



# CATTLE STATION STAY “HOW TO” MANUAL

*PART ONE — HOW TO ESTABLISH A STATION STAY BUSINESS*



## DOCUMENT CONTROL

DATE	AUTHOR	VERSION	COMMENT

This publication is for general information purposes only. It is designed to help pastoralists in the Gulf Savannah region to interpret the requirements of establishing a station stay business. It does not replace the need for further consultation and professional advice. Gulf Savannah Development (GSD) does not guarantee that this publication is comprehensive, without flaw or appropriate for your needs. You are advised to make your own inquiries or seek independent professional advice before relying on anything in this publication. GSD disclaims all liability for any error, loss or damage that may arise as a result of you relying on anything contained in this publication.



**Queensland Government**

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*Gulf Savannah Development (GSD) has prepared this 'How To' manual to assist pastoralists to navigate the process to establish a station stay business.*

## MOTIVATION

In 2012 and 2017, GSD commissioned major tourism surveys for the Gulf Savannah Region.



53,150 Leisure visitors



14 Nights  
Average Stay



81% Visitors  
Over 50



\$70 million Value of  
Tourism

"Cattle Station" and "Farm Stay" experiences were rated as number 1 and 4 in the most desirable activities among respondents, respectively.



54% of respondents were 'very interested' in cattle station tourism.

## WHAT IS A STATION STAY?

A station stay refers to accommodation that is provided to paying visitors on a working cattle station. They are valued among visitors seeking out an authentic retreat and they tend to represent unique tourism experiences in their own right. As a host, your Station Stay can be whatever you want it to be. They are flexible in their scale and configuration...



Camp Grounds



Caravan Sites



Existing Rooms



Food and Alcohol



Luxury Retreat



Tours + Activities

## WHAT'S IN IT FOR ME?

Station Stay tourism may not be suited to everyone, but for those prospective hosts who are up for the challenge, there are numerous benefits to be realised.

### RELATIONSHIPS



Can provide opportunities for increased social interactions

### REGIONAL DEVELOPMENT



Supports the regional economy as it encourages increased visitation, increased length of stay and more spending.

### REVENUE



Diversifies cattle station revenue stream

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# 01 The “How to” Summary

## Key Messages

We’ve compiled a list of key steps to help you understand what it takes to start a station stay business. You might also find it helpful to refer to as you navigate through the establishment process.

This list of key steps will help you on your way, but we encourage you to work through the rest of the manual for more detailed information on the establishment process.



# STATION STAY BUSINESS ESTABLISHMENT PROCESS

1

## Plan your offering

**Tip:** Work out what you want your station stay business to be. Aim to have a clear idea of the following:

- The scale and type of accommodation
- Your target market
- How you will present it
- Experiences you will offer
- How you will fund establishment
- How you will market the business
- How much income it will generate

2

## Review pastoral lease

**Tip:** Dependant on the scale of your offering, it may be necessary to apply to alter the conditions of the pastoral lease to allow additional use for low key tourism.

3

## Review Native Title / ILUA requirements

**Tip:** If pastoral lease was granted prior to 23 December 1996 then progress with no ILUA requirement. If the lease has been upgraded or subdivided after this date, progress subject to ILUA.

4

## Understand planning scheme requirements

**Tip:** Engage with your local council and seek professional advice from a town planning consultant to understand the planning scheme requirements that are applicable to you.

8

## Satisfy planning approval requirements

**Tip:** The approval process differs between each Shire, as well as the scale and nature of your intended setup.

7

## Register for GST

**Tip:** You will need to register for GST if you have a GST turnover of \$75,000 or more and must register for PAYG if your business employs staff.

6

## Register for an ABN

**Tip:** Your accountant/lawyer can help with this. If you are establishing a trust, professional help will be required.

5

## Select business structure

**Tip:** Professional advice will help you to understand the type of business structure that is suitable for your own circumstances.



9

### Building application

**Tip:** Your builder or architect can assist with the application. Consult with your local council to determine the exact requirements for your development.

10

### Obtain accommodation licence/approvals

**Tip:** Licences are administered by your local council.

11

### Cultural heritage

**Tip:** Determine if development activity will impact Aboriginal Cultural Heritage. The first step is to submit a cultural heritage database search request to DATSIP. The "Aboriginal Cultural Heritage Act 2003 – Duty of Care Guidelines" will assist if you will be undertaking significant ground disturbing activities.

12

### Food Business Licence

**Tip:** Licences are administered by your local council.

15

### Any other items

**Tip:** Visit <https://ablis.business.gov.au/> to determine if any other licences apply for your intended setup.

14

### Insure your business

**Tip:** Seek advice from an insurance broker. At a minimum, you are advised to have public liability cover of at least \$10 million to cover paying guests and visitors. Product liability is also recommended to cover prepared food or other products offered to guests.

13

### Alcohol Licence

**Tip:** Licences are administered by the Office of Liquor and Gaming Regulation.



# Introduction

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In 2012 and 2017, Gulf Savannah Development (GSD) – the Gulf Savannah region’s economic development organisation – was involved in commissioning a major tourism survey for the region. One of the insights gleaned from the two bodies of work was that when it came to the kinds of activities visitors would most like to experience in the Gulf region, the most sought-after experience was “Cattle Station Stay Tourism”.

As acknowledged in subsequent regional reviews<sup>1</sup>, there are number of impediments that exist when it comes to growing station stay tourism opportunities within the region. Firstly, there needs to be a general willingness and ability amongst graziers to accommodate tourists. Secondly, there is a need to increase awareness on how pastoralists can establish a tourism-related business. This includes clarifying how to navigate planning and development requirements, how to market the business and how to access further resources and business support.

GSD has commissioned the current body of work to inform prospective station stay operators of the opportunities, risks and required process to establish a tourism business of this nature. The intention is to reduce some of the barriers to entry by demystifying the process to start and run a successful station stay. The manual will provide insights into the demand side of the cattle-station stay segment of the tourism market, as well as providing a blueprint for parties interested in establishing their own station stay venture.

## 1.1 WHAT IS A STATION STAY?

A station stay<sup>2</sup> is accommodation provided to paying visitors on a working cattle station. Depending on the scale of offering, station stay accommodation can be somewhat comparable to camping grounds, holiday houses and bed & breakfast offerings.

For holidaying guests, the accommodation component typically represents only one part of the appeal. Station stay experiences generally offer visitors special insights into true outback life and can play an important role in fostering more direct connections between primary producers and the public. There are also benefits for the region more broadly given that station stay experiences quite often showcase the unique qualities that the region lays claim to, which has a flow-on effect of building the region’s brand value.

There are no fixed rules on what a station stay should be. The scale of operation can vary between



“

*Station stay experiences generally offer visitors special insights into true outback life and can play an important role in fostering more direct connections between primary producers and the public.”*

different providers, with choices ranging from an existing room in the homestead, self-contained accommodation (e.g. worker’s cottage or shed) or access to camping grounds and caravan sites. In many instances, station stay operators offer day trip activities to enhance the appeal of the experience, with this offer sometimes also being extended to visitors who do not stay overnight. Self-drive tours, 4WD tracks, self-guided walks, helicopter flights, guided bus, car and quad bike tours are just some of the range of activities being offered at station stays throughout regional Australia.

In practice, most station stays begin on a small scale and gradually expand as their owners gain the confidence, knowledge, and resources to manage larger operations. However, as with the commencement of any new business, there are important financial, operational and regulatory factors that should be considered. For some station owners, station stay tourism might not be the ‘right fit’ for them. For others, a decision to start a station stay can often prove to be a highly rewarding one.

