



**Queensland
Charter Fishing Industry
Opportunities Plan**

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1 INTRODUCTION

As part of its Charter Fishing Action Plan, Fisheries Queensland funded BDO EconSearch to undertake a research project to identify and describe business growth opportunities for the charter fishing industry.

This research, as summarised below, is aimed at assisting the charter fishing industry understand the:

- > Needs and wants of the market (current, previous and potential clients).
- > Performance of the sector at meeting these needs and highlighting gaps.
- > Capacity and willingness of the sector to meet these needs, especially where there are gaps.

It is noted that while the research findings may assist lower performing businesses to achieve better performance, the findings also identify new opportunities that can be adopted by all charter fishing businesses.

Growing the charter sector will help businesses and promote regional jobs and the Queensland economy. Identifying charter industry growth opportunities builds on the plan and will help the charter sector identify ways to grow.

Action Market Research and Hudson Howells were engaged by BDO EconSearch to undertake the research project described above. 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 incorporated four phases:

- > Phase 1 – Rapid Appraisal Interviews with key stakeholders in the industry (Completed November 2019).
- > Phase 2 – Operator Depth Interviews (Completed November 2019).
- > Phase 3 – Recreational Fishing Trip Client Survey - current, previous and potential clients (Completed February 2020).
- > Phase 4 – Licence Holder/Operator Survey (Completed May 2020).

This paper details the Queensland charter fishing industry Opportunities Plan which has been developed through the analysis of each of the four studies summarised above.

It is important to note that the opportunities identified in this Opportunities Plan are primarily evidenced based. That is, they have been identified and validated through the comprehensive

research program undertaken for this project and, where relevant, expanded on to provide greater context.

2 OPPORTUNITIES PLAN

2.1 Objective

The objective of the Queensland charter fishing industry Opportunities Plan (Plan) is to document the opportunities identified through the comprehensive research program in a way that will enable industry participants to readily understand where the opportunities lie and how these can be taken advantage of. A key assumption for this Plan is that the charter fishing industry must be market (client) driven and that charter fishing operators have four areas they can focus on:

- > The charter fishing product and service offering.
- > The pricing of charter fishing products and services.
- > The promotion of charter fishing products and services.
- > The sale of charter fishing products and services.

The bundling together of the four elements listed above can be described as the charter fishing operator’s brand or service proposition. The closer each of these elements is to what the market is seeking, the greater the opportunity for a sale. This applies equally to new clients (new business), existing clients (repeat business) and lapsed clients (regaining lost business).

As highlighted in the matrix on the following page, an operator’s brand or service proposition can be extended in the following ways, noting these are not mutually exclusive. As highlighted in this matrix, the operator’s risk profile changes depending on the opportunity being pursued. Market penetration is the least risky business development strategy and involves the same services being provided to existing customers who book more trips.

Opportunities for market development and service development identified from the Client Survey and Operators’ Survey are detailed in this Plan.

	Existing Services	New Services
Existing Customers	<p>Market Penetration</p> <p>Services provided remain the same with existing customers booking more trips.</p>	<p>Service Development</p> <p>New services are developed which are sold to existing customers.</p>

Increasing Risk



New Customers (Markets)	Market Development	Diversification
	Services provided remain the same with new customers being targeted.	New services are developed which are sold to new customers.

Increasing Risk 

Ansoff Matrix

Diversification is the highest risk business development strategy and involves new services being developed for new customers (markets). Examples of opportunities for diversification include a new region or area being opened up for charter fishing with this then being promoted to a new market which is perceived to have demand for this region or area.

Another diversification opportunity is eco-tourism. In this example, the operator would reposition the business and move away from fishing to focus on the growing demand for eco-tourism, in this case marine based eco-tourism.

This opportunity focuses on the following:

- > Conservation of biological and cultural diversity.
- > Sustainable use of ecological resources.
- > Increased environmental and cultural awareness.
- > Minimal environmental tourist industry impact on local resources.

A typical client journey consists of:

- > An interest in charter fishing which can incorporate any of the experiences or adventures available on a charter vessel such as fishing, spending time on the water, maybe in a new area or country, whale watching, being immersed in nature, or simply spending time with family, friends, business associates or colleagues.
- > 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.

It is important to note that, when using this Plan, charter fishing operators may already be employing the identified opportunities and that some opportunities might not be relevant to a specific operator's business model.

Also consistent with this Plan being evidence based, a number of opportunities were identified through the research project, but only those considered to have a higher positive impact on an operator's business have been documented. Readers wishing to explore the entire suite of opportunities identified through the research are referred to the Fisheries Queensland Operator Survey Final Report June 2020 which can be sourced from the Queensland Government Department of Agriculture and Fisheries.

