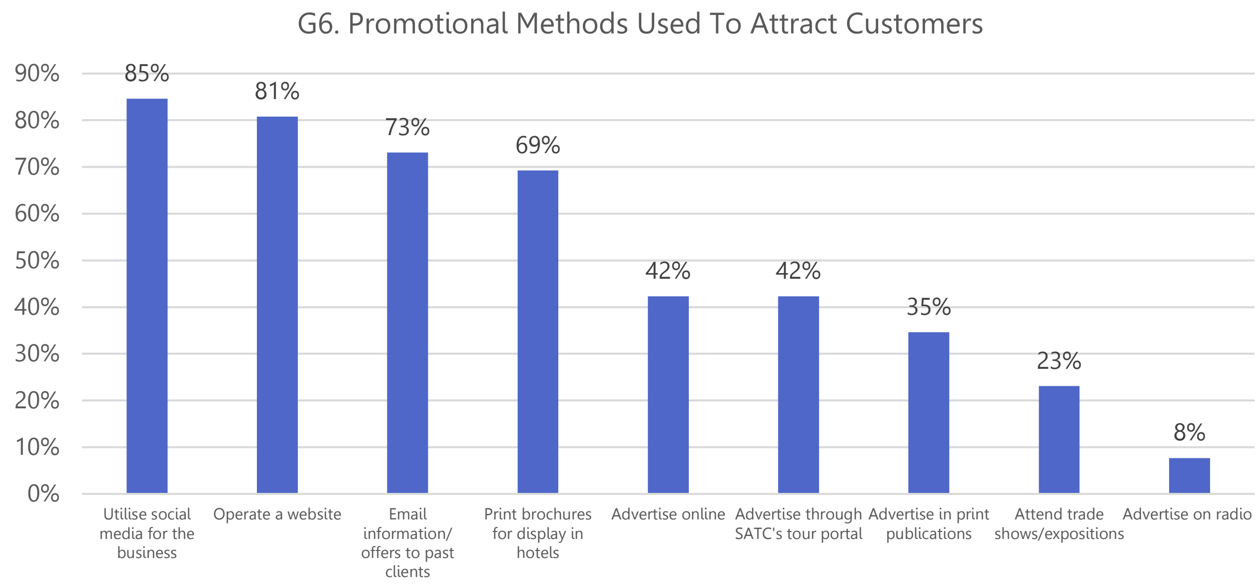
The Top 3 prompted issues impacting business performance include species closures (62%), the yearly cost of the Charter Boat licence (58%), and current access to fishing areas (46%).

Other issues impacting business performance include the increase in the number of recreational fishing boats (35%), the quantity of fish stocks for targeted fish (35%) and the quantity of fish stocks generally (31%).

The issues not impacting business performance include customer cancellations (0%), gear and technique restrictions (4%), competition from other Charter Boat operators (8%) and current amenities for customers in region (12%).

G6. Promotional Methods Used

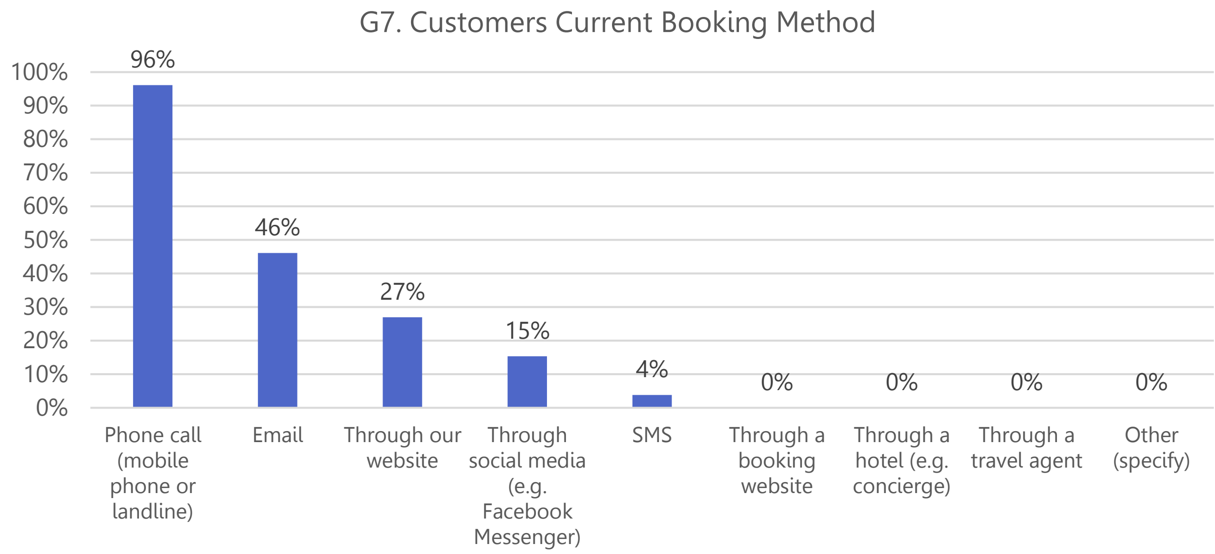
G6. Which of the following promotional methods do you use to attract customers to your business offering?	Total
Base: Total Respondents	26
Utilise social media for the business (such as Facebook)	**85%**
Operate a website	81%
Email information and/or offers to past clients	73%
Print pamphlets/ brochures for display in hotels/ tourist centres	69%
Advertise online (such as Google ads)	42%
Advertise through South Australian Tourism Commission's Tour portal	42%
Attend trade shows/expositions (e.g. SA Boat and Fishing Show)	23%
Advertise on radio (such as 5AA's fishing show)	8%
Other	12%



Overall the key promotional methods used include utilising social media (85%), operating a website (81%) and emailing information/ offers to past clients (73%). While these figures are high (over 70%), these Top 3 activities should be undertaken by all operators as standard practice and represent an opportunity for improvement. Advertising via the SATC's tour portal is undertaken by only 42% of operators, also indicating an area where operators can improve their presence to build awareness.

G7. Methods Customers Use to Book Charter Boat Fishing Trip

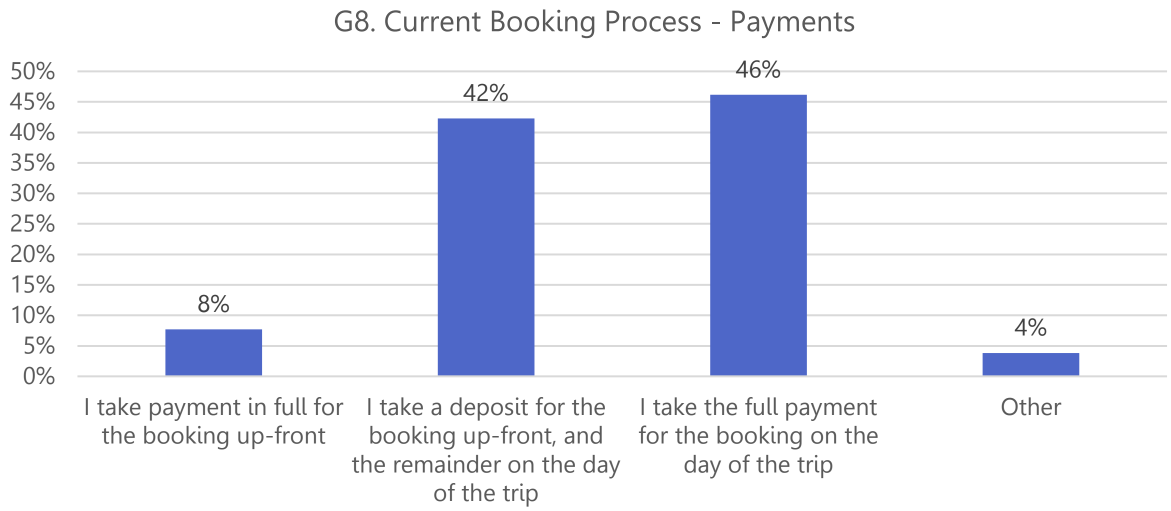
G7. How do most customers book a Charter Boat fishing trip with you currently?	Total
Base: Total Respondents	26
Phone call (mobile phone or landline)	**96%**
Email	46%
Through our website	27%
Through social media (e.g. Facebook Messenger)	15%
SMS	4%
Through a booking website	0%
Through a hotel (e.g. concierge)	0%
Through a travel agent	0%



Almost all (96%) of bookings are currently made via a phone call with the operator. Other methods include booking via Email (46%) and through the operator's website (27%). The Client Survey indicated that the preference for booking is through a website interaction, which indicates there is a significant gap in customer booking expectations and with the booking service provided by Charter Boat operators.

G8. Booking process

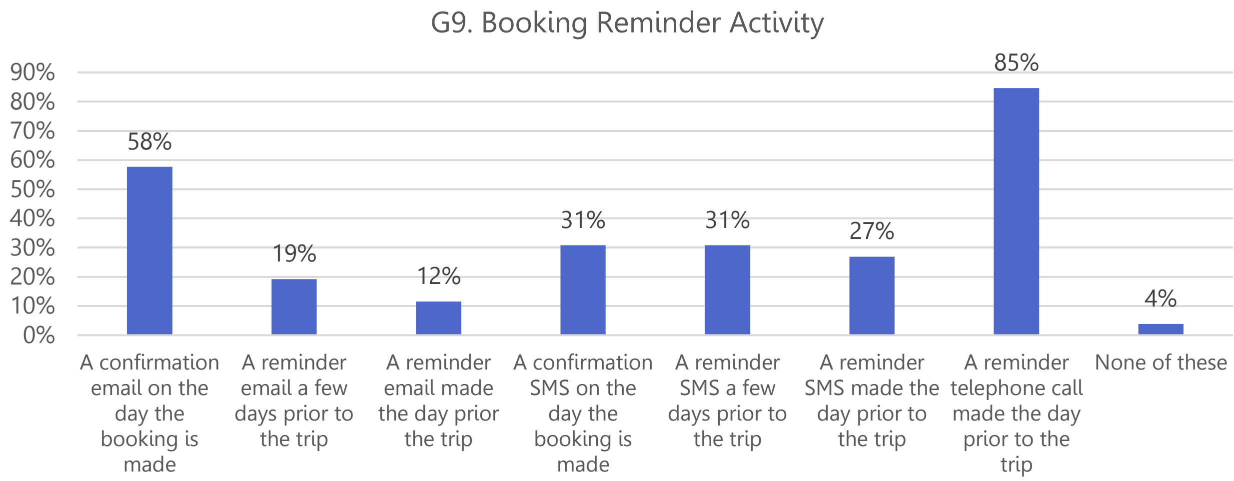
G8. Out of the following options, which option best describes your current booking process?	Total
Base: Total Respondents	26
I take payment in full for the booking up-front	8%
I take a deposit for the booking up-front, and the remainder on the day of the trip	42%
I take the full payment for the booking on the day of the trip	**46%**
Other	4%



Half of Charter Boat operators are taking at least a deposit for the booking up-front (8% taking the full payment up-front and 42% taking a deposit), and 46% are taking the full payment for the booking on the day of the trip. From the Client Survey the expectation is that there will be some form of up-front payment required, which appears to be a missed opportunity for operators to recoup some cost associated with cancellations, and an opportunity to better manage cash-flow.

G9. Booking Reminder Activity

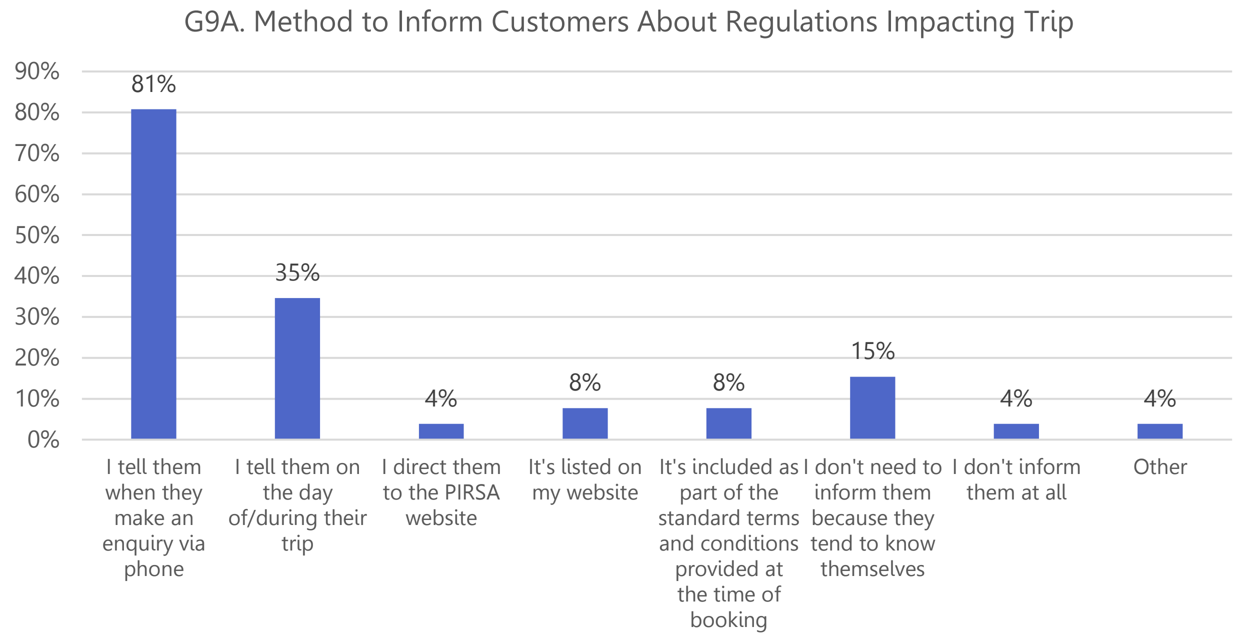
G9. Once a customer has made a booking, which of the following services do you offer?	Total
Base: Total Respondents	26
A confirmation email on the day the booking is made	58%
A reminder email a few days prior to the trip	19%
A reminder email made the day prior to the trip	12%
A confirmation SMS on the day the booking is made	31%
A reminder SMS a few days prior to the trip	31%
A reminder SMS made the day prior to the trip	27%
A reminder telephone call made the day prior to the trip	**85%**
None of these	4%



The majority of operators are reminding customers of their booking on the day prior to the trip itself by making a telephone reminder call (85%). Just over half of operators are sending a confirmation email on the day the booking is made (58%). This highlights an area to enhance client service and improve operator efficiencies.

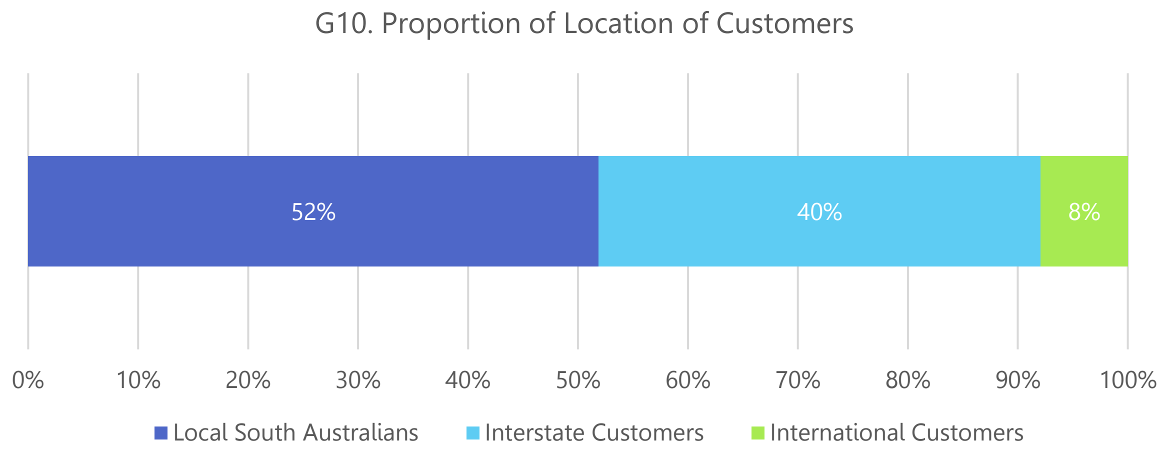
G9A. Method to Inform Customers About Regulations Impacting Trip

G9A. How do you currently inform your customers about fish species closures, bag limits and/or other regulations that might affect their trip?	Total
Base: Total Respondents	26
I tell them when they make an enquiry via phone	**81%**
I tell them on the day of/during their trip	35%
I direct them to the PIRSA website	4%
It's listed on my website	8%
It's included as part of the standard terms and conditions provided at the time of booking	8%
I don't need to inform them because they tend to know themselves	15%
I don't inform them at all	4%



Operators currently inform customers about fish species closures, bag limits and other regulations that might affect their trip at the time of the customers enquiry via phone (81%). Only 8% have this information listed on their website, and only 8% have these included as part of their standard terms and conditions. This result shows that the operators are informing their customers at the time of the enquiry process, potentially highlighting a limitation instead of promoting the benefits of their experience. This highlights an area to enhance client service and improve operator efficiencies.

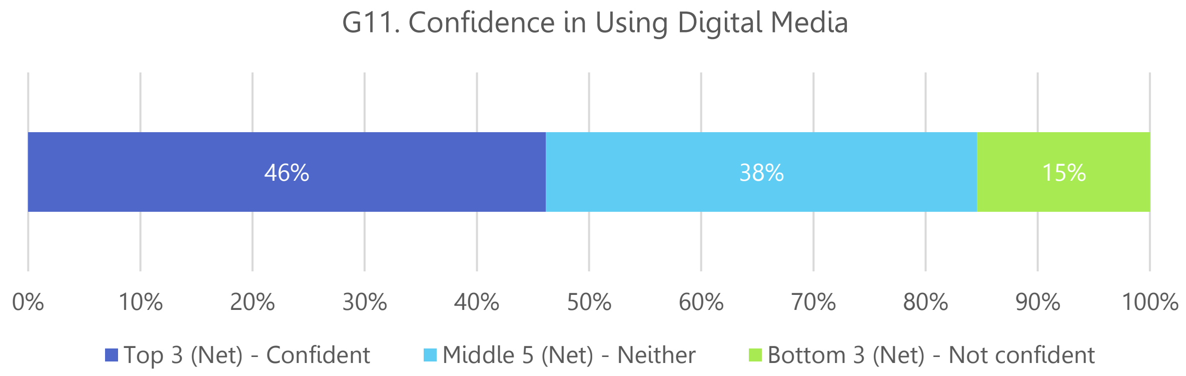
G10. What percentage of your customers would you estimate to be local South Australians, interstate customers, or international customers?



Operators estimate that approximately half of their customers are local South Australians, with 40% from interstate and 8% from overseas.

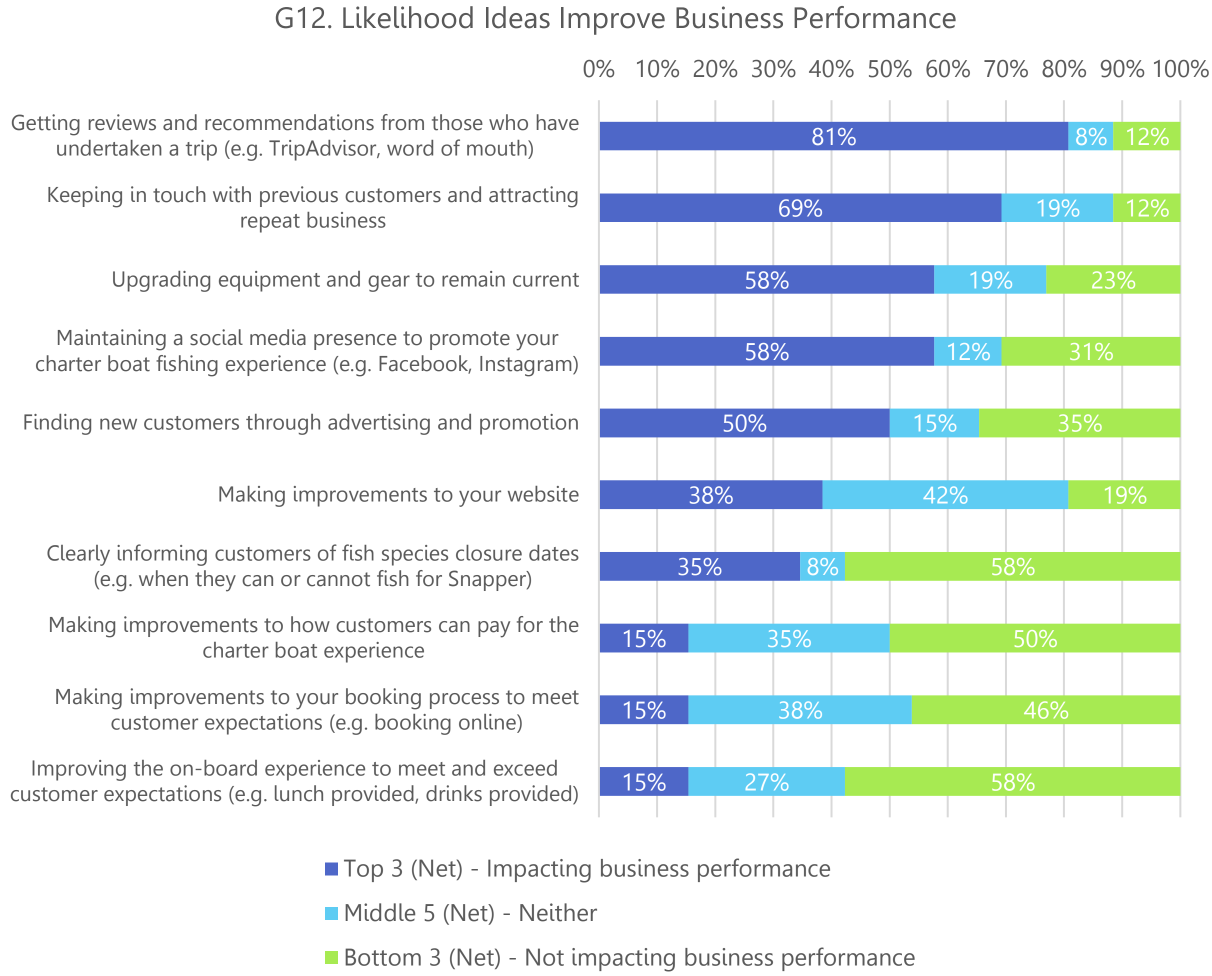
G11. Confidence in Using Digital Media

G11. How confident are you in using digital media to promote and attract customers to your business, such as using social media, online advertising, using booking websites, and customer review websites (e.g. TripAdvisor)? Please use a 0 to 10 scale where 0 means 'Not at all confident' and 10 means 'Extremely confident'.	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Confident	**46%**
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Neither	38%
Bottom 3 (Net) – 0, 1 or 2 – Not Confident	15%
Mean	6.4
Median	7.0



Just under half (46%) of operators are confident in using digital media to promote their businesses, with 38% neither confident nor not confident, and 15% not confident. As the Client Survey indicated, a requirement to promote Charter Boat fishing trip experiences via digital means, improving operators' confidence in digital media usage will be a key driver in building additional functionality in their businesses (such as website booking and payment systems).

G12. Prompted Ideas to Improve Business Performance



The Top 4 ideas that will help improve business performance include getting reviews and recommendations from those who have undertaken a trip (81%), keeping in touch with previous customers and attracting repeat business (69%), upgrading equipment and gear to remain current (58%) and maintaining a social media presence to promote your Charter Boat fishing experience (58%).

Ideas that are perceived to not improve business performance include improving the on-board experience to meet and exceed customer expectations (15%), making improvements to the booking process to meet customer expectations (15%) and making improvements to how customers can pay for the Charter Boat experience (15%). This highlights areas to enhance client service and improve operator efficiencies.

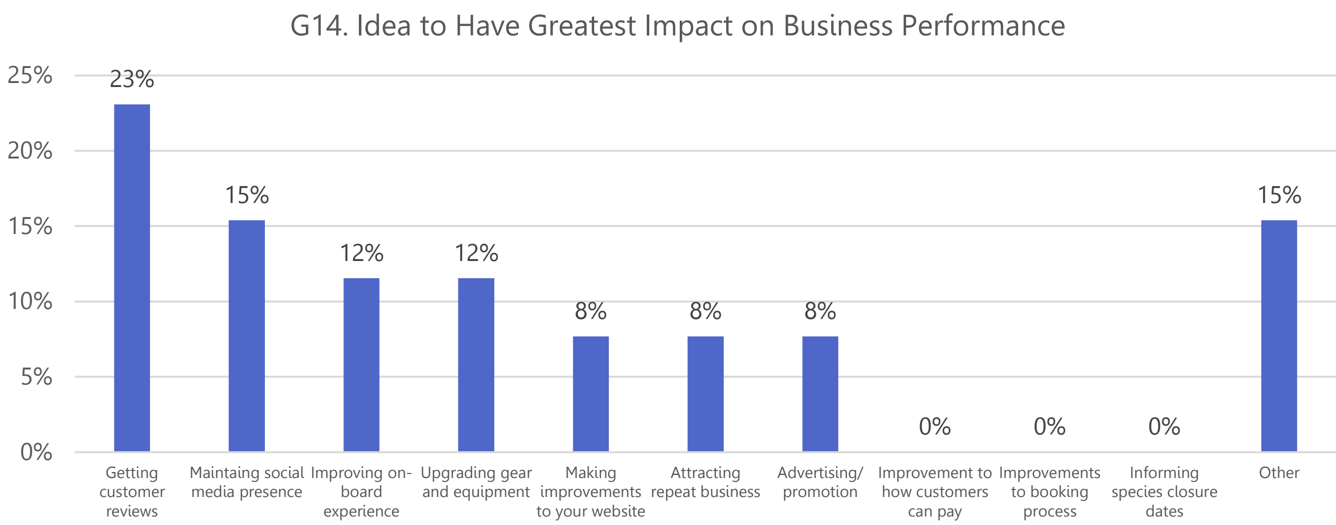
G13. Other Things to Improve Business Performance

G13. What other things could improve your business performance?	Total
Base: Total Respondents	26
Purchasing a larger vessel/bigger boat	**15%**
Providing an exemption to Charter Boat operators during closures/ providing better access to fishing areas	12%
Larger bag limits	8%
Reduction in government levies	8%
Better communication from government/PIRSA	8%
Being able to legally feed the dolphins	4%
Having fishery compliance officers doing their job	4%
Advertising/Promotions	4%
Having the economy improve	4%
Introduction of rock lobster fishing	4%
Word of mouth	4%
Improving local amenities	4%
Availability of staff	4%

Other ideas to improve business performance were captured as verbatim comments, and coded to provide the percentages above. The top additional ideas included purchasing a larger vessel (15%), providing an exemption to Charter Boat operators to be able to fish during closures (12%), and having larger bag limits (8%).

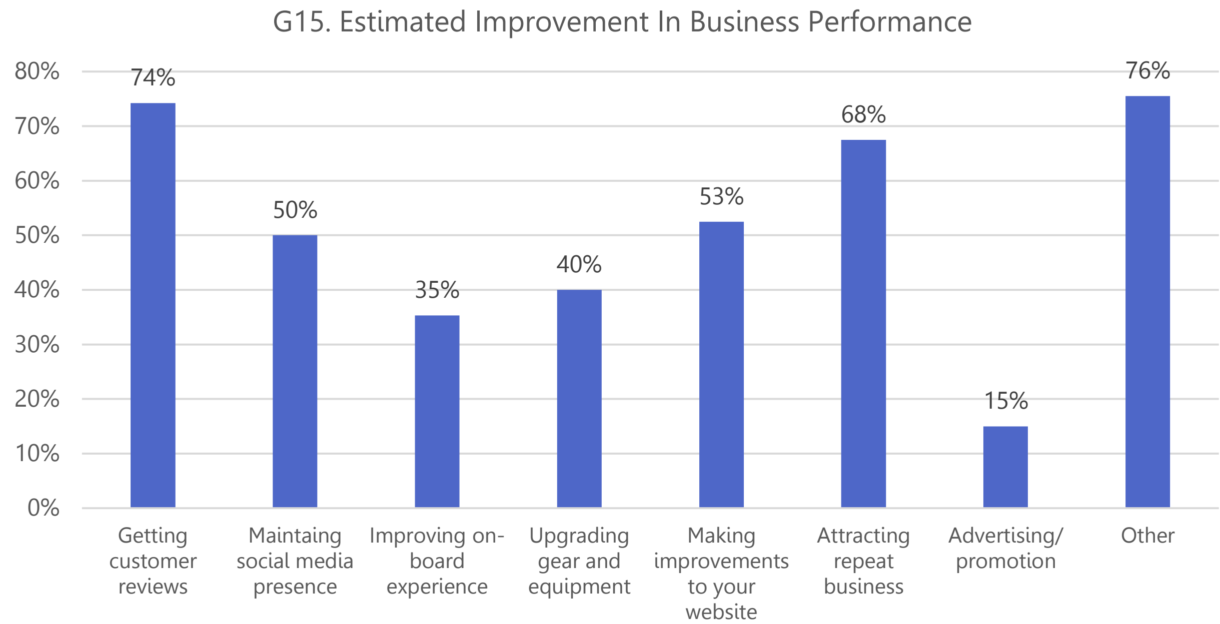
G14. Idea to Have Greatest Impact on Business Performance

G14. Out of those ideas, which would be the one that you believe would have the greatest impact on improving your business performance?	Total
Base: Total Respondents	26
Getting reviews and recommendations from those who have undertaken a trip	**23%**
Maintaining a social media presence to promote your Charter Boat experience	15%
Improving the on-board experience to meet and exceed customer expectations	12%
Upgrading equipment and gear to remain current	12%
Making improvements to your website	8%
Keeping in touch with previous customers and attracting repeat business	8%
Finding new customers through advertising and promotion	8%
Making improvements to how customers can pay for the Charter Boat experience	0%
Making improvements to your booking process to meet customer expectations	0%
Clearly informing customers of fish species closure dates	0%
Other	15%



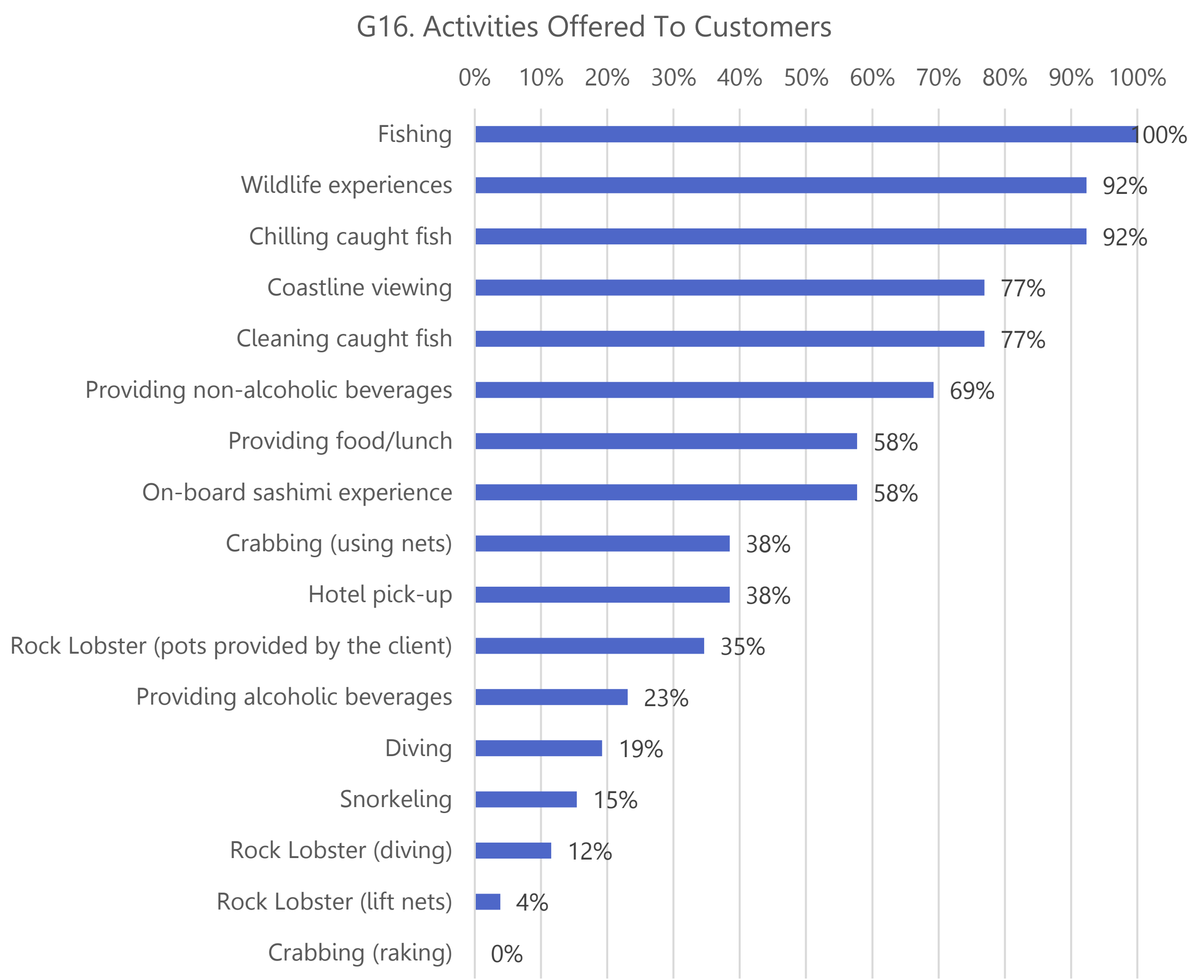
Getting reviews and recommendations from those who have undertaken a trip is perceived to be the idea that will have the greatest impact on business performance (23%), followed by maintaining a social media presence (15%), improving the on-board experience to meet and exceed customer expectations (12%) and upgrading equipment and gear to remain current (12%).