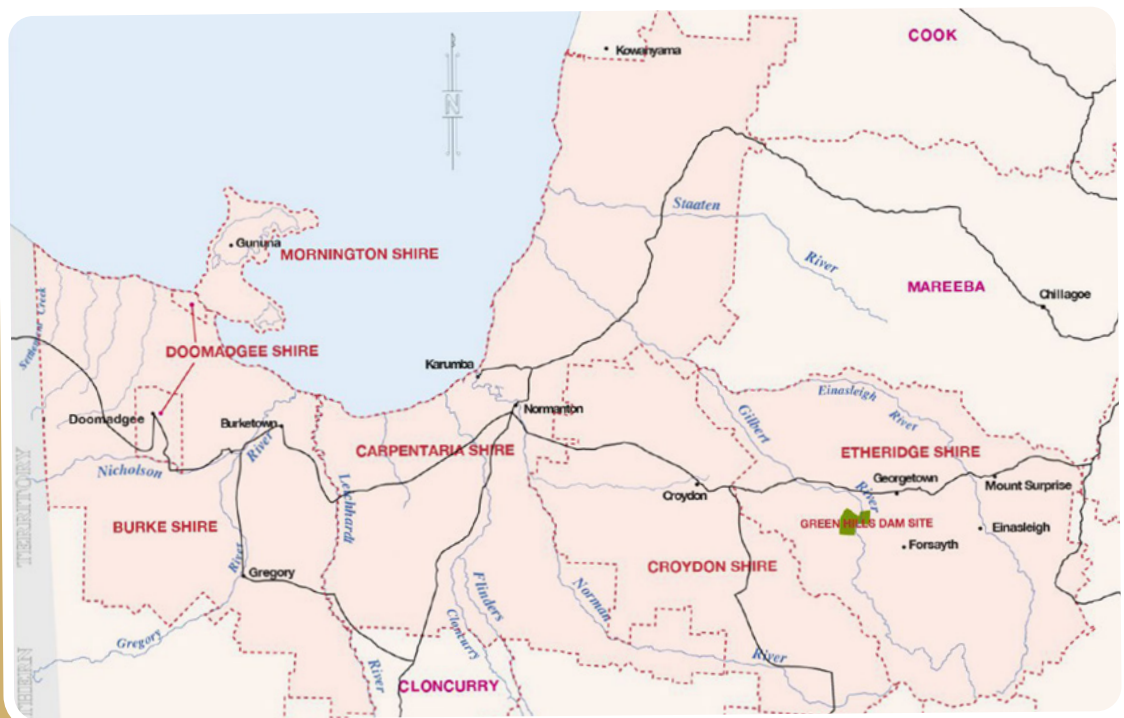
<sup>1</sup> Refer to: Gulf Savannah Development – Lower Gulf Marine & Riverine Economic Development Strategy, March 2018.

<sup>2</sup> Although this manual is written up with a focus on station stay tourism, it is equally applicable to farm stay tourism in the Gulf Savannah region.

## 1.2 GEOGRAPHIC AREA OF INTEREST

While this publication may have broader application to other regions in Australia, the focus of this manual is on the Gulf Savannah region. The manual references specific materials, including local/state-specific planning schemes and planning policies, building codes/regulations etc., that may not be widely applicable in other Local Government Areas.

For context, the Gulf Savannah region comprises six local government areas, these being: Carpentaria Shire, Croydon Shire, Mornington Shire, Doomadgee Aboriginal Shire, Burke Shire and Etheridge Shire. The area that the region encompasses is highlighted in the map below.



The Gulf Savannah region is renowned for its cattle rearing. According to cattle herd distribution statistics provided by Meat and Livestock Australia<sup>3</sup>, the broader gulf region was home to more than 2 million head of cattle in 2018. This volume of livestock makes it the third largest cattle-rearing region in Australia. Given the magnitude of this industry in the region, the Gulf Savannah is naturally suited to station stay tourism.





## 02

# What's the Attraction?

For the right person, a station stay business can be highly rewarding.

Key benefits to the operator:

- » Opportunities for social interaction;
- » Educates tourists and benefits the local economy; and
- » Supplements and diversifies income.

The attraction for visitors:

- » A way to experience rural life;
- » Distinctive form of accommodation;
- » Unique experiences to be discovered; and
- » Convenient stopover for drive tourism.



## 2.1 IS STATION STAY TOURISM RIGHT FOR ME?

Running a station stay can be a highly rewarding venture for the right person or family. In targeted consultations with station stay owners and peak body associations, the most frequently cited benefits were expressed as:

1. It reconnects people with farming the land and can strengthen relationships between primary producers and the end consumer;
2. It supports the local economy by attracting visitors to spend more time and money in the region;
3. It can promote increased social interactions;
4. Guests are often happy to help to do odd jobs and property upgrades;
5. Larger establishments can provide additional employment opportunities for the local community;
6. It educates people about the rural heritage of the region and the need to protect the natural resources and amenities; and,
7. It can supplement and diversify traditional income streams for pastoralists.



*“It reconnects people with farming the land and can strengthen relationships between primary producers and the end consumer.”*

When it comes to running a station stay business, most operators point out that it is not something to venture into with the sole motivation to make money. In fact, the degree to which the additional income will make a difference to your finances will very much depend on the scale of your existing pastoral activities.

Understanding whether station stay tourism is the right fit for you requires you to put the effort in up front. The simplest and most effective approach is to first undertake some primary research. This means taking the opportunity to indulge in a few station stay visits yourself. As well as arming yourself with some useful ideas on how to approach establishment and operation, you will be able to glean important insights from owners who are often only too happy to share their experiences.

The next most important aspect of determining if station stay tourism is the right fit for you requires you to reflect on your motivation, commitment and suitability. An honest evaluation of the following questions with respect to your own circumstances will help you to self-assess your suitability:

- 
- |  |   |
|--|---|
| <ol style="list-style-type: none"><li>1. Personality fit – Am I comfortable being around other people? Do I have the temperament?</li><li>2. Lifestyle fit – Do I have the time and effort to devote towards accommodating guests?</li><li>3. Suitability of property – Will I need to clear</li></ol> | <ol style="list-style-type: none"><li>land? Will I need to build anything?</li><li>4. Regulations – Are the local and State-based regulatory requirements prohibitive?</li><li>5. Commercial – What are the costs? What are the returns? Will it be profitable?</li></ol> |
|--|---|
- 

Much of this manual has been formulated to assist you as a prospective station stay host to answer such questions.