2.2 Charter Fishing Products and Services

Charter fishing is experiential, so when we talk about charter fishing products and services, we are primarily talking about the experience the client has during his or her charter fishing trip. Ideally all of the necessary product and service information will be available on the operator's website. Key areas include:

- > 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 is supplied ensuring all operator provided equipment and gear is upgraded to remain current.
- > 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.

Research undertaken to underpin the preparation of this Plan has identified that the following tend to be the most important product and services elements across potential, current and lapsed clients so there's an opportunity to ensure as many of these are offered as possible (in order of perceived importance):

- > Quality of the skipper/crew – ensure this is reinforced in all information provided and reinforced during the trip.
- > Provide a safe experience - ensure this is reinforced in all information provided and reinforced during the trip.
- > Provide a fun and enjoyable experience.
- > Catch fish.
- > Care for the natural environment.
- > Quality of the vessel and amenities (cushions, music, comfort, etc).
- > Fish to be caught in a sustainable way.
- > Ability to speak with a real person about the trip.
- > Have meals/catering provided as part of the experience.
- > Fish caught to be cleaned and chilled.

Ideally each of the above elements will be highlighted in all information provided and, where relevant, reinforced during the trip.

While fishing is clearly the main purpose for undertaking a charter fishing trip, the following activities are also very appealing and therefore present opportunities to enhance the client experience:

- > Visiting the Great Barrier Reef (top for all client types).
- > Other on-board seafood experiences (more appealing for Current Clients).
- > Wildlife experiences (more appealing for Lapsed and Potential Clients).
- > Package deal where you catch your fish and have it prepared at local restaurant that same day (appealing for Current and Potential Clients).

Additional services

There is an opportunity to add complementary services to generate additional income with the objective of improving business performance. Examples include different tour options, clothing/merchandise/fishing tackle, other fishing activities and airport/accommodation transfers as opportunities for charter fishing operators.

2.3 Charter Fishing Pricing

Research undertaken to underpin the preparation of this Plan has identified that the one thing the charter fishing industry could do to increase the number of future trips would be to reduce the cost of those trips. It is appreciated that operators need to remain commercially viable so reducing profit margins is unlikely to be an option.

The average price charged for a charter fishing experience in Queensland in the 2018/19 financial year is published in the Economic and Social Indicators report referenced above as approximately \$203 per client for businesses focused on day trips and \$405 per client per day for businesses focused on multi-day trips.

The opportunity to reduce price while maintaining margin might be presented through reviewing operating costs. In this area, the greatest opportunity potentially arises from cooperative purchasing. That is, charter fishing industry operators would form a cooperative to purchase higher cost business inputs with key opportunities being fuel and insurances. Itemised business operating costs are published in *Economic and Social Indicators for the Queensland Charter Fishery 2017/18 and 2018/19*, which is available from Fisheries Queensland. Estimated Charter Fishery total and average per business costs in 2018/19 for fuel and insurance are presented in the table below.

Cost item	Average per business	Charter Fishery total
Fuel	\$25,400	\$4.5 million
Insurance	\$8,800	\$1.5 million

The other opportunity to explore is to identify low cost ways to value-add to the fishing experience as opposed to discounting the price. As an example, while most operators are offering wildlife experiences and/or coastline viewing as additional activities to the charter fishing experience, many customers are much more interested in additional activities such as viewing the Great Barrier Reef, crab/lobster/bug fishing experiences, snorkelling and/or swimming with sea life activities to complement activities being offered by charter boat operators. If any of these services are offered onboard, and no additional staff are employed to provide the service, then the cost is minimal, however the value of the experience has increased.

The following information is provided so charter fishing operators can benchmark their pricing against market expectations. This information refers to both average prices and median prices. The average price can be distorted by a small percentage of clients stating they would be prepared to pay a very high price. The median price band is the 'middle value', or the most frequently selected price band, so this value is not distorted by the small percentage of clients stating they would be prepared to pay a very high price.

In terms of taking a **multi-day trip in the future:**

- > The majority of current clients would expect to pay between \$200 and \$799 per full day. However, 38% of current clients expect to pay above the \$200 and \$799 range, with some a much higher price, which results in an average of \$1,029 per full day. The median price band for current clients is \$200 to \$499 per full day.
- > The majority of lapsed clients would expect to pay between \$200 and \$799, with their average expected cost \$649 per full day. The median price band for lapsed clients is \$200 to \$499 per full day.
- > The majority of potential clients (67%) would expect to pay under \$500, with their average expected cost \$570 per full day. The median price band for potential clients is \$200 to \$499 per full day.