G15. Impact on Business Performance if Idea Implemented



The ideas that will have the greatest perceived positive impact on business performance include getting reviews and recommendations from those who have undertaken a trip (74%), keeping in touch with previous customers and attracting repeat business (68%) and making improvements to the website (53%).

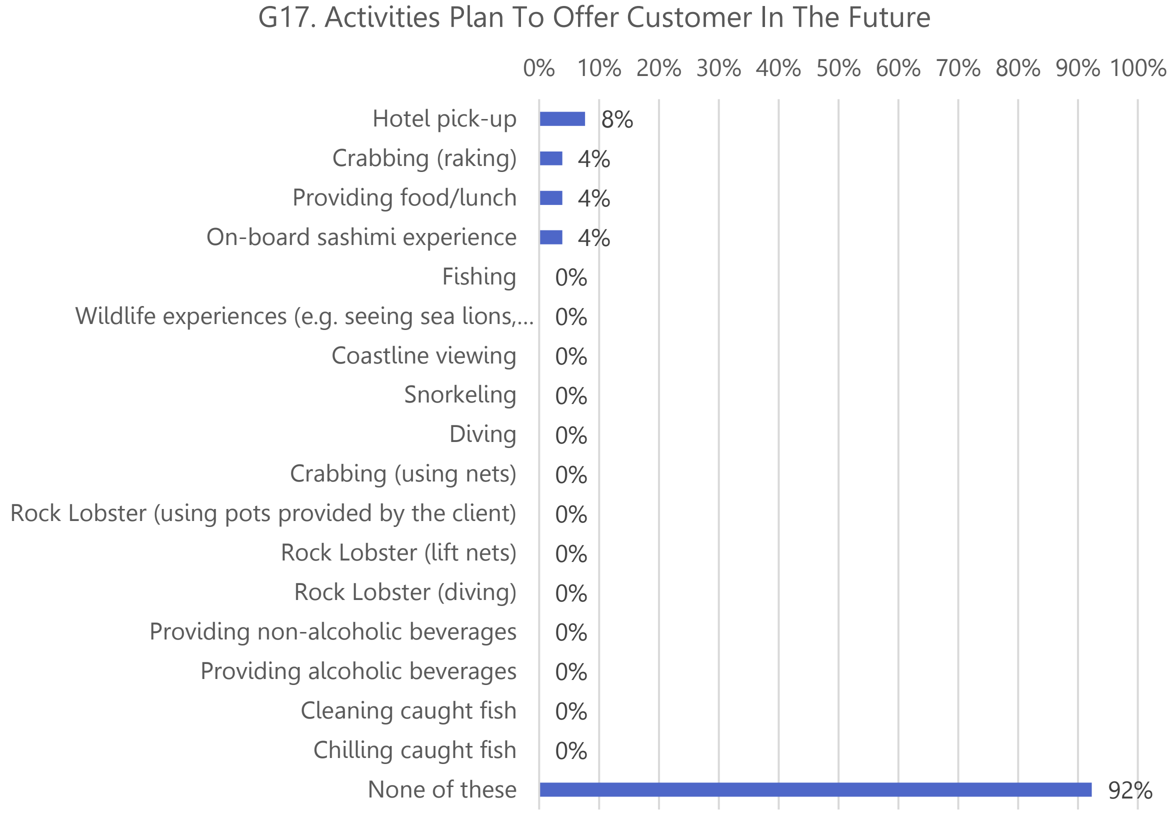
G16. Which of the following activities do you offer customers as a part of their trip?



The activities/services offered to customers on all or most trips include fishing (100%), wildlife experiences (92%), chilling caught fish (92%), coastline viewing (77% and cleaning caught fish (77%).

Only 58% of Charter Boat operators are providing food/lunch as part of the experience, and 69% are providing non-alcoholic beverages. From the Client Survey, these two items were considered 'must-haves', and represents a key element for Charter Boat operators to improve on.

G17. Which of these activities do you plan to offer your customers in the future?



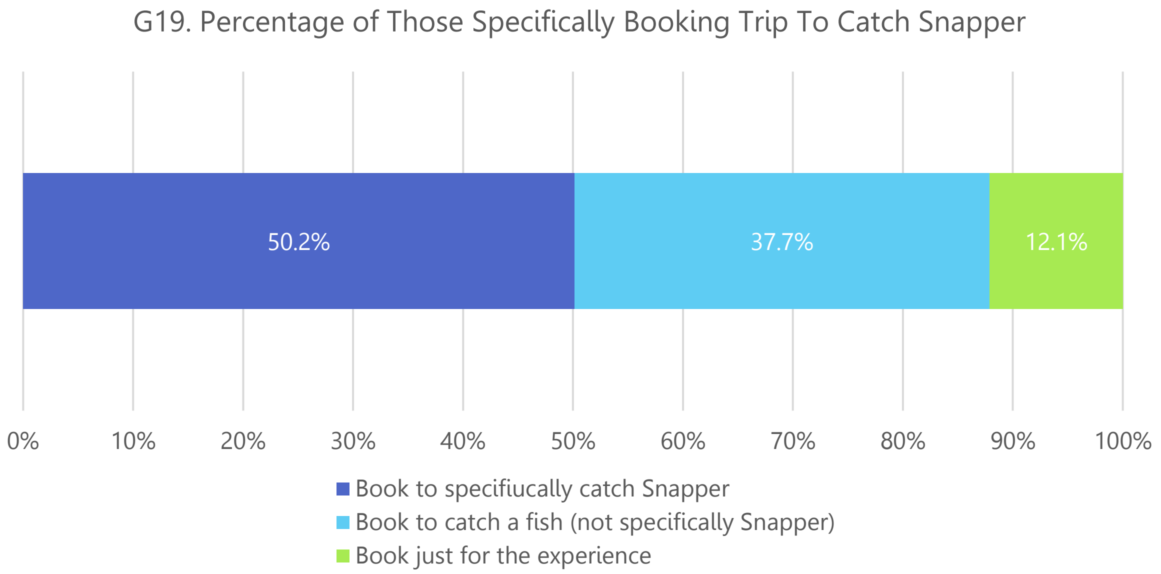
Most Charter Boat operators are not planning on offering additional activities/services in the future (92%).

G18. Experiences Like to Offer but Cannot Offer for Some Reason

G18. Is there any experience you would like to offer that you cannot offer for some reason? What would that experience be and what barriers are there to implementing this?
I would like to offer my clients more interaction with the dolphins but due to the current regulations, I am not able to
Big snapper fishing during the holiday period (Nov – Dec)
A helicopter transfer service but currently our boat is not big enough
When doing a charter, if the pots for lobster could be left in the water and pulled purely for the client. The allowance for tuna should be one per person.
I would do more family group tours to show them the seal colony and also give kids the experience to fish
I would like to offer customers a rock lobster experience with us providing the pots
We want to offer Rock Lobster fishing without my client base having to obtain their own amateur Rock Lobster licence
Shark cage diving but the restrictions are very high
White pointer cage diving. Barrier is the restricted licence
Day trips to outer islands (island discoveries) but this would take quite a lot of work

The above are verbatim comments captured in response to this question.

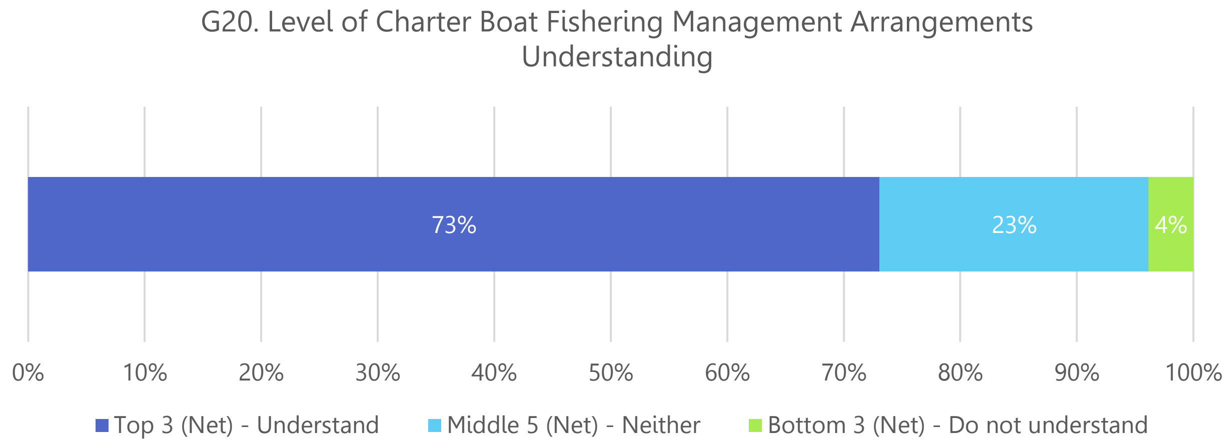
G19. Percentage of Those Specifically Booking Trip to Catch Snapper



Operators indicate that half of all their bookings are made to specifically catch Snapper (50%), with 38% booking to catch a fish, but not specifically Snapper, and 12% are booking just for the experience.

G20. Level of Understanding of the Charter Boat Fishery Management Arrangements

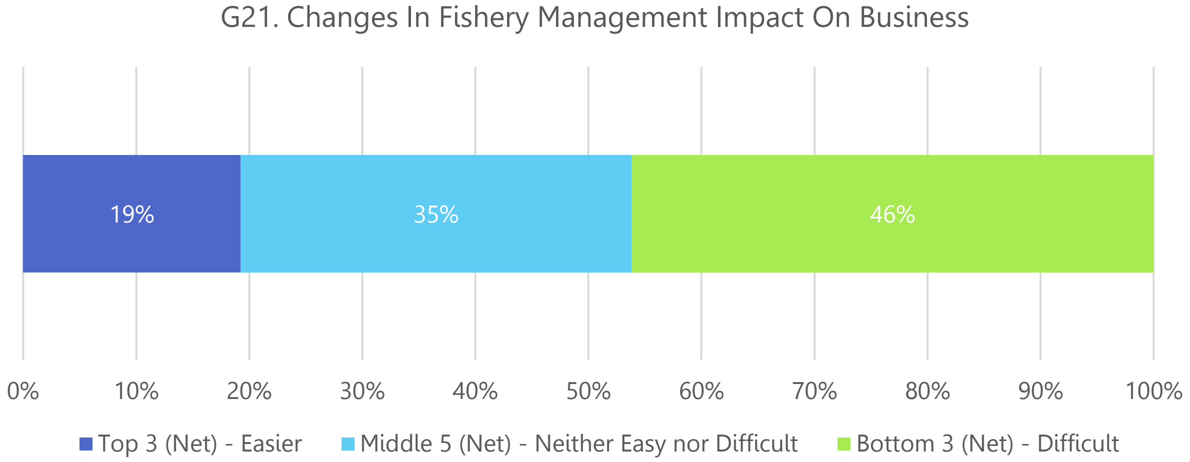
G20. How well do you feel you understand the Charter Boat fishery management arrangements? Please use a 0 to 10 scale where 0 means 'Not at all' and 10 means 'Completely'	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Understand	**73%**
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Neither	23%
Bottom 3 (Net) – 0, 1 or 2 – Do not understand	4%
Mean	8.1
Median	8.0



Overall, most Charter Boat operators indicate they understand (73%) the Charter Boat fishery management arrangements.

G21. Change in Fishery Management Impact on Business

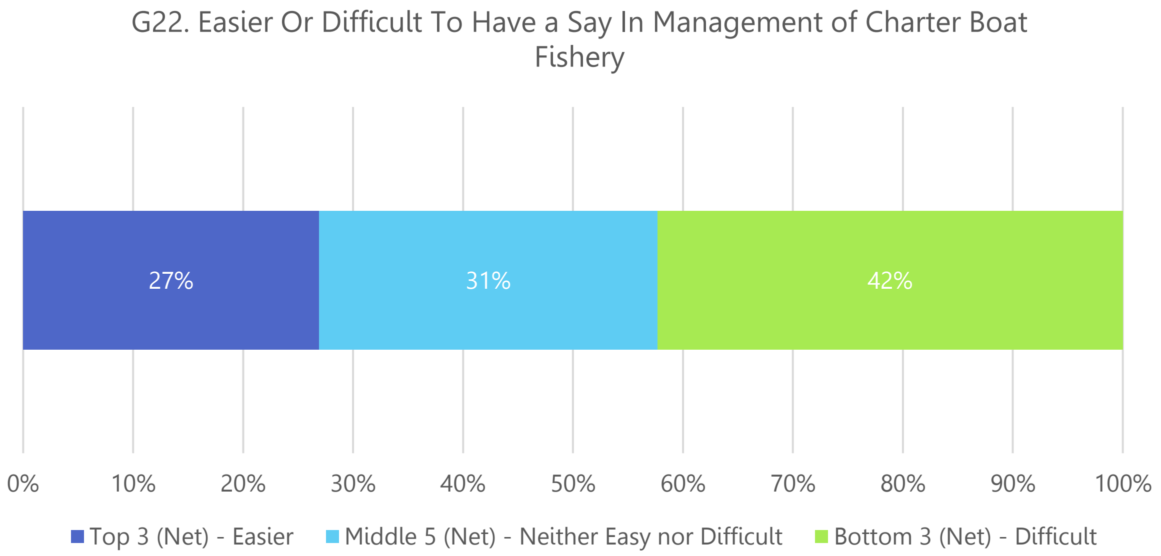
G21. Have changes in fishery management over the last few years made it easier or more difficult to run your Charter Boat business? Please use a 0 to 10 scale where 0 means 'Much more difficult' and 10 means 'Much easier'	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Easier	19%
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Neither	35%
Bottom 3 (Net) – 0, 1 or 2 – Difficult	**46%**
Mean	3.4
Median	3.0



Operators indicate the changes in fishery management over the last few years have made it more difficult to run their Charter Boat business (46%).

G22. Easier or Difficult to Have a Say in Management of Charter Boat Fishery

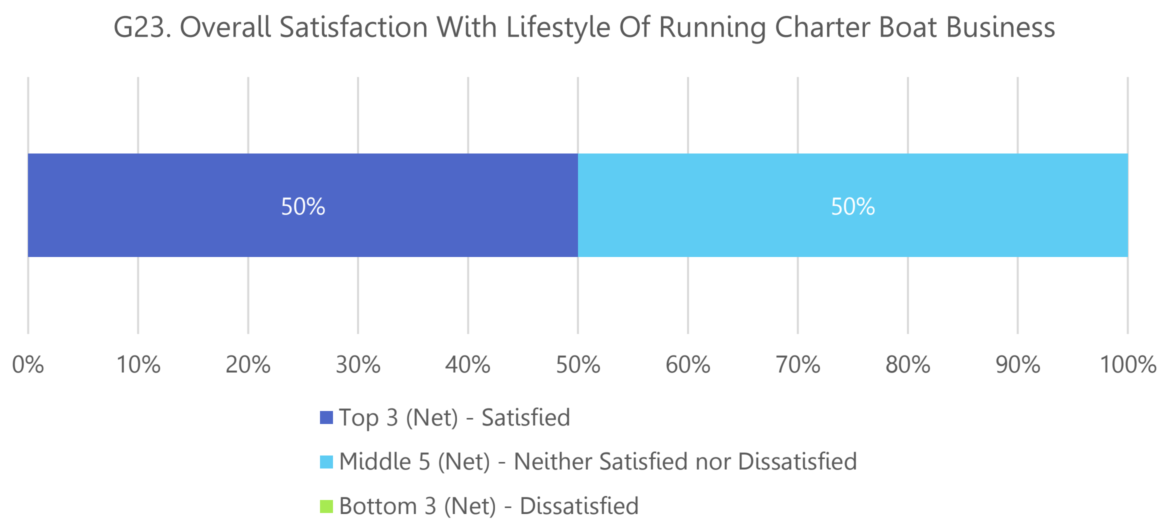
G22. Has it become easier or more difficult for you to have a say in the management of the Charter Boat Fishery over the last few years? Please use a 0 to 10 scale where 0 means 'Much more difficult' and 10 means 'Much easier'	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Easier	27%
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Neither	31%
Bottom 3 (Net) – 0, 1 or 2 – Difficult	**42%**
Mean	4.3
Median	5.0



Operators indicate it has become more difficult to have a say in the management of the Charter Boat Fishery over the last few years (42%).

G23. Overall Satisfaction with Charter Boat Business Lifestyle

G23. How would you rate your overall satisfaction with the lifestyle of running a Charter Boat business over the last 12 months? Please use a 0 to 10 scale where 0 means 'Not at all satisifed' and 10 means 'Extremely satisfied'	Total
Base: Total Respondents	26
Top 3 (Net) – 8, 9 or 10 – Satisfied	**50%**
Middle 5 (Net) – 3, 4, 5, 6 or 7 – Neither	**50%**
Bottom 3 (Net) – 0, 1 or 2 – Dissatisfied	0%
Mean	6.9
Median	7.5



Half of operators indicate they are satisfied with the lifestyle of a Charter Boat Business, with 50% indicating they are neither satisfied nor dissatisfied, providing an overall result of 'somewhat satisfied' with a mean score of 6.9 out of 10.

4. Summary and Recommendations

Licence Holder Summary

Licence Holders are defined as those who have a current and active Charter Boat licence in South Australia. This group is more likely to:

> Have operated in the Charter Boat fishery for a significant amount of time, with 17.1 years the average length of time working in the industry.
> Have owned a licence for over 10 years (average 12.9 years).
> Be a single generation business (88%).
> Be a member of the Surveyed Charter Boat Owners and Operators Association of South Australia (69%).
> Be middle-aged, with an average operator age of 55 years.

Licence Holders tend to lack confidence in their business and the industry as a whole, with the majority of Licence Holders:

> Indicating their business performance has stayed the same across the last 12 months (69%).
> Claiming there is unlikely to be any significant improvement in their business performance across the next 12 months (mean score of 3.7 out of 10).
> Perceiving the Charter Boat industry to be in decline (mean score of 3.6 out of 10).

The top-of-mind (unprompted) key issues impacting their businesses include:

> Closures of areas where fishing has been undertaken previously/Nov-Dec Snapper closure/Marine Parks (35%).
> Fish stocks/number of fish available (19%).
> Reductions in bag limits (12%).

When prompted with a list of issues to rate, the top 3 issues impacting the Charter Boat industry are perceived to be:

> Species closures (e.g. Snapper closure between Nov 1 and Dec 15) (62%).
> Yearly cost of Charter Boat licence (58%).
> Current access to fishing areas (46%).

The top-of-mind (unprompted) changes operators consider would improve their business include:

> Reopening closed areas/dates for fishing, giving access to areas closed for fishing e.g. Marine Parks (23%).
> Advertising/promotion of Charter Boat fishing/SA Tourism to promote (12%).
> Increasing bag limits to improve Charter Boat customer satisfaction (12%).

When prompted with a range of ways Licence Holders could improve their business performance, the top opportunities identified include:

- Getting reviews and recommendations from those who have undertaken a trip e.g. TripAdvisor, word of mouth (81%).
- Keeping in touch with previous customers and attracting repeat business (69%).
- Upgrading gear and equipment to remain current (58%).
- Maintaining a social media presence to promote your Charter Boat fishing experience (58%).

The ideas that would have the greatest positive impact on their business include:

- Getting reviews and recommendations from those who have undertaken a trip e.g. TripAdvisor, word of mouth (Positive 74% increase in business performance).
- Keeping in touch with previous customers and attracting repeat business (Positive 68% increase in business performance).
- Making improvements to your website (Positive 53% improvement in business performance).

In terms of how Licence Holders are promoting their businesses:

- 85% are using social media for the business.
- 81% are operating a website.
- 73% using email communication to send information and/or offers to clients.

Licence Holders are less likely to undertake advertising with:

- 42% advertising online (such as Google Ads).
- 42% advertising through the South Australian Tourism Commission's tour portal.
- 23% attending trade shows/expositions (e.g. SA Boat and Fishing Show).
- 8% advertising on radio (such as 5AA's Fishing Show).

Licence Holders are generally not confident in using digital media to promote and attract customers (54%).

Licence Holders usually take booking by phone (96%), and only 27% are undertaking bookings through their website. Licence Holders are not using alternative booking methods such as booking websites, travel agents, or through hotel concierges.

Only half of Licence Holders are taking some form of payment up front (either payment in full (8%) or a deposit (42%), with 46% taking full payment for the trip on the day of the trip itself.

Licence Holders are generally making a reminder call the day prior to the trip itself (85%), with only 58% sending a confirmation on the day the booking is made.

Licence Holders are generally informing the customers at the time of enquiry about fish species closures, bag limits and/or other regulations (81%), with only 8% having information regarding these regulations available on their website, and 8% having these included in their standard terms and conditions.

In regards to activities/services provided as part of a Charter Boat Fishing experience; Licence Holders are providing:

> Fishing (100%)
> Wildlife Experiences (92%)
> Chilling caught fish (92%)
> Coastline viewing (77%)
> Cleaning caught fish (77%)

Licence Holders are less likely to be providing:

> Non-alcoholic beverages (69%)
> Food/lunch (58%)
> Alcoholic beverages (23%)

Licence Holders perceive that approximately half of all bookings made are doing so to fish specifically for Snapper (50.2%), with 38% booking to catch fish (not specifically Snapper) and 12% booking for the experience itself.

Licence Holders generally feel they understand the Charter Boat fishery management requirements (73%). Nearly half believe that recent changes in fishery management have made it more difficult to run their business (46%) and believe it is more difficult to have a say in the management of the Charter Boat Fishery (42%). They are somewhat satisfied with the lifestyle of running a Charter Boat business (6.9 out of 10).

In summary, the Licence Holders are currently lacking confidence in their business performance and in terms of where the industry is currently headed. They believe the key top-of-mind issues for this relate to the fishing closures, fishing zones and bag limits. Licence Holders recognise that word-of-mouth recommendations and the importance of maintaining a social media presence are their key drivers for new business, but lack the confidence to be able to use digital media to promote their business. While most are operating a website and have some form of social media presence, only a quarter are taking online bookings, and half are not taking any up-front customer payments. The Licence Holders are taking responsibility to inform their customers about fish species closures, bag limits and other regulations, and are doing so at the time of phone enquiry, and not providing this information on their website or as part of standard terms and conditions. The experiences they offer will always include fishing, and mostly include wildlife experiences, and some coastline viewing, but will not always be accompanied by food and/or drink. Licence Holders believe that half of all bookings made are to specifically catch Snapper.

Comparison to Client Survey

When comparing the Licence Holder survey results with those from the recently completed Client Survey we are able to determine specific areas where the Licence Holders are meeting expectations and areas where there are opportunities for improvement.

Licence Holders are accurately recognising the importance and power of recommendation and how receiving a positive review can be a powerful business growth driver for their business. Current Clients (those who have undertaken a trip within the last 12 months) have a higher Net Promoter Score than Lapsed Clients (those who have undertaken a trip, but not within the last 12 months), and Licence Holders need to leverage this group by being asked to tag the Charter Boat operator in social media posts, photos and providing positive reviews on TripAdvisor. This request is best made at the conclusion of the trip.

The three most important elements for clients are for Licence Holders to provide a safe trip, to provide a fun and enjoyable experience and to catch fish. These are the three elements where the importance was higher than performance for clients, indicating areas for Licence Holders to improve. Other key expected elements include having lunch and drinks provided as part of the experience, and should, in-fact, be considered as 'must-haves' for Licence Holders to provide.

Clients are expecting to book their experience online via the Charter Boat operator's website. This is a key area for Licence Holders to improve as only 27% of current Licence Holders are taking online bookings.

Similarly, clients are expecting to make some form of up-front payment, with either a deposit made at the time of booking (63%) or payment to be made in full (30%), with only 7% indicating payment should be made on the day of the trip. Currently only 50% of Licence Holders are taking some form of up-front payment, potentially leading to loss of income due to last minute cancellations.

The majority of clients expect to receive a confirmation email on the day the booking is made (68%) with only 14% expecting to receive a reminder call the day before the experience. Currently 58% of Licence Holders are sending an email on the day of the booking, and the majority (85%) are making reminder calls the day prior to the experience.

Clients would be interested in wildlife experiences and coastline viewing as a part of their trip, and Licence Holders indicate these are currently being provided – wildlife experiences (92% currently offered) and coastline viewing (77% currently offered). These should form a key part of the marketing collateral for the operators.

Clients consider Snapper to be the main fish species associated with fishing in South Australia. If clients could not fish for Snapper, the majority (70%) would be completely satisfied fishing for another species. Licence Holders indicate that 50% of all bookings are made to specifically fish for Snapper, indicating an opportunity for Licence Holders to refocus their marketing on a range of species to catch.

Conclusion and Recommendation

A Charter Boat Fishery Growth Plan (Growth Plan) is being prepared as part of this project. The Growth Plan will identify the key issues identified through both the Client Survey and the Licence Holders' Survey and distil this into an actionable plan for the Charter Boat industry.

Appendix A - Questionnaire

Charter Boat Fishery Economic Indicators & Industry Growth Study 2017/18

Survey Version 12

Please read this first:

- Unless otherwise specified please only include the amounts that can be attributed to your Charter Boat business for the **2017/18** financial year
- If exact figures are not available, please provide careful estimates.

PART A GENERAL INFORMATION

1.How many years have you worked in the Charter Boat fishery? ___________________

2.How long have you owned a licence in the Charter Boat fishery? ___________________

3.How many generations of your family have worked in the Charter Boat fishery?

____

3a. Are you currently a member of the Surveyed Charter Boat Owners and Operators Association of South Australia (SCBOOASA)?

Yes

No

Not sure

4. Please indicate (circle) your age bracket:

Under 25	26–30	31–35	36–40	41–45
46–50	51–55	56–60	61-65	Over 65

5. In which of the following fishing regions did you operate during 2017/18?

☐ West Coast	☐ Spencer Gulf / Coffin Bay
☐ Gulf St Vincent / Kangaroo Island	☐ Victor Harbor / South East
☐ Other (specify) ………………………………	

6. What is the name of your hometown? _______________________

7. What is the name of your homeport? ________________________

PART G INDUSTRY GROWTH

[ASK ALL]

G1. Over the last 12 months, how would you rate your overall business performance? Please use a 0 to 10 scale where 0 means your business performance has declined a great deal, 5 means your business performance has stayed the same, and 10 means your business performance has improved a great deal.

(0) Declined a great deal	(1)	(2)	(3)	(4)	(5) Stayed the same	(6)	(7)	(8)	(9)	(10) Improved a great deal

[ASK ALL]

G2. How likely is it that there will be a significant positive improvement in the performance <u>of your business</u> in the next 12 months? Please use a 0 to 10 scale, where 0 means 'Not at all likely', and 10 means 'Extremely likely'.

(0) Not at all likely	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Extremely likely

[ASK ALL]

G3. When you look at the performance of the Charter Boat Fishing Industry overall in South Australia, do you feel that it is improving, staying about the same or declining? Please use a 0 to 10 scale where 0 means 'Declining' and 10 means 'Improving.

(0) Declining	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Improving

[ASK ALL]

G4. What are the key issues impacting on your business performance? What specific things could be improved that would have a positive impact on your business performance?

[CAPTURE SINGLE BIGGEST OPPORTUNITY TO IMPROVE PERFORMANCE, THEN CAPTURE OTHER OPPORTUNITIES]

OPEN END

[ASK ALL]

G5. Please rate each of the following possible factors impacting your business performance using a 0 to 10 scale where 0 means 'Not impacting my business performance at all', and 10 means 'A major impact on my business performance'.

Loss of income due to poor weather conditions	0-10
Quantity of fish stocks generally	0-10
Quantity of fish stocks - species I specifically fish for	0-10
Yearly cost of Charter Boat license	0-10
Current access to fishing areas	0-10
Species closures (e.g. Snapper closure between Nov 1 to Dec 15)	0-10
Gear and technique restrictions	0-10
Declining interest in Charter Boast fishing trips	0-10
Increase in the number of Recreational fishing boats	0-10
Competition from other Charter Boat operators	0-10
Quality of current boat ramps/boat launch points	0-10
Current amenities for customers in your region (e.g. flights, accommodation, restaurants)	0-10
Customer cancellations	0-10

[ASK ALL]

G6. Which of the following promotional methods do you use to attract customers to your business offering? Please select all that apply.

1. Operate a website
2. Email information and/or offers to past clients
3. Utilise social media for the business (such as Facebook)
4. Advertise online (such as Google ads)
5. Advertise in print publications (local newspapers/fishing magazines)
6. Attend trade shows/expositions (e.g. SA Boat and Fishing Show)
7. Print pamphlets/brochures for display in hotels/tourist centres
8. Advertise through South Australian Tourism Commission's tour portal
9. Advertise on radio (such as 5AA's fishing show)
10. Other (specify)

[ASK ALL]

G7. How do most customers book a Charter Boat fishing trip with you currently?

1. Phone call (mobile phone or landline)
2. Email
3. SMS
4. Through our website
5. Through a booking website
6. Through a hotel (e.g. concierge)
7. Through a travel agent
8. Through social media (e.g. Facebook Messenger)
9. Other (specify)

[ASK ALL]

G8. Out of the following options, which option best describes your current booking process?

1. I take payment in full for the booking up-front
2. I take a deposit for the booking up-front, and the remainder on the day of the trip
3. I take the full payment for the booking on the day of the trip
4. Other (specify)

[ASK ALL]

G9. Once a customer has made a booking, which of the following services do you offer? Select as many as apply to you.

1. A confirmation email on the day the booking is made
2. A reminder email a few days prior to the trip
3. A reminder email made the day prior the trip
4. A confirmation SMS on the day the booking is made
5. A reminder SMS a few days prior to the trip
6. A reminder SMS made the day prior to the trip
7. A reminder telephone call made the day prior to the trip
8. None of these

[ASK ALL]

G9a How do you currently inform your customers about fish species closures, bag limits and/or other regulations that might affect their trip? [MR]

1. I tell them when they make an enquiry via phone
2. I tell them on the day of/during their trip
3. I direct them to the PIRSA website
4. It's listed on my website
5. It's included as part of the standard terms and conditions provided at the time of booking
6. I don't need to inform them because they tend to know themselves
7. I don't inform them at all
8. Other (specify)

[ASK ALL]

G10. What percentage of your customers would you estimate to be local South Australians, interstate customers, or international customers?

Local South Australians	
Interstate customers	
International customers	
Must add to 100%	**100%**

G11. How confident are you in using digital media to promote and attract customers to your business, such as using social media, online advertising, using booking websites, and customer review sites (e.g. TripAdvisor)? Please use a 0 to 10 scale where 0 means 'Not at all confident' and 10 means 'Extremely confident'.

(0) Not at all confident	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Extremely confident

G12. Below are some ideas that could help to improve your business performance. Please rate each one using a 0 to 10 scale where 0 means 'Not at all likely to improve my business performance' and 10 means 'Extremely likely to improve my business performance'.

A. Making improvements to your website	0-10
B. Making improvements to how customers can pay for the Charter Boat experience	0-10
C. Making improvements to your booking process to meet customer expectations (e.g. booking online)	0-10
D. Improving the on-board experience to meet and exceed customer expectations (e.g. lunch provided, drinks provided)	0-10
E. Clearly informing customers of fish species closure dates (e.g. when they can or cannot fish for Snapper)	0-10
F. Upgrading equipment and gear to remain current	0-10
G. Getting reviews and recommendations from those who have undertaken a trip (e.g. TripAdvisor, word of mouth)	0-10
H. Keeping in touch with previous customers and attracting repeat business	0-10
I. Maintaining a social media presence to promote your Charter Boat fishing experience (e.g. Facebook, Instagram)	0-10
J. Finding new customers through advertising and promotion	0-10

[ASK ALL]

G13. What other things could improve your business performance?

OPEN END

[ASK ALL]

G14. Out of those ideas, which would be the one that you believe would have the greatest impact on improving your business performance?

1. Making improvements to your website
2. Making improvements to how customers can pay for the Charter Boat experience
3. Making improvements to your booking process to meet customer expectations (e.g. booking online)
4. Improving the on-board experience to meet and exceed customer expectations (e.g. lunch provided, drinks provided)
5. Clearly informing customers of fish species closure dates (e.g. when they can or cannot fish for Snapper)
6. Upgrading equipment and gear to remain current
7. Getting reviews and recommendations from those who have undertaken a trip (e.g. TripAdvisor, word of mouth)
8. Keeping in touch with previous customers and attracting repeat business (maintaining a customer database)
9. Maintaining a social media presence to promote your Charter Boat experience
10. Finding new customers through advertising and promotion
11. Other (please specify)

[ASK ALL]

G15. If this idea was implemented, how much would this improve your business performance? Please estimate the percentage improvement for your overall business.