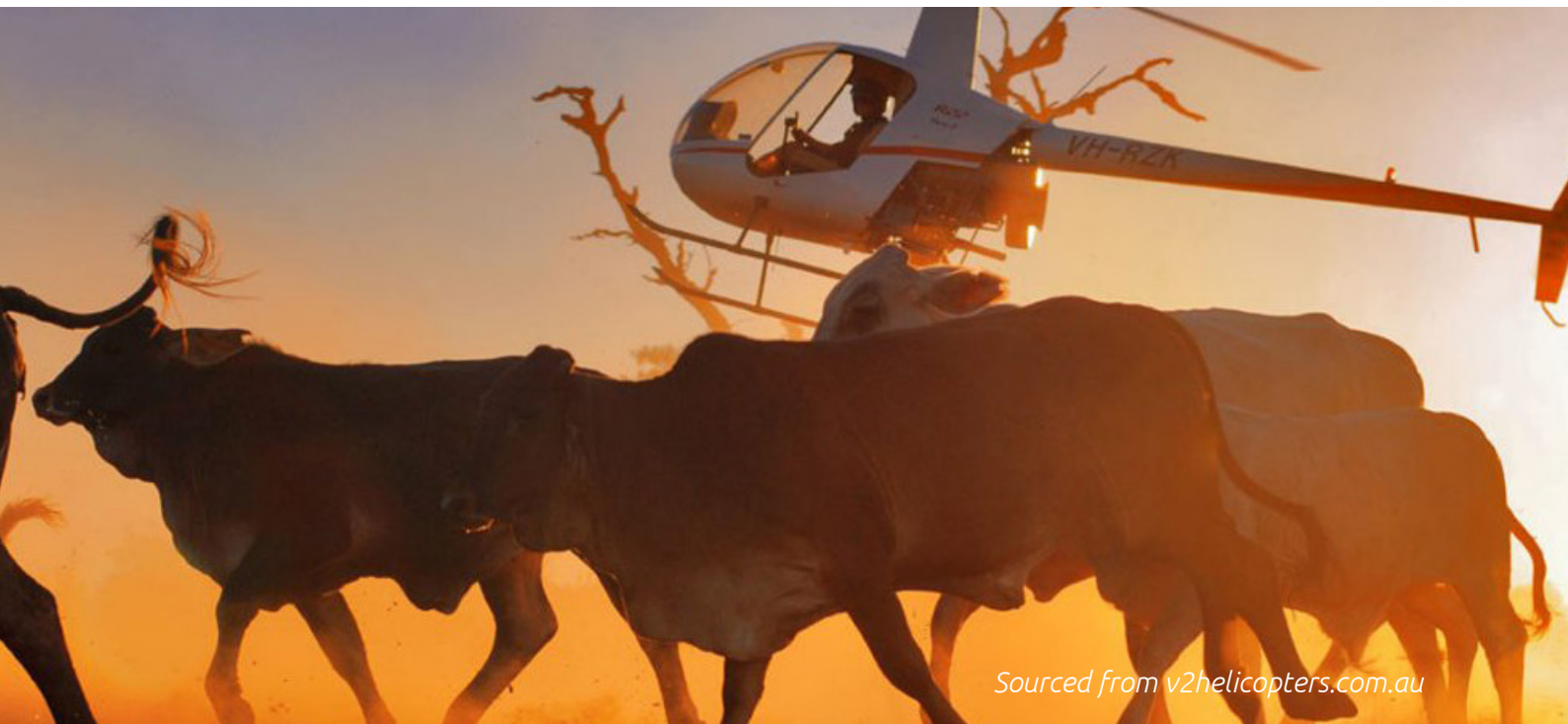
## 2.2 WHAT ATTRACTS THE AVERAGE TOURIST?

Station stays are generally valued by visitors seeking out an authentic retreat in regional Australia. They are distinctive by nature, providing opportunities for people – particularly city dwellers – to experience rural life and the country atmosphere.

Many station stays are not only distinguished by their regional-based location, but also by the activities that travelers can participate in during their visit. As mentioned previously, station stays are flexible in their scale, configuration and style. Accordingly, visitors may be attracted to different establishments based on the type of activity or experience they are likely to be exposed to. These may be farm-related, including feeding stock, mustering and treating cattle for injuries. Other activities may be more recreation-based, including 4WD tracks, walking tours and wildlife spotting.

The experiences that you choose to offer are limited only by your imagination. Yet when it comes to planning out your offering, remember that visitors who seek out additional station stay experiences generally expect the station or farm to be the focal point of their experience. The key is to develop offerings that are authentic to the station and are unique from what can be experienced in city life.

On the other end of the spectrum, there are also many successful operators who choose to provide accommodation-only offerings. Even in these instances, the value that can be provided to visitors cannot be underestimated. Visitors can be drawn to these establishments for various reasons. These can include convenience (e.g. close to a nearby attraction), cost (e.g. cheap campsites enabling travelers on a budget to prolong their stay in the region), or relaxation (e.g. a place to unwind with very few distractions).



*Sourced from [v2helicopters.com.au](http://v2helicopters.com.au)*





## CASE STUDY

# Pinnarendi Station Stay & Cafe

- » Don't be afraid to be creative with your offerings - Nadine and Ronnie recognised that what their property lacked in natural attractions could be made up with their amazing homemade cooking.
- » Understand your target market – The couple cater to grey nomads who seek out ample space and peace and quiet.
- » Consult closely and frequently with your local Shire during establishment – by engaging with their local Shire, the couple were able to identify and work around unnecessary regulatory processes.
- » Don't over capitalise – Nadine and Ronny shopped for second-hand products and sought the assistance of friends and family to keep costs low.



# Pinnarendi Station Stay & Café



“...as luck would have it, we came across this lovely Station Stay and it was all we had hoped for and more. The food was awesome and the owners were fabulous...”

— Trip Advisor Review, September 2019

Nadine and Ron Atkinson run Pinnarendi Station Stay and Café, at the Forty Mile via Mount Garnet, Queensland. “We’re the sixth-generation of Atkinson’s to live on this block of land” Nadine proudly exclaims. **“Ronnie’s ancestors were the pioneers of this area, and his grandmother did the initial research on Undara Lava Tubes and many people appreciate how connected we are to this region.”**

Pinnarendi Station Stay and Café is nestled in an ideal location that sits at the crossroads between the Tablelands to the east, the Gulf Savannah to the West, Charters Towers to the south and Cairns to the north-east. Its proximity to these areas of interest is a key drawcard for travellers who pass through the region. But if you were to ask Nadine what attracts over 2,000 visitors each year to her station stay, her response is unequivocal: **“It’s the homemade food and the amazing coffee”**.

Nadine and Ronnie take great pride in sourcing as much produce as possible locally, including the locally grown coffee from Mareeba. They are unashamed in their passion for making great homemade food, such as cakes, ice cream, sourdough based, woodfire pizza and hand-crafted sourdough bread. In fact, as Nadine explains, it was their love of food and hospitality that was the key factor that drew them towards establishing a station stay operation.



*“...it was their love of food and hospitality that drew them towards establishing a station stay.”*

Nadine is no stranger to hospitality, having worked previously for the Hilton Hotel chain and at Undara Experience. The couple acknowledged that what they lacked in a natural water source (e.g. running stream, lake, etc), they were more than capable of making up with their great cooking and welcoming nature. They explained that in hindsight, the lack of a lake or natural water attraction probably suited their desires for who they wanted to attract as they felt that these attractions can sometimes attract more energetic crowds who could disrupt the tranquillity of the area. It is a conscious decision of theirs to cater to the grey nomads and travelling families who pass through the region looking for ample space and peace and quiet.

The property runs approximately 250 head of cattle. They reduced their herd as they were so busy with the StationStay, they could not get away to check the water, fences and the cattle themselves. The land itself (4000 acres) is simply not big enough to make a living from cattle alone. Pinnarendi doesn't offer station activities. Nevertheless, there are many options for travellers who are seeking to occupy their time. The property has some interesting bushwalking tracks, and it is a great place for bird watching. Nadine has also partnered with nearby attractions to offer tour bookings, an activity which she is able to collect a commission from. “People like purchasing their tours through us because we have plenty of local knowledge and can give our unbiased opinions on which attractions will be most suited to them.”

Nadine and Ronnie also welcome guests who like to fly in for a coffee, making use of their private airstrip. “Just last week we had a group of friends fly from Goondiwindi to Townsville then to our property for a lunch. They then flew over to Undara for the night because we were fully booked that night.” Some of their most regular customers would find it hard to locate Pinnarendi if they had to drive there in a car!!

The experience to establish the station stay business wasn't all smooth sailing for Nadine and Ronnie. They explained that some difficulties arose with their development application, including when they first realised that their property was located in two Shires. This peculiarity meant that the Shires had requested two separate development applications, but after some negotiation, Nadine and Ronnie were able to proceed with only one. The couple makes the point that while it is important to comply with all of the Shire's requirements, don't be afraid to push back when some of the requests seem unreasonable. Thankfully, many of the other processes such as food licencing proved to be relatively simple and painless for the couple.