In terms of taking a **single day trip in the future:**

- > The majority of current clients would expect to pay between \$200 and \$499 per full day, with the average at \$495 per full day. The median price band for current clients is \$200 to \$499 per full day.
- > The majority of lapsed clients would expect to pay between \$200 and \$499, with their average expected cost \$352 per full day. The median price band for lapsed clients is \$200 to \$499 per full day.
- > The majority of potential clients (49%) would expect to pay between \$200 and \$499, with their average expected cost \$460 per full day. The median price band for potential clients is \$200 to \$499 per full day.

The following table provides the above information in more detail. This is followed by the pricing information presented by business model. It is noted that the business model does not match the business model definition from the Operators' Survey as this data has been derived from the Client Survey (current and lapsed clients) which provided four options:

- > Multi-day game fishing.
- > Multi-day other type.
- > Reef fishing day trips (coral or rocky reefs).
- > Inshore fishing experiences.

Per person per day price	Current Clients		Lapsed Clients		Potential Clients	
	Multi-day Trip	Single-day Trip	Multi-day Trip	Single-day Trip	Multi-day Trip	Single-day Trip
Less than \$200	4%	8%	5%	21%	12%	20%
\$200 to \$499	18%	25%	14%	34%	14%	31%
\$500 to \$799	10%	9%	10%	6%	4%	5%
\$800 to \$999	6%	3%	1%	1%	3%	3%
\$1,000 to \$1,999	9%	3%	5%	2%	4%	2%
\$2,000 to \$4,999	4%	0%	1%	1%	1%	1%
\$5,000 or more	2%	0%	0%	0%	0%	1%
MEDIAN	\$200 to \$499					
AVERAGE	\$1,029	\$495	\$649	\$352	\$570	\$460

Source: Fisheries Queensland Client Survey Report February 2020

Per person per day price	Multi-day trip game fishing	Multi-day trip – other types of fishing	Reef fishing day trips (coral or rocky reefs)	Inshore fishing experiences (rivers, inland and other day trips)
Less than \$200	14%	20%	26%	34%
\$200 to \$499	38%	34%	53%	46%
\$500 to \$700	17%	20%	13%	8%
\$800 to \$999	9%	7%	3%	5%
\$1,000 to \$1,999	15%	12%	3%	4%
\$2,000 to \$4,999	5%	4%	1%	2%
\$5,000 to \$9,999	0%	1%	0%	0%
\$10,000 to \$19,999	0%	0%	0%	1%
\$20,000 or more	1%	1%	0%	0%
MEDIAN	\$200 to \$499	\$200 to \$499	\$200 to \$499	\$200 to \$499
AVERAGE	\$889.84	\$940.55	\$455.97	\$579.28

Source: Fisheries Queensland Client Survey Report February 2020

Note: Median price bands remain constant across the four business models, but average prices range from \$455.97 to \$940.55.

2.4 Charter Fishing Promotion

The window to the charter fishing 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 key opportunities are to ensure:

- > Each operator has a website and social media accounts (Facebook, Instagram, TripAdvisor, Twitter and YouTube vloggers preferred).
- > Each operator ensures their website and social media accounts are attractive and functional (SEO¹).
- > 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.
- > The charter fishing industry lobbies Tourism and Events Queensland to actively promote charter fishing in Queensland (refer note and table below).
- > The charter fishing industry lobbies the Queensland Government for more international direct flights into Cairns.

The following table provides the top five species each business model would prefer based on those operators who supported the idea of Tourism Queensland running a targeted species program.

Top 5 Species	Game Fishing (n=16)	Sports Fishing (n=27)	Coral Reef (n=15)	Rock Reef (n=7)	Inshore (n=14)
Top	Black Marlin, Blue Marlin or Sailfish (69%)	Barramundi (41%)	Coral Trout (60%)	Pink Snapper (57%)	Barramundi (50%)
Second	Spanish Mackerel	Spanish Mackerel	Spanish Mackerel	Coral Trout	Trevally
Third	Coral Trout	Trevally	Red Emperor	Spanish Mackerel	Mangrove Jack
Fourth	Barramundi	Black Marlin, Blue Marlin or Sailfish	Sweet Lip	Red Emperor	Coral Trout
Fifth	Trevally, Red Emperor, Mackerel, Sweet Lip, Tuma, Fingermark, Red Throat Emperor (all equal fifth)	Coral Trout, Mackerel (equal fifth)	Black Marlin, Blue Marlin or Sailfish, Red Throat Emperor (equal fifth)	Sweet Lip, Trevally, Nannygai (equal fifth)	Spanish Mackerel

Source: Fisheries Queensland Operator Survey Final Report June 2020

¹ Search engine optimisation (SEO) is the process of growing the quality and quantity of website traffic by increasing the visibility of a website or a web page to users of a web search engine such as Google. SEO refers to the improvement of unpaid results and excludes direct traffic and the purchase of paid placement.