[NUMERICAL INPUT – ALLOW FROM 1 to 1,00]

[ASK ALL]

G16. Which of the following activities do you offer customers as a part of their trip? Please select all that apply

1. Fishing
2. Wildlife experiences (e.g. seeing sea lions, dolphins etc.)
3. Coastline viewing
4. Snorkeling
5. Diving
6. Crabbing (using nets)
7. Crabbing (raking)
8. Rock Lobster (using pots provided by the client)
9. Rock Lobster (lift nets)
10. Rock Lobster (diving)
11. Providing food/lunch
12. Providing non-alcoholic beverages
13. Providing alcoholic beverages
14. Cleaning caught fish
15. Chilling caught fish
16. Hotel pick-up

17. On-board sashimi experience

[ASK ALL]

G17. Which of these activities do you plan to offer your customers in the future? Please select all that apply.

1. Fishing
2. Wildlife experiences (e.g. seeing sea lions, dolphins etc.)
3. Coastline viewing
4. Snorkeling
5. Diving
6. Crabbing (using nets)
7. Crabbing (raking)
8. Rock Lobster (using pots provided by the client)
9. Rock Lobster (lift nets)
10. Rock Lobster (diving)
11. Providing food/lunch
12. Providing non-alcoholic beverages
13. Providing alcoholic beverages
14. Cleaning caught fish
15. Chilling caught fish
16. Hotel pick-up
17. On-board sashimi experience

[ASK ALL]

G18. Is there any experience you would like to offer that you cannot offer for some reason? What would that experience be and what barriers are there to implementing this?

OPEN END

[ASK ALL THOSE WHO OFFER FISHING AT G12]

G19. What percentage of your customers would book a Charter Boat fishing experience to specifically catch Snapper, versus those who book to catch a fish (not specifically Snapper), versus those who book just for the experience?

Book to specifically catch Snapper	
Book to catch a fish (not specifically Snapper)	
Book just for the experience	
Must add to 100%	**100%**

[ASK ALL]

G20. How well do you feel you understand the Charter Boat fishery management arrangements? Please use a 0 to 10 scale where 0 means 'Not at all' and 10 means 'Completely'.

(0) Not at all	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Completely understand

[ASK ALL]

G21. Have changes in fishery management over the last few years made it easier or more difficult to run your Charter Boat business? Please use a 0 to 10 scale where 0 means 'Much more difficult' and 10 means 'Much easier'.

(1) Much more difficult	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Much easier

[ASK ALL]

G22. Has it become easier or more difficult for you to have a say in the management of the Charter Boat Fishery over the last few years? Please use a 0 to 10 scale where 0 means 'Much more difficult' and 10 means 'Much easier'.

(0) Much more difficult	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Much easier

[ASK ALL]

G23. How would you rate your overall satisfaction with the lifestyle of running a Charter Boat business over the last 12 months? Please use a 0 to 10 scale where 0 means 'Not at all satisfied' and 10 means 'Extremely satisfied'.

(0) Not at all satisfied	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Extremely satisfied

PART B CONTRIBUTION TO THE COMMUNITY

1. Please indicate the time spent on community-related activities during times when you and others employed on your licence are not working in the Charter Boat business.

Community Activity	**Hours per month (average)**
Volunteering for sporting clubs	
Volunteering for community services (e.g. CFS, SES, Ambulance, schools)	
Participating in marine rescue and recovery	
Attending meetings, seminars, workshops that are fishing industry related	
Participation in fishing-related research (does not include the provision of catch and effort data)	
Provision of technical advice to committees, panels etc on matters related to the fishing industry	
Participating in conservation activities (e.g. bird counts, water watch)	
Other (please specify):	

2. In addition to the above, are there other ways in which you as a licence holder or the Charter Boat fishery as a whole contribute to the social, environmental and heritage values of the local community (e.g. Organising social events, contributing fish to community groups, fish care)?

4. Please indicate the number of people in your immediate family who currently live in your local community.

	Dependent Family members		Independent Family members	
	Children (under the age of 18)	**Other (i.e. spouse or dependent parents)**	**Children (over the age of 18)**	**Other (i.e. spouse or parents)**
Your Family				
Employees' families (if known)				

5. How many children in your family and those of others you employ in your Charter Boat operations currently attend local schools?

Your family ______________________

Employees' families (if known) ______________________

PART D EXPENDITURE

1. Please provide estimates of your direct costs and administrative costs associated with operating in the Charter Boat fishery for the whole of the 2017/18 financial year. For your administrative costs, only include the amount that can be attributed to Charter Boat activities (please provide values *exclusive* of GST).

Direct Operating Costs (2017/18)	**$ (excl. GST)**
Boat fuel and lubricants	
Bait and ice	
Fishing tackle	
Skipper fees	
Crew wages	
Provisions	
Fishing licence fees	
Repairs and maintenance to boat and equipment	
Slipping/mooring/boat survey	
Protective clothing	
Uniforms	
Advertising and promotion	
Other costs (provide details)	
Administrative Costs (2017/18)	**$ (excl. GST)**
Insurances – vessels	
Insurances – other (e.g. trip insurance)	
Legal & accounting	

Communication –telephone, email, website maintenance	
Power	
Repairs and maintenance to buildings/plant	
Repairs and maintenance to motor vehicles	
Rates	
Rents	
Leasing charges and fees	
Interest and borrowing costs	
Travel, accommodation	
Membership, association expenses	
Other expenses (specify)	

PART E EMPLOYMENT

1. How many people are employed in your Charter Boat operations (average for financial year 2017/18), including yourself, paid employees and unpaid family helpers involved in running the fishing business, whether they are involved in actual fishing time, maintenance of fishing equipment, or the management (e.g. bookkeeping, attending meetings etc.) of the fishing operations?

Year	Full-Time	Part Time	
		No of Persons	**Full Time Equivalent**
2017/18			

2. Please estimate the number of days in 2017/18 that were spent on these activities by people who were not paid a wage (assuming an average of 8 hours per business day).

		Repairs & Maintenance (days)	Management & Administration (days)
You (licence holder)			
Family (unpaid)			
Other unpaid labour			

3. Did you participate in any other fisheries, either by fishing directly or by any other fishing related activities (e.g. repairs and maintenance), during 2017/18? (Please circle one response below)

YES / NO

4. If **YES**, did you undertake these activities as a result of a licence you own or were you employed by another fishing business? (Please circle one response below)

Licence you own / Employed by another fishing business

PART F BUSINESS OPERATION

1. What is the survey capacity of your boat? Please indicate (circle):

Boat One	0-6 people	7-12 people	More than 12 people
Boat Two	0-6 people	7-12 people	More than 12 people
Boat Three	0-6 people	7-12 people	More than 12 people

2. How long is your boat?

Boat One __________________ Boat Two _________________ Boat Three _________________

3. What is the total HP of your boat?

Boat One __________________ Boat Two _________________ Boat Three _________________

4. How many years old is your boat?

Boat One __________________ Boat Two _________________ Boat Three _________________

5. What do you think is the current value of your boat?

Boat One __________________ Boat Two _________________ Boat Three _________________

6. Please estimate the current value of all non-boat capital in your Charter Boat business (i.e. vehicles, trailers, equipment, fridges, sheds etc.): $____________________________

7. Please estimate the total depreciation in all of your boat and non-boat capital for the 2017-18 financial year: $____________

8. If this capital is not solely used for the Charter Boat fishery, what is the percentage of your capital used for the Charter Boat fishery?____________%

9. What is your estimate of the current market value of your Charter Boat licence? $______________

10. For each trip type listed in the table below, please record the number of clients and the average price per client for 2017/18.

Trip Type	**No. of trips**	**Number of clients (average per trip)**	**Average price per client**
Half day (< 6 hours)			
Single day (6-12 hours)			
Overnight (> 12 hours)			
Overnight (2 nights)			
Overnight (>3 nights)			

11. What was your total revenue from Charter Boat operations in the 2017/18 financial year?

$_______________________________________

Thank you for completing this survey

Appendix B – Tables and Charts

These have been provided as separate file attachments.

Appendix 4 South Australian Charter Boat Fishery Growth Plan (Action Market Research et al, 2019f)

action market research

hudson howells
strategic management consultants

SA Charter Boat Fishery

Growth Plan

June 2019

FRDC

This study, '2018-154: A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery' is supported by funding from the FRDC on behalf of the Australian Government.

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1 INTRODUCTION

This Growth Plan has been prepared to support the development of the South Australian Charter Boat Fishery.

The preparation of this Growth Plan has been made possible by project 2018-154 'A market research-driven and co-management approach to developing an industry strategy for the South Australian Charter Boat Fishery' which has been supported by funding from the Fisheries Research and Development Corporation on behalf of the Australian Government.

The Charter Boat Fishery is a commercial platform for undertaking recreational fishing. In 2016/17, there were 100 licenced Charter Boat operators of which only 59 were active, and the number of active licences has been declining since 2005/06 (by almost 25%). Over the same period the number of clients has declined to the lowest levels recorded, from 19,540 clients in 2005/06 to 14,459 clients in 2016/17.

The Charter Boat industry has highlighted a need to address this declining trend through understanding the needs and wants of the Fishery's client group (recreational fishers), identifying growth opportunities and determining the capacity of the Charter Boat Fishery to optimise these opportunities.

Action Market Research and Hudson Howells were engaged by BDO EconSearch to undertake research into the Charter Boat industry to identify ways to reverse the declining trend. A comprehensive research approach has been undertaken whereby key stakeholders within the industry have been consulted to ensure core issues have been identified and the key outcomes are well informed and highly relevant. This research and consultation included:

- Rapid appraisal depth interviews with key stakeholders, including representatives from PIRSA[1], SATC[2], SCBOOASA[3] and other highly informed individuals (completed in February 2019).
- A licence holder workshop with six current licence holders to further understand impressions of the industry, impacts of closures and regulations, competition and client types, and ideas on how to improve (completed in February 2019).
- A survey of current, lapsed and potential clients to determine the needs and wants of these client groups, and to identify opportunities to arrest the industry decline.

[1] Primary Industries and Regions South Australia
[2] South Australian Tourism Commission
[3] Surveyed Charter Boat Owners and Operators Association of South Australia

> A survey of Charter Boat Fishery licence holders to gain an understanding of the core issues being faced by the industry and the opportunities to address these.

2 GROWTH PLAN

2.1 Objective

The objective of the South Australian Charter Boat Fishery Growth Plan is to revitalise the South Australian industry by forging stronger state government and industry relationships and ensuring the industry has the capability and capacity to meet and/or exceed Charter Boat Fishery client expectations. The Growth Plan has three key elements which are detailed below:

1. Awareness (visibility)
2. Information
3. Client relationship (experience)

This follows the path of a typical client journey (assumes there is market interest in charter boat fishing):

- Awareness – am I aware of the business (brand) and am I favourably disposed towards that brand.
- Information seeking – what do I need to know? Types of fish I can catch (including bag limits and seasonality), other on-board experiences, type of vessel, experience of the operator, experiences of previous clients, booking a trip, finding transport and accommodation, what do I need to bring with me, weather conditions and paying for the trip).
- Purchase – making the booking, having the booking confirmed and making payment)
- The fishing experience.
- How I feel after the experience – positive, neutral or negative.

2.2 Awareness (visibility)

The Issue

Awareness of the Charter Boat Fishery operator's business is the first step in the client journey. By definition, if a potential client is unaware of the business then there will be no sale. The window to the Charter Boat world is primarily digital (website and social media) but there are other cost-effective opportunities for promotion. Websites and social media platforms must be both attractive and functional (easy to navigate and include options for booking and payment).

The Solution

The following actions are recommended:

- 100% of operators have a website and social media accounts (Facebook, Instagram, Twitter and YouTube vloggers preferred).
- Each operator ensures their website and social media accounts are attractive and functional.
- Each operator takes advantage of the South Australian Tourism Commission's trade development services and resources including trade and partnership marketing opportunities.
- Each operator ensures that information flyers are provided to local businesses/organisations that are prepared to display these. Examples include hotels and other accommodation providers, visitors' centres, supermarkets and local stores, and community notice boards.

In addition, it is recommended that a specific Charter Boat Fishery operators' business development program be developed and delivered by the South Australian Tourism Commission. This will focus on building awareness, digital media optimisation and client relationship management. As part of this program a panel of digital media specialists would be established to provide 'at-the-elbow' assistance to individual operators.

Other promotional tools such as Google Ads (online advertising), attending trade shows, and print and electronic media advertising can be considered but there are costs associated with these approaches.

2.3 Information

The Issue

As noted above, the first step in the client journey is awareness. The next step is information seeking. Ideally all of the necessary information will be available on the operator's website. As noted above the key areas are:

- Types of fish I can catch (including regulations such as bag limits, seasonality and species' closures)
- Other on-board experiences and services such as wildlife experiences, coastline viewing, chilling and cleaning caught fish and providing food and beverages.
- Type of vessel and associated safety equipment.

> Experience of the operator.
> Experiences of previous clients including links to social media platforms.
> Booking a trip online and having this confirmed promptly including terms and conditions.
> Finding transport and accommodation with links to partner websites.
> What I need to bring with me and what's supplied.
> Current weather conditions and what to expect if the trip is cancelled due to poor weather.
> Paying for the trip online and confirmation of payment.
> Booking reminder by SMS or email prior to trip including final payment.

The Solution

It is recommended that a business self-help checklist be prepared as part of the Charter Boat Fishery operators' business development program to be developed and delivered by the South Australian Tourism Commission.

It is noted that regulations and closures are managed by PIRSA and that this information is provided on PIRSA's website https://pir.sa.gov.au/fishing. This website contains a vast amount of relevant information including information on bag limits, species closures, aquatic reserves and so on but it is not what could be described as overly client friendly. It is logical to link PIRSA's site to the operator's website to ensure information provided is current and accurate.

It is recommended that in terms of PIRSA's economic development charter, the website is reviewed and modified to ensure it is less bureaucratic and more market focused. This might mean creating a landing page that has all relevant charter boat fishery information on the one page. Aligned to this is a review of the annual licence fees paid to PIRSA by operators to ensure these accurately reflect cost recovery.

2.4 Client relationship (experience)

The Issue

So far we have explored the client journey in terms of awareness and information seeking. The final step is the client experience. In reality, the customer experience begins right at the outset when the prospective client first interacts with the operator (visits the website, checks out social media, makes a phone call, etc). Importantly if the client has a positive experience, then that person has the potential to become a business ambassador – an unpaid, but very effective advocate, for the business and potentially a repeat client.

The key issue identified through the research and consultation process is the mismatch between client expectations and operator delivery. This has the potential to result in a poor customer experience which decreases the chances of either repeat business or advocacy.

The Solution

It is recommended that the following be addressed by operators:

- Ensure websites and social media accounts reflect the standards highlighted in the Awareness and Information sections above.
- Develop a system for recording client contact details and activities. This is referred to as a Client (or Customer) Relationship Management System (CRM). A number of low cost off-the-shelf packages are available.
- Develop a system to maintain regular contact with past clients. This can easily be done via email and social media which can be used to provide information and offers.
- Undertake post trip evaluations (short survey) and encourage clients to share their experiences on social media.
- Use social media to showcase trip highlights.
- Use trip review websites (such as TripAdvisor) to allow clients to rate and share their reviews of the experience.

3 GROWTH PLAN CHECKLIST

This section provides a checklist for Charter Boat Fishery operators. Each action item contained in the Growth Plan has been allocated a high (H) or medium (M) priority in terms of potential impact on an operator's business. This of course will vary from operator to operator but can be used as a guide. The cost of implementing these actions will also vary from operator to operator depending of the level of sophistication of the solution sourced and implemented.

The final column can be used to check off whether recommended actions have been implemented.

Growth Plan Recommended Actions	Priority	Completed ✓
Provide clients with an attractive and functional website (refer to Growth Plan 2.3 Information for details).	H	
Provide option for clients to book their trip online and ensure the booking is confirmed promptly including terms and conditions. Provide a booking reminder by SMS or email prior to trip including final payment.	H	
Provide a facility to pay for the trip online and provide confirmation of payment.	H	
Attractive and functional social media (Instagram, Facebook, Twitter and YouTube (vlogger).	H	
Take advantage of the South Australian Tourism Commission's trade development services and resources including trade and partnership marketing opportunities.	M	
Provide information flyers to local businesses/organisations that are prepared to display these. Examples include hotels and other accommodation providers, visitors' centres, supermarkets and local stores, and community notice boards.	M	
Provide operator's website link to PIRSA's website https://pir.sa.gov.au/fishing. This website contains a vast amount of relevant information including information on bag limits, species closures, aquatic reserves and so on.	M	
Develop a system for recording client contact details and activities. This is referred to as a Client (or Customer) Relationship Management System (CRM). A number of low cost off-the-shelf packages are available.	M	
Develop a system to maintain regular contact with past clients. This can easily be done via email and social media which can be used to provide information and offers.	H	
Undertake post trip evaluations (short survey) and encourage clients to share their experiences on social media.	H	
Use social media to showcase trip highlights.	H	
Use trip review websites (such as TripAdvisor) to allow clients to rate and share their reviews of the experience.	H	

Appendix 5 SA Charter Boat Fishery Economic and Social Indicators Report (BDO EconSearch 2019)

ECONOMIC AND SOCIAL INDICATORS FOR THE SOUTH AUSTRALIAN CHARTER BOAT FISHERY 2017/18

A report to PIRSA Fisheries and Aquaculture

5 July 2019

Prepared by

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ABBREVIATIONS

ABARES	Australian Bureau of Agricultural and Resource Economics and Sciences
ABS	Australian Bureau of Statistics
CCSBT	Commission for the Conservation of Southern Bluefin Tuna
CPI	Consumer Price Index
CPUE	catch per unit effort
FRDC	Fisheries Research and Development Corporation
fte	full time equivalent
GRP	gross regional product
GSP	gross state product
GVP	gross value of production
ITQ	individual transferable quota
PIRSA	Primary Industries and Regions South Australia
R&M	repairs and maintenance
RBA	Reserve Bank of Australia
SA	South Australia
SARDI	South Australian Research and Development Institute
SBT	Southern Bluefin Tuna
TAC	total allowable catch
TACC	total allowable commercial catch

ACKNOWLEDGMENTS

In the preparation of economic indicators for the SA Charter Boat Fishery 2017/18, BDO EconSearch has relied heavily on the voluntary cooperation of fishing operators in providing data for the surveys. For the most recent (2019) survey we are particularly grateful for the time and cooperation generously provided by licence holders in responding to the rather lengthy questionnaire. BDO EconSearch is also indebted to various individuals and institutions for providing the necessary information for updating the indicators between survey years. Industry representatives, PIRSA and SARDI officers provided assistance, were supportive of the data collection and offered valuable advice.

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EXECUTIVE SUMMARY

This report presents a set of economic and social performance indicators for the South Australian Charter Boat Fishery for 2017/18. The aim is to develop a consistent time series of economic and social information to aid management of the fishery in future years. The economic and social indicators detailed in this report are summarised below.

Economic Performance Indicators

Specific strategies and performance indicators relating to the economic objectives are generally outlined in fishery management plans. As the Charter Boat Fishery is relatively new to specific management arrangements under the *Fisheries Management Act 2007*, detailed performance indicators are yet to be outlined in its management plan: *Management Plan for the South Australian Charter Boat Fishery* (PIRSA 2011)[1]. In the absence of a specific set of indicators, performance indicators have been chosen from other commercial fisheries and are detailed in Table ES-1. These performance indicators are presented against the three-year trend in results for the Charter Boat Fishery. A summary of key economic indicators for the last three years is presented in Table ES-2. The Charter Boat Fishery is managed differently to other SA commercial fisheries and is effectively open access despite having restricted access to licences. There are biological controls to protect the stock (such as size limits and seasons) but the economic goal is implicitly employment.

Gross Value of Production…

The total number of clients in the fishery decreased between 2005/06 and 2017/18, from 19,540 clients in 2005/06 to 14,382 clients in 2017/18 (26 per cent decline or an average annual decline of 2.7 per cent). There has also been significant change through time in participation rates in recreational fishing in SA. Some of this change may relate to extended seasonal closures for Snapper (in recent years), however this decline is a long term trend and demographic changes are affecting recreational participation rates more broadly and that this may have also contributed to the decline in the number of charter customers (Giri and Hall 2015).

The 26 per cent reduction in the number of clients together with a 16 per cent decline in real price per trip over the same period, resulted in real GVP for the fishery decreasing by 38 per cent between 2005/06 and 2017/18.

Management Costs…

Licence fees as a percentage of GVP followed an increasing trend between 2005/06 and 2017/18, from 4.7 per cent in 2005/06 to 10.5 per cent in 2017/18. This is the result of both a reduction in GVP and an increase in aggregate fees, in real terms.

Financial Performance Indicators…

The total number of active licence holders in the fishery declined from 77 in 2009/10 to 58 by the end of 2017/18. Despite this decrease and as a result of a reduction in fishery GVP, the average income per active

[1] This management plan has been reviewed with a revised management plan coming into effect on 1 April 2019, and will be in place up to August 2021 (PIRSA, 2019).

boat in the fishery has decreased from approximately $152,000 in 2009/10 to $132,000 in 2017/18 (real 2017/18 dollars).

Labour costs (35 per cent) accounted for the largest share of total cash costs in 2017/18. Labour costs are comprised of payments to licence owners and crew as well as an imputed wage to those licence owners and other family members who are not paid a wage directly by the business. Other significant cash costs were fuel (20 per cent of total boat cash costs) and repairs and maintenance (14 per cent).

Table ES-1 Charter Boat Fishery performance indicators

Performance Indicator	3 Year Trend
1. Gross Value of Production (GVP)	**Decreasing trend** Real GVP decreased by 9% from 2014/15 to 2017/18.
3. Licence value	**Decreasing trend** Real licence value almost halved between 2014/15 to 2017/18.
4. Return on capital	**Decreasing trend** Rate of return to total boat capital decreased from -1.7% in 2014/15 to -4.7% in 2017/18 with fluctuations.
5. Economic contribution of the fishery	**Decreasing trend** in real output and contribution to GSP (down 26% and 29% respectively from 2014/15 to 2017/18) and employment (down 14%).
6. Number of active fishing licences	**Decreasing trend** The number of active licences fell from 61 in 2014/15 to 58 in 2017/18.

Table ES-2 Summary of key economic indicators, 2014/15 to 2017/18[a]

Indicator	2014/15	2015/16	2016/17	2017/18
Clients (no.)	15,129	15,597	14,459	14,382
GVP	$3.7m	$4.2m	$3.8m	$3.4m
Fee/licence	$3,745	$3,609	$3,617	$4,228
Fee/GVP	10.5%	8.9%	9.7%	10.5%
Return on total capital	-1.7%	-10.0%	-12.1%	-4.7%
Licence value	$17,320	$12,088	$10,980	$9,891
Gross state product	$19.6m	$21.1m	$18.2m	$13.8m
Employment (fte)	180	178	169	156
Active licence holders (no.)	61	60	59	58

[a] Dollar values in this table are in real 2017/18 dollars.

Between 2009/10 and 2017/18, the average price per Charter Boat client fell by approximately 5 per cent in real terms. The average cost of operating Charter Boats followed a rising trend over the same period, increasing by 49 per cent in real terms.

Changes in each of the profitability measures for the fishery were closely related to the average income earned and costs incurred. Profitability measures followed an increasing trend between 2009/10 and 2012/13 but declined through to 2016/17 before improving marginally in 2017/18. For example, profit at full equity (in real terms) increased from an average of -$24,000 in 2009/10 to $16,000 in 2012/13 but fell to around -$25,000 in 2016/17, the second lowest level for the 8-year period.

The rate of return to total capital for the fishery has fluctuated year to year but generally followed an increasing trend through to 2012/13. It has since fallen sharply and was estimated to be -12.1 per cent in 2016/17 although recovered to 4.7 per cent in 2017/18. The average value of licences in the fishery increased between 2009/10 and 2011/12, but then declined to $10,000 in 2017/18.

Contribution to South Australian Economy…

Output, household income, contribution to GSP and employment all followed a declining trend in the fishery between 2009/10 and 2017/18. The decrease of contributions in recent years can be explained by the reduced GVP of the fishery. In 2017/18, the Charter Boat Fishery contributed $13.8m to South Australia's gross state product (GSP), created 156 fte jobs and contributed $8.4m to household income.

Social Indicators

Data for a series of social indicators regarding equity and perceptions of management were collected for the first time in 2014, and again in 2017 and 2019. However, in the current survey the social indicators were simplified to make room in the questionnaire for market research questions as data collections was carried out in parallel with the FRDC project *A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery,* project number 2018-154, and therefore are not comparable to previous questions. The 2019 responses suggested that Charter Boat operators feel that changes over the last few years have made it more difficult for them to have a say in the management of the Charter Boat Fishery and to run their Charter Boat business.

Over half of the respondents felt that they completely understood the Charter Boat Fishery management arrangements and were satisfied with the lifestyle of running a Charter Boat business during 2017/18.

As the SA Charter Boat Fishery allows recreational access to South Australian fish stocks to those who cannot afford or access their own boat or are not avid fishers. Because of this, client numbers are an indicator of the social benefit to the community provided by the SA Charter Boat Fishery. In 2017/18, over 14,000 clients accessed the fishery, although these numbers have decreased by 26 percent since 2005/06.

1. INTRODUCTION

Under the *Fisheries Management Act 2007*, all the major fisheries in South Australia (SA) operate in accordance with fishery management plans that determine the primary management objectives of the fishery. Economic performance indicators are a feature of these plans and annual reports on them are required for the Minister for Primary Industries and Regional Development to meet the obligations of section 7 of the *Fisheries Management Act 2007*. The current management plan, *Management Plan for the South Australian Charter Boat Fishery* (PIRSA 2011), came into effect on 1 August 2011. This management plan has been reviewed with a revised management plan coming into effect on 1 April 2019, and will be in place up to August 2021 (PIRSA, 2019). Like other commercial fisheries in South Australia, licences are limited and transferrable.

This report is the ninth annual economic indicators report for the South Australian Charter Boat Fishery. The objective is to provide an update of the economic indicators based on the fourth survey of Charter Boat licence holders, recently undertaken in 2019.

The aim is to present a set of economic and social performance indicators for the fishery as well as to develop a consistent time series of economic information to aid management of the fishery in future years. The economic and social indicators detailed in this report include:

- gross value of production (clients and price)
- cost of management of the fishery
- factors affecting costs in the fishery
- financial performance (income, costs, profit and return on investment)
- economic contribution of the fishery, both local and state
- contribution to the community
- a range of demographic and other indicators
- fisher perceptions of several aspects of management.

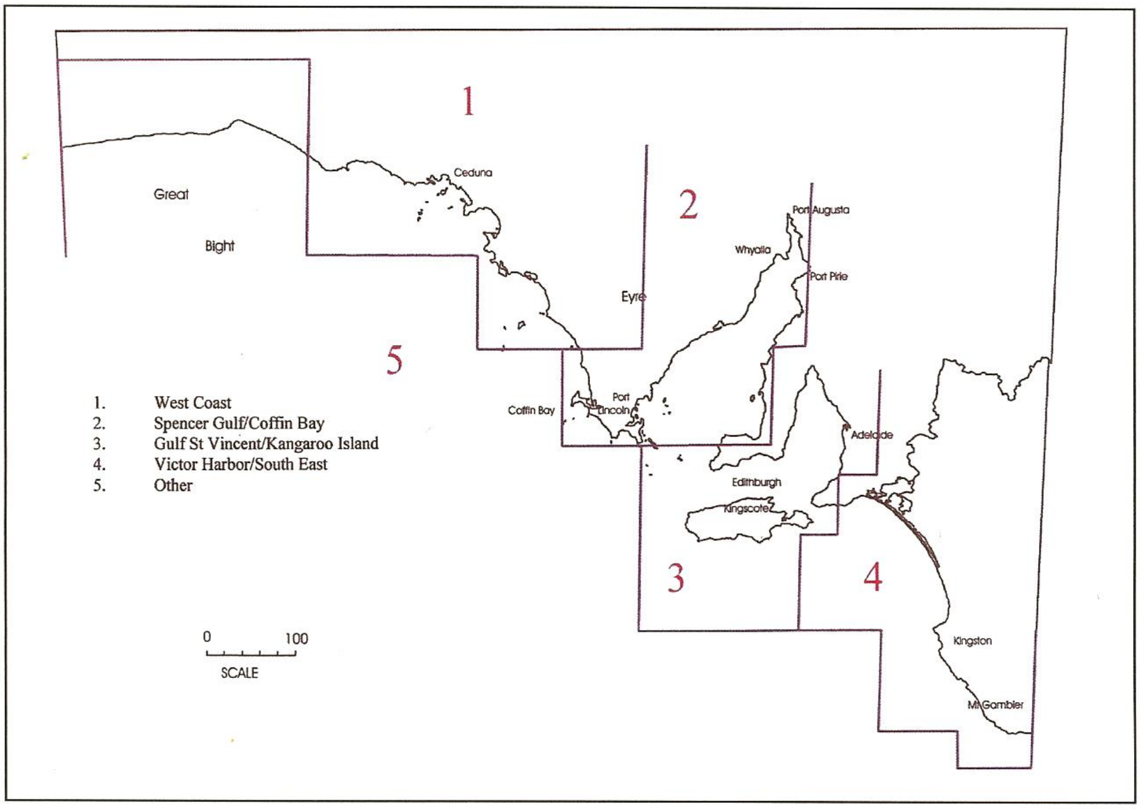
For purposes of comparison, summary economic indicators for all South Australian commercial fisheries, up to 2017/18, are presented in Appendix 3.

Financial performance estimates and economic contributions are presented on a regional basis in accordance with SARDI's region classifications. Fishing regions in SA are illustrated in Figure 1-1. Regional economic indicators have not been reported for fishing regions 1, 4 and 5 as there were insufficient survey responses from these regions. Responses from these regions have, however, been included in the results for the state as a whole.

In 2014, 2017 and 2019 the economic indicators reports were extended to include the collection of social indicators. The aim of all the studies is to present a set of social indicators for the fishery, and to develop a consistent time series of social information to aid management of the fishery in future years. The social indicators detailed in this report include:

- communication and engagement in fisheries management
- equity in fisheries management.

Figure 1-1 Fishing reporting regions, SA Charter Boat Fishery



Source: SARDI Aquatic Sciences

2. METHOD OF ANALYSIS AND DEFINIFTION OF TERMS

2.1. Survey of Licence Holders, 2017/18

The questionnaire for the survey of licence holders in 2019 (for the 2017/18 financial year) was based on the most recent survey of the Charter Boat Fishery, conducted in 2017. It was drafted in consultation with the Charter Boat Fishery Executive Committee.

Development of the social indicator component of the questionnaire was based on a process recommended in the report *Managing the Social Dimensions of Fishing* (Triantafillos et al 2014a, b). Prior to the 2014 survey the Charter Boat Executive Committee identified the most important social objectives which were then used as the basis for selecting questions to include in the questionnaire. In the current survey the social indicators were simplified to make room in the questionnaire for market research questions as data collections was carried out in parallel with the FRDC project *A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery,* project number 2018-154.

A total of 26 responses were collected from licence holders with 23 complete responses covering 23 licences, representing 40 per cent of the active licences in the fishery. There were 58 active licences in total in 2017/18. The 3 incomplete responses were collected from licence holders which provided data for some but not all of the components reported here.

2.2. Definition of Terms

Total Boat Income (TBI): refers to the cash receipts received by an individual firm and is expressed in dollar terms. For the Charter Boat Fishery total boat income is calculated as clients (no.) multiplied by 'average price' ($/person). Total boat income is the contribution of an individual licence holder to the GVP of a fishing sector or fishery.

Total Boat Variable Costs: are costs which are dependent upon the level of catch or, more commonly, the amount of time spent fishing. As catch or fishing time increases, variable costs also increase. Variable costs are measured in current dollar terms and include the following individual cost items:

- fuel, oil and grease for the boat
- ice
- provisions
- crew payments
- fishing equipment, purchase and repairs (nets, pots, lines, etc.)
- repairs & maintenance: ongoing (slipping, painting, overhaul motor).

Boat Gross Margin: is defined as *Total Boat Income* less *Total Boat Variable Costs*. This is a basic measure of profit which assumes that capital has no alternative use and that as fishing activity (days fished) varies there is no change in capital or fixed costs.

Total Boat Fixed Costs: are costs that remain fixed regardless of the level of catch or the amount of time spent fishing. As such these costs, measured in current dollar terms, are likely to remain relatively constant from one year to the next. Examples of fixed cost include:

- insurance

- licence and industry fees
- office & business administration (communication, stationery, accountancy fees)
- interest on loan repayments and overdraft.

Total Boat Cash Costs (TBCC): defined as *Total Boat Variable Costs* plus *Total Boat Fixed Costs*

Gross Operating Surplus: (GOS) is defined as *Total Boat Income* less *Total Boat Cash Costs* and is expressed in current dollar terms. GOS may be used interchangeably with the term Gross Boat Profit. A GOS value of zero represents a breakeven position for the business, where TBCC equals TBCR. If GOS is a negative value the firm is operating at a cash loss and if positive the firm is making a cash profit. GOS does not include a value for owner/operator wages, unpaid family work, or depreciation.