After seeking advice from their accountant, Ronnie and Nadine decided that operating their business under the same partnership structure as their existing pastoral business was the best option for them. Doing so proved to be more simple and lower cost than establishing a company or trust. On a practical level, this means that the station stay uses same ABN as the pastoral business, albeit with additional registered business names.

Ronnie and Nadine's biggest outlay was for the building of an amenity block which cost approximately \$60-70,000. The couple also built a commercial kitchen in an old garage which complied to the food licencing requirements. The food licence specifies that a licensed commercial builder and plumber are required for works on the kitchen. Thankfully, the couple were able to call in a favour from a family friend which reduced costs significantly.

When asked about her tips for any prospective hosts wanting to try their hand at station stay tourism, Nadine explains: "don't overcapitalise! Shop around at places like Gray's Online, auctions and second-hand retailers to keep your costs down. We managed to get a coffee machine worth \$10,000 for only \$2,000 and all it needed was a good clean and service." Her final tip is ***"...if you are just doing it for the money, don't do it. You will make money but having people in your space all the time takes a lot of energy. You need to be a person that enjoys human interaction, socialising and looking after people to begin with! Your heart has to be in it."***

- 
1. Average length of visitor stay: 2-3 nights but sometimes up to 9-10 nights.
  2. Operating period: Open between Easter and October. Closed for the rest of the year so Nadine and Ronnie can enjoy family time, work around school commitments, sort out the cattle and do the maintenance that falls behind during the season!
  3. Although they have the capacity to expand, they work hard to manage the bookings to keep Pinnarendi to a size that is manageable without staff.
  4. Capacity: 12 powered, 18-20 unpowered sites.
  5. Prices: \$27 per night for powered site, \$37 a night for family. They keep prices low because they prefer people to spend more money on food.
  6. Marketing: Wikicamps is by far the best, however they also rely on Facebook and word of mouth.
  7. Booking platforms: Ronnie and Nadine only rely on their website and phone bookings. The couple prefer to control first interactions with their customers.
- 







03

## The Market for Station Stay Tourism

Having a thorough understanding of market trends and influences will empower you to make informed decisions regarding how to develop and operate your business.

- » Most visitors to the Gulf Savannah are over the age of 50, travelling from within Queensland.
- » Drive tourism is the major focus, with 46% of visitors spending two or more weeks in the region.
- » 54% of visitors to the region are 'very interested' in cattle station tourism.
- » The average occupancy rate for B&B-type accommodation within the region is 33%.





Note: You are encouraged to also refer to Part 2 (Section 1) of this How To Manual which describes broader market trends for tourism at a national and state level. The following sections provide more specific details on local visitor demographics and local market interest in station stay tourism.

### 3.1 TOURISM STATISTICS FOR THE GULF SAVANNAH REGION

In 2018, GSD issued a tourist survey report for the Gulf Savannah region. This section extracts key data pertinent to Station Stay tourism. For further information, you are encouraged to refer to the original 2018 Tourism Survey Report .

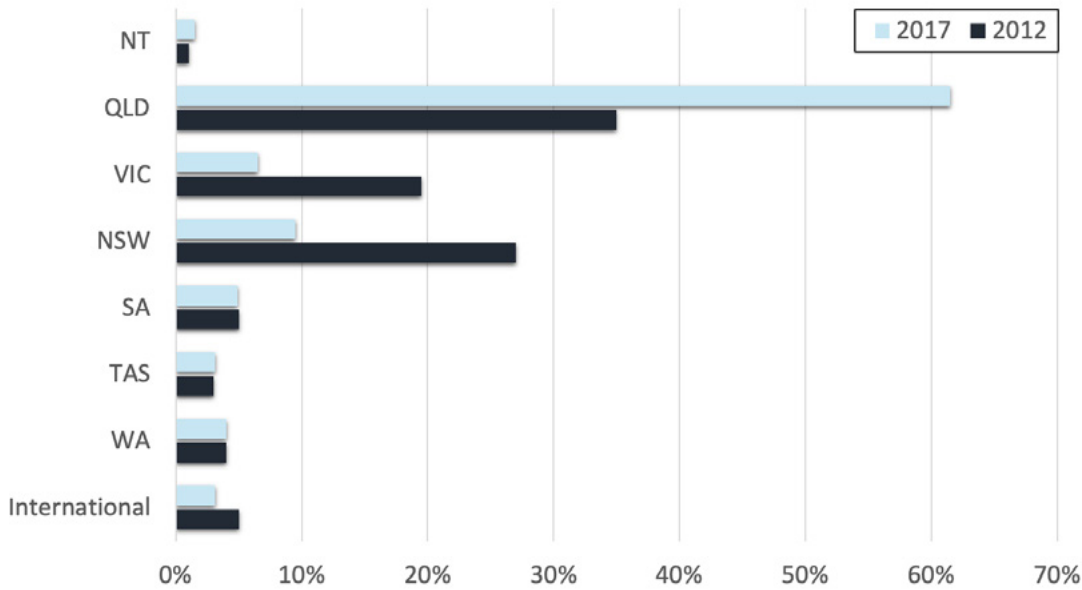
Tourism is a major focal area for the economy in the Gulf Savannah region. In 2017, approximately 53,150 people visited the Gulf Savannah region for leisure.

Some key findings from the 2018 GSD report are provided in the below table:

Average Length of Stay	13.98 Days
Average Expenditure	\$94.02 per person per day
Total Value to the Gulf	\$69.8m
Dominant Age Group	31% were aged between 60-65 years old
Dominant Travel Group	Couples as the dominant travel party type at 60.1%
First or Return Visit	36% first time, 56% return
Most Visited Town	Georgetown (88%). Burketown registered a significant increase in visitations between 2012 (22%) and 2017 (54%)
Accommodation Type	69% Caravan Parks, 24% free campsites
Entry Points	38% via Cairns/Mt Garnet/Mt Surprise, 34% via Burke and Wills Roadhouse
Use of digital devices	94 % used smart phones during visit, 50% used tablets, 41% used laptops.
Highest Level of Satisfaction	'Friendliness of locals' (89.06%) 'Personal security and safety' (86.16%) 'variety of things to see and do' (85.94%)

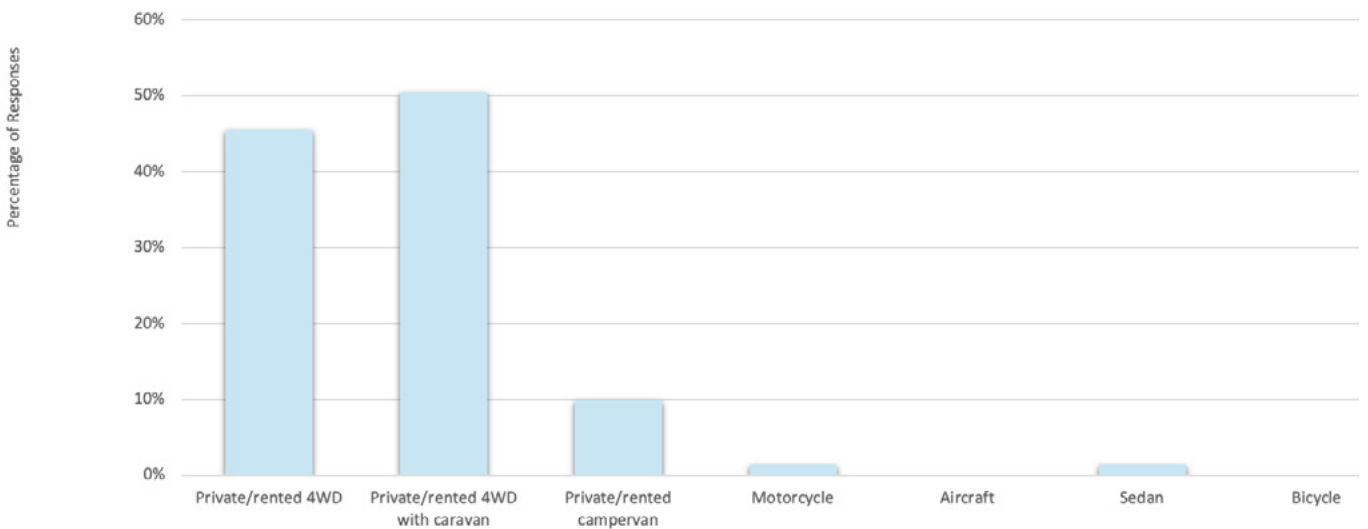
Intrastate visitors (i.e. from Queensland) represent the highest proportion of travelers to the region (refer to graph below). This is most likely driven by the remoteness of the Gulf Savannah region, whereby those more proximate have a greater capacity to visit the region on a road trip.