Other promotional tools such as Google Ads (online advertising), attending trade shows², and print and electronic media advertising can be considered but there are costs associated with these approaches.

It is noted that when asked to rank potential ideas for helping operators improve their business performance, the majority of operators agreed that getting reviews and recommendations from those who have undertaken a trip (e.g. Trip Advisor or word of mouth) is the key to improving their business performance. Keeping in touch with previous customers and attracting repeat business along with maintaining a social media presence to promote the charter boat fishing experience were also suggested.

It is also noted that over the last 12 months, the group of operators whose business improved had a slightly higher proportion of operators who utilised social media. They also tended to advertise more in print publications such as local newspapers/fishing magazines or provide pamphlets/brochures for display in hotels/tourist centres.

In summary, opportunities will be optimised by building awareness, digital media optimisation and client relationship management:

- > Ensure websites and social media accounts reflect the high standard of service experience you offer your clients.
- > 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 surveys) 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.

It is noted that the ability of the above promotional tools to generate inquiries and assist with the retention of customers will be dependent on the individual operator's business model including the market segments being targeted.

² The following website ranks popular trade fairs, trade shows and conferences: <https://10times.com/top100/australia>

The Queensland Government's Small Business Digital Grants Program can assist operators with access to digital technologies and services to help them work smarter, engage with the global economy, and make the most of online business opportunities arising from digital disruption. Please refer to the following links for more information:

- > <https://www.business.qld.gov.au/starting-business/advice-support/grants/digital-grants>
- > <https://www.business.qld.gov.au/starting-business/advice-support/grants/schedule>

2.5 Charter Fishing Booking and Sales

The key opportunities in relation to booking and sales is to meet client expectations as evidenced by the market research findings.

Booking a charter fishing trip

In order to realise these opportunities, it is important that:

- > Current and lapsed clients are able to call the charter boat operator directly to make their booking in preference to visiting a website and booking online. Their preference for a phone call might indicate these clients are booking with operators they have used in the past.
- > Potential clients can book via an operator's website, but also expect to be able to call the operator directly.

Clients don't expect to book through a travel agent, via SMS/text message, or through a hotel. It is noted that:

- > Australian clients expect to be able to call the charter boat operator directly to make their booking over visiting their website and booking online.
- > International clients prefer booking via the operator's website or through a booking website that offers a range of tour options, or via email. International clients are unlikely to make contact with the operators directly by phone.

It is noted that when viewed by business performance in the last 12 months, those operators whose business improved had a much higher tendency to take bookings by social media. It is also noted that 50% of customers would prefer the option to book through the charter boat operator's website or through a booking website that offers a range of tour options.

Paying for a charter fishing trip

Overall, all clients expect to make some form of payment up-front prior to the trip itself. This is expected in the form of a deposit on the day of making the booking, with the remainder due on the day of the trip itself or the payment of the full amount upfront.

Australian clients are more likely to expect to make a deposit when the charter boat trip is booked, whereas international clients are more likely to expect to make full payment for the trip at the time of the booking.

Overall, for all client types, the most preferred payment method is credit card/debit card.

Confirming a charter fishing trip

The majority of clients prefer a confirmation email at the time of booking, a reminder email a few days prior and/or the day prior as well as an SMS confirmation on the day the booking is made. Clients do not expect to receive a telephone call prior to the trip.

In summary all charter fishing operators should offer:

- > The ability to book through their own website and via a direct phone call.
- > Payment to be made via credit card/debit card at the time of the booking.
- > A confirmation email when the booking is made and possibly an SMS once the booking has been confirmed.
- > A reminder email and possibly an SMS sent a few days prior to the trip.

3 OPPORTUNITIES PLAN CHECKLIST

This section provides a checklist for charter fishing operators. While it is not possible to prioritise this checklist, each action item 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.

Opportunities Plan Recommended Actions	Priority	Completed ✓
Provide clients with an attractive and functional website that reflects the high standard of the service experience you offer your clients.	H	
Provide the option for clients to book their trip over the phone and online and ensure the booking is confirmed promptly by email/SMS including terms and conditions. Provide a reminder by email/SMS prior to trip including final payment.	H	
Provide a facility to pay for the trip via credit/debit card and provide confirmation of payment.	H	
Attractive and functional social media (Instagram, Facebook, Twitter and YouTube (vlogger).	H	
Lobby Tourism and Events Queensland to actively promote charter fishing in Queensland linked to the promotion of the key species identified in this Plan.	H	
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	
Investigate complementary services such as different tour options, clothing/merchandise/fishing tackle, other fishing activities and airport/accommodation transfers as opportunities for charter fishing operators.	H	
Lobby the Queensland government for more international direct flights into Cairns.	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	
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	