Owner-operator and Unpaid Family Labour: in many fishing businesses there is a component of labour that does not draw a direct wage or salary from the business. This will generally include owner/operator labour and often also include some unpaid family labour. The value of this labour needs to be accounted for which involves imputing a labour cost based on the amount of time and equivalent wages rate. In the above calculations this labour cost can be included simply as another cost so that Gross Operating Surplus takes account of this cost. Alternatively, it can be deducted from GOS to give a separate indicator called Boat Cash Income. Owner-operator and unpaid family labour is separated into variable labour (fishing and repairs and maintenance) and overhead labour (management and administration).

Boat Cash Income: is defined as Gross Operating Surplus less imputed wages for owner- operator and unpaid family labour.

Boat Capital: includes capital items that are required by the licence holder to earn the boat income. It includes boat hull, engine, electronics and other permanent fixtures and tender boats. Other capital items such as motor vehicles, sheds, cold-rooms, and jetty/moorings can be included to the extent that they are used in the fishing business. The fishing licence/permit value is included in total boat capital.

Depreciation: Depreciation refers to the annual reduction in the value of boat capital due to general wear and tear or the reduction in value of an item over time.

Boat Business Profit: is defined as *GOS* less *Depreciation* less *Owner-operator and Unpaid Family Labour*. Boat Business Profit represents a more complete picture of the actual financial status of an individual firm, compared with GOS, which represents the cash in-cash out situation only.

Profit at Full Equity: is calculated as *Boat Business Profit* plus *rent, interest and lease* payments. Profit at Full Equity represents the profitability of an individual licence holder, assuming the licence holder has full equity in the operation, i.e. there is no outstanding debt associated with the investment in boat capital. Profit at Full Equity is a useful absolute measure of the economic performance of fishing firms.

Rate of Return to Capital: is calculated as *Profit at Full Equity* divided by *Boat Capital* multiplied by *100*. This measure is expressed in percentage terms and is calculated for an individual licence holder. It refers to the economic return to the total investment in capital items, and is a useful relative measure of the performance of individual firms. Rate of return to capital is useful to compare the performance of various licence holders, and to compare the performance of other types of operators, and with other industries.

Gross value of production (GVP): refers to the value of the total annual catch for individual fisheries, fishing sectors or the fishing industry as a whole, and is measured in dollar terms. GVP, generally reported on an annual basis, is the quantity of catch for the year multiplied by the average monthly landed beach prices. However, since Charter Boat operators do not take fish for sale, GVP is measured as the total number of clients multiplied by the average price per person (estimated from survey data).

Beach price: for Charter Boat operators it is 'average price' (excluding GST) paid by fishing clients and passengers.

Cost of management services: in a commercial fishery management services will generally include biological monitoring and reporting; policy, regulation and legislation development; compliance and enforcement services; licensing services; and research. Where a commercial fishery operates under full cost recovery, licence fees will be set to cover the cost of managing the fishery or at least the commercial sector's share of the resource.

In fisheries where there is full cost recovery, it can be assumed that the cost of providing these management services to the commercial sector will be equal to the gross receipts from licence fees in the fishery. With information on licence fee receipts, GVP, catch and the number of commercial fishers in the fishery, the following indicators can be readily calculated:

- aggregate licence fee receipts for the fishery ($)
- licence fee/GVP (%)
- licence fee/catch ($/kg)
- licence fee/licence holder ($/licence holder).

3. ECONOMIC INDICATORS FOR THE SA CHARTER BOAT FISHERY

3.1. Economic Objectives of the SA Charter Boat Fishery

The Management Plan for the South Australian Charter Boat Fishery (PIRSA 2011) sets out four goals, namely:

- Goal 1 - Charter Boat Fishery resources harvested within ecologically sustainable limits
- Goal 2 - Optimum utilisation and equitable distribution of the Charter Boat Fishery resources for the benefit of the community
- Goal 3 - Fishery impacts on the ecosystem are minimised
- Goal 4 - Cost-effective, efficient and participative management of the fishery.

In order to achieve these goals the management plan sets out specific biological, ecological, social and economic objectives for the fishery. The economic objectives of the fishery, as described in the management plan, are as follows:

- 2a - Ensure allocation framework provides for development of the Charter Boat Fishery
- 2d - Sufficient economic information to ensure management decisions are properly informed
- 4a - Cost-effective and efficient management of the fishery, in line with government's cost recovery policy.

This report outlines a number of economic indicators relevant to the Charter Boat Fishery which can be used to assist in the management of the fishery and to meet these economic objectives.

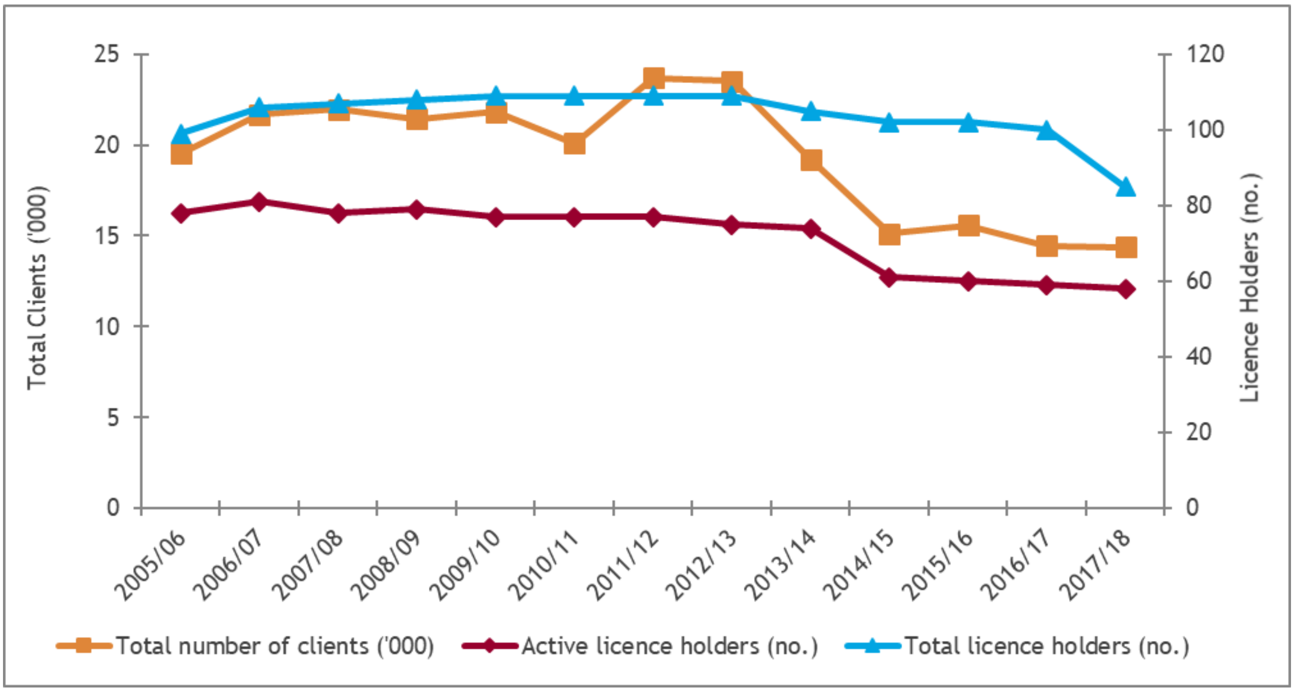
3.2. Gross Value of Production

The principal information used to estimate the gross value of production (GVP) for the South Australian Charter Boat Fishery is derived from the catch and effort database administered by SARDI Aquatic Sciences.

The reported total number of clients, licence holders and active licence holders in the Charter Boat Fishery for the period 2005/06 to 2017/18 are shown in Figure 3-1. The total number of clients in 2017/18 was 14,382 persons, the lowest level recorded since 2005/06. The total number of clients in the fishery decreased between 2005/06 and 2016/17, from 19,540 clients in 2005/06 to 14,382 clients in 2017/18 (26 per cent decline or an average annual decline of 2.7 per cent). There has also been significant change through time in participation rates in recreational fishing in SA. Some of this change may relate to extended seasonal closures for Snapper (in recent years) but demographic changes are affecting recreational participation rates more broadly and that this may have also contributed to the decline in the number of charter customers (Giri and Hall 2015).

The total number of active licence holders also followed a downward trend over the same period from 78 in 2005/06 to 58 in 2017/18. Between 2013/14 and 2017/18, the decrease in total number of active licences (22 per cent) was greater than the decrease in total number of licences (19 per cent) indicating that there was an increase in inactive licences over the period (Figure 3-1). The downward trends between 2012/13 and 2014/15, may be explained, in part, by the December Snapper closure introduced in 2013 (see EconSearch 2018a for more information).

Figure 3-1 Total number of clients, licence holders and active licence holders, Charter Boat Fishery, 2005/06[a] to 2017/18



[a] Data collected from August 2005 to June 2006 only.

Source: SARDI Aquatic Sciences.

A breakdown in the number of active licence holders and the number of clients for the period 2009/10 to 2017/18 is provided in Table 3-1. A large number of licence holders (32 per cent) did not operate in 2017/18 and were, therefore, considered inactive. Of the remaining active licence holders almost half took 200 or fewer clients for the year (Table 3-1).

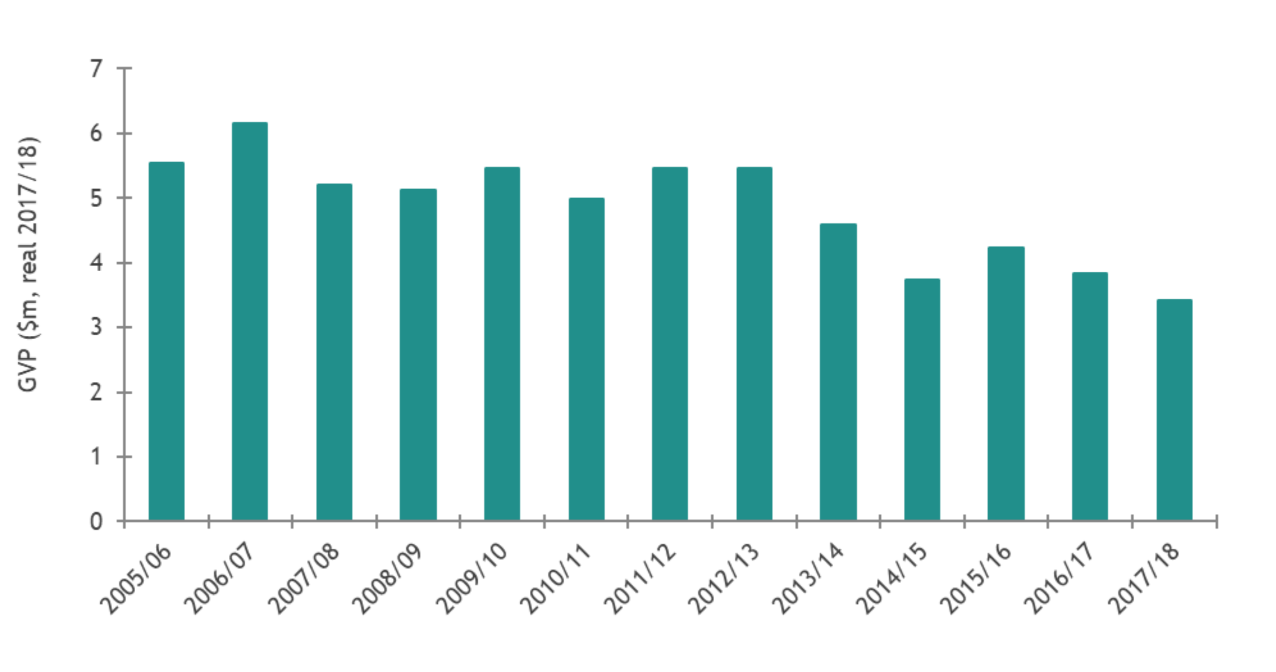
Table 3-1 Numnber of active licence holders by number of clients, 2009/10 to 2017/18

Number of Clients	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
1-200	40	39	34	36	41	30	29	30	28
201-400	16	23	24	22	22	19	20	17	20
401+	21	15	19	17	11	12	11	12	10
Total	77	77	77	75	74	61	60	59	58

Source: SARDI Aquatic Sciences

The estimated GVP in the Charter Boat Fishery for the period 2005/06 to 2017/18 is shown in Figure 3-2. For the years 2005/06 to 2006/07, the estimated GVP of the fishery was calculated using the total number of clients and an average price per person collected during the 2009/10 survey. The initial estimate was adjusted for survey bias, based on the size of the charter boat operation. For the period 2007/08 to 2014/15, the estimated Charter Boat Fishery GVP was based on the average price per person collected during the 2012/13 and previous surveys, and adjusted for survey bias based on trip length. For 2015/16 and 2016/17, the estimated Charter Boat Fishery GVP was based on the average price per person collected during the 2016/17 survey, and adjusted for survey bias based on trip length. For 2017/18, the estimated Charter Boat Fishery GVP was based on the average price per person collected during the 2017/18 survey, and adjusted for survey bias based on trip length. In 2017/18 the estimated GVP was approximately $3.4m, the lowest level over the period 2005/06 to 2017/18 (Figure 3-2).

Figure 3-2 Gross value of production, Charter Boat Fishery, 2005/06[a] to 2017/18



[a] Data collected from August 2005 to June 2006 only.

Source: SARDI Aquatic Sciences, ABS 2018a and BDO EconSearch analysis

3.3. Cost of Management

The Charter Boat Fishery is a commercial platform for undertaking recreational fishing and has transferable licences. In 2017/18, there were 85 licenced Charter Boat operators of which only 58 were active (i.e. undertook one or more fishing trips during that year). Although the fishery is classified as a commercial fishery, unlike other commercial fisheries charter operators cannot take fish for sale, trade or transfer. As such, Charter Boat licence holders are considered commercial operators rather than commercial fishers (Knight et al. 2007).

Licence fees from SA Charter Boat Fishery licence holders are collected in accordance with the PIRSA Cost Recovery Policy and the Australian Government's Cost Recovery Guidelines (July 2014). Accordingly, licence fees are set to cover the cost of managing the SA Charter Boat Fishery. For the purpose of this analysis, the cost of providing these management services has been assumed to be equal to the gross receipts from licence fees in the fishery (Sean Sloan, pers. comm.), although this excludes some known small subsidies, such as federal government grants for research and stock status assessments.

Management services include:

- annual reports on biological and economic indicators
- policy and management services
- regulatory/legislation and licensing services
- compliance services

- directorate services
- consultative services
- strategic planning services.

Table 3-2 shows the cost of management for the fishery for the period 2005/06 to 2017/18.

Table 3-2 Costs of management in the Charter Boat Fishery, 2005/06 to 2017/18[a]

	Licence Fee	GVP	Fee/GVP	Clients		Licences	Fee/ Licence
	($'000)	($'000)	(%)	(persons)	($/client)	(No.)	($/licence)
2005/06	262	5,537	4.7%	19,540	13	99	2,650
2006/07	314	6,146	5.1%	21,697	14	106	2,960
2007/08	300	5,194	5.8%	21,962	14	107	2,804
2008/09	295	5,127	5.8%	21,430	14	108	2,735
2009/10	328	5,460	6.0%	21,822	15	109	3,011
2010/11	293	4,975	5.9%	20,097	15	109	2,688
2011/12	396	5,450	7.3%	23,711	17	109	3,632
2012/13	388	5,462	7.1%	23,525	16	109	3,557
2013/14	392	4,590	8.5%	19,227	20	105	3,735
2014/15	392	3,734	10.5%	15,129	26	102	3,844
2015/16	378	4,225	8.9%	15,597	24	102	3,704
2016/17	371	3,837	9.7%	14,459	26	100	3,713
2017/18	369	3,408	10.8%	14,382	26	85	4,340
2018/19[a]	367	n.a.	-	n.a.	-	85	4,315

[a] Licence fees and GVP are presented in real 2017/18 dollars. The Adelaide CPI was used to convert nominal figures to 2017/18 dollars. Estimates for 2018/19 have not been adjusted. Cost of management in nominal values is provided in Appendix Table 4-1.

Source: PIRSA Fisheries and Aquaculture, SARDI Aquatic Sciences and BDO EconSearch analysis

Between 2005/06 and 2017/18 the following trends can be observed:

- The total cost of managing the fishery followed an increasing trend since 2005/06 in real terms. The total cost of management increased by 41 per cent over the 13 years to 2017/18 despite a slight decrease of 7 per cent since its peak in 2011/12.
- Despite fluctuations GVP was lower in 2017/18 than in 2005/06 and, as a result, fees as a proportion of GVP have increased since 2005/06, from 4.7 per cent in that year to 10.8 per cent in 2017/18.
- Fees per client also followed an increasing trend, from $13/client in 2005/06 to $26/client in 2017/18, a result of an increase in aggregate licence fees (in real terms) and a reduction in the total number of clients.
- Fees charged per licence holder also increased, from $2,650 in 2005/06 to $4,340 in 2017/18 (in real terms). This increase (64 per cent) is due both a reduction in the number of licences and the increase in total management costs. Following the introduction of formal Charter Boat licences in 2006/07 there was a period of adjustment where licences were processed based on prior Charter Boat operations. As a result, the number of licences increased from 99 in 2005/06 to 109 in 2009/10. The total number of licences has since fallen to 85 in 2017/18 (Table 3-2). As the Charter Boat

Fishery has restricted entry to assist in ensuing that species targeted in the Charter Boat Fishery are harvested sustainably (PIRSA 2019), a number of licence holders are choosing to pay these licence fees and keep their licences despite being inactive. This is most likely in the hopes that there is an upturn in business conditions in the future.

3.4. Financial Performance Indicators

The major measures of the financial performance of licence holders in the Charter Boat Fishery for SA for 2015/16 to 2016/17 are shown in Table 3-3. The estimates for 2015/16 and 2016/17 are based on the 2017 licence holder survey and those for 2017/18 are based on the 2019 licence holder survey. Financial performance estimates for the years 2009/10 to 2014/15 are presented in Appendix 1. As estimates of financial performance are based on different survey results, some of the differences between years are attributable to sampling variability. This is as each survey may contain different fishers with larger or smaller businesses affecting estimated averages.

Estimates of financial performance for 2017/18 are also presented on a regional basis (i.e. for Spencer Gulf/Coffin Bay (SG/CB) and Gulf St Vincent/Kangaroo Island (GSV/KI)) in Table 3-4.

Given the sample size of 23 respondents, it was possible to divide the 2019 survey responses into four groups (quartiles) according to rate of return to total capital. The first quartile comprises the 25 per cent of boats with the lowest rate of return to capital and the fourth quartile includes the 25 per cent with the highest return to capital. This quartile analysis illustrates the wide variability in profitability in the fishery. The 2017/18 financial performance measures for 'return to capital' quartiles are detailed in Table 3-5 as an average per licence and in Table 3-6 as an average per client.

Income…

The average gross income per active surveyed licence in the Charter Boat Fishery in 2017/18 was approximately $132,000, up from both $103,000 in 2016/17 and $111,000 in 2015/16 (Table 3-3). This increase is likely attributable, in part, to a sampling variation in the 2019 survey which may have included some larger businesses.

There was some variation in gross income between the regions. Estimated mean gross income ranged from around $216,000 in the GSV/KI region to approximately $128,000 in the SG/CB region. On a per client basis, average income was higher in the SG/CB region ($273) than in the GSV/KI region ($262) (Table 3-4).

The average income for boats in the first quartile was 71 per cent below the average for all boats and in the second quartile it was 18 per cent below the average. The third quartile boats had the highest average income ($188,000), 43 per cent above the average for the whole fishery, while in the fourth quartile it was 34 per cent above the average (Table 3-5).

Table 3-3 Financial performance in the Charter Boat Fishery, 2015/16 to 2017/18[a]

		2015/16			2016/17			2017/18		
		Average per Licence	Average per Client	Share of TBCC[b]	Average per Licence	Average per Client	Share of TBCC[b]	Average per Licence	Average per Client	Share of TBCC[b]
(1)	**Total Boat Gross Income**	**$110,994**	**$250**		**$102,413**	**$231**		**$131,987**	**$243**	
	Variable Costs									
	Fuel	$18,099	$41	17%	$16,678	$38	16%	$25,343	$47	19%
	Repairs & Maintenance [c]	$12,000	$27	11%	$11,210	$25	11%	$18,414	$34	13%
	Bait/Ice	$3,170	$7	3%	$2,961	$7	3%	$4,693	$9	3%
	Provisions	$2,964	$7	3%	$2,769	$6	3%	$3,052	$6	2%
	Labour - paid	$21,222	$48	19%	$19,944	$45	19%	$21,487	$40	16%
(2)	Labour - unpaid [d]	$9,266	$21	8%	$8,708	$20	8%	$17,065	$31	12%
	Advertising and Promotion	$3,447	$8	3%	$3,502	$8	3%	$2,643	$5	2%
	Other	$4,342	$10	4%	$4,411	$10	4%	$1,606	$3	1%
(3)	**Total Variable Costs**	**$74,509**	**$168**	**68%**	**$70,183**	**$158**	**67%**	**$94,304**	**$174**	**69%**
	Fixed Costs									
	Licence Fee	$3,777	$9	3%	$3,771	$9	4%	$4,726	$9	3%
	Insurance	$3,700	$8	3%	$3,758	$8	4%	$4,490	$8	3%
(4)	Interest	$2,319	$5	2%	$2,305	$5	2%	$2,457	$5	2%
(5)	Labour - unpaid [d]	$13,030	$29	12%	$13,316	$30	13%	$13,570	$25	10%
	Legal & Accounting	$1,405	$3	1%	$1,427	$3	1%	$1,996	$4	1%
	Telephone etc.	$1,875	$4	2%	$1,905	$4	2%	$2,239	$4	2%
	Slipping & Mooring	$2,001	$5	2%	$2,033	$5	2%	$3,174	$6	2%
	Travel	$901	$2	1%	$915	$2	1%	$896	$2	1%
	Office & Admin	$5,623	$13	5%	$5,613	$13	5%	$9,100	$17	7%
(6)	**Total Fixed Costs**	**$34,631**	**$78**	**32%**	**$35,043**	**$79**	**33%**	**$42,647**	**$79**	**31%**
(7)	**Total Boat Cash Costs (3+6)**	**$109,140**	**$246**	**100%**	**$105,226**	**$237**	**100%**	**$136,951**	**$252**	**100%**
	Boat Gross Margin (1-3)	**$36,484**	**$82**		**$32,230**	**$73**		**$37,683**	**$69**	
(8)	**Total Unpaid Labour (2+5)**	**$22,295**	**$50**		**$22,023**	**$50**		**$30,635**	**$56**	
	Gross Operating Surplus (1-7+8)	**$24,149**	**$54**		**$19,210**	**$43**		**$25,671**	**$47**	
(9)	**Boat Cash Income (1-7)**	**$1,853**	**$4**		**-$2,813**	**-$6**		**-$4,964**	**-$9**	
(10)	**Depreciation**	**$26,121**	**$59**		**$24,006**	$54		**$12,389**	$23	
(11)	**Boat Business Profit (9-10)**	**-$24,268**	**-$55**		**-$26,819**	**-$60**		**-$17,353**	**-$32**	
(12)	**Profit at Full Equity (11+4)**	**-$21,949**	**-$49**		**-$24,514**	**-$55**		**-$14,896**	**-$27**	
	Boat Capital									
(13)	Fishing Gear & Equip	$208,001	$469		$191,157	$431		$282,579	$521	
	Licence Value	$11,592	$26		$10,696	$24		$9,891	$18	
(14)	**Total Boat Capital**	**$219,593**	**$495**		**$201,853**	**$455**		**$292,471**	**$539**	
	Rate of Return on Fishing Gear & Equip (12/13*100)	**-10.6%**			**-12.8%**			**-5.3%**		
	Rate of Return on Total Boat Capital (12/14*100)	**-10.0%**			**-12.1%**			**-5.1%**		

[a] Estimates of financial performance for 2015/16 and 2016/17 are based on the 2017 licence holder survey and those estimates for 2017/18 are based on the 2019 licence holder survey
[b] Total boat cash costs.
[c] Repairs and maintenance costs have been classified as a variable cost although it is noted that some of these costs may be fixed (e.g. regulated maintenance).
[d] Unpaid labour was divided between variable (time spent fishing and on repairs and maintenance) and fixed (management and administrative duties) based on the 2019 survey responses.
Source: Licence holder survey and BDO EconSearch analysis

Table 3-4 Financial performance in the Charter Boat Fishery, by fishing region, 2017/18[a]

		GSV/KI			SG/CB		
		Average per Licence	Average per Client	Share of TBCC[b]	Average per Licence	Average per Client	Share of TBCC[b]
(1)	**Total Boat Gross Income**	**$216,315**	**$262**		**$128,292**	**$273**	
	Variable Costs						
	Fuel	$42,600	$52	19%	$26,450	$56	20%
	Repairs & Maintenance [c]	$28,600	$35	13%	$14,627	$31	11%
	Bait/Ice	$7,660	$9	3%	$3,329	$7	2%
	Provisions	$4,010	$5	2%	$4,750	$10	4%
	Labour - paid	$46,700	$57	21%	$24,433	$52	18%
(2)	Labour - unpaid [d]	$21,186	$26	9%	$17,399	$37	13%
	Advertising and Promotion	$3,540	$4	2%	$3,017	$6	2%
	Other	$2,903	$4	1%	$2,121	$5	2%
(3)	**Total Variable Costs**	**$157,199**	**$191**	**69%**	**$96,126**	**$205**	**72%**
	Fixed Costs						
	Licence Fee	$5,560	$7	2%	$4,342	$9	3%
	Insurance	$5,595	$7	2%	$4,304	$9	3%
(4)	Interest	$2,300	$3	1%	$2,750	$6	2%
(5)	Labour - unpaid [d]	$29,379	$36	13%	$11,749	$25	9%
	Legal & Accounting	$2,980	$4	1%	$1,234	$3	1%
	Telephone etc.	$3,305	$4	1%	$2,416	$5	2%
	Slipping & Mooring	$4,230	$5	2%	$3,242	$7	2%
	Travel	$1,450	$2	1%	$1,008	$2	1%
	Office & Admin	$15,260	$19	7%	$6,166	$13	5%
(6)	**Total Fixed Costs**	**$70,059**	**$85**	**31%**	**$37,211**	**$79**	**28%**
(7)	**Total Boat Cash Costs (3+6)**	**$227,259**	**$276**	**100%**	**$133,337**	**$284**	**100%**
	Boat Gross Margin (1-3)	**$59,116**	**$72**		**$32,166**	**$69**	
(8)	**Total Unpaid Labour (2+5)**	**$50,566**	**$61**		**$29,148**	**$62**	
	Gross Operating Surplus (1-7+8)	**$39,622**	**$48**		**$24,103**	**$51**	
(9)	**Boat Cash Income (1-7)**	**-$10,944**	**-$13**		**-$5,045**	**-$11**	
(10)	**Depreciation**	**$17,930**	**$22**		**$12,325**	**$26**	
(11)	**Boat Business Profit (9-10)**	**-$28,874**	**-$35**		**-$17,370**	**-$37**	
(12)	**Profit at Full Equity (11+4)**	**-$26,574**	**-$32**		**-$14,620**	**-$31**	
	Boat Capital						
(13)	Fishing Gear & Equip	$477,450	$579		$341,917	$728	
	Licence Value	$12,400	$15		$6,875	$15	
(14)	**Total Boat Capital**	**$489,850**	**$594**		**$348,792**	**$743**	
	Rate of Return on Fishing Gear & Equip (12/13*100)	**-5.6%**	**-5.6%**		**-4.3%**	**-4.3%**	
	Rate of Return on Total Boat Capital (12/14*100)	**-5.4%**	**-5.4%**		**-4.2%**	**-4.2%**	

[a] Financial performance results have not been presented for the West Coast and Victor Harbor/South East fishing regions due to the limited number of responses from these regions.

[b] Total boat cash costs.

[c] Repairs and maintenance costs have been classified as a variable cost although it is noted that some of these costs may be fixed (e.g. regulated maintenance).

[d] Unpaid labour was divided between variable (time spent fishing and on repairs and maintenance) and fixed (management and administrative duties) based on the 2019 survey responses.

Source: Licence holder survey and BDO EconSearch analysis

Table 3-5 Financial performance in the Charter Boat Fishery, by return to capital quartile, 2017/18 (average per licence)

		Lowest 25%	Second Quartile	Third Quartile	Highest 25%	All Licences
(1)	**Total Boat Gross Income**	**$38,090**	**$108,650**	**$188,192**	**$177,367**	**$131,987**
	Variable Costs					
	Fuel	$21,600	$16,667	$35,933	$26,550	$25,343
	Repairs & Maintenance [a]	$23,600	$18,917	$23,833	$18,003	$18,414
	Bait/Ice	$3,960	$3,700	$7,850	$8,142	$4,693
	Provisions	$1,620	$6,450	$1,350	$3,050	$3,052
	Labour - paid	$3,000	$45,000	$24,500	$10,700	$21,487
(2)	Labour - unpaid [b]	$9,541	$23,776	$18,097	$24,299	$17,065
	Advertising and Promotion	$2,640	$3,250	$2,567	$4,117	$2,643
	Other	$960	$3,617	$1,322	$1,117	$1,606
(3)	**Total Variable Costs**	**$66,921**	**$121,376**	**$115,452**	**$95,977**	**$94,304**
	Fixed Costs					
	Licence Fee	$5,100	$5,300	$5,017	$4,850	$4,726
	Insurance	$5,560	$5,995	$4,492	$2,258	$4,490
(4)	Interest	$4,500	$2,667	$833	$2,167	$2,457
(5)	Labour - unpaid [b]	$1,212	$21,908	$27,259	$3,862	$13,570
	Legal & Accounting	$3,560	$1,788	$2,217	$1,180	$1,996
	Telephone etc.	$1,940	$4,157	$2,158	$1,617	$2,239
	Slipping & Mooring	$5,400	$2,733	$2,883	$2,550	$3,174
	Travel	$600	$1,000	$1,750	$1,183	$896
	Office & Admin	$6,160	$14,750	$11,600	$7,665	$9,100
(6)	**Total Fixed Costs**	**$34,032**	**$60,298**	**$58,209**	**$27,332**	**$42,647**
(7)	**Total Boat Cash Costs (3+6)**	**$100,952**	**$181,674**	**$173,661**	**$123,309**	**$136,951**
	Boat Gross Margin (1-3)	**-$28,831**	**-$12,726**	**$72,740**	**$81,390**	**$37,683**
(8)	**Total Unpaid Labour (2+5)**	**$10,752**	**$45,684**	**$45,356**	**$28,160**	**$30,635**
	Gross Operating Surplus (1-7+8)	**-$52,110**	**-$27,340**	**$59,887**	**$82,218**	**$25,671**
(9)	**Boat Cash Income (1-7)**	**-$62,862**	**-$73,024**	**$14,530**	**$54,058**	**-$4,964**
(10)	**Depreciation**	**$12,100**	**$12,900**	**$17,883**	**$6,625**	**$12,389**
(11)	**Boat Business Profit (9-10)**	**-$74,962**	**-$85,924**	**-$3,353**	**$47,433**	**-$17,353**
(12)	**Profit at Full Equity (11+4)**	**-$70,462**	**-$83,258**	**-$2,520**	**$49,600**	**-$14,896**
	Boat Capital					
(13)	Fishing Gear & Equip	$141,700	$309,667	$468,167	$187,304	$282,579
	Licence Value	$3,800	$5,833	$19,000	$9,917	$9,891
(14)	**Total Boat Capital**	**$145,500**	**$315,500**	**$487,167**	**$197,221**	**$292,471**
	Rate of Return on Fishing Gear & Equip (12/13*100)	**-49.7%**	**-26.9%**	**-0.5%**	**26.5%**	**-5.3%**
	Rate of Return on Total Boat Capital (12/14*100)	**-48.4%**	**-26.4%**	**-0.5%**	**25.1%**	**-5.1%**

[a] Repairs and maintenance costs have been classified as a variable cost although it is noted that some of these costs may be fixed (e.g. regulated maintenance).

[b] Unpaid labour was divided between variable (time spent fishing and on repairs and maintenance) and fixed (management and administrative duties) based on the 2019 survey responses.