### Origin of visitors to Gulf Savannah Region



In terms of transport preferences, almost all surveyed visitors travelled by road to the region, with the following chart detailing the chosen mode of transport.

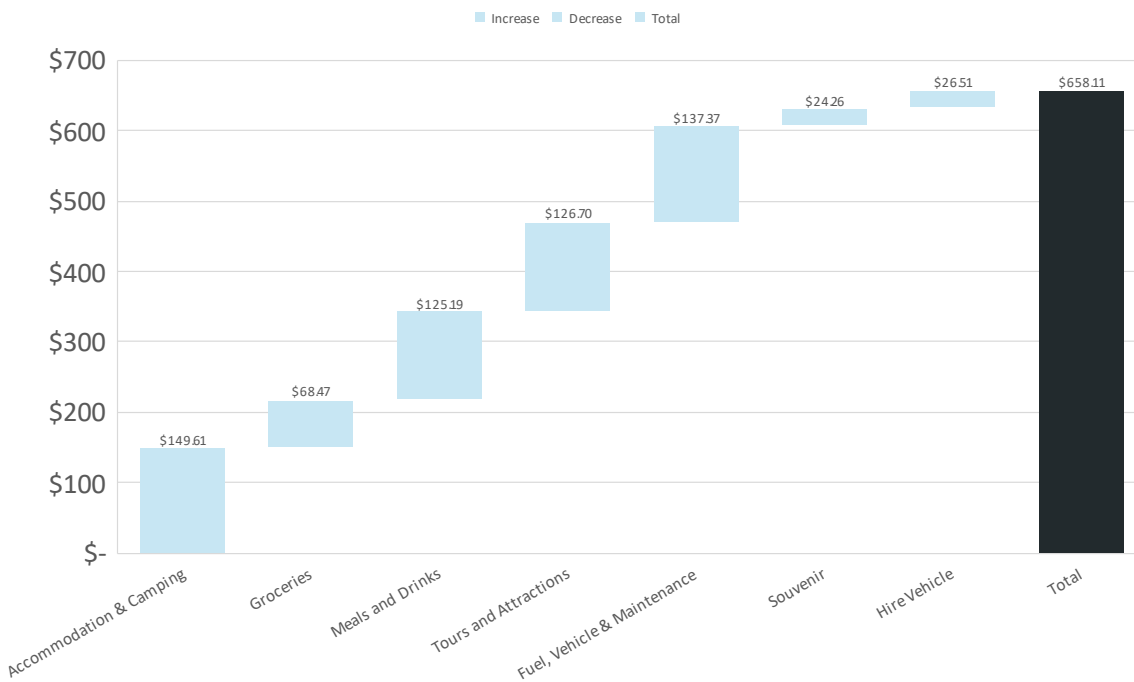
### Primary mode of transport to travel around the Gulf Savannah



Visitors to the region typically stay for a period greater than one week – a factor driven by the remoteness of the region and the required travel times by road. 77% of surveyed visitors stayed longer than a week, with the majority staying between 1-2 weeks, followed closely by visitors staying for longer than four weeks.

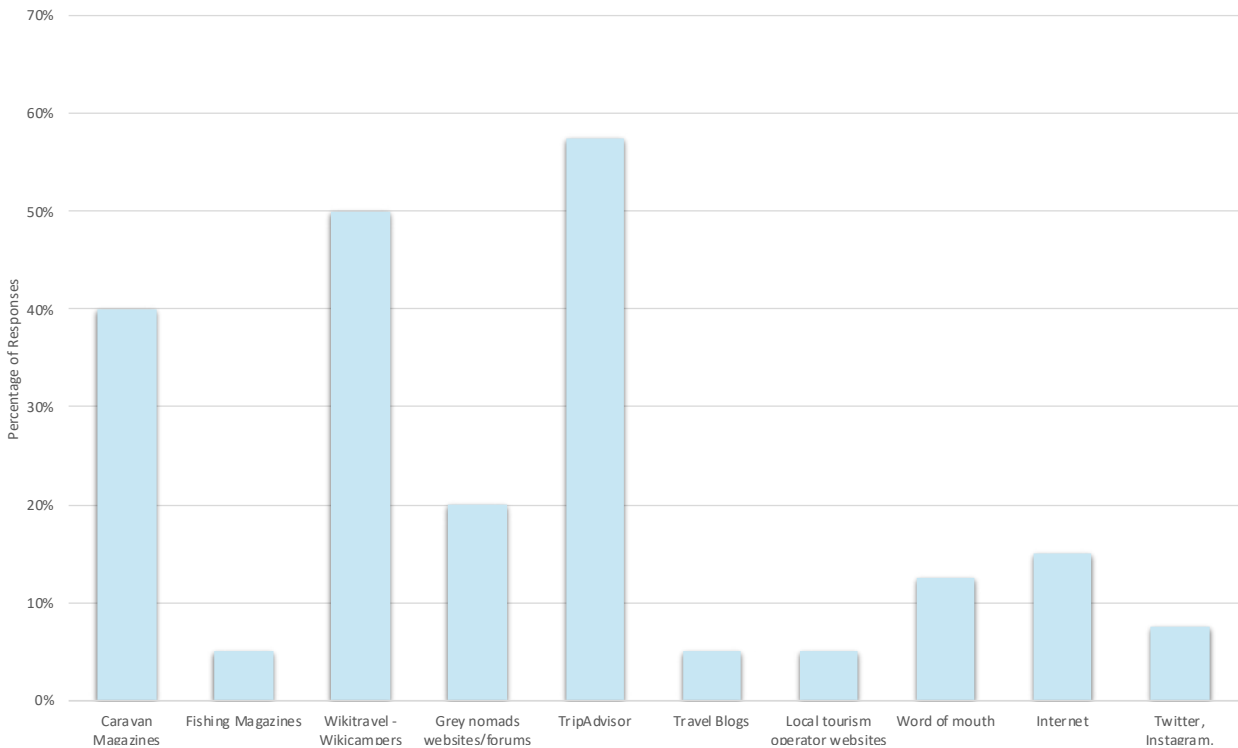
A breakdown of visitor expenditure by item shows that visitors spend, on average, similar amounts of money on accommodation, meals and drinks, and tours and attractions. Souvenirs account for only 3.7% of average visitor expenditure.

### Average Visitor Expenditure Per Item (per person, per week)



Digital platforms tend to be the most popular source of information for visitors when it comes to planning a trip to the region. Nevertheless, printed media and word-of-mouth recommendations still resonate strongly amongst survey respondents.

### How did you research/plan for the holiday?





### 3.2 VISITOR DEMOGRAPHICS

Tourism in the region has traditionally been geared towards the 'drive tourism' segment. Drive tourism has always served the region well given that it is well supported by prominent drive routes such as Savannah Way and Matilda Way. In the past, even during times of downturn, there has been evidence of growth in this market.<sup>5</sup>

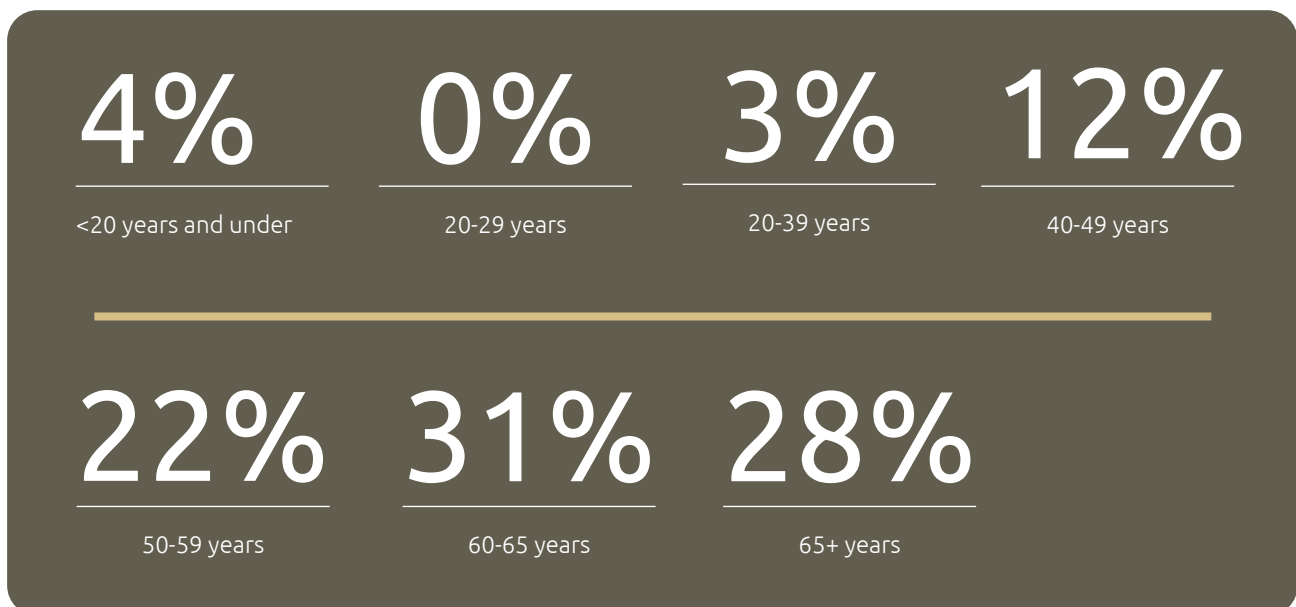
Traditionally, drive tourism in the Gulf Savannah region has been heavily represented by 'grey nomads'. Grey nomads are defined as people being Australian's over 55 years old who travel for an extended time and typically cover more than 300 kilometres in a day<sup>6</sup>. Grey nomads tend to have a reputation for staying in caravan parks or campgrounds and are generally happy to spend money in the region if lured by experiences that spike their interest.

The region's popularity amongst grey nomads is reflected in the chart below, showing that 81% of visitors are aged 50 years and older<sup>7</sup>.

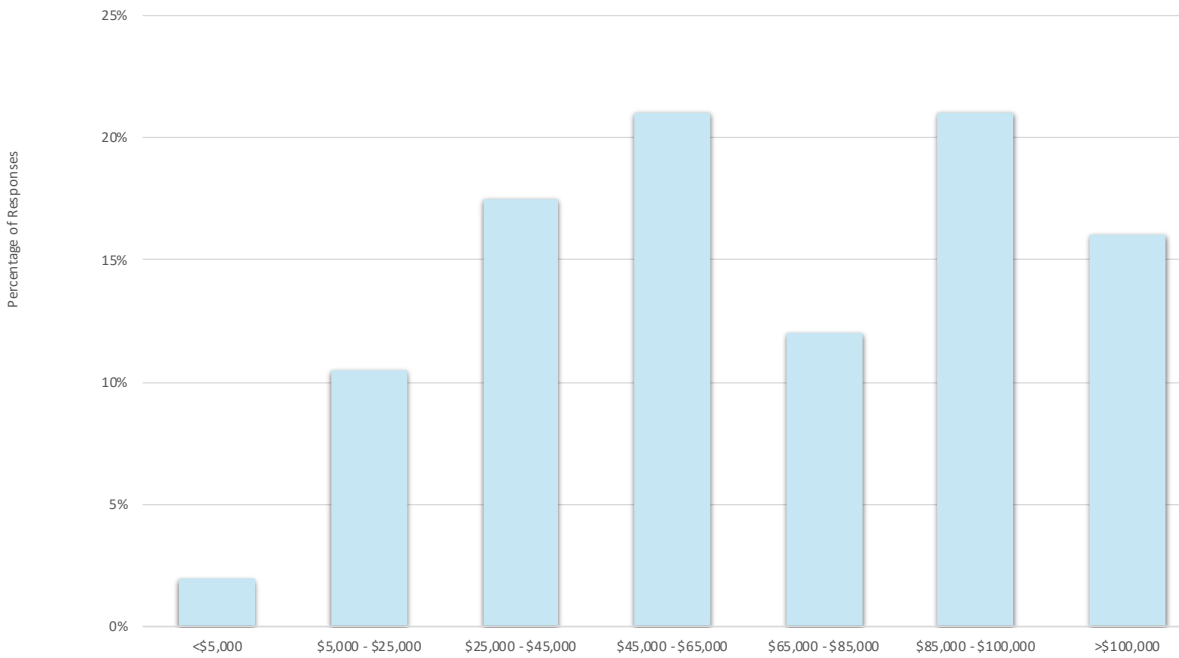
Consistent with the age demographics, 50% of respondents indicated that they were retired, with a further 16% being employed part time.

The chart below provides the annual income brackets of surveyed visitors. Despite the high representation of retired visitors, approximately 37% of respondents indicated they received an income exceeding \$85,000 per annum.

#### *Age Groups of Visitors*



### *How would you best describe your annual income?*



### **3.3 MARKET INTEREST IN STATION STAY TOURISM**

#### **3.3.1 DEMAND SIDE**

The 2017 Gulf Savannah Tourism Survey provides the most specific data in relation to visitor demand for station stay tourism.

The survey sought feedback on the range of activities that visitors had participated in, as well as soliciting feedback on the level of interest in activities that were either not offered at the time, or not widely offered/advertised.

The following table presents the results from the 2017 survey:

ACTIVITY	I/WE DID IT	VERY INTERESTED (IF OFFERED)	A BIT INTERESTED (DEPENDS ON PRICE)	NOT INTERESTED
Cattle Station Tours	15.4%	53.8%	23.1%	7.7%
Mineral Bath Experience	24.4%	53.7%	12.2%	9.8%
Bush Tucker Tours	19.5%	48.8%	14.6%	17.1%
Farm Stays	10.8%	45.9%	24.3%	18.9%
Bands/Music on the Salt Pans	5.1%	43.6%	20.5%	30.8%
Bird Watching Tours	10.3%	38.5%	30.8%	20.5%
Aerial Tours & Joy Flights	23.7%	36.8%	28.9%	10.5%
Star Gazing/Salt Pans	20.5%	35.9%	33.3%	10.3%
Crocodile Spotting Tours	43.9%	34.1%	4.9%	17.1%
Fishing Charter River	30.8%	30.8%	17.9%	20.5%
Historical Township Tours	41.9%	30.2%	20.9%	7.0%
Fossil Tours	23.7%	28.9%	26.3%	21.1%