Source: Licence holder survey and BDO EconSearch analysis

Table 3-6 Financial performance in the Charter Boat Fishery, by return to capital quartile, 2017/18 (average per client)

		Lowest 25%	Second Quartile	Third Quartile	Highest 25%	All Licences
(1)	**Total Boat Gross Income**	**$209**	**$271**	**$235**	**$244**	**$243**
	Variable Costs					
	Fuel	$118	$42	$45	$37	$47
	Repairs & Maintenance [a]	$129	$47	$30	$25	$34
	Bait/Ice	$22	$9	$10	$11	$9
	Provisions	$9	$16	$2	$4	$6
	Labour - paid	$16	$112	$31	$15	$40
(2)	Labour - unpaid [b]	$52	$59	$23	$33	$31
	Advertising and Promotion	$14	$8	$3	$6	$5
	Other	$5	$9	$2	$2	$3
(3)	**Total Variable Costs**	**$367**	**$303**	**$144**	**$132**	**$174**
	Fixed Costs					
	Licence Fee	$28	$13	$6	$7	$9
	Insurance	$30	$15	$6	$3	$8
(4)	Interest	$25	$7	$1	$3	$5
(5)	Labour - unpaid [b]	$7	$55	$34	$5	$25
	Legal & Accounting	$20	$4	$3	$2	$4
	Telephone etc.	$11	$10	$3	$2	$4
	Slipping & Mooring	$30	$7	$4	$4	$6
	Travel	$3	$2	$2	$2	$2
	Office & Admin	$34	$37	$14	$11	$17
(6)	**Total Fixed Costs**	**$187**	**$151**	**$73**	**$38**	**$79**
(7)	**Total Boat Cash Costs (3+6)**	**$553**	**$454**	**$217**	**$170**	**$252**
	Boat Gross Margin (1-3)	**-$158**	**-$32**	**$91**	**$112**	**$69**
(8)	**Total Unpaid Labour (2+5)**	**$59**	**$114**	**$57**	**$39**	**$56**
	Gross Operating Surplus (1-7+8)	**-$286**	**-$68**	**$75**	**$113**	**$47**
(9)	**Boat Cash Income (1-7)**	**-$345**	**-$182**	**$18**	**$74**	**-$9**
(10)	**Depreciation**	**$66**	**$32**	**$22**	**$9**	**$23**
(11)	**Boat Business Profit (9-10)**	**-$411**	**-$215**	**-$4**	**$65**	**-$32**
(12)	**Profit at Full Equity (11+4)**	**-$386**	**-$208**	**-$3**	**$68**	**-$27**
	Boat Capital					
(13)	Fishing Gear & Equip	$777	$774	$584	$258	$521
	Licence Value	$21	$15	$24	$14	$18
(14)	**Total Boat Capital**	**$798**	**$788**	**$607**	**$271**	**$539**
	Rate of Return on Fishing Gear & Equip (12/13*100)	**-49.7%**	**-26.9%**	**-0.5%**	**26.5%**	**-5.3%**
	Rate of Return on Total Boat Capital (12/14*100)	**-48.4%**	**-26.4%**	**-0.5%**	**25.1%**	**-5.1%**

[a] Repairs and maintenance costs have been classified as a variable cost although it is noted that some of these costs may be fixed (e.g. regulated maintenance).

[b] Unpaid labour was divided between variable (time spent fishing and on repairs and maintenance) and fixed (management and administrative duties) based on the 2019 survey responses.

Source: Licence holder survey and BDO EconSearch analysis

Costs…

Table 3-3 to Table 3-6 show total boat costs separated into variable and fixed costs. Variable costs (69 per cent of total boat cash costs in 2017/18) represented a significantly greater proportion of total boat cash costs than fixed costs (31 per cent). This is consistent with other fisheries where the variable costs are generally in the range of 60 to 80 per cent and fixed costs in the range of 20 to 40 per cent.

It was estimated that total boat cash costs increase by 30 per cent between 2016/17 and 2017/18. This was the result of a 34 per cent increase in variable costs and a 22 per cent increase in fixed costs.

The significant increase in total cash costs between 2016/17 and 2017/18 (30 per cent increase) compared to the 16 per cent increase in income may have been due to a change in the sample between the 2017 and 2019 surveys, structural adjustment in the fishery, or a combination of both. Licence holders suggested in the 2017 survey that they are, on the one hand, relying more on their own unpaid labour as their financial situation deteriorates and, on the other hand, requiring more outside help as they age and find the physical tasks involved in fishing more difficult.

Approximately 38 per cent of total cash costs were attributable to fixed and variable labour costs (almost $52,000 including unpaid labour), by far the largest individual cost item (Table 3-3). The labour costs reported in Table 3-3 to Table 3-6 are comprised of payments to licence owners and crew as well as an imputed wage to those licence owners and other family members who are not paid a wage directly by the business. Paid labour (over $21,000) accounted for 16 per cent of total cash costs. Imputed unpaid labour (almost $31,000 per licence for 2017/18) was divided into variable (fishing and repairs and maintenance) and fixed (management and administration) components based on the 2019 licence holder survey. In total, imputed unpaid labour accounted for around 22 per cent of total cash costs. Other significant cash costs were fuel (19 per cent of total boat cash costs) and repairs and maintenance (13 per cent).

Total boat cash costs were higher on average in the GSV/KI region (almost $227,000) compared to the SG/CB region (approximately $133,000) (Table 3-4). Total boat cash costs in the first quartile were 18 per cent below average boat cash costs in the fourth quartile (Table 3-5). Interestingly, average boat cash costs were 41 per cent higher in the third quartile and 47 per cent higher in the second quartile compared to the fourth quartile, a result of significantly higher variable costs in the second and third quartiles.

Cash Income and Profit…

The separation of total cash costs into variable and fixed costs enables the calculation of boat gross margin (total boat income less total boat variable costs) as a basic measure of profit (assuming that capital has no alternative use and that as fishing activity varies there is no change in capital or fixed costs). There was an increase in estimated boat gross margin in 2017/18 ($38,000) compared to the previous year ($32,000) as a result of the rise in boat gross income (29 per cent) and despite an increase in variable costs (34 per cent) (Table 3-3).

As mentioned above, variable costs in the third quartiles were more significantly higher than that of the fourth quartile and with income only 34 per cent higher in the third quartile, boat gross margin was higher in the fourth quartile ($81,000) compared to the third quartile ($73,000).

Gross operating surplus (GOS) is calculated as gross income minus total boat cash costs, excluding imputed wages for operator and family members. The average GOS of all boats in 2017/18 was estimated to be $26,000, 34 per cent higher than in 2016/14. Boat cash income is measured as gross operating surplus with imputed wages (unpaid labour) included as cash costs. The estimated average boat cash income in 2017/18 was around -$5,000 per licence, down from approximately -$3,000 in 2016/14 (Table 3-3).

GOS and boat cash income give an indication of the capacity of an operator to remain in the fishery in the short to medium term. The average operator in the fishery (and in the third and fourth quartiles) is performing well in this regard. Positive GOS and boat cash income indicate that the business revenue is sufficient to cover total cash costs, including an allowance for drawings for an owner operator and other unpaid family labour.

Boat business profit indicates the capacity of the operator to remain in the fishery in the medium to long term. In 2017/18, the average boat business profit was around -$17,000 (Table 3-3). This is an increase on the average boat business profit in the previous year (-$27,000). The average boat business profit was higher in the SG/CB region (around -$17,000) than in the GSV/KI region (around -$29,000) (Table 3-4). A negative boat business profit suggests that business revenue is insufficient to fully cover depreciation costs and therefore has or will have difficulty funding capital replacement in the longer term and earning a return on that capital.

Profit at full equity is a measure of the profitability of an individual licence holder, assuming the licence holder has full equity in the operation. It is a useful absolute measure of the economic performance of fishing businesses. Average profit at full equity in the Charter Boat Fishery in 2017/18 was estimated to be approximately -$15,000, a decrease on 2016/17 (-$24,500) (Table 3-3). The average profit at full equity was lower in the SG/CB region (around -$15,000) than in the GSV/KI region (-$26,500), mostly due to the lower boat gross income in the SG/CB region (Table 3-4).

Average profit at full equity was positive for the fourth quartile and negative for the first, second and third quartiles. Total boat cash costs appeared to be a significant determinant of profitability for boats in the fishery. While boats in the third quartile had higher boat gross income they also had significantly higher total boat cash costs resulting in lower profit at full equity (Table 3-5).

The discussion provided above is on economic profit, not accounting profit. Businesses are viable in the long run with zero economic profit. Indeed, this is the normal state of most small businesses and it means that labour and capital costs are fully covered but not earning an above normal profit. It is also worth noting that in businesses such as these there may be non-financial benefits (e.g. enjoyment of fishing) that means operators are willing to forego income in return for lifestyle. As a result, negative economic profits can be sustainable in the long run as unpaid labour cost is partially offset by these non-monetary benefits.

Rate of Return to Capital…

For the purpose of this analysis, ‘investment’ is considered to be the capital employed by a licence holder in the fishery. Capital includes boats, licence, fishing gear, sheds, vehicles and other capital items used as part of the fishing enterprise. It does not include working capital or capital associated with other businesses operated by the licence holder.

The average total investment in fishing gear and licence in the Charter Boat Fishery in 2017/18 was estimated to be around $292,500 per fisher. This included the licence holder’s estimate of the value of their licence[2] (almost $10,000) and investment in boats and fishing gear ($282,500 per licence). The average total investment in fishing gear and licence was a significant increase on the average total investment for 2014/15 ($162,000) but only 2 per cent greater than when the previous survey was undertaken ($199,000 in 2012/13) (Appendix 1). Licence holders indicated that, due to the inherent variability in the fishery, little money is spent on boats and gear in difficult years, as they try to keep costs to a minimum. In more profitable years,

[2] The estimate of the 2017/18 licence value reflects licence holders own estimates of the value of their licence in the 2019 survey.

however, investment in boats and gear increases, with surplus supplies being purchased and stored for use in years when fishing incomes decline. No significant increase in the estimated value of capital may be indicative of difficulties for the fishery as a whole.

For the Charter Boat Fishery as a whole, the average rate of return to fishing gear and equipment was estimated to be -5.3 per cent in 2017/18, while rate of return to total capital (gear and licence) was estimated to be -5.1 per cent in 2017/18 (Table 3-3). This is the highest rate of return for the entire period of analysis (Appendix 1 and EconSearch 2018a).

The average rate of return to total capital was higher for operators in the SG/CB region (-4.2 per cent) than in the GSV/KI region (-5.4 per cent) (Table 3-4). The average rate of return to total capital was estimated to be -48.4 per cent in the first quartile and 25.1 per cent in the fourth quartile (Table 3-5).

There appears to be an ideal business size in the 200-400 clients per annum range. This is based on the constancy in the number of active licences in this range and the quartile with highest return to capital did not have highest revenue (and number of clients) (Table 3-1 and Table 3-5).

The question of what is a 'reasonable' average rate of return should be considered in light of the riskiness of the industry. Operating a Charter Boat fishing business is a moderately risky activity, with some of the major risks arising from seasonal variability (environmental risk) and uncertainty regarding long-term resource security (institutional risk).

Licence values…

The reported average licence value of just under $10,000 for 2017/18 is a decline from the estimated value for 2016/17 ($11,000) and for 2012/13 ($20,000). The value of licences represents a small proportion (3 per cent) of the total capital used by each licence holder in the fishery. The reported average licence value of $10,000 for all licence types was based on the fishers' own estimates of the value of their licence provided in the 2019 survey of licence holders (Table 3-3). There was a large degree of variability in licence holder estimates of licence value. Estimates ranged from $2,000 to $50,000 per licence and some licence holders suggested that due to the large amount of latent effort (32 licences were inactive in 2017/18) the market value is low and declining. It is worth noting that the value of these licences would ideally be revealed through an active market with transparent and open reporting of trades. As this was not available, the survey of operators provided an alternative method of valuing licences.

The Charter Boat Fishery has restricted access with no new licences currently being issued (PIRSA 2019) but the fact that Charter Boat licences have any value is unusual. These licences only provide the holder with the opportunity to create negative profit at full equity and, as indicated by the large number of unused licences, these licences are not scarce.

3.5. State and Regional Economic Contribution

Estimates of the economic contribution of the Charter Boat fishing industry in the South Australian and regional economies in 2017/18 are outlined below.

3.5.1. Measuring direct and flow-on effects

Economic contributions at the state and regional levels were based on input-output models prepared for the Department of Premier and Cabinet (EconSearch 2017c).

One aspect of the direct economic contribution of the sector is the income, expenditure and employment generated by Charter Boat businesses actively operating in the fishery. In order to compile a representative cost structure for the Charter Boat fishing sector, costs per boat were derived from data provided by operators in the fishery in the 2019 survey. On an item-by-item basis, the expenditures were allocated between those occurring in South Australia and those goods and services imported from outside the state.

A second component of the direct economic contribution is the expenditures made by Charter Boat clients in their visit to the region in addition to the payment of the fee for their Charter Boat fishing experience. This includes expenditures on food, travel and, if relevant, accommodation.

The method used to estimate a profile of visitor expenditure is consistent with that used by the ABS (ABS 2017c) and uses data published by Tourism Research Australia (TRA 2017). Based on the proportion of clients who participated in half day, full day or overnight trips (ranging from one to five nights), it was assumed that 60 per cent of clients attending a half day Charter Boat trip, 51 per cent of clients attending a full day trip and 57 per cent of clients attending a one night trip were day visitors. The remainder in each category and 100 per cent of all clients attending two to over five nights trips were overnight visitors spending on average 3 nights on accommodation (that is attributable to the Charter Boat fishing experience). These proportions and average visitor nights per trip are based on the findings from the survey conducted for the FRDC project *A market research-driven and co-management approach to developing an industry strategy for the SA Charter Boat Fishery,* project number 2018-154 which was run in parallel with this economic indicators analysis.

Regional visitor expenditure profiles were estimated for the SG/CB and GSV/KI regions based on the number of clients for each of these regions (provided by SARDI).

Each activity undertaken by Charter Boat operators and other businesses servicing Charter Boat clients generates flow-on effects to other sectors through purchases of inputs and the employment of labour. These flow-on effects have been estimated using input-output analysis. Input-output analysis is widely used in economic impact analysis and is a practical method for measuring economic contributions at regional and state levels.

Economic contributions have been specified in terms of the following economic indicators:

- value of output
- employment
- household income
- contribution to gross state or regional product.

Value of output is a measure of the gross revenue of goods and services produced by commercial organisations plus gross expenditure by government agencies. This indicator needs to be used with care as it includes elements of double counting.

Employment is a measure of the number of working proprietors, managers, directors and other employees, in terms of the number of full-time equivalent jobs.

Household income is a component of Gross State Product (GSP) and Gross Regional Product (GRP) and is a measure of wages and salaries, drawings by owner operators and other payments to labour including overtime payments and income tax, but excluding payroll tax.

Contribution to GSP or GRP is a measure of the net contribution of an activity to the state/regional economy. Contribution to GSP or GRP is measured as value of output less the cost of goods and services (including imports) used in producing the output. It can also be measured as household income plus other value added (gross operating surplus and all taxes, less subsidies). It represents payments to the primary inputs of production (labour, capital and land). Using contribution to GSP or GRP as a measure of economic contribution avoids the problem of double counting that may arise from using value of output for this purpose.

3.5.2. Economic contributions at the state and regional levels

Estimates of the economic contribution generated in 2017/18 by the Charter Boat fishing industry in South Australia and in the Spencer Gulf/Coffin Bay (SG/CB) and Gulf St Vincent/Kangaroo Island (GSV/KI) are detailed in Table 3-7 through to Table 3-9. Estimates for 2016/17 are provided in Appendix 2.

For each measure of economic activity, the contributions at the state level are greater than regional level contributions. This is to be expected, as the regional contribution is simply a component, albeit a significant one, of the total state contribution.

The direct contribution measures fishing and downstream activities (i.e. visitor and capital expenditure). The flow-on contribution measures the economic effects in other sectors of the economy (trade, manufacturing, etc.) generated by the fishing industry activities, that is, the multiplier effects.

Value of output...

The value of output generated directly in South Australia and the regions by Charter Boat fishing enterprises summed to $3.4 million in 2017/18 (Table 3-7), while output generated in South Australia including associated downstream activities (visitor activities and capital expenditure) summed to $13.6 million. Total direct output (including downstream activities) generated regionally was estimated to be $3.7 million in the SG/CB region (Table 3-8) and $7.4 million GSV/KI region (Table 3-9).

Flow-ons to other sectors of the state economy added another $14.4m in output ($2.7m in the SG/CB region and $8.2m in the GSV/KI region). The sectors most affected were the manufacturing, trade, business services and finance and insurance sectors. The total output contribution in SA (direct plus indirect) was estimated to be $28.0m in 2017/18 ($6.4m in the SG/CB region and $15.7m in the GSV/KI region).

Employment and household income...

In 2017/18, the Charter Boat Fishery was responsible for direct employment of around 44 full-time equivalents (14 fte jobs in the SG/CB region and 16 in the GSV/KI region) and downstream activities created employment of around 56 fte jobs state-wide. Flow-on business activity was estimated to generate a further 56 fte jobs state-wide. These state-wide jobs were concentrated in the trade (24), business services (11) and manufacturing (6) sectors. The total employment contribution in SA was estimated to be 156 fte jobs, 40 fte jobs in the SG/CB region and 79 fte jobs in the GSV/KI region. This is an important outcome for the Charter Boat Fishery as it is managed to create employment. This contrasts with the other SA fisheries where employment is secondary in favour of maximising economic rent.

Table 3-7 The economic contribution of the Charter Boat fishing industry in SA, 2017/18

Sector	Output		Employment [a]		Household Income		Contribution to GSP	
	($m)	%	(fte jobs)	%	($m)	%	($m)	%
Direct effects								
Charter Boats	3.4	12.2%	44	28.2%	1.3	15.0%	1.1	7.9%
Visitor Activities								
Trade	3.1	11.2%	24	15.1%	1.4	17.0%	2.0	14.7%
Accom, rest, cafes	2.1	7.6%	15	9.4%	0.6	7.1%	1.0	7.2%
Transport	1.7	6.1%	7	4.8%	0.6	6.9%	1.0	7.0%
Manufacturing	1.7	6.0%	4	2.6%	0.2	2.3%	0.4	2.9%
Other Sectors	1.6	5.6%	7	4.2%	0.3	4.1%	0.8	6.0%
Capital expenditure [b]	0.0	0.0%	0	0.0%	0.0	0.0%	0.0	0.0%
Total Direct [c]	*13.6*	*48.6%*	*100*	*64.4%*	*4.4*	*52.4%*	*6.3*	*45.6%*
Flow-on effects								
Trade	1.8	6.3%	24	15.4%	0.7	8.9%	1.1	7.7%
Manufacturing	2.1	7.4%	6	3.9%	0.3	3.8%	0.6	4.1%
Business Services	2.4	8.5%	11	7.1%	1.2	14.7%	1.5	10.5%
Finance, Insurance	1.3	4.5%	2	1.2%	0.2	2.9%	0.8	5.8%
Other Sectors	6.9	24.6%	12	8.0%	1.4	17.3%	3.6	26.3%
Total Flow-on [c]	*14.4*	*51.4%*	*56*	*35.6%*	*4.0*	*47.6%*	*7.5*	*54.4%*
Total [c]	**28.0**	**100.0%**	**156**	**100.0%**	**8.4**	**100.0%**	**13.8**	**100.0%**
Total/Direct	2.1	-	1.6	-	1.9	-	2.2	-
Total/Client	$1,900	-	0.01	-	$500	-	$900	-

[a] Full-time equivalent jobs. Direct employment in the fishing industry was comprised of 33 full-time jobs and 51 part-time jobs, that is, 83 jobs in aggregate, which was estimated to be equal to 44 fte jobs.

[b] Capital expenditure includes expenditure on boats, fishing gear and equipment, sheds and buildings, motor vehicles and other equipment.

[c] Totals may not sum due to rounding.

Source: BDO EconSearch analysis

Table 3-8 The economic contribution of the Charter Boat fishing industry in Spencer Gulf/Coffin Bay region, 2017/18

Sector	Output		Employment [a]		Household Income		Contribution to GSP	
	($m)	%	(fte jobs)	%	($m)	%	($m)	%
Direct effects								
Charter Boats	1.0	16.2%	14	34.4%	0.3	13.4%	0.3	8.2%
Visitor Activities								
Trade	0.6	8.9%	5	11.4%	0.3	13.7%	0.4	11.7%
Accom, rest, cafes	0.9	14.7%	7	16.3%	0.3	16.3%	0.5	15.1%
Transport	0.2	3.8%	1	2.7%	0.1	4.6%	0.1	4.4%
Manufaturing	0.4	6.6%	1	3.7%	0.1	3.4%	0.1	4.7%
Other Sectors	0.4	6.0%	0	0.7%	0.0	1.2%	0.2	5.3%
Capital expenditure [b]	0.1	1.6%	1	1.4%	0.0	2.5%	0.0	1.6%
Total Direct [c]	*3.7*	*57.8%*	*28*	*70.6%*	*1.1*	*55.0%*	*1.6*	*51.0%*
Flow-on effects								
Trade	0.6	9.0%	4	9.5%	0.2	12.9%	0.3	11.2%
Manufacturing	0.2	2.9%	1	1.6%	0.0	1.5%	0.1	1.8%
Business Services	0.5	7.2%	2	5.7%	0.2	12.0%	0.3	9.1%
Finance, Insurance	0.1	1.7%	0	0.4%	0.0	0.9%	0.1	2.6%
Other Sectors	1.4	21.4%	5	12.1%	0.3	17.7%	0.8	24.3%
Total Flow-on [c]	*2.7*	*42.2%*	*12*	*29.4%*	*0.9*	*45.0%*	*1.5*	*49.0%*
Total [c]	**6.4**	**100.0%**	**40**	**100.0%**	**1.9**	**100.0%**	**3.1**	**100.0%**
Total/Direct	1.7	-	1.4	-	1.8	-	2.0	-
Total/Client	$1,400	-	0.01	-	$400	-	$700	-

[a] Full-time equivalent jobs. Direct employment in the fishing industry was comprised of 8 full-time jobs and 18 part-time jobs, that is, 26 jobs in aggregate, which was estimated to be equal to 14 fte jobs.

[b] Capital expenditure includes expenditure on boats, fishing gear and equipment, sheds and buildings, motor vehicles and other equipment.

[c] Totals may not sum due to rounding.

Source: BDO EconSearch analysis

Table 3-9 The economic contribution of the Charter Boat fishing industry in Gulf St Vincent/Kangaroo Island region, 2017/18

Sector	Output		Employment [a]		Household Income		Contribution to GSP	
	($m)	%	(fte jobs)	%	($m)	%	($m)	%
Direct effects								
Charter Boats	2.1	13.3%	16	20.5%	0.5	12.2%	0.5	6.7%
Visitor Activities								
Trade	1.1	7.3%	9	11.5%	0.5	11.8%	0.8	10.0%
Accom, rest, cafes	1.9	12.0%	13	16.9%	0.5	12.2%	0.9	11.5%
Transport	0.5	3.1%	2	3.1%	0.2	4.1%	0.3	3.9%
Manufaturing	0.8	5.4%	2	3.0%	0.1	2.7%	0.2	3.0%
Other Sectors	0.8	4.8%	2	2.5%	0.1	2.6%	0.4	5.6%
Capital expenditure [b]	0.2	1.5%	1	1.6%	0.1	2.4%	0.1	1.5%
Total Direct [c]	*7.4*	*47.6%*	*47*	*58.9%*	*2.1*	*48.0%*	*3.2*	*42.2%*
Flow-on effects								
Trade	1.2	7.6%	7	9.3%	0.5	11.4%	0.2	2.3%
Manufacturing	1.1	6.8%	3	4.3%	0.2	4.1%	0.3	4.0%
Business Services	1.4	8.8%	6	7.8%	0.7	15.4%	0.8	10.9%
Finance, Insurance	0.7	4.5%	1	1.3%	0.1	2.9%	0.4	5.9%
Other Sectors	3.9	24.7%	15	18.3%	0.8	18.3%	2.6	34.7%
Total Flow-on [c]	*8.2*	*52.4%*	*33*	*41.1%*	*2.3*	*52.0%*	*4.4*	*57.8%*
Total [c]	**15.6**	**100.0%**	**79**	**100.0%**	**4.5**	**100.0%**	**7.5**	**100.0%**
Total/Direct	2.1	-	1.7	-	2.1	-	2.4	-
Total/Client	$1,600	-	0.01	-	$400	-	$700	-

[a] Full-time equivalent jobs. Direct employment in the fishing industry was comprised of 10 full-time jobs and 21 part-time jobs, that is, 31 jobs in aggregate, which was estimated to be equal to 16 fte jobs.

[b] Capital expenditure includes expenditure on boats, fishing gear and equipment, sheds and buildings, motor vehicles and other equipment.

[c] Totals may not sum due to rounding.

Source: BDO EconSearch analysis

Personal income of $1.3m, was earned in the Charter Boat fishing sector (wages of employees and estimated drawings by owner/operators) and $3.1m in downstream activities in SA. An additional $4.0m was earned by wage earners in other businesses in the state as a result of Charter Boat fishing and associated downstream activities. The total household income contribution was $8.4m in SA ($1.9m in the SG/CB region and $4.5m in the GSV/KI region).

Contribution to GSP and GRP...

As noted above, contribution to GSP or GRP is measured as value of output less the cost of goods and services (including imports) used in producing the output. In 2017/18, total Charter Boat fishing industry related contribution to GSP in South Australia was $13.8m ($3.1m in the SG/CB region and $7.6m in the GSV/KI region), with $1.1m generated by Charter Boat fishing directly, $5.2m generated by downstream activities and $7.5m generated in other sectors of the state economy.

Total contributions over time…

Figure 3-3 and Figure 3-4 illustrate the total economic contribution of the fishery in the SA economy between 2009/10 and 2017/18. Estimates of economic contribution are expressed in real 2017/18 terms.

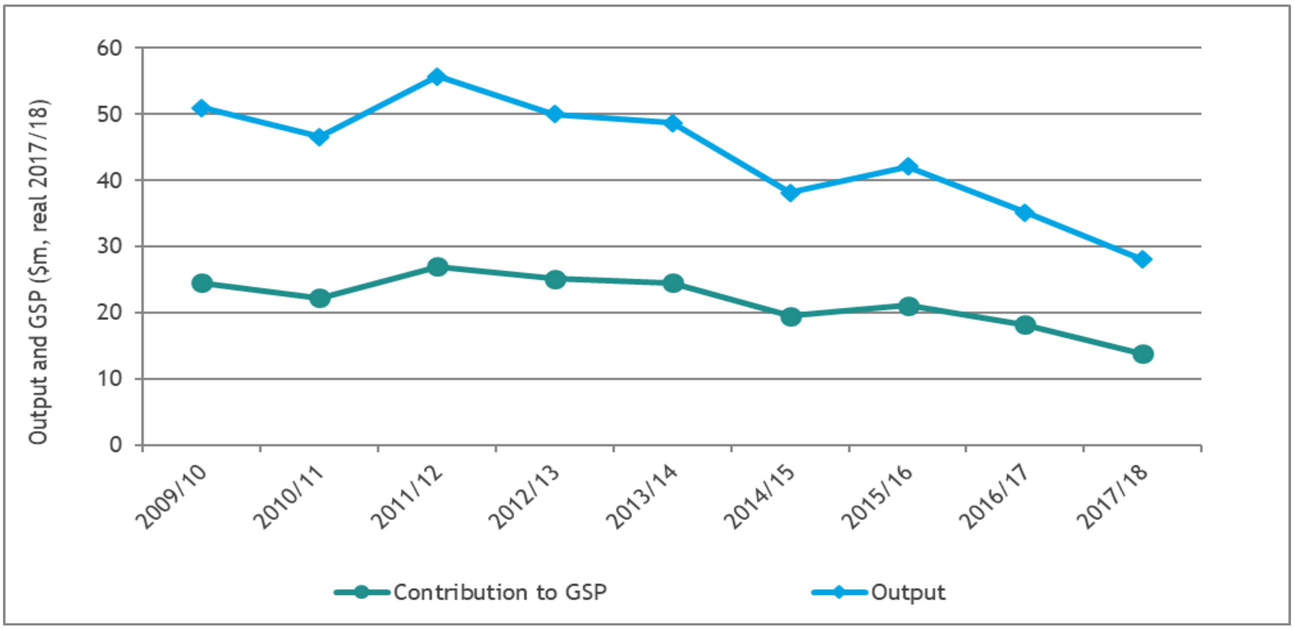
Estimates of economic contribution for 2017/18 are based on the most recent licence holder survey conducted in 2019. Estimates of economic contribution in earlier years were based on surveys conducted in 2011, 2014 and 2017. As economic contribution estimates for the years 2009/10 to 2017/18 are based on different survey samples and techniques, some of the variability between years, is therefore, attributable to sampling variability.

Care should be taken when using value of output as a measure of economic contribution as it includes elements of double counting. Contribution to GSP is the preferred measure of net contribution to the SA economy.

Output, contribution to GSP, employment and household income have all declined over the period from 2009/10 to 2017/18 (Figure 3-3 and Figure 3-4). The significant decrease in estimated employment between 2011/12 and 2012/13 is, in part, due to the update of survey data but also due to a reduction in active licence holders, a reduction in average price paid by clients and a decline in aggregate expenditure by clients on other non-charter boat activities. There was a slight improvement in output, contribution to GSP and income between 2014/15 and 2015/16 which is primarily due to an increase in fishery income and total expenditure, although all measures declined once again through to 2017/18.

In 2017/18, the Charter Boat Fishery contributed $13.8m to South Australia's gross state product (GSP), created 156 fte jobs and contributed $8.4m to household income.

Figure 3-3 Total gross state product and output contribution of the SA Charter Boat Fishery on the SA economy, 2009/10 to 2017/18[a,b,c]



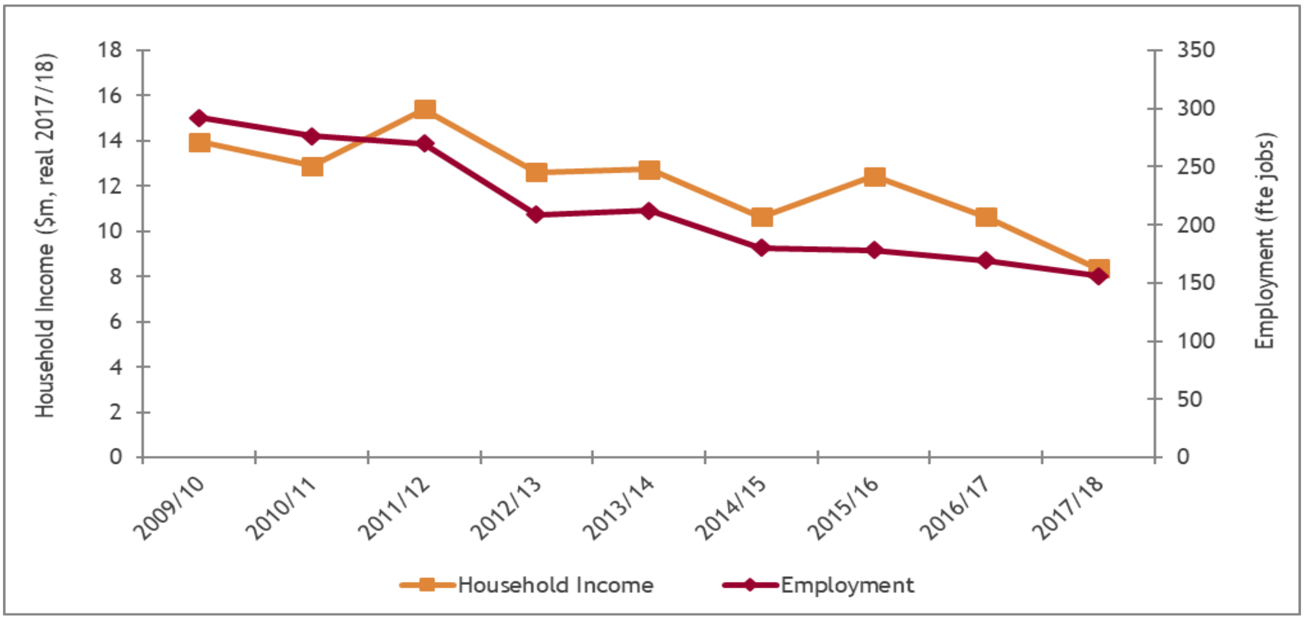
[a] Monetary values have been converted to 2017/18 dollars using the Adelaide CPI (ABS 2018a and previous editions).

[b] Estimates for 2009/10 to 2016/17 have been revised using an updated method estimating visitor profile expenditure incorporating new data from FRDC project number 2018-154.

[c] Estimates for 2016/17 have been revised using an updated RISE model for 2016/17 incorporating latest Census and employment data.

Source: EconSearch (2018a) and BDO EconSearch analysis

Figure 3-4 Total employment and household income contribution of the SA Charter Boat Fishery on the SA economy, 2009/10 to 2017/18[a]



[a] See notes for Figure 3-3

Source: EconSearch (2018a) and BDO EconSearch analysis

4. OTHER INDICATORS

4.1. Contribution to the Community

In addition to the economic contribution made to the regional and state economies (Section 3.5), the Charter Boat Fishery also contributes to the social, environmental and heritage values of the region, through involvement in community-support activities and contribution to the provision, maintenance and expansion of local and regional services and businesses.

4.1.1. Community support activities

The estimated time spent on community-support activities by licence holders (including licence holders' family members and employees) in 2017/18 is summarised in Table 4-1.

On average, each licence holder (including family members and employees) spent over two and a half days (21.2 hours) per month on community-support activities. Participating in conservation activities, volunteering for sporting clubs and community services were the community activities where the most time was spent (on average 5.0 hours, 4.5 hours and 3.2 hours, respectively, each month for both types of activities). Charter Boat Fishery licence holders, in aggregate, spent a total of approximately 1142 hours per month on community-support activities. This is up from the estimates of 407 hours per month for 2014/15 and 679 hours per month for 2012/13. This is despite the number of active licence holders declining from 75 in 2012/13 and 60 in 2015/16 to 58 in 2017/18.

Table 4-1 Estimated time per month spent on community-support activities, 2017/18

Community Activity	Hours per month	
	Average Per Licence Holder	All Licence Holders [a]
Volunteering for sporting clubs	4.5	273
Volunteering for Community services (e.g. CFS, SES, Schools)	3.2	190
Participating in marine rescue and recovery	1.5	87
Participation in fishing-related research	2.4	142
Provision of technical advice to committees, panels on fishing industry matters	2.4	142
Participation in conservation activities	5.0	298
Other	0.1	9
Total [b]	19.0	1142

[a] Calculation based on scaling up average hours per month per licence holder for all 58 active licence holders.

[b] Totals may not sum due to rounding.

Source: 2019 survey response

Interestingly there appears to be a different pattern from the other commercial fisheries with less time spent on industry meetings and more time spent on actual community support activities (e.g. sporting clubs and community services).

Assuming the value of time foregone is approximately $26 per hour[3], the average value of each licence holder's time spent on community-support activities was at least $493 per month or almost $5,900 for the full year (2017/18). On a whole of fishery basis, the aggregate value of time spent on community-support activities was at least $29,000 per month or around $355,000 for the full year.

In addition to the above mentioned community-support activities, licence holders indicated that there are a number of other ways that the Charter Boat Fishery contributes to the social, environmental and heritage values of the local community. These include:

- donating charters to charities for underprivileged and disabled children and families, community groups, fundraising, etc.
- passing on valuable knowledge and information regarding the local environment and the fishing industry to local residents from outside the fishing community, tourists and recreational fishers
- educating others on best fishing practices and promotion of sustainable development

4.1.2. Local and regional services/businesses

The operation of the Charter Boat Fishery (and the employment the fishery generates and the households it maintains) has either directly or indirectly contributed to the provision, maintenance and expansion of a number of local and regional services and businesses. A summary of the Charter Boat Fishery's contribution to various services and businesses is provided in Table 4-2.

Note that some of the fishery's contribution to the community is quantified in Section 3.4, however the need for services (e.g. schools, police, etc.) and the contributions to various organisations (e.g. hospitals) means the fishery contributes to the community in more ways than just generating income and the direct purchase of goods and services.

Although it was difficult to quantify the contribution the fishery makes to local and regional services and businesses, an estimate was made of the number of children from fishing families and fishing families' employees that attended local schools.

Of those who participated in the survey there were 48 children (under the age of 18) who were members of fishing families and fishing families' employees in 2017/18, 19 children belonged to licence holder families and 29 were children of employees. Of these 48 children, 32 attended local schools.

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3 Valuation of time is a difficult concept. The key question is whether one should use the value of time in work to value time spent on leisure or other non-work related activities. The use of $26 per hour is an approximation of the opportunity cost of time in work for the average person (i.e. an approximation of the average wage rate). The Australian Bureau of Statistics used 3 methods to value volunteers' time and produced a range of estimates from $24.21/hr to $28.24/hr in 2017 dollars (inflated from 1997 estimates (Ironmonger 2002, p. 3)).

Table 4-2 Fishery contribution to local and regional services/businesses, 2017/18

Service/Business	Location	Fishery Contribution
Accommodation/caravan parks	All areas	Attract visitors to region
Hotels/pubs	All areas	Attract visitors to region
Hospitality/food service industry	All regional areas	Attract visitors to region
Sporting clubs/community groups/fundraisers	Whyalla, Port Lincoln	Financial support, participation
Ferry transport	Cape Jervis, KI	Attract visitors to region
Airlines	Port Lincoln, KI, Mount Gambier	Attract visitors to region
Hire car/bus operators	Port Lincoln, KI, Mount Gambier	Attract visitors to region
Fuel suppliers	All areas	Purchase fuel for boats and vehicles
Ice suppliers	All areas	Purchase ice
Mechanics	Whyalla, Port Lincoln	Vehicle and boat maintenance
Supermarkets/local stores	All regional areas	Purchase provisions Attract visitors to region

Source: 2019 survey response

4.2. Status Report

The status of the Charter Boat Fishery is set out in the stock status report prepared by SARDI (Rogers et al. 2017). The latest stock status report was summerised in the 2016/17 SA Charter Boat Fishery Economic and Social Indicators report (EconSearch 2018a) and has yet to be updated.

4.3. Licence Holder Comments

Some licence holders, who participated in the 2019 survey identified issues of importance to the economic performance of their business and the Charter Boat Fishery as a whole.

Management

In addition to the information collected in Section 5, licence holders indicated concerns over the management of the Charter Boat Fishery. Issues highlighted by a number of licence holders related to slow or lack of communication and compromise from PIRSA prior to any changes in the fishery. They also felt that there are too many inactive licences which need to be removed.

Catch limits and closures

Many of the licence holders felt that there is an issue with illegal fishing and that both Charter Boat fishers and recreational fishers needed to do a better job at staying within the catch limits of the fish species. However, several comments were made in regard to the catch limits being unreasonably small for Charter Boat operators, especially on longer trips. It was also suggested that there be more fishery compliance officers comprehensively monitoring all fishers.

The Snapper closure was a major issue for most Charter Boat fishers, although many had differing opinions on how to better handle such an influential closure. There were suggestions that there be a longer closure, but that Charter Boat operators be reimbursed for lost income, or that they be given an exemption to the closed season (but not to spawning spatial zones closures). Many simply requested an early and proper warning of a possible closure, to allow them to make preparations and warn clients.

Profitability

Charter Boat fishers felt that there is room for improvement with their profitability. Suggestions were made to broaden their allowable catch to include other species, such as rock lobster fishing.

It was also noted that local councils need a better understanding of the Charter Boat Fishery and the benefits of their services. Some local councils do not have enough areas for either park or camping and licence holders are reporting complaints from clients regarding this and on occasion their clients are incurring fines.

4.4. Other Indicators

In addition to financial information, a range of other information was collected from licence holders during the 2019 survey regarding their fishing operations.

4.4.1. Time in fishery

The number of years that licence holders in the Charter Boat Fishery had been working in the Charter Boat Fishery ranged from 6 to 40 years, with an average of 17 years (13 years in 2017, 11 years in 2014 survey and 5 years in 2011 survey). As licences were only introduced in the Charter Boat Fishery in 2005, this implies that some licence holders were working as Charter Boat operators for more than two decades before the introduction of the licences.

The number of years that licence holders in the Charter Boat Fishery had owned fishing licences ranged from 4 to 13 years, with an average length of ownership of 11 years. As mentioned above, a number of licence holders indicated they had worked in the Charter Boat industry for a number of years prior to the introduction of licences in July 2005. Since the fishery was only licensed in 2005, most licences have been held within a family for one generation. Several licence holders indicated that other generations of their family had worked in other fisheries.

4.4.2. Fishing Location

Survey respondents predominantly fished in four locations: the West Coast (i.e. the west coast of Eyre Peninsula to the Western Australian boarder), Spencer Gulf/Coffin Bay, Gulf St Vincent/Kangaroo Island and Victor Harbor/South East (see Figure 1-1 for a map of fishing regions). Some licence holders (approximately 31 per cent) indicated that they fished in more than one of these locations during the 2017/186 season. In 2017/18, Spencer Gulf/Coffin Bay was the most popular fishing region followed by the Gulf St Vincent/Kangaroo Island fishing region.

4.4.3. Age of licence holders

The majority (81 per cent) of licence holders were aged between 46 and 65 years at the time of the 2019 survey, with the highest number of licence holders in the 61-65 year age bracket (31 per cent), followed by the number of licence holders in the 46-50 year age bracket (19 per cent). In 2009/10 and 2012/13 the highest number of licence holders were in the 41-45 year age bracket (37 per cent and 23 per cent, respectively) and in 2015/16 the highest number of licence holders were in the 56-50 year age bracket (23 per cent) (Table 4-3).

The average age of Charter Boat Fishery licence holders was 55 years (53 years in 2015/16, 50 years in 2012/13 and 48 years in 2009/10) which is lower than that for South Australian owner/managers of broadacre and livestock properties. In 2016/17[4], the average age of farm owner/managers was 60 years (ABARES 2018). The average age of Charter Boat operators is similar to the average age of fishers in the Lakes and Coorong fishery and slightly younger than the average age in the SA Abalone, Northern Zone Rock Lobster Fishery and Southern Zone Rock Lobster fisheries (BDO EconSearch data). The increasing trend in average age of Charter Boat Fishery licence holders suggests there has been a low level of new/younger entrants into the fishery from 2011 to 2018.

Table 4-3 Age of Charter Boat Fishery licence holders, 2009/10, 2012/13, 2015/16 and 2017/18

	2009/10		2012/13		2015/16		2017/18	
Age Bracket (years)	No. from survey sample	Proportion	No. from survey sample	Proportion	No. from survey sample	Proportion	No. from survey sample	Proportion
Under 25	0	0%	0	0%	0	0%	0	0%
26-30	1	3%	1	3%	0	0%	0	0%
31-35	0	0%	1	3%	2	8%	0	0%
36-40	4	13%	2	6%	1	4%	2	8%
41-45	11	37%	7	23%	2	8%	2	8%
46-50	3	10%	6	19%	6	23%	5	19%
51-55	4	13%	4	13%	4	15%	4	15%
56-60	2	7%	4	13%	5	19%	4	15%
61-65	3	10%	2	6%	4	15%	8	31%
Over 65	2	7%	4	13%	2	8%	1	4%
Total	30	100%	31	100%	26	100%	26	100%

Source: 2011, 2014, 2017 and 2019 survey responses

[4] 2017/18 data is not yet made available by ABARES.

5. SOCIAL INDICATORS

As the SA Charter Boat Fishery allows recreational access to South Australian fish stocks to those who cannot afford or access their own boat or are not avid fishers. Because of this, client numbers are an indicator of the social benefit to the community provided by the SA Charter Boat Fishery. In 2017/18, over 14,000[5] clients accessed the fishery, although these numbers have decreased by 26 percent since 2005/06.

Fishers who participated in the 2019 survey were asked several questions about their commercial licence holder perceptions of and satisfaction with management processes in their fishery. 26 interview participants were asked to rate their answers on a scale of 0-10 for four questions about fisheries management. Fisher responses where then sorted into categories and are presented in Figure 5-1. Due to the differing nature of the questions asked in the 2019 survey, no comparison is able to be made with previous surveys.

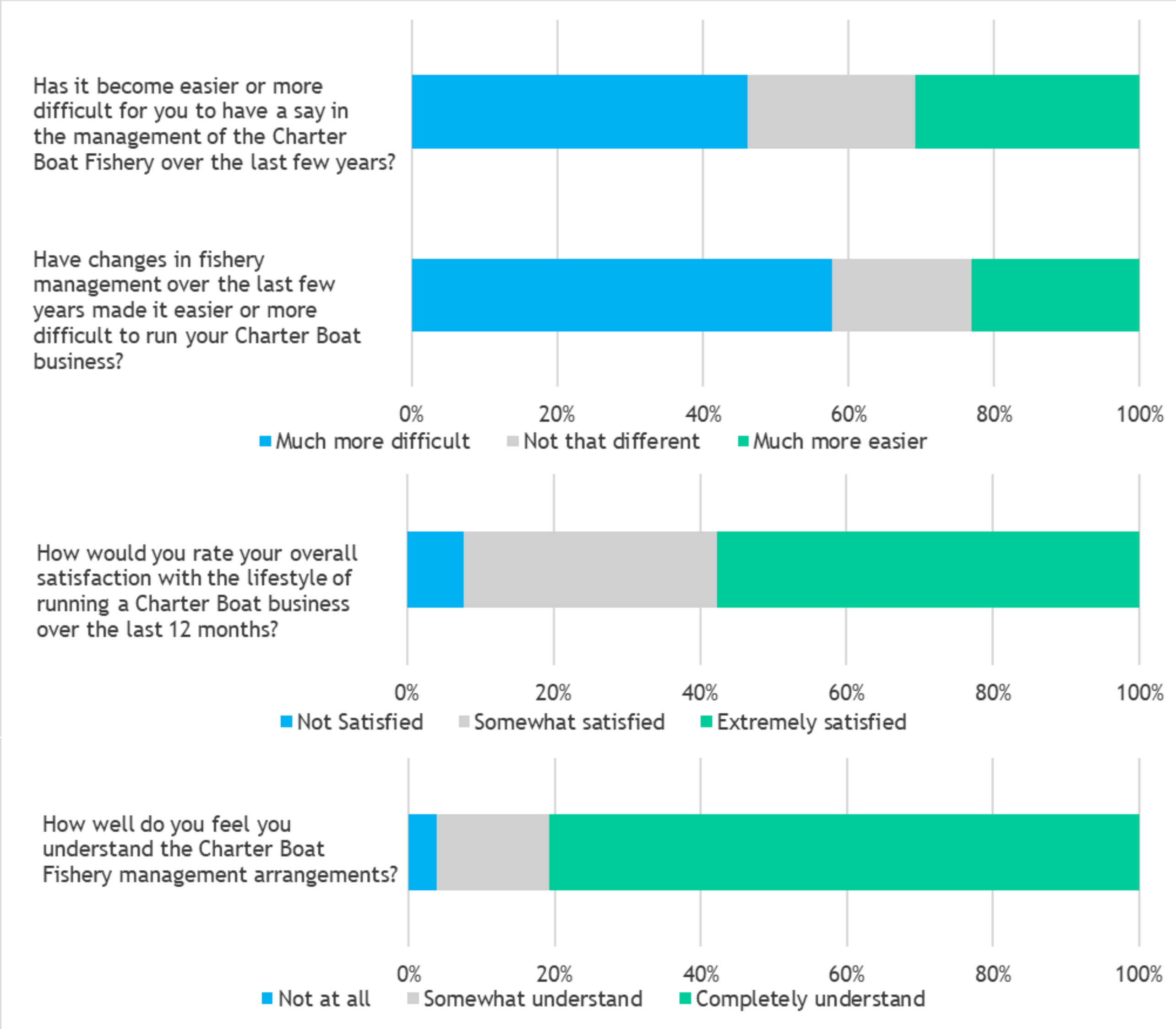
The first two questions regarding Charter Boat fishery management highlighted areas where some Charter Boat operators wanted different management approaches. Only 31 per cent of licence holders found changes to the fishery management easier for them to have a say, and only 23 per cent found changes to the fishery management easier for them to run their business. The majority of licence holders felt it had become more difficult to have a say (58 per cent) and 46 per cent had found it more difficult to run their businesses (Figure 5-1). Both average ratings for the questions are low, with an average score of 3 for the ease in having a say, and an average score of 4 given for the ease in operating their Charter Boat businesses.

In contrast, of the licence holders surveyed just over half were extremely satisfied with the lifestyle of running a Charter Boat business. Only 8 per cent felt they were unsatisfied by giving a rating of 3 or below (Figure 5-1). This indicates that the majority of fishers enjoy their time and experiences running their businesses, despite a low rating of ease in operating, as the average rating given was relatively high at 7.

The majority of licence holders in the Charter Boat Fishery (81 per cent) felt that they completely understood the Charter Boat Fishery management arrangements. Only 4 per cent of the licence holders gave a rating of 3 or under to indicate their lack of understanding (Figure 5-1). The average rating given on the scale was 8 indicating a high understanding.

[5] These clients are specifically of Commercial Chart Boat Fishery licence holders and do not represent the total number of people accessing the social benefit of fishing stocks for recreational purposes.

Figure 5-1 Communication and engagement in Charter Boat Fishery, 2017/18



Source: BDO EconSearch analysis

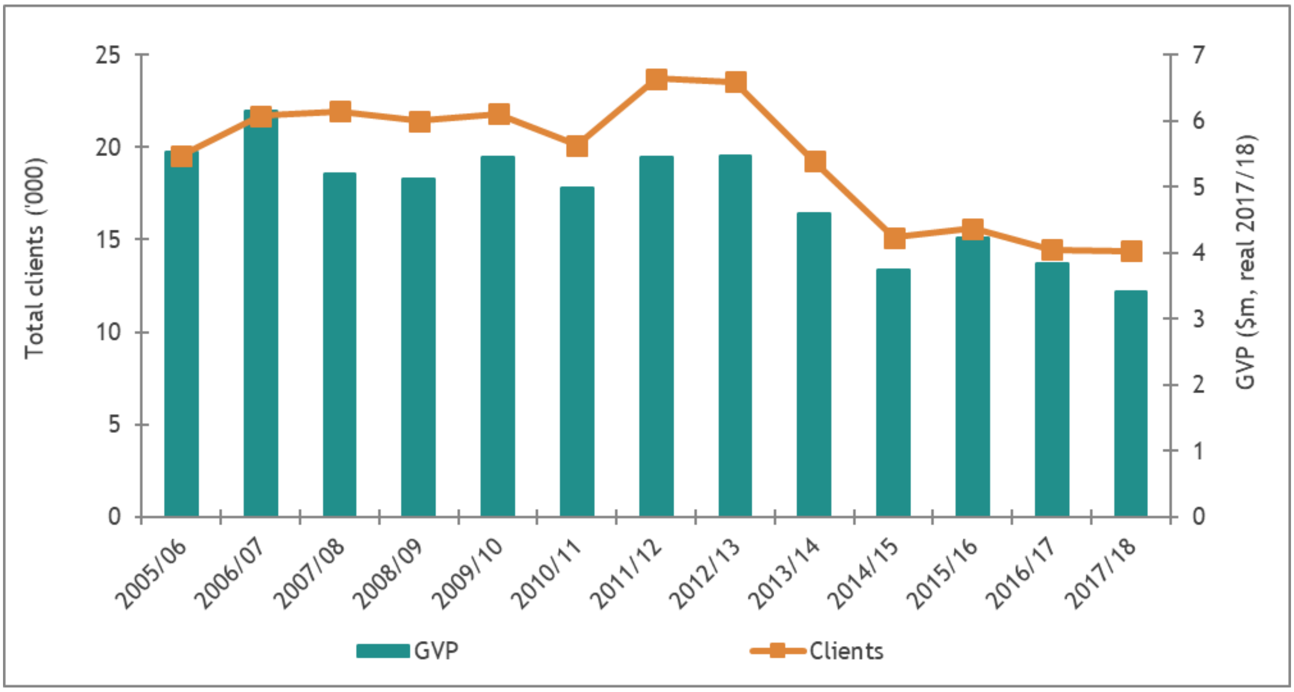
6. ECONOMIC TRENDS IN THE FISHERY

Clients and Gross Value of Production…

Figure 6-1 illustrates that the total number of clients in the fishery decreased between 2005/06 and 2017/18, from 19,540 clients in 2005/06 to 14,382 clients in 2017/18 (26 per cent decline). Together with a 16 per cent decline in real price over the same period, real GVP for the fishery decreased by 38 per cent between 2005/06 ($5.5m) and 2017/18 ($3.4m). This is also highlighted in Figure 6-2 where catch, GVP and price indices for the fishery for 2005/06 to 2017/18 are illustrated. The downward trend in GVP in Figure 6-1 shows that, although the December Snapper closure may have affected GVP in 2013/14 and 2014/15, GVP was on a downward trend in real terms before the closures were put in place.

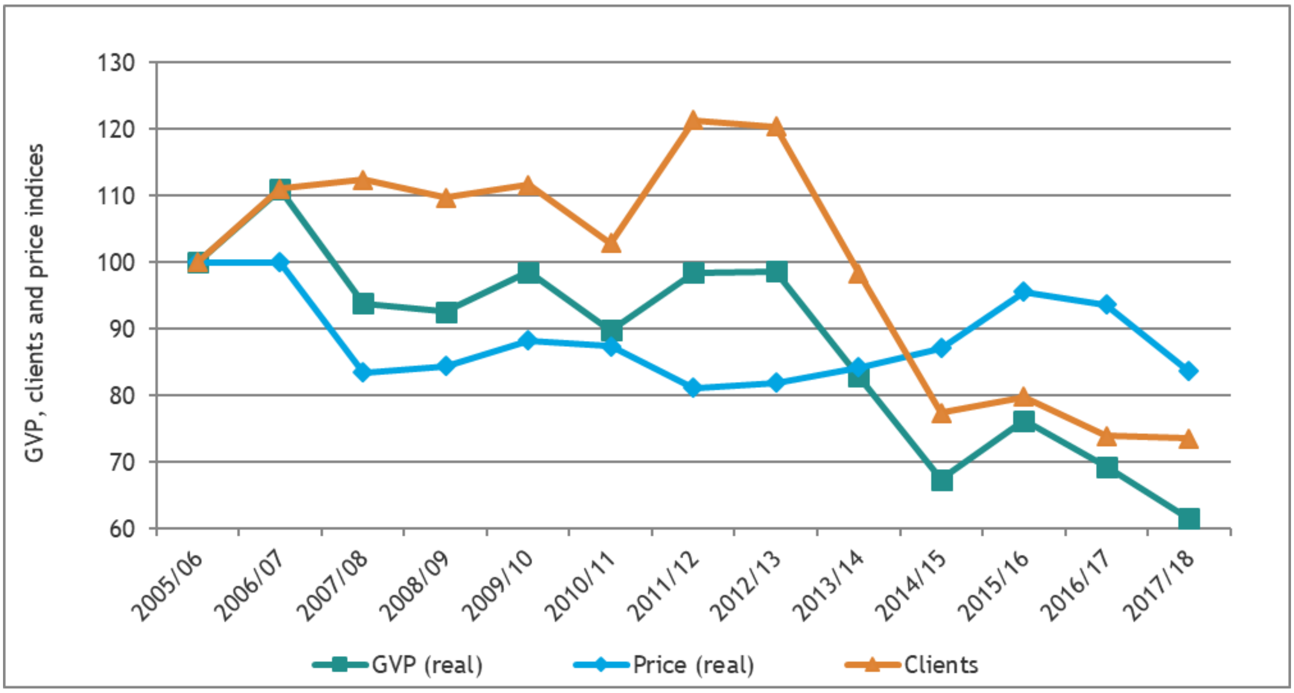
Figure 6-3 shows that between 2005/06 and 2017/18 the 9 per cent increase in nominal average price per Charter Boat client was equivalent to a 16 per cent decline in real price.

Figure 6-1 SA Charter Boat Fishery clients and GVP, 2005/06 to 2017/18



Source: Table 3-1 and Figure 3-2

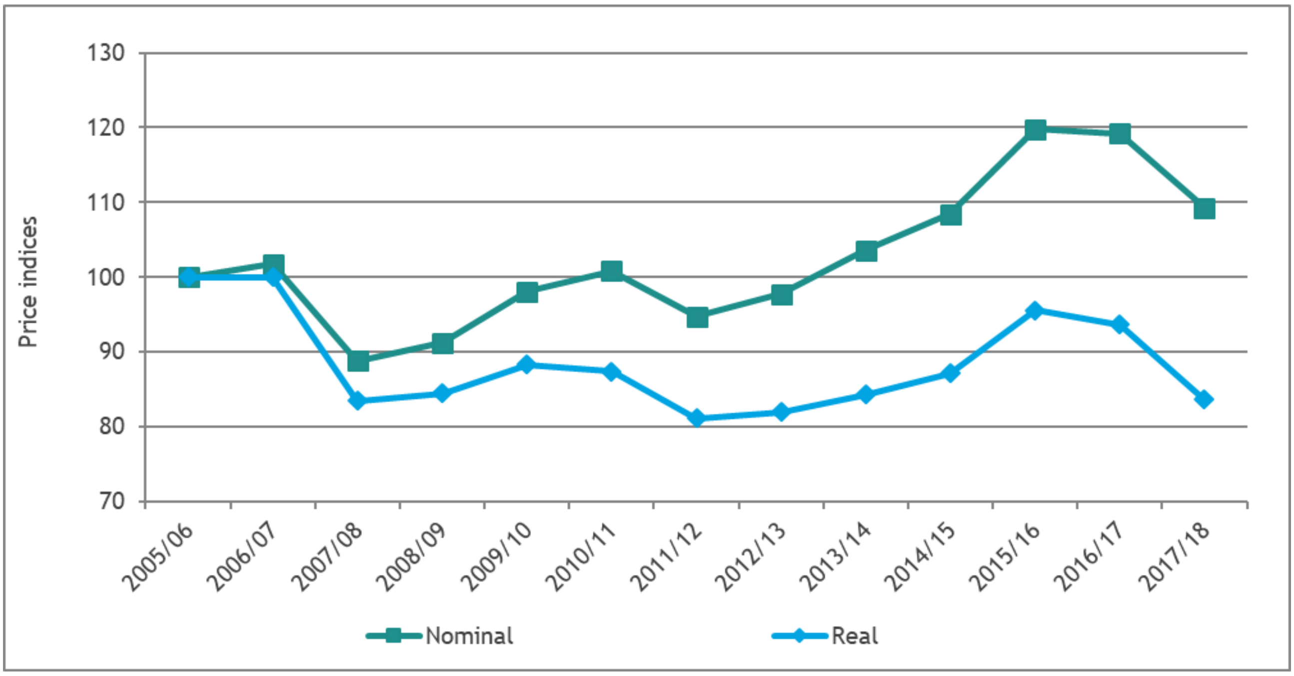
Figure 6-2 GVP, clients and price per client indices for the SA Charter Boat Fishery (2005/06 = 100)[a]



[a] Estimates are expressed in real dollars.

Source: Table 3-1 and Figure 6-3

Figure 6-3 Price per client indices for the Charter Boat Fishery (2005/06 = 100)[a]



[a] Nominal price refers to the price in the current year's dollars. Real price is the nominal price adjusted for the purchasing power of money. The CPI (consumer price index) has been used to make this adjustment (ABS 2018a). It enables meaningful comparisons of prices to be made between years.

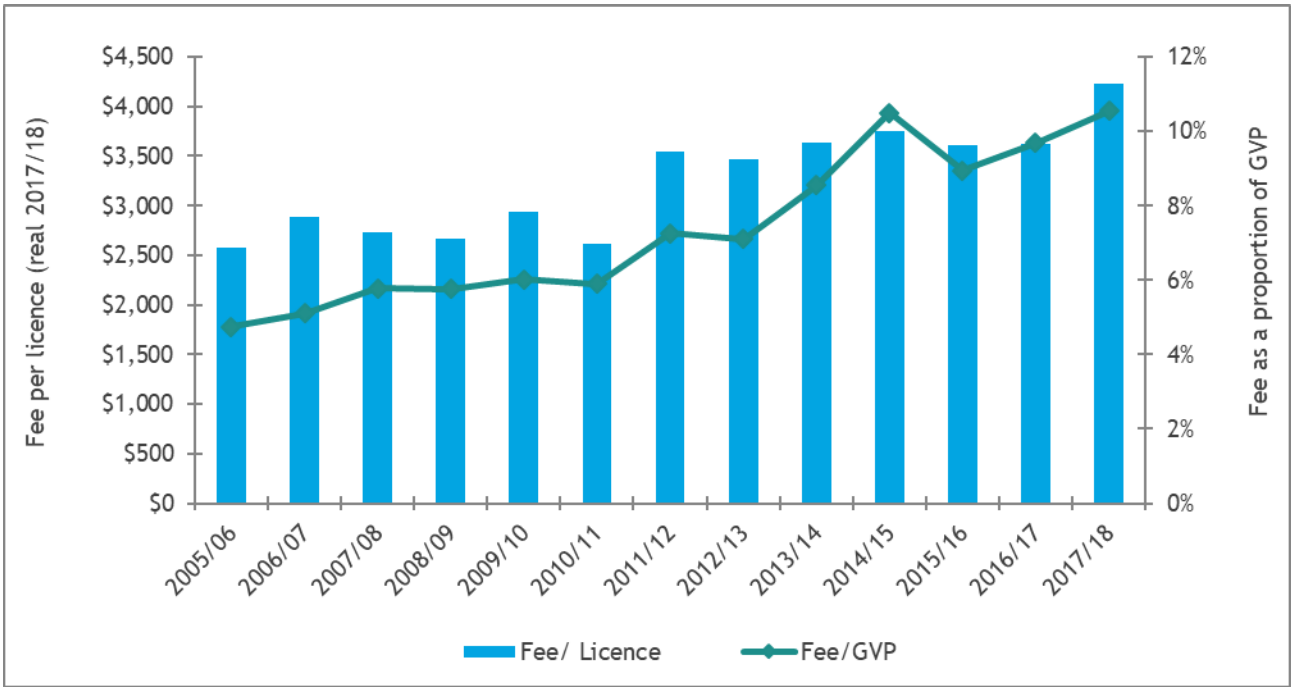
Source: Table 3-1 and Figure 3-2

Management Costs…

The average management fee per licence holder and licence fees as a proportion of GVP are illustrated in Figure 6-4. Licence fees as a percentage of GVP followed an increasing trend between 2005/06 and 2017/18, from 4.7 per cent in 2005/06 to 10.5 per cent in 2017/18. This is the result of a reduction in GVP and an increase in aggregate fees, in real terms.

The average management cost per licence holder increased from $2,582 in 2005/06 to $4,228 in 2017/18, in real terms (Figure 6-4). This rise is a result of both an increase in the real cost of management and reduction in the number of licences over the period.

Figure 6-4 Management fee per licence holder and as a proportion of GVP, SA Charter Boat Fishery, 2005/06 to 2017/18 [a]



[a] Estimates are expressed in real 2017/18 dollars.
Source: Table 3-2

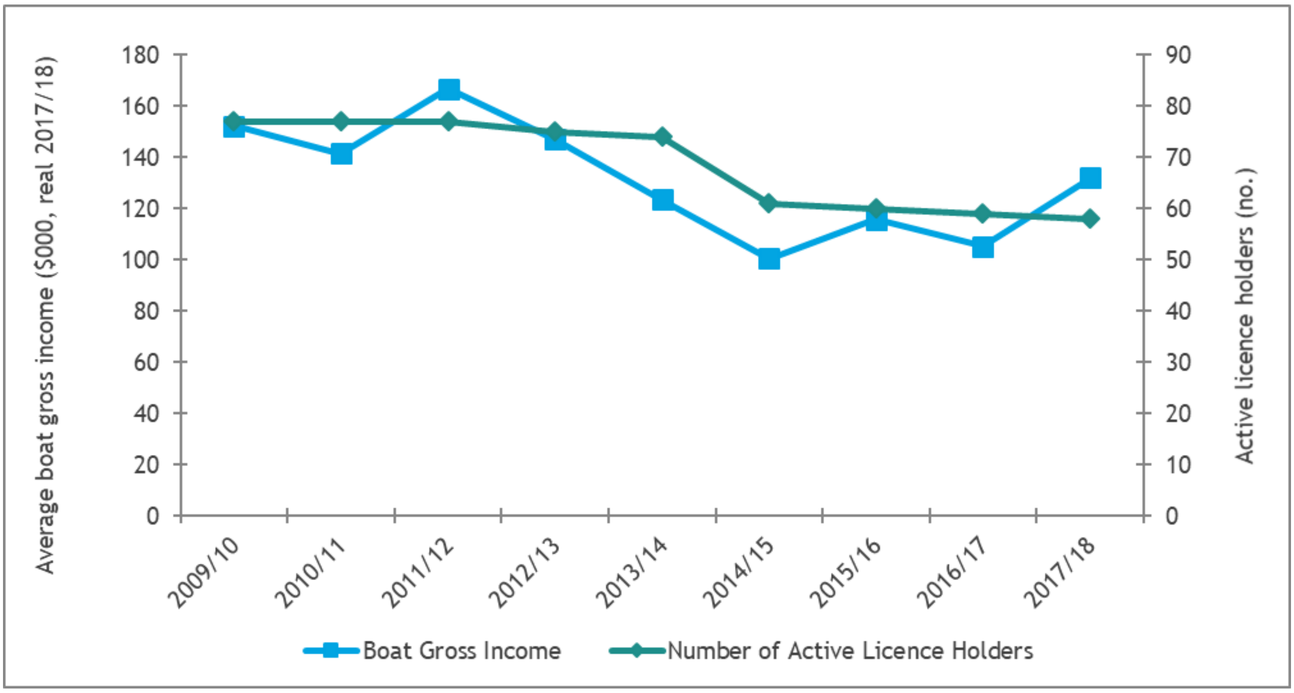
Financial Performance Indicators…

Average income

Average income and total number of licences in the fishery for the period 2009/10[6] to 2017/18 are illustrated in Figure 6-5. The total number of active licence holders in the fishery declined from 77 in 2009/10 to 58 by the end of 2017/18. Despite this decrease and as a result of a reduction in fishery GVP, the average income per boat in the fishery has decreased from approximately $152,000 in 2009/10 to $132,000 in 2017/18 (real 2017/18 dollars) (Figure 6-5).

[6] Financial performance indicators are only reported from 2009/10 onwards.