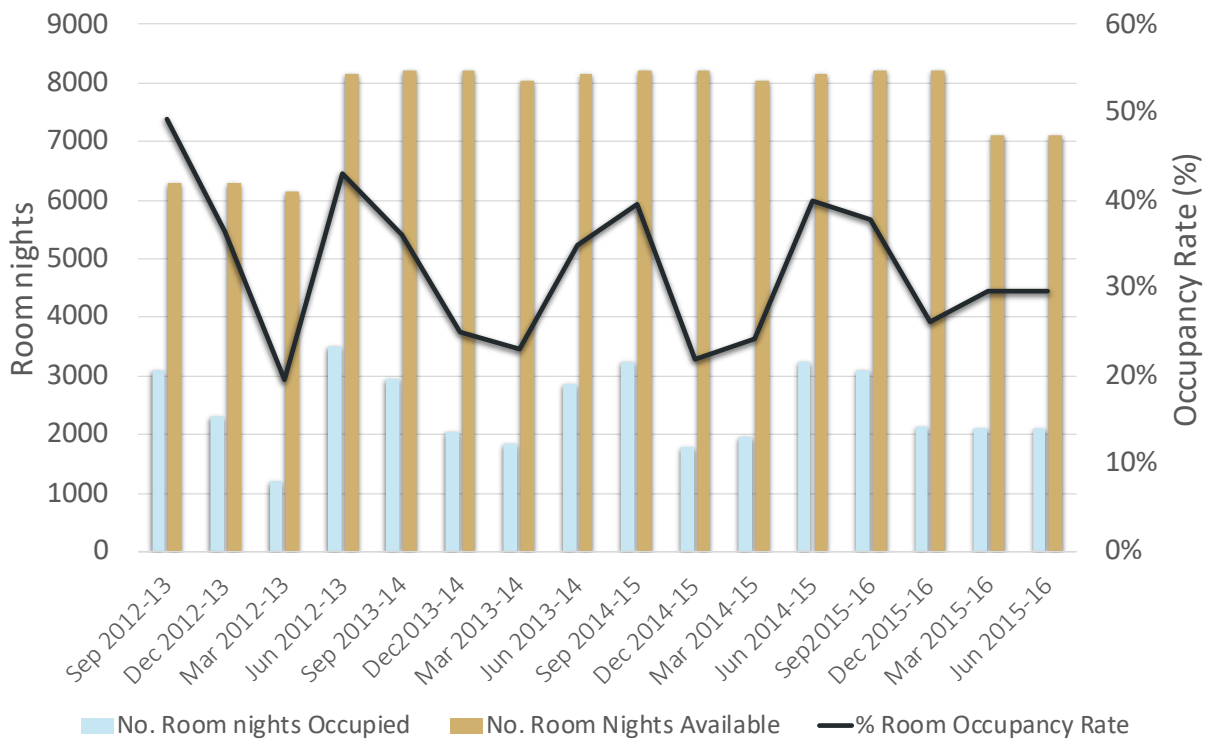
Cattle station tours rated as the activity with the greatest unmet interest with 54% of respondents indicating that they were 'very interested' in such an experience. Farm stay experiences also ranked highly, with approximately 46% of respondents being very interested in participating in this activity.

Incidentally, several other activities that are often incorporated into station stay experiences also rated highly amongst visitors. Bush tucker tours, live music and bird watching tours were activities that were shown to command strong interest from almost 40% or more of the survey respondents.

The chart below highlights the quarterly occupancy rates for the region. Note that this data should be interpreted with caution as the data is taken from hotels, motels, guest houses and serviced apartments and may not be truly reflective of demand for station stay accommodation which also factors in camping and caravan grounds accommodation-types.



**Quarterly no. of room nights available/occupied and room occupancy rate**



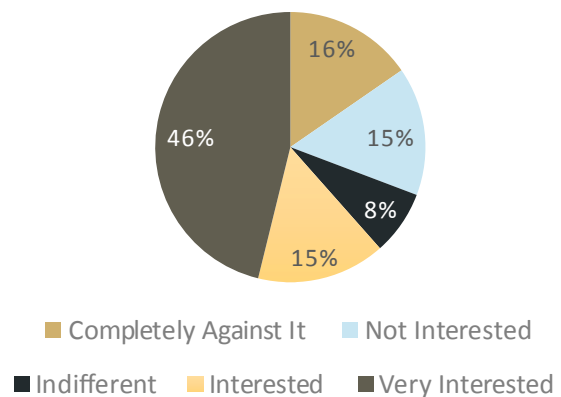
The data above indicates that room occupancy peaks in the June-August quarter at approximately 40% occupancy rate. In the low season, occupancy averages at approximately 20%. This data is

**3.3.2 SUPPLY SIDE**

In the preparation of this manual, a voluntary survey was conducted amongst pastoralists in the region. The survey was carried out to determine the appetite for station stay tourism amongst prospective hosts.

Surveys were distributed by email to pastoralists via the Gulf Cattleman’s Association, as well as through each of the Shires. Unfortunately, the survey had a low response rate, with a total of only 13 responses having been received.

**Rate your interest in becoming involved in station stay tourism**



Taken on its own, the low response rate could reflect a lack of interest among pastoralists to become involved as station stay hosts. On the other hand, the result could also point to a lack of current awareness among pastoralists regarding the opportunity, process for setup and the

high demand for such experiences among visiting tourists. If so, this would reaffirm the findings presented in previous strategic documents that specify:

***“A region-wide information campaign is required to generate interest in Farm Stay tourism ventures...”<sup>8</sup>***

With consideration to the low response rate, the results below are provided for indicative purposes only. Given the small sample size, the reader is cautioned against placing heavy reliance on the following data or drawing firm conclusions.

In a question asking what degree survey respondents were interested in becoming involved in station stay tourism, 62% of respondents indicated that they were either ‘interested’ or ‘very interested’ in such a prospect.

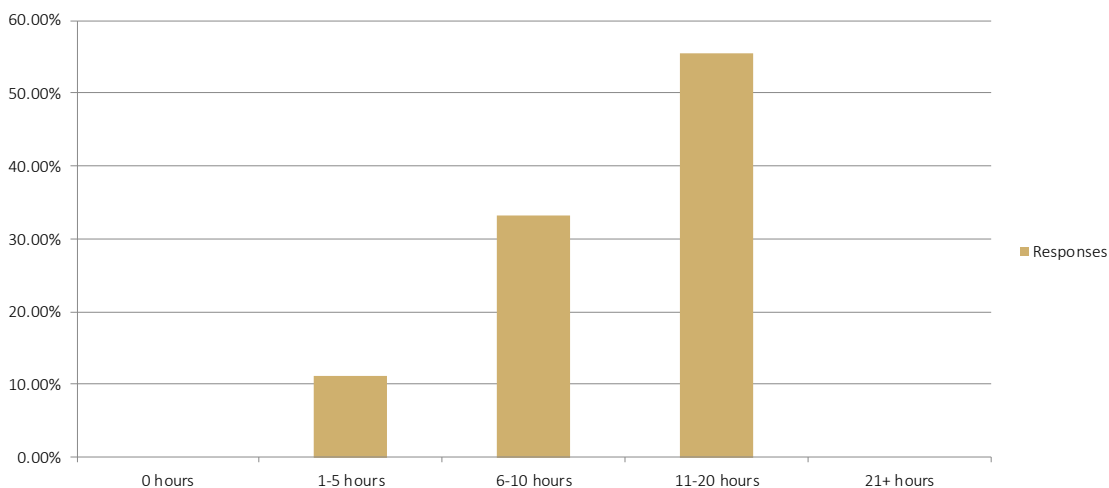
Of the respondents who claimed to be either indifferent or not interested, the most cited reason for the lack of interest was that they simply had no time to invest into the venture. The second most cited reason was that respondents considered it to be too disruptive to the station’s core business.