Figure 6-5 Average income per active licence holder in the SA Charter Boat Fishery, 2009/10 to 2017/18[a]



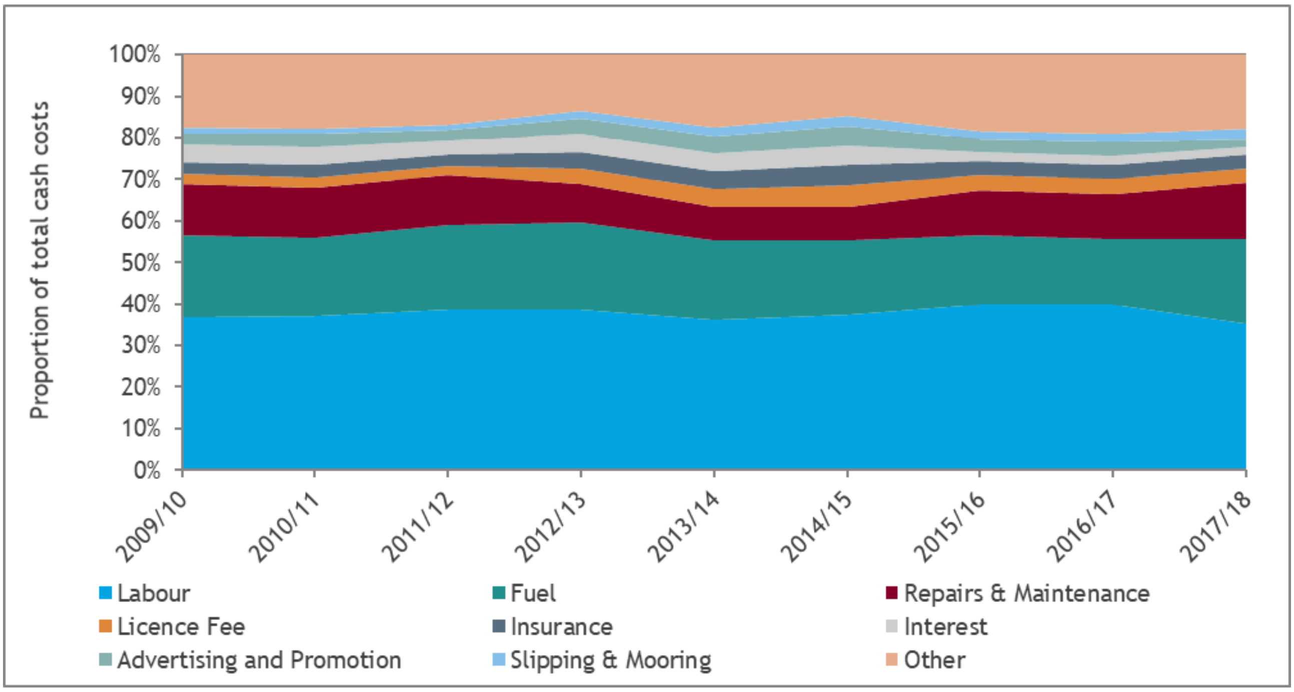
[a] Estimates of average boat gross income are expressed in real 2017/18 dollars indexed against 1998/99.
Source: Table 3-3, Appendix Table 1-1 and Appendix Table 1-2

Operating cost trends

A breakdown of major cost items as a proportion of total cash costs is illustrated in Figure 6-6. Labour costs accounted for the largest share of total cash costs across the period 2009/10 to 2017/18. Labour costs are comprised of payments to licence owners and crew as well as an imputed wage to those licence owners and other family members who are not paid a wage directly by the business. Other significant cash costs over the period were fuel and repairs and maintenance (Figure 6-6).

The cash costs detailed in Figure 6-6 can be categorised as either variable or fixed costs. Total variable costs and total fixed costs are illustrated in Figure 6-7 on an average per boat basis. Total variable costs have fluctuated between years but generally followed a declining trend over the period 2009/10 to 2014/15. It then began to increase again and in 2017/18 was above its 2010/11 level. As would be expected, total fixed costs have fluctuated much less from year to year but have also followed a slight decreasing trend over the period 2009/10 to 2014/15 where it also began to rise to reach its highest level in 2017/18 (Figure 6-7). The decline in average total costs per boat in 2011/12 and 2012/13 and the increase between 2014/15 and 2015/16, and 2016/17 and 2017/18 is due, in part, to a change in the composition of the survey samples.

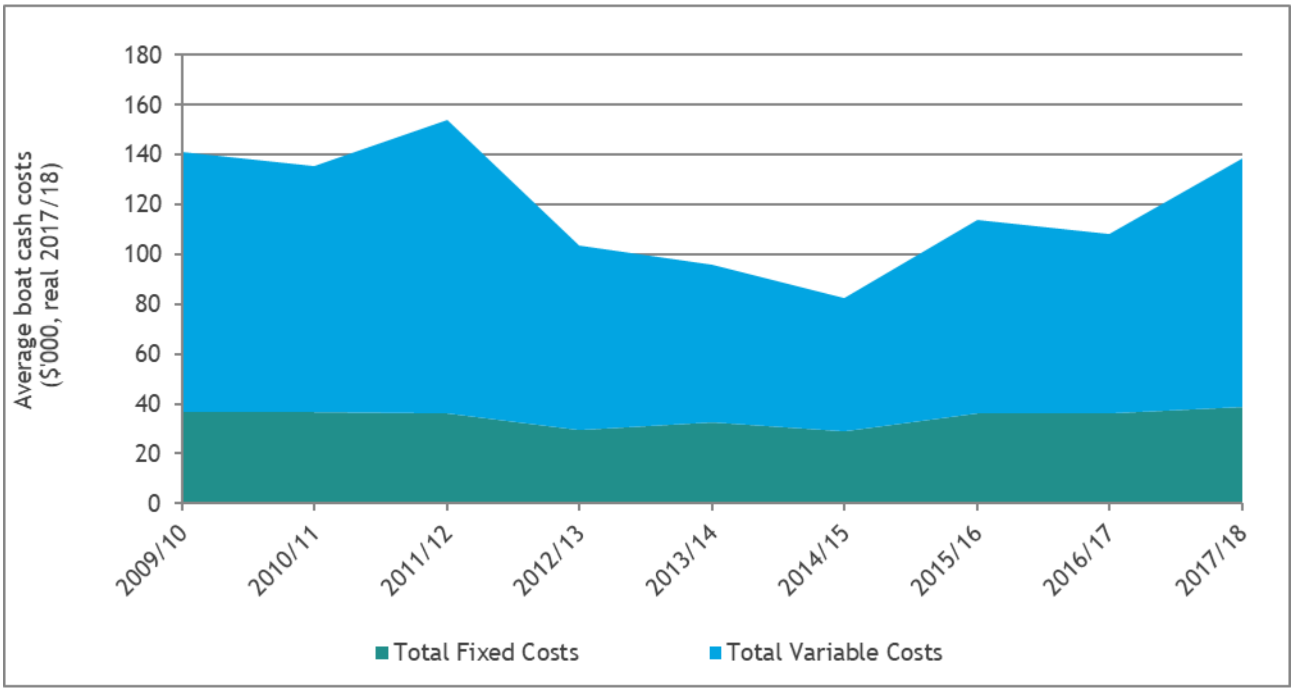
Figure 6-6 Cost shares in the SA Charter Boat Fishery, 2009/10 to 2017/18[a]



[a] Financial performance estimates were based on different survey samples and techniques. Some of the difference between years is, therefore, attributable to sampling variability.

Source: Table 3-3, Appendix Table 1-1 and Appendix Table 1-2

Figure 6-7 Average total costs in the SA Charter Boat Fishery 2009/10 to 2017/18[a]



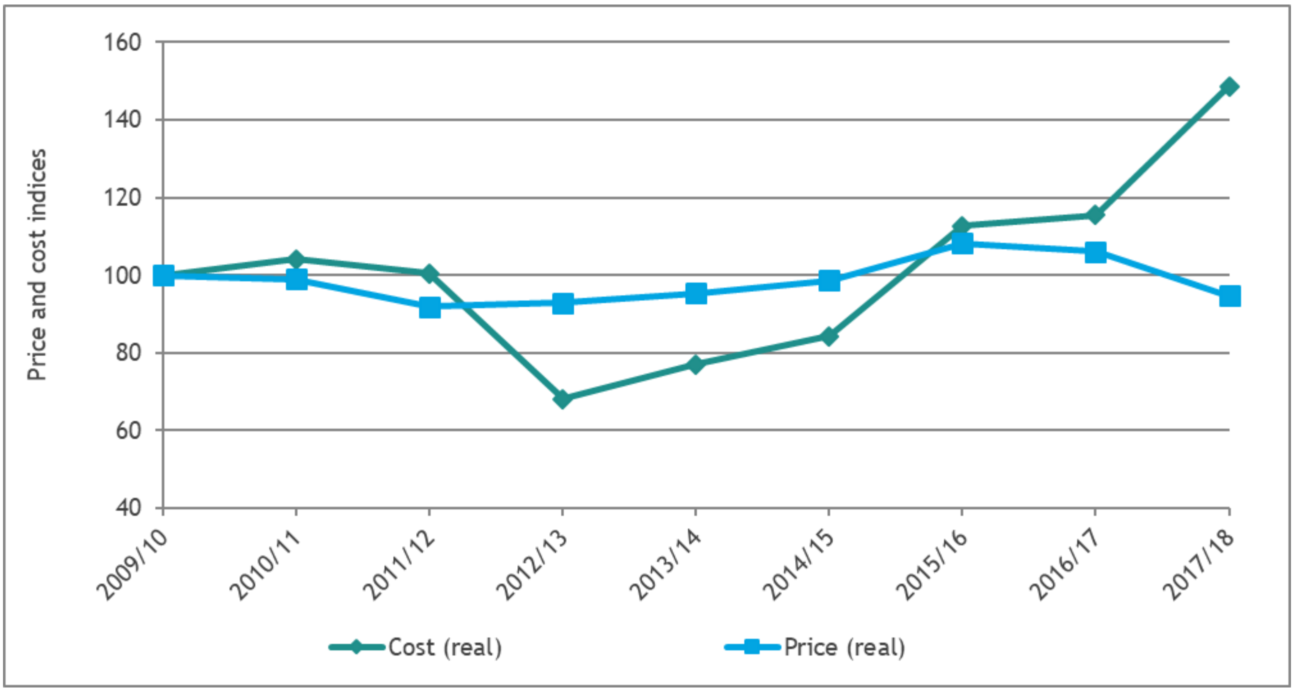
[a] Estimates of average costs are expressed in real 2017/18 dollars.

Source: Table 3-3, Appendix Table 1-1 and Appendix Table 1-2

Cost Price Squeeze

Price and cost indices for the years 2009/10 to 2017/18 are summarised in Figure 6-8. These indicators were derived from the average price and average cost per client. Between 2009/10 and 2017/18 the average price per Charter Boat client decreased by approximately 5 per cent in real terms. The average cost of operating Charter Boats followed a rising trend over the same period, increasing by 49 per cent in real terms (Figure 6-9).

Figure 6-8 Price and cost indices for the SA Charter Boat Fishery (2009/10 = 100)[a]



[a] Estimates of price and cost are expressed in real dollars.

Source: Table 3-3, Appendix Table 1-1 and Appendix Table 1-2

Profitability

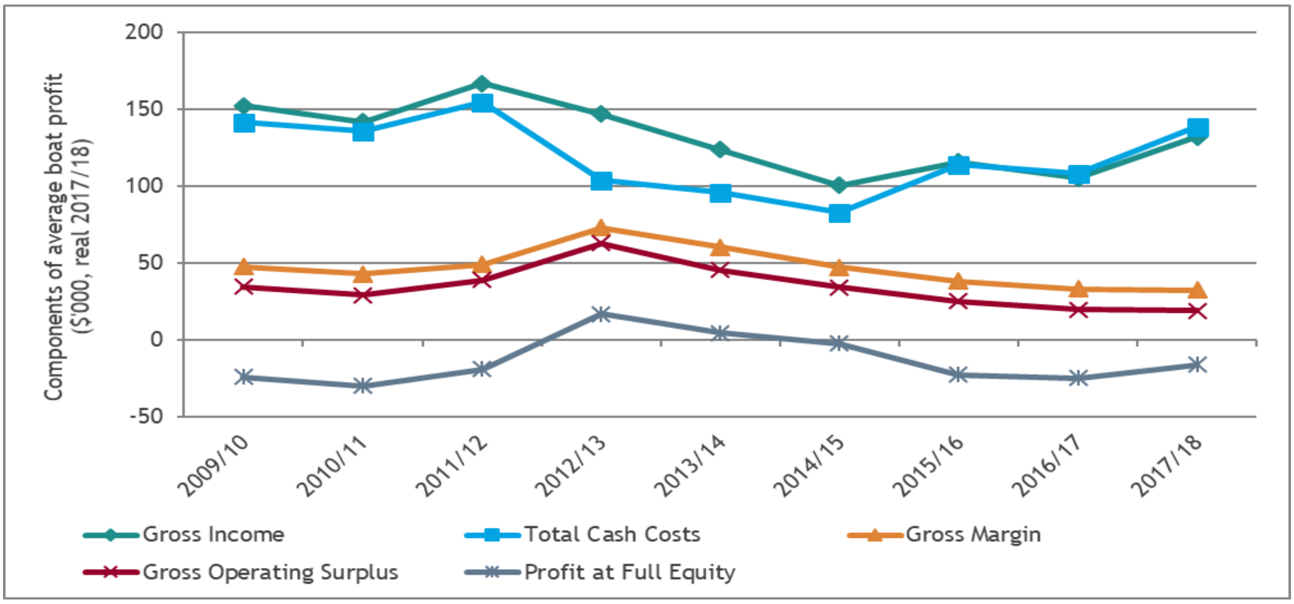
Selected measures of profitability are summarised in Figure 6-9 for the years 2009/10 to 2017/18. Changes in each of the profitability measures for the fishery were closely related to the average income earned and costs incurred. Profitability measures followed an increasing trend between 2009/10 and 2012/13 but declined over the four years to 2016/17. However, in 2017/18 over half of the profitability measures once again began to rise (Figure 6-9).

Return to capital

Estimates of the average licence value and the rate of return to capital are illustrated Figure 6-10. Total capital includes boats, licence/quota, fishing gear, sheds, vehicles and other capital items used as part of the fishing enterprise. Return to total capital is calculated to be profit at full equity as a percentage of both total capital employed and total capital excluding the licence value.

Overall, the rate of return to total capital for the fishery increased between 2009/10 and 2012/13 but declined steeply in the four years to 2016/17 where it saw a sharp increase into 2017/18. This recent rise is likely attributable to a sampling variation. The average value of licences in the fishery increased between 2009/10 and 2011/12 but has declined considerably since (Figure 6-10).

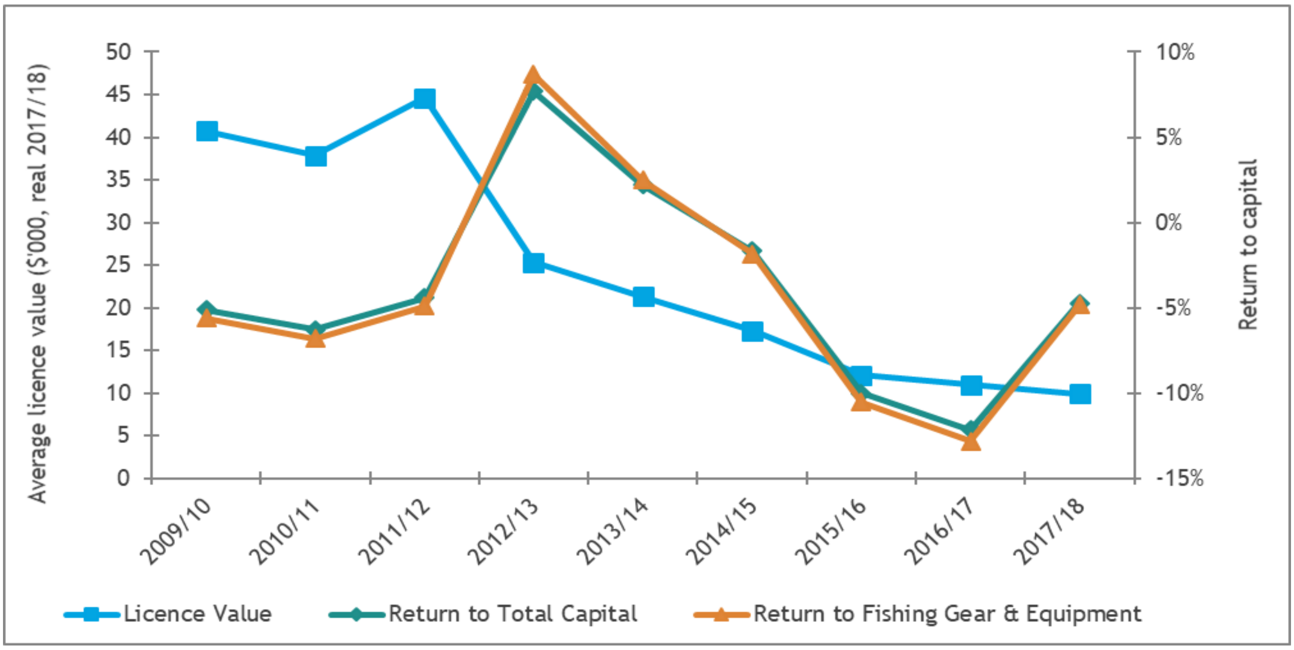
Figure 6-9 Average income and profit per boat in the SA Charter Boat Fishery, 2009/10 to 2017/18[a]



[a] Estimates of income and profitability measures are expressed in real 2017/18 dollars.

Source: Table 3-3, Appendix Table 1-1 and Appendix Table 1-2

Figure 6-10 Return to capital in the SA Charter Boat Fishery, 2009/10 to 2017/18



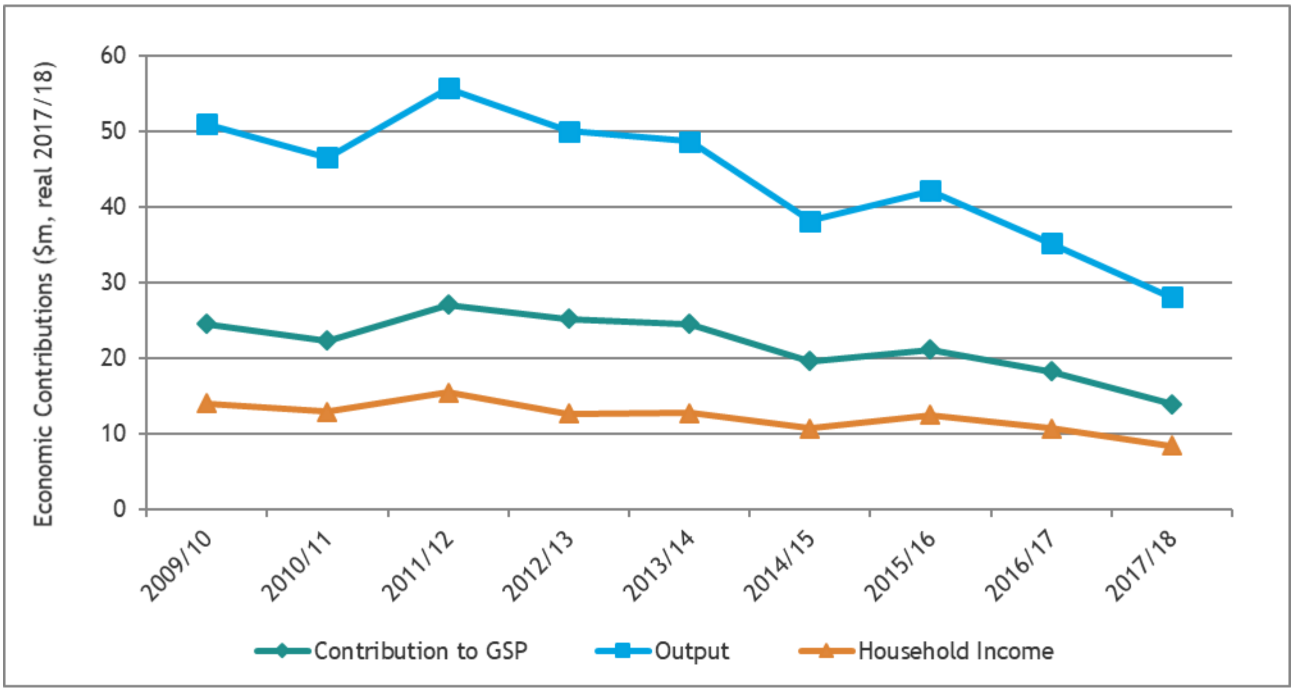
Source: Table 3-3, Appendix Table 1-1 and Appendix Table 1-2

Contribution to SA Economy…

Figure 6-11 and Figure 6-12 illustrate the total economic contribution of the fishery on the SA economy for the 9 years, 2009/10 to 2017/18. Total economic contribution refers to the direct fishing industry contributions (Charter Boat fishing and other visitor expenditure) and the indirect contributions of these activities on other sectors of the economy.

The change in total output and GSP contributions are closely related to changes in fishery GVP. Output, household income, contribution to GSP and employment all followed a declining trend in the fishery between 2009/10 and 2017/18, as illustrated in Figure 6-11 and Figure 6-12. The significant decrease in employment between 2011/12 and 2012/13 can, in part, be attributed to sampling variation in the 2012/13 survey (i.e. more responses from smaller businesses employing fewer people). The decrease of contributions from 2012/13 to 2017/18 can be explained by the reduced GVP of the fishery.

Figure 6-11 Total gross state product, output and household income contribution of the SA Charter Boat Fishery on the SA economy, 2009/10 to 2017/18[a,b,c]



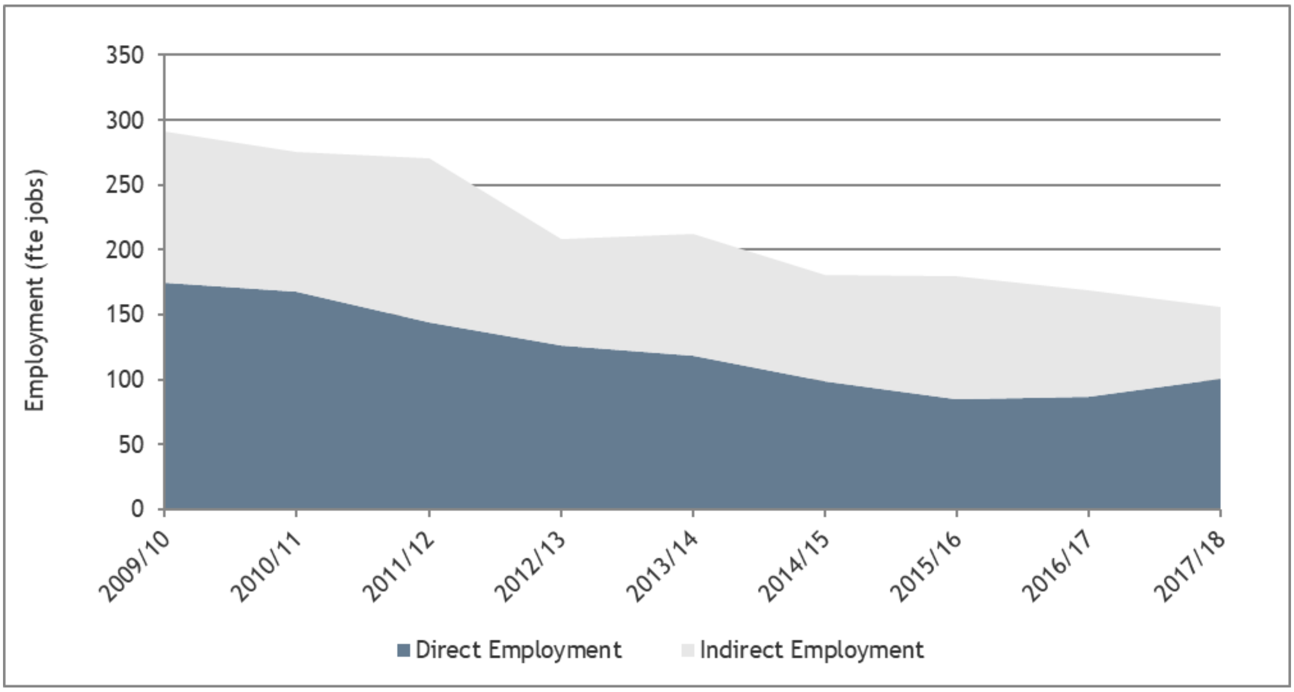
a Estimates of output, GSP and household income are expressed in real 2017/18 dollars.

b Estimates for 2009/10 to 2016/17 have been revised using an updated method estimating visitor profile expenditure incorporating new data from FRDC project number 2018-154.

c Estimates for 2016/17 have been revised using an updated RISE model for 2016/17 incorporating latest Census and employment data.

Source: Table 3-7 and EconSearch 2018a

Figure 6-12 Total direct and indirect employment contribution of the SA Charter Boat Fishery on the SA economy, 2009/10 to 2017/18[a]



[a] See footnotes b and c for Figure 6-11

Source: Table 3-7 and EconSearch 2018a

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Disclaimer

The assignment is a consulting engagement as outlined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 17. Consulting engagements employ an assurance practitioner's technical skills, education, observations, experiences and knowledge of the consulting process. The consulting process is an analytical process that typically involves some combination of activities relating to: objective-setting, fact-finding, definition of problems or opportunities, evaluation of alternatives, development of recommendations including actions, communication of results, and sometimes implementation and follow-up.

The nature and scope of work has been determined by agreement between BDO and the Client. This consulting engagement does not meet the definition of an assurance engagement as defined in the 'Framework for Assurance Engagements', issued by the Auditing and Assurances Standards Board, Section 10.

Except as otherwise noted in this report, we have not performed any testing on the information provided to confirm its completeness and accuracy. Accordingly, we do not express such an audit opinion and readers of the report should draw their own conclusions from the results of the review, based on the scope, agreed-upon procedures carried out and findings.

APPENDIX 1 Financial Performance Indicators, 2005/06 – 2014/15

Appendix Table 1-1 Financial performance in the Charter Boat Fishery, 2009/10 and 2010/11[a]

		2009/10			2010/11			2011/12		
		Average per Licence	Average per Client	Share of TBCC[b]	Average per Licence	Average per Client	Share of TBCC[b]	Average per Licence	Average per Client	Share of TBCC[b]
(1)	**Total Boat Gross Income**	**$129,415**	**$196**		**$124,952**	**$187**		**$149,125**	**$189**	
	Variable Costs									
	Fuel	$23,906	$36	20%	$22,666	$34	19%	$27,901	$35	20%
	Repairs & Maintenance [c]	$14,699	$22	12%	$14,202	$21	12%	$16,949	$21	12%
	Bait/Ice	$4,111	$6	3%	$3,972	$6	3%	$4,740	$6	3%
	Provisions	$5,562	$8	5%	$5,374	$8	4%	$6,414	$8	5%
	Labour - paid	$24,145	$37	20%	$24,129	$36	20%	$29,771	$38	22%
(2)	Labour - unpaid [d]	$12,511	$19	10%	$12,503	$19	10%	$15,427	$20	11%
	Advertising and Promotion	$3,282	$5	3%	$3,410	$5	3%	$3,449	$4	3%
	Other	$770	$1	1%	$800	$1	1%	$809	$5	1%
(3)	**Total Variable Costs**	**$88,987**	**$135**	**74%**	**$87,055**	**$130**	**73%**	**$105,460**	**$136**	**77%**
	Fixed Costs									
	Licence Fee	$2,753	$4	2%	$3,146	$5	3%	$2,944	$4	2%
	Insurance	$3,425	$5	3%	$3,558	$5	3%	$3,600	$5	3%
(4)	Interest	$5,092	$8	4%	$5,256	$8	4%	$4,834	$6	4%
(5)	Labour - unpaid [d]	$7,465	$11	6%	$7,726	$12	6%	$7,987	$10	6%
	Legal & Accounting	$1,414	$2	1%	$1,469	$2	1%	$1,486	$2	1%
	Telephone etc.	$2,421	$4	2%	$2,515	$4	2%	$2,544	$3	2%
	Slipping & Mooring	$1,637	$2	1%	$1,701	$3	1%	$1,720	$2	1%
	Travel	$1,108	$2	1%	$1,151	$2	1%	$1,165	$1	1%
	Office & Admin	$5,778	$9	5%	$6,002	$9	5%	$6,072	$8	4%
(6)	**Total Fixed Costs**	**$31,093**	**$47**	**26%**	**$32,524**	**$49**	**27%**	**$32,351**	**$41**	**23%**
(7)	**Total Boat Cash Costs (3+6)**	**$120,080**	**$182**	**100%**	**$119,579**	**$179**	**100%**	**$137,811**	**$177**	**100%**
	Boat Gross Margin (1-3)	**$40,429**	**$61**		**$37,898**	**$57**		**$43,665**	**$52**	
(8)	**Total Unpaid Labour (2+5)**	**$19,976**	**$30**		**$20,229**	**$30**		**$23,414**	**$30**	
	Gross Operating Surplus (1-7+8)	**$29,312**	**$44**		**$25,602**	**$38**		**$34,728**	**$41**	
(9)	**Boat Cash Income (1-7)**	**$9,336**	**$14**		**$5,374**	**$8**		**$11,314**	**$11**	
(10)	**Depreciation**	**$35,212**	**$53**		**$37,256**	**$56**		**$33,439**	**$56**	
(11)	**Boat Business Profit (9-10)**	**-$25,876**	**-$39**		**-$31,883**	**-$48**		**-$22,125**	**-$44**	
(12)	**Profit at Full Equity (11+4)**	**-$20,784**	**-$31**		**-$26,627**	**-$40**		**-$17,291**	**-$38**	
	Boat Capital									
(13)	Fishing Gear & Equip	$370,142	$561		$391,633	$585		$351,510	$445	
	Licence Value	$34,621	$52		$33,427	$50		$39,893	$50	
(14)	**Total Boat Capital**	**$404,763**	**$613**		**$425,060**	**$635**		**$391,403**	**$495**	
	Rate of Return on Fishing Gear & Equip (12/13*100)	**-5.6%**			**-6.8%**			**-4.9%**		
	Rate of Return on Total Boat Capital (12/14*100)	**-5.1%**			**-6.3%**			**-4.4%**		

[a] Estimates of financial performance for 2009/10 to 2011/12 are based on the 2011 licence holder survey.

[b-d] See Table 3-3 footnotes.

Source: Licence holder survey and BDO EconSearch analysis

Appendix Table 1-2 Financial performance in the Charter Boat Fishery, 2012/13 to 2014/15[a]

	2012/13			2013/14			2014/15		
	Average per Licence	Average per Client	Share of TBCC[b]	Average per Licence	Average per Client	Share of TBCC[b]	Average per Licence	Average per Client	Share of TBCC[b]
Total Boat Gross Income	**$134,048**	**$234**		**$116,160**	**$248**		**$95,676**	**$260**	
Variable Costs									
Fuel	$19,765	$35	21%	$17,095	$37	19%	$14,078	$38	18%
Repairs & Maintenance [c]	$8,643	$15	9%	$7,439	$16	8%	$6,355	$17	8%
Bait/Ice	$4,275	$7	5%	$3,680	$8	4%	$3,143	$9	4%
Provisions	$1,239	$2	1%	$1,066	$2	1%	$911	$2	1%
Labour - paid	$18,784	$33	20%	$16,186	$35	18%	$14,007	$38	18%
Labour - unpaid [d]	$10,814	$19	11%	$9,319	$20	10%	$8,065	$22	10%
Advertising and Promotion	$3,528	$6	4%	$3,638	$8	4%	$3,683	$10	5%
Other	$699	$1	1%	$1,136	$2	1%	$729	$2	1%
Total Variable Costs	**$67,747**	**$118**	**72%**	**$59,559**	**$127**	**66%**	**$50,971**	**$139**	**65%**
Fixed Costs									
Licence Fee	$3,690	$6	4%	$3,848	$8	4%	$3,895	$11	5%
Insurance	$3,720	$7	4%	$3,836	$8	4%	$3,883	$11	5%
Interest	$4,008	$7	4%	$3,903	$8	4%	$3,693	$10	5%
Labour - unpaid [d]	$6,953	$12	7%	$7,179	$15	8%	$7,363	$20	9%
Legal & Accounting	$1,048	$2	1%	$1,081	$2	1%	$1,094	$3	1%
Telephone etc.	$1,990	$3	2%	$2,052	$4	2%	$2,078	$6	3%
Slipping & Mooring	$1,835	$3	2%	$1,892	$4	2%	$1,916	$5	2%
Travel	$511	$1	1%	$527	$1	1%	$534	$1	1%
Office & Admin	$3,033	$5	3%	$6,295	$13	7%	$3,167	$9	4%
Total Fixed Costs	**$26,788**	**$47**	**28%**	**$30,614**	**$65**	**34%**	**$27,623**	**$75**	**35%**
Total Boat Cash Costs (3+6)	**$94,535**	**$165**	**100%**	**$90,174**	**$193**	**100%**	**$78,593**	**$214**	**100%**
Boat Gross Margin (1-3)	**$66,301**	**$116**		**$56,601**	**$121**		**$44,705**	**$122**	
Total Unpaid Labour (2+5)	**$17,767**	**$31**		**$16,498**	**$35**		**$15,427**	**$42**	
Gross Operating Surplus (1-7+8)	**$57,281**	**$100**		**$42,485**	**$91**		**$32,510**	**$88**	
Boat Cash Income (1-7)	**$39,513**	**$69**		**$25,986**	**$56**		**$17,083**	**$46**	
Depreciation	**$28,263**	**$49**		**$25,883**	**$55**		**$23,472**	**$64**	
Boat Business Profit (9-10)	**$11,250**	**$20**		**$103**	**$0**		**-$6,389**	**-$17**	
Profit at Full Equity (11+4)	**$15,258**	**$27**		**$4,007**	**$9**		**-$2,696**	**-$7**	
Boat Capital									
Fishing Gear & Equip	$175,487	$307		$160,707	$344		$145,737	$396	
Licence Value	$23,120	$40		$20,034	$43		$16,501	$45	
Total Boat Capital	**$198,606**	**$347**		**$180,741**	**$387**		**$162,238**	**$441**	
Rate of Return on Fishing Gear & Equip (12/13*100)	**8.7%**			**2.5%**			**-1.8%**		
Rate of Return on Total Boat Capital (12/14*100)	**7.7%**			**2.2%**			**-1.7%**		

[a] Estimates of financial performance 2012/13 to 2014/15 are based on the 2014 licence holder survey.

[b-d] See Table 3-3 footnotes.

Source: Licence holder survey and BDO EconSearch analysis

APPENDIX 2 Economic Contribution of the SA Charter Boat Fishery, 2016/17

Appendix Table 2-1 Economic contribution of the Charter Boat fishing industry, SA, 2016/17[a]

Sector	Output		Employment [b]		Household Income		Contribution to GSP	
	($m)	%	(fte jobs)	%	($m)	%	($m)	%
Direct effects								
Charter Boats	3.7	10.9%	33	19.4%	1.4	13.6%	1.6	9.1%
Visitor Activities								
Trade	2.2	6.3%	16	9.5%	0.9	9.2%	1.3	7.6%
Accom, rest, cafes	3.1	9.0%	21	12.5%	1.0	9.8%	0.6	3.2%
Transport	1.7	4.9%	6	3.6%	0.5	4.8%	0.9	5.0%
Manufacturing	2.0	5.8%	5	2.9%	0.2	2.1%	0.6	3.5%
Other Sectors	1.3	3.7%	3	2.0%	0.2	1.8%	1.7	9.4%
Capital expenditure [c]	0.3	0.9%	2	1.2%	0.1	1.1%	0.2	0.9%
Total Direct [d]	*14.2*	*41.5%*	*87*	*51.2%*	*4.4*	*42.4%*	*6.9*	*38.6%*
Flow-on effects								
Trade	2.3	6.8%	14	8.4%	1.0	9.3%	1.4	7.7%
Manufacturing	2.7	7.8%	9	5.5%	0.4	4.1%	0.9	4.8%
Business Services	2.8	8.3%	7	4.2%	0.8	7.3%	2.2	12.1%
Finance, Insurance	1.7	4.8%	2	1.0%	0.3	3.2%	1.0	5.9%
Other Sectors	10.6	30.8%	50	29.7%	3.5	33.8%	5.5	30.8%
Total Flow-on [d]	*20.1*	*58.5%*	*83*	*48.8%*	*6.0*	*57.6%*	*10.9*	*61.4%*
Total [d]	**34.3**	**100.0%**	**169**	**100.0%**	**10.4**	**100.0%**	**17.7**	**100.0%**
Total/Direct	2.4	-	2.0	-	2.4	-	2.6	-
Total/Client	$2,300	-	0.01	-	$700	-	$1,200	-

[a] Estimates for 2016/17 have been revised using an updated method estimating visitor profile expenditure incorporating new data from FRDC project number 2018-154 and using an updated RISE model for 2016/17 using the latest Census and employment data.

[b] Full-time equivalent jobs. Direct employment in the fishing industry was comprised of 21 full-time jobs and 45 part-time jobs, that is, 66 jobs in aggregate, which was estimated to be equal to 33 fte jobs.

[c] Capital expenditure includes expenditure on boats, fishing gear and equipment, sheds and buildings, motor vehicles and other equipment.

[d] Totals may not sum due to rounding.

Source: BDO EconSearch analysis

Appendix Table 2-2 Economic contribution of the Charter Boat fishing industry in Spencer Gulf/Coffin Bay region, 2016/17[a]

Sector	Output		Employment [b]		Household Income		Contribution to GSP	
	($m)	%	(fte jobs)	%	($m)	%	($m)	%
Direct effects								
Charter Boats	1.1	9.4%	11	16.2%	0.3	8.2%	0.3	5.0%
Visitor Activities								
Trade	1.1	9.2%	2	3.3%	0.5	13.5%	0.7	11.4%
Accom, rest, cafes	1.8	15.6%	13	20.2%	0.6	16.5%	0.9	15.1%
Transport	0.5	4.0%	2	3.3%	0.2	4.6%	0.3	4.4%
Manufaturing	0.8	6.9%	2	2.5%	0.1	1.9%	0.2	2.9%
Other Sectors	0.7	6.4%	9	13.3%	0.1	2.8%	0.4	7.2%
Capital expenditure [c]	0.3	2.2%	1	2.2%	0.1	3.1%	0.1	2.0%
Total Direct [d]	*6.3*	*53.7%*	*40*	*61.1%*	*1.8*	*50.7%*	*2.9*	*48.0%*
Flow-on effects								
Trade	0.9	7.8%	6	9.8%	0.4	10.8%	0.6	9.2%
Manufacturing	0.4	3.1%	1	2.1%	0.1	1.5%	0.1	1.8%
Business Services	1.0	8.6%	3	4.0%	0.3	7.8%	0.8	13.0%
Finance, Insurance	0.2	1.8%	0	0.5%	0.0	0.9%	0.2	2.7%
Other Sectors	2.9	25.0%	15	22.6%	1.0	28.3%	1.5	25.3%
Total Flow-on [d]	*5.4*	*46.3%*	*25*	*38.9%*	*1.8*	*49.3%*	*3.1*	*52.0%*
Total [d]	**11.7**	**100.0%**	**65**	**100.0%**	**3.6**	**100.0%**	**6.0**	**100.0%**
Total/Direct	1.9	-	1.6	-	2.0	-	2.1	-
Total/Client	$2,500	-	0.01	-	$700	-	$1,200	-

[a] Estimates for 2016/17 have been revised using an updated method estimating visitor profile expenditure incorporating new data from FRDC project number 2018-154 and using an updated RISE model for 2016/17 using the latest Census and employment data.

[b] Full-time equivalent jobs. Direct employment in the fishing industry was comprised of 7 full-time jobs and 14 part-time jobs, that is, 21 jobs in aggregate, which was estimated to be equal to 11 fte jobs.

[c] Capital expenditure includes expenditure on boats, fishing gear and equipment, sheds and buildings, motor vehicles and other equipment.

[d] Totals may not sum due to rounding.

Source: BDO EconSearch analysis

Appendix Table 2-3 Economic contribution of the Charter Boat fishing industry in Gulf St Vincent/Kangaroo Island region, 2016/17[a]

Sector	Output		Employment [b]		Household Income		Contribution to GSP	
	($m)	%	(fte jobs)	%	($m)	%	($m)	%
Direct effects								
Charter Boats	2.4	11.8%	21	20.2%	0.6	9.8%	0.8	7.6%
Visitor Activities								
Trade	1.2	5.9%	9	9.1%	0.5	8.8%	0.7	7.3%
Accom, rest, cafes	2.0	9.7%	13	13.0%	0.6	10.7%	1.0	9.4%
Transport	0.5	2.5%	2	2.1%	0.2	2.9%	0.3	2.8%
Manufaturing	0.9	4.4%	2	2.3%	0.1	1.7%	0.2	2.3%
Other Sectors	0.8	4.0%	2	2.0%	0.1	2.0%	0.5	4.4%
Capital expenditure [c]	0.5	2.7%	3	2.8%	0.2	3.9%	0.3	2.5%
Total Direct [d]	*8.2*	*40.8%*	*53*	*51.5%*	*2.4*	*39.7%*	*3.7*	*36.4%*
Flow-on effects								
Trade	1.5	7.6%	10	9.3%	0.6	10.6%	0.9	8.8%
Manufacturing	1.4	7.0%	5	4.9%	0.2	3.8%	0.4	4.2%
Business Services	1.6	8.2%	9	8.7%	0.9	14.7%	1.1	10.5%
Finance, Insurance	1.0	4.8%	2	1.6%	0.2	3.3%	0.6	5.9%
Other Sectors	6.4	31.6%	25	24.0%	1.7	27.9%	3.5	34.1%
Total Flow-on [d]	*11.9*	*59.2%*	*50*	*48.5%*	*3.6*	*60.3%*	*6.5*	*63.6%*
Total [d]	**20.1**	**100.0%**	**103**	**100.0%**	**6.0**	**100.0%**	**10.2**	**100.0%**
Total/Direct	2.4	-	1.9	-	2.5	-	2.8	-
Total/Client	$2,100	-	0.01	-	$600	-	$1,000	-

[a] Estimates for 2016/17 have been revised using an updated method estimating visitor profile expenditure incorporating new data from FRDC project number 2018-154 and using an updated RISE model for 2016/17 using the latest Census and employment data.

[b] Full-time equivalent jobs. Direct employment in the fishing industry was comprised of 13 full-time jobs and 28 part-time jobs, that is, 42 jobs in aggregate, which was estimated to be equal to 21 fte jobs.

[c] Capital expenditure includes expenditure on boats, fishing gear and equipment, sheds and buildings, motor vehicles and other equipment.

[d] Totals may not sum due to rounding.

Source: BDO EconSearch analysis

APPENDIX 3 Summary Economic Indicators for SA Commercial Fisheries

Appendix Table 3-1 Commercial fisheries catch, South Australia, 1998/99 to 2016/17 (tonnes)[a]

Year	Abalone	GSV Prawns [a]	SGWC Prawns [a]	Sth'n Zone Rock Lobster [a]	Nth'n Zone Rock Lobster [a]	Blue Crabs	Lakes and Coorong [b]	Sardines	Marine Scalefish	Misc [c]	Total SA Fisheries [d]
1998/99	933	336	2,425	1,713	1,016	429	2,102	4,465	5,108	-	18,527
1999/00	889	400	2,016	1,717	1,001	416	1,807	3,836	4,920	-	17,002
2000/01	867	384	2,603	1,716	846	469	2,013	7,368	5,342	-	21,608
2001/02	850	322	2,309	1,717	675	481	1,640	12,165	4,801	-	24,960
2002/03	890	232	1,508	1,766	595	515	1,979	21,741	4,243	-	33,469
2003/04	879	172	1,958	1,896	504	559	2,180	33,160	4,221	-	45,529
2004/05	902	213	1,960	1,897	446	584	2,277	56,952	3,857	-	69,089
2005/06	896	175	1,891	1,889	476	600	2,440	28,626	3,234	-	40,227
2006/07	883	209	2,024	1,895	492	617	2,443	30,355	2,855	-	41,773
2007/08	889	229	2,088	1,850	459	625	2,146	29,692	2,925	28	40,931
2008/09	837	273	1,915	1,407	403	604	2,023	27,850	2,998	28	38,338
2009/10	855	250	2,445	1,243	310	539	1,916	36,573	3,330	24	47,485
2010/11	815	178	2,115	1,244	313	591	1,681	33,220	3,068	24	43,249
2011/12	822	125	1,840	1,242	307	611	1,641	36,962	3,208	25	46,783
2012/13	875	0	1,881	1,234	325	511	1,811	35,065	2,603	28	44,333
2013/14	661	0	1,805	1,247	331	571	1,852	33,197	2,302	22	41,988
2014/15	744	249	1,848	1,238	321	576	1,598	36,020	2,582	22	45,198
2015/16	625	218	2,357	1,244	347	625	1,646	41,103	2,550	21	50,736
2016/17	743	225	2,205	1,238	320	627	1,847	39,745	2,519	22	49,491

[a] Excludes retained by-catch of Octopus and Southern Calamari.

[b] The River fishery was closed from July 2003. There are 6 River fishery licences with access to non-native species and their production is included in this table.

[c] Prior to 2007/08 catch from the Miscellaneous Fishery was included in the Marine Scalefish Fishery.

[d] Excludes retained by-catch of Octopus and Southern Calamari (113t of Octopus and 46t of Southern Calamari in 2016/17) from the Rock Lobster and Prawn Fisheries. Excludes catch from Charter Boat Fishery, aquaculture and south east non-trawl and deep water trawl Commonwealth Fisheries.

Source: EconSearch (2018b)

Appendix Table 3-2 Commercial fisheries gross value of production, South Australia, 1998/99 to 2016/17 ($m)

Year	Abalone	GSV Prawns [a]	SGWC Prawns [a]	Sth'n Zone Rock Lobster [a]	Nth'n Zone Rock Lobster [a]	Blue Crabs	Lakes and Coorong [b]	Sardines	Marine Scalefish	Misc [c]	Charter Boat	Total SA Fisheries [d]
1998/99	44	8	56	77	43	3	8	4	30	-	-	273
1999/00	51	12	57	80	47	3	7	4	31	-	-	293
2000/01	59	10	68	81	42	4	8	8	31	-	-	311
2001/02	50	8	60	95	38	4	6	12	27	-	-	302
2002/03	50	6	39	89	26	4	6	25	29	-	-	275
2003/04	43	4	55	67	16	5	7	30	31	-	-	257
2004/05	45	5	42	72	15	4	7	38	28	-	-	256
2005/06	43	4	43	84	20	6	8	20	22	-	5	255
2006/07	39	4	49	99	22	7	9	23	24	-	6	282
2007/08	37	3	39	91	19	7	9	20	24	1	5	255
2008/09	38	4	36	101	23	6	10	21	26	1	5	270
2009/10	32	3	33	81	17	5	7	26	27	1	5	237
2010/11	31	2	35	74	16	5	7	21	25	1	5	223
2011/12	31	2	29	86	18	6	9	23	26	1	5	237
2012/13	32	0	32	76	17	5	10	22	27	1	5	227
2013/14	23	0	31	92	20	6	10	20	24	1	4	231
2014/15	26	4	32	104	23	6	8	22	25	1	4	255
2015/16	23	4	42	115	25	7	9	26	23	2	4	279
2016/17	28	4	42	100	20	8	10	24	23	2	4	264

[a] Excludes retained by-catch of Octopus and Southern Calamari.

[b] The River fishery was closed from July 2003. There are 6 River fishery licences with access to non-native species and their production is included in this table.

[c] Prior to 2007/08 catch from the Miscellaneous Fishery was included in the Marine Scalefish Fishery.

[d] Excludes retained by-catch of Octopus and Southern Calamari ($949,000 of Octopus and $600,000 of Southern Calamari in 2016/17) from the Rock Lobster and Prawn Fisheries. Excludes catch of aquaculture and south east non-trawl, tuna, deep water trawl Commonwealth Fisheries. All values are expressed in real 2016/17 dollars.

Source: EconSearch (2018b)

Appendix Table 3-3 Cost of management in South Australian commercial fisheries, 2016/17

	Licence Fees ($'000)	GVP ($'000)	Fees/ GVP (%)	Catch [b] (t)	Fees/ Catch ($/kg)	Licence Holders (no.)	Fees/ Licence ($/licence)
Abalone	2,212	27,214	8.1%	700	$3.16	34	$65,072
Charter Boats c	359	3,797	9.5%	14,459	$24.85	85	$4,228
GSV Prawns	254	4,798	5.3%	237	$1.07	10	$25,413
SGWC Prawns	1,060	45,182	2.3%	2,341	$0.45	39	$27,190
Sth'n Zone Rock Lobster	3,310	98,178	3.4%	1,246	$2.66	180	$18,390
Nth'n Zone Rock Lobster	1,506	24,401	6.2%	308	$4.89	63	$23,911
Blue Crabs	299	7,831	3.8%	603	$0.50	9	$33,167
Lakes and Coorong	413	11,486	3.6%	1,227	$0.34	36	$11,462
Marine Scalefish	2,633	22,806	11.5%	2,303	$1.14	304	$8,661
Miscellaneous	111	1,566	7.1%	22	$5.04	12	$9,245
Sardines	1,045	26,409	4.0%	43,293	$0.02	14	$74,628
Total SA	13,203	273,669	4.8%	52,280	$0.25	786	$16,797

[a] Number of clients (not catch) and Fees/1000 clients.

[b] Excludes West Coast Prawn Fishery.

[c] Licence fees include access/entitlement fees paid by rock lobster and Lakes and Coorong licence holders. Number of licence holders and average fee per licence holder relates only to Marine Scalefish licence holders and excludes access/entitlement holders from other fisheries.

Source: EconSearch (2018b)

Appendix Table 3-4 Financial performance in South Australian commercial fisheries, 2016/17, (average per boat) [a]

		Abalone	Charter Boats	GSV Prawns	SGWC Prawns	Sth'n Zone Rock Lob	Nth'n Zone Rock Lob	Blue Crabs [a]	Marine Scalefish	Sardine	Lakes and Coorong
(1)	**Total Boat Gross Income**	**721,035**	**102,413**	**620,935**	**889,204**	**622,958**	**550,426**	**8,143,163**	**118,807**	**1,626,675**	**355,818**
	Variable Costs										
	Fuel	14,221	16,678	52,268	78,515	31,791	33,245	466,408	9,796	136,308	12,260
	Repairs &	29,432	11,210	23,273	108,730	44,700	22,437	423,078	9,901	117,758	10,927
	Bait/Ice	413	2,961	0	0	18,249	15,493	106,500	3,112	1,141	1,089
	Provisions	61	2,769	4,396	9,835	2,093	5,621	37,342	1,596	11,330	31
	Labour - paid	181,459	19,944	182,490	315,259	148,197	145,842	1,613,261	13,250	489,101	50,952
(2)	Labour - unpaid	1,162	8,708	5,770	7,504	13,357	35,586	59,498	22,769	488	26,942
	Other	46,502	7,913	6,422	879	1,530	2,399	7,436	2,148	12,683	4,376
(3)	**Total Variable Costs**	**273,249**	**70,183**	**274,619**	**520,722**	**259,918**	**260,623**	**2,713,522**	**62,571**	**768,809**	**106,577**
	Fixed Costs										
	Licence Fee	48,603	3,771	37,678	28,581	24,593	28,277	305,255	7,566	53,148	15,366
	Insurance	8,579	3,758	13,763	18,130	8,162	9,685	174,856	2,589	28,031	4,380
(4)	Interest	65,516	2,305	17,131	7,334	34,610	24,050	362,390	3,658	319,611	3,294
(5)	Labour - unpaid	8,608	13,316	24,121	9,954	14,640	7,241	15,370	6,015	2,942	8,394
(6)	Leasing	8,941	0	0	0	7,678	48,033	47,669	226	0	0
	Legal & Accounting	10,671	1,427	7,895	7,346	5,169	4,150	39,782	1,494	2,833	2,798
	Telephone etc.	3,699	1,905	3,622	3,189	2,238	1,857	11,876	1,338	1,840	2,868
	Slipping & Mooring	513	2,033	15,403	17,779	5,597	5,671	87,148	983	21,496	480
	Travel	2,203	915	256	867	2,883	5,079	11,009	955	2,991	933
	Office & Admin	12,613	5,613	6,442	17,292	8,449	10,012	86,631	8,975	36,913	10,261
(7)	**Total Fixed Costs**	**169,946**	**35,043**	**126,312**	**110,473**	**114,019**	**144,054**	**1,141,986**	**33,798**	**469,805**	**48,774**
(8)	**Total Boat Cash Costs (3 + 7)**	**443,195**	**105,226**	**400,931**	**631,195**	**373,937**	**404,677**	**3,855,508**	**96,368**	**1,238,614**	**155,352**
	Boat Gross Margin (1 - 3)	**447,787**	**32,230**	**346,316**	**368,481**	**363,040**	**289,803**	**5,429,641**	**56,236**	**857,866**	**249,240**
(9)	**Total Unpaid Labour (2 + 5)**	**9,770**	**22,023**	**29,891**	**17,458**	**27,997**	**42,827**	**74,867**	**28,783**	**3,430**	**35,336**
	Gross Operating Surplus (1- 8+ 9)	**287,610**	**19,210**	**249,895**	**275,466**	**277,019**	**188,575**	**4,362,523**	**51,222**	**391,491**	**235,802**
(10)	**Boat Cash Income (1 - 8)**	**277,840**	**-2,813**	**220,004**	**258,008**	**249,022**	**145,748**	**4,287,655**	**22,439**	**388,061**	**200,466**
(11)	**Depreciation**	**40,560**	**24,006**	**80,711**	**88,001**	**53,724**	**55,244**	**1,010,153**	**17,172**	**188,032**	**22,307**
(12)	**Boat Business Profit (10 - 11)**	**237,281**	**-26,819**	**139,293**	**170,007**	**195,298**	**90,505**	**3,277,502**	**5,266**	**200,029**	**178,159**
(13)	**Profit at Full Equity (12 + 4 + 6)**	**311,738**	**-24,514**	**156,424**	**177,341**	**237,586**	**162,588**	**3,687,562**	**9,151**	**519,640**	**181,453**
	Boat Capital										
(14)	Fishing Gear & Equip	**181,115**	**191,157**	**1,403,383**	**1,371,398**	**465,608**	**439,877**	**5,176,069**	**125,529**	**1,400,513**	**202,348**
	Licence Value	**6,257,304**	**10,696**	**1,477,078**	**3,707,058**	**5,354,657**	**2,226,310**	**31,909,439**	**152,990**	**4,362,372**	**878,981**
(15)	**Total Boat Capital**	**6,438,419**	**201,853**	**2,880,461**	**5,078,456**	**5,820,266**	**2,666,187**	**37,085,507**	**278,519**	**5,762,886**	**1,081,329**
	Rate of Return on Fishing Gear & Equip (13 / 14 * 100)	**172.1%**	**-12.8%**	**11.1%**	**12.9%**	**51.0%**	**37.0%**	**71.2%**	**7.3%**	**37.1%**	**89.7%**
	Rate of Return on Total Boat Capital (13 / 15 * 100)	**4.8%**	**-12.1%**	**5.4%**	**3.5%**	**4.1%**	**6.1%**	**9.9%**	**3.3%**	**9.0%**	**16.8%**

[a] Excludes aquaculture and Commonwealth fisheries including; the Southern Eastern Scalefish and Shark fishery, Southern Bluefin Tuna fishery, Great Australian Bight fishery, Western Skipjack fishery, the Western Tuna and Billfish fishery

[b] Estimates of financial performance for the blue crab fishery have been presented on a whole of fishery basis.

Source: EconSearch (2018b)

Appendix Table 3-5 Costs as a percentage of total cash costs in South Australian commercial fisheries, 2016/17 [a]

	Abalone	Charter Boats	Gulf St Vincent Prawns	Spencer Gulf Prawns	Sth'n Zone Rock Lob	Nth'n Zone Rock Lob	Blue Crabs	Marine Scalefish	Sardines	Lakes and Coorong
Variable Costs										
Fuel	3%	16%	13%	12%	9%	8%	12%	10%	11%	8%
R&M	7%	11%	6%	17%	12%	6%	11%	10%	10%	7%
Bait/Ice	0%	3%	0%	0%	5%	4%	3%	3%	0%	1%
Provisions	0%	3%	1%	2%	1%	1%	1%	2%	1%	0%
Labour - paid	41%	19%	46%	50%	40%	36%	42%	14%	39%	33%
Labour - unpaid	0%	8%	1%	1%	4%	9%	2%	24%	0%	17%
Other	10%	8%	2%	0%	0%	1%	0%	2%	1%	3%
Fixed Costs										
Licence Fee	11%	4%	9%	5%	7%	7%	8%	8%	4%	10%
Insurance	2%	4%	3%	3%	2%	2%	5%	3%	2%	3%
Interest	15%	2%	4%	1%	9%	6%	9%	4%	26%	2%
Labour - unpaid	2%	13%	6%	2%	4%	2%	0%	6%	0%	5%
Leasing	2%	0%	0%	0%	2%	12%	1%	0%	0%	0%
Legal & Accounting	2%	1%	2%	1%	1%	1%	1%	2%	0%	2%
Telephone etc.	1%	2%	1%	1%	1%	0%	0%	1%	0%	2%
Slipping & Mooring	0%	2%	4%	3%	1%	1%	2%	1%	2%	0%
Travel	0%	1%	0%	0%	1%	1%	0%	1%	0%	1%
Office & Admin	3%	5%	2%	3%	2%	2%	2%	9%	3%	7%
Total Variable Costs	**62%**	**67%**	**68%**	**82%**	**70%**	**64%**	**70%**	**65%**	**62%**	**69%**
Total Fixed Costs	**38%**	**33%**	**32%**	**18%**	**30%**	**36%**	**30%**	**35%**	**38%**	**31%**
Total Cash Costs	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

[a] Excludes aquaculture and Commonwealth fisheries including; the Southern Eastern Scalefish and Shark fishery, Southern Bluefin Tuna fishery, Great Australian Bight fishery, Western Skipjack fishery, the Western Tuna and Billfish fishery.

Source: Derived from EconSearch (2018b)

Appendix Table 3-6 Economic contributions of South Australian commercial fisheries, 2016/17

	Abalone	Charter Boats	Gulf St Vincent Prawn	SGWC Prawns	Sth'n Zone Rock Lob	Nth'n Zone Rock Lob	Blue Crabs	Marine Scalefish	Sardines	Lakes and Coorong	All Fisheries
Output ($m)											
Direct											
Fishing	27.6	3.7	4.4	41.9	100.5	20.4	8.1	22.8	23.8	9.7	262.9
Downstream	17.4	4.1	4.0	38.1	47.2	12.1	8.7	10.5	1.7	4.9	148.8
All other sectors (indirect)	72.7	13.3	12.0	116.7	141.8	37.3	23.0	52.5	19.6	17.5	506.5
Total	**117.7**	**21.1**	**20.4**	**196.7**	**289.6**	**69.9**	**39.8**	**85.8**	**45.1**	**32.1**	**918.2**
Total/Direct	2.6	2.7	2.4	2.5	2.0	2.1	2.4	2.6	1.8	2.2	2.2
Total/Tonne ($)	$178,000	$1,400	$90,500	$118,200	$217,900	$204,500	$23,900	$34,000	$1,100	$20,100	$18,900
Contribution to GSP ($m)											
Direct											
Fishing	19.0	1.6	3.0	29.4	68.3	10.9	6.0	8.9	16.4	7.4	170.8
Downstream	12.5	1.9	2.2	20.9	19.9	5.1	4.0	4.7	0.8	2.2	74.3
All other sectors (indirect)	24.8	7.0	6.4	62.4	73.3	19.5	12.2	27.3	10.6	9.3	252.8
Total	**56.3**	**10.5**	**11.7**	**112.6**	**161.5**	**35.5**	**22.2**	**40.9**	**27.8**	**18.9**	**497.9**
Total/Direct	1.8	3.0	2.2	2.2	1.8	2.2	2.2	3.0	1.6	2.0	2.0
Total/Tonne ($)	$85,100	$700	$51,800	$67,600	$121,500	$103,900	$13,300	$16,200	$600	$11,800	$10,300
Employment (fte jobs)											
Direct											
Fishing	100	33	27	128	455	104	25	327	57	76	1,332
Downstream	96	17	28	268	209	54	49	54	9	24	808
All other sectors (indirect)	173	49	46	442	507	132	85	195	74	65	1,769
Total	**369**	**99**	**101**	**839**	**1,172**	**290**	**159**	**576**	**140**	**165**	**3,908**
Total/Direct	1.9	2.0	1.8	2.1	1.8	1.8	2.2	1.5	2.1	1.7	1.8
Total/Tonne	0.6	0.0	0.4	0.5	0.9	0.8	0.1	0.2	0.0	0.1	0.1
Household Income ($m)											
Direct											
Fishing	6.5	1.4	1.5	14.0	28.7	8.3	1.7	11.6	4.9	2.9	81.5
Downstream	8.1	1.1	1.5	14.8	14.0	3.6	2.8	3.4	0.6	1.6	51.5
All other sectors (indirect)	13.7	3.9	3.6	34.6	40.1	10.5	6.8	15.2	5.8	5.2	139.4
Total	**28.3**	**6.4**	**6.6**	**63.3**	**82.8**	**22.5**	**11.3**	**30.1**	**11.3**	**9.8**	**272.4**
Total/Direct	1.9	2.5	2.2	2.2	1.9	1.9	2.5	2.0	2.1	2.2	2.0
Total/Tonne ($)	$42,700	$400	$29,200	$38,000	$62,300	$65,700	$6,800	$11,900	$200	$6,100	$5,600

[a] Excludes aquaculture and Commonwealth fisheries including; the Southern Eastern Scalefish and Shark fishery, Southern Bluefin Tuna fishery, Great Australian Bight fishery, Western Skipjack fishery, the Western Tuna and Billfish fishery.

[b] Downstream activities include net value of processing, transport services and retail/food services trade.

Source: EconSearch (2018b)

Appendix Table 3-7 Economic rent in South Australian commercial fisheries, 2016/17 ($m)

	Abalone	GSV Prawns	SGWC Prawns	Sth'n Zone Rock Lob	Nth'n Zone Rock Lob	Blue Crabs	Marine Scalefish	Sardines	Lakes and Coorong	**All Fisheries[a]**
Gross Income	27.6	4.4	41.9	100.5	20.4	8.1	22.8	23.8	9.7	259.2
Less Labour	7.3	1.5	15.6	28.4	7.0	1.7	8.1	7.4	2.4	79.2
Less Materials & Services	6.8	1.2	13.9	25.2	5.3	1.8	9.7	6.3	1.8	71.8
Less Depreciation	1.6	0.6	4.1	8.7	2.0	1.0	3.3	2.8	0.6	24.6
Less Opportunity Cost of Capital (@10%)	0.7	1.0	6.4	7.5	1.6	0.5	2.4	2.1	0.6	22.8
Economic Rent	**11.1**	**0.1**	**1.9**	**30.7**	**4.4**	**3.2**	**-0.9**	**5.4**	**4.4**	**60.7**
Rent/GVP	40%	3%	5%	31%	22%	39%	-4%	23%	45%	23%

[a] Excludes aquaculture and Commonwealth fisheries including; the Southern Eastern Scalefish and Shark fishery, Southern Bluefin Tuna fishery, Great Australian Bight fishery, Western Skipjack fishery, the Western Tuna and Billfish fishery.

Source: EconSearch (2018b)

APPENDIX 4 Nominal Licence Fees

Appendix Table 4-1 Nominal costs of management in the SA Charter Boat Fishery, 2005/06 to 2017/18[a]

	Licence Fee	GVP ($'000)	Fee/GVP	Clients		Licences	Fee/ Licence
	($'000)	($'000)	(%)	(persons)	($/client)	(No.)	($/licence)
2005/06	201	4,238	4.7%	19,540	10	99	2,028
2006/07	244	4,786	5.1%	21,697	11	106	2,305
2007/08	244	4,230	5.8%	21,962	11	107	2,284
2008/09	244	4,240	5.8%	21,430	11	108	2,261
2009/10	279	4,642	6.0%	21,822	13	109	2,560
2010/11	259	4,394	5.9%	20,097	13	109	2,374
2011/12	354	4,872	7.3%	23,711	15	109	3,246
2012/13	354	4,985	7.1%	23,525	15	109	3,246
2013/14	369	4,320	8.5%	19,227	19	105	3,515
2014/15	374	3,558	10.5%	15,129	25	102	3,663
2015/16	362	4,051	8.9%	15,597	23	102	3,552
2016/17	362	3,738	9.7%	14,459	25	100	3,617
2017/18	359	3,408	10.5%	14,382	25	85	4,228
2018/19	367	n.a.	-	n.a.	-	85	4,315

[a] Values are in nominal terms.

Source: PIRSA Fisheries and SARDI Aquatic Sciences

Appendix 6 List of Investigators and Steering Committee Members

Investigators

- Dr Julian Morison, BDO EconSearch – Principle Investigator
- Dr Nicola Pitt, Action Market Research – Co-Investigator
- Mr Luke Sexton, Action Market Research – Co-Investigator
- Mr Jon Presser, PIRSA – Co-Investigator
- Ms Rebecca Atkins, PIRSA – Co-Investigator
- Ms Lisa Carlin, BDO EconSearch – Co-Investigator
- Ms Melissa Lagana, BDO EconSearch – Financial Admin

Steering Committee

- Mr Ian Nightingale, Independent Chair
- Dr Julian Morison, BDO EconSearch
- Mr Anders Magnusson, BDO EconSearch
- Ms Jasmine Douglas, BDO EconSearch
- Dr Nicola Pitt, Action Market Research
- Mr Luke Sexton, Action Market Research
- Mr Neil Howells, Hudson Howells
- Mr Jon Presser, PIRSA
- Ms Rebecca Atkins, PIRSA
- Neil MacDonald, SCBOOASA
- Mr Hayden Zammit, SATC
- Ms Skye Barrett, FRDC