Respondents who expressed interest in station stay tourism were asked of the most applicable reason for their interest. 55% of this subgroup cited ‘revenue to supplement or diversify income streams’ as being the most pertinent reason.

The remaining respondents were split equally amongst reasons surrounding ***‘regional pride and development (e.g. wanting to support the regional economy)’*** and ***‘educational (e.g. wanting to educate visitors on station life)’***.

The same respondents who expressed an interest in becoming involved in station stay tourism were also asked about the amount of time that they or a family member could dedicate to the business’s operations. 56% indicated that they could dedicate 11-20 hours a week during peak season, whilst 33% specified between 6-10 hours.

***How much time could you dedicate towards operating a station stay business each week in the peak tourism season (April- October)?***

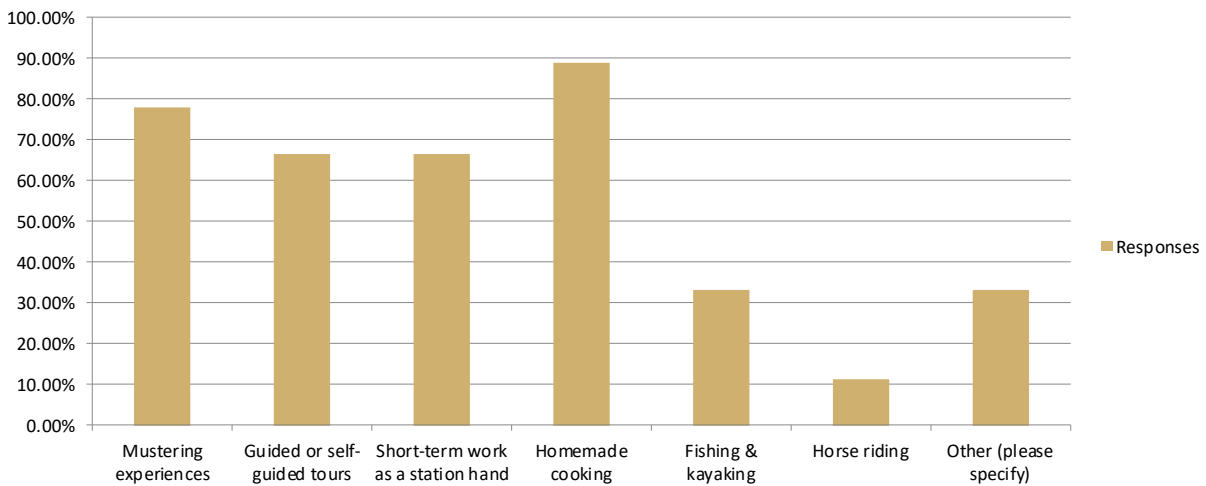


<sup>8</sup> Refer to: Gulf Savannah Development – Lower Gulf Marine & Riverine Economic Development Strategy, March 2018.

45% of respondents felt that the key reason that people would be attracted to their property would be due to its own natural attractions, whilst 22% indicated that the main appeal would be the property's proximity to well-known attractions.

In terms of the experiences that respondents felt they could potentially offer, the majority of respondents nominated 'home cooking', 'guided or self-guided tours', 'short-term work as a station hand' and/or 'mustering experiences' as activities that they would be willing to offer.

**What tourism "experiences" could you offer? (choose multiple if applicable)**



67% of respondents expressed an interest in serving food as part of the station stay offering, whilst only 33% were willing to provide alcohol.





## 04 Key Elements of a Station Stay

A station stay business can be flexible in its design. Characteristics such as the scale of the venture, who you cater for, and the number of on-site attractions are entirely up to you to decide when designing your station stay offering.

- » Happiness is contagious. Being a happy host contributes enormously to the guest's level of satisfaction.
- » Know the region's visitor profile and work out what type of visitor you would like to attract.
- » Catering for additional experiences can encourage greater visitor spend. Design your experiences around what your target market is likely to enjoy.
- » Being clear with your expectations of guests is an important factor for the satisfaction levels of both the host and guest.

#### **4.1 HOST & GUEST EXPERIENCES – STRIVE FOR AN EXPERIENCE THAT YOU WILL BOTH ENJOY.**

When it comes to the long-term success of a station stay business, two of the most important factors in establishing and operating a station stay are (a) your experiences as an operator, and (b) the visitor's experiences as a guest. These factors are very much centered around your ability, enthusiasm and capacity to satisfy the following:

- » The creation of memorable and enjoyable guest experiences;
- » Time management between the tourism business, guest experiences, personal lifestyle and any current commitments to a working cattle station; and,
- » Dedication of resources and effort towards marketing and growing a successful venture.

Satisfying the above points requires striking the right balance between your own requirements and those of the guest. If the guest is happy, then this is likely to support the growth of your business through word-of-mouth referrals. At the same time however, the guest's happiness is likely to be heavily influenced by how happy the host is. Ensuring that you are involving yourself in something that makes you happy should be your key priority. Doing so will guide the scale of operations that suits your own circumstances.

Importantly, there will be times when you encounter guests who do not share your views or interests. Some guests may have little interest in the activities or services that you choose to offer beyond lodging, whilst others may expect that their time is filled with unique experiences. The key to navigating the range of personalities and expectations is to exhibit flexibility, patience, and tolerance. If uncomfortable personal interactions are likely to cause you frustration, then this should factor into the degree of host-guest interactions that you design into your station stay offering.

#### **4.2 VISITOR CHARACTERISTICS – WHO IS YOUR TARGET MARKET?**

Section 3.2 outlined the core visitor demographic to the region. Within this demographic, the people that comprise it are likely to have a wide range of preferences, tastes, needs and desires. As a business owner, you should be mindful of who your target market is. What kind of people do you want to attract? Who are you most equipped to host?

When deciding upon how you want to position your station stay, it is useful to keep up to date on the broader tourism objectives of the Local, Regional and State tourism Organisations, including what segment of travelers they are actively seeking to attract. Leveraging off their influence and ability to draw visitors to the area will inevitably assist your business to flourish.

At the time of preparation of this manual, Tourism and Events Queensland (TEQ) and Tourism Tropical North Queensland (TTNQ) were appealing towards high-value travellers (HVTs) – being visitors who spend more than the average traveller on leisure trips – as their target market. HVTs generally engage in domestic leisure travel, spend more than the average traveler on leisure trips and are interested in the types of leisure experiences Queensland has to offer. On average, Domestic HVTs make up approximately 36% of travelers to Queensland, but account for 60-70% of domestic tourism spend<sup>9</sup>. HVT's are comprised of three sub-segments defined as follows:



	TRAVELLING WITH CHILDREN	18-49 TRAVELLING WITHOUT CHILDREN	50+ TRAVELLING WITHOUT CHILDREN
INTERSTATE	<ul style="list-style-type: none"> <li>» 1.4 million travellers</li> <li>» Affluent families juggling busy careers, social commitments and family life.</li> <li>» Seeking family holiday destination, value for money, coastal experiences, food &amp; wine, 4-5-star accommodation</li> <li>» Most seeking short break or a weekend away, small proportion seek self-pace discovery and visiting multiple destinations.</li> <li>» 40% holiday for &gt;1 week, 11% holiday for &gt;2 weeks</li> </ul>	<ul style="list-style-type: none"> <li>» 1.3 million travellers</li> <li>» Metropolitan residents working in white-collar jobs.</li> <li>» Seeking value for money, food &amp; wine, unique experiences, coastal experiences, 4-5 star accommodation.</li> <li>» Most seeking short break or a weekend away, small proportion seek self-pace discovery and visiting multiple destinations.</li> <li>» 33% holiday for &gt;1 week, 9% holiday for &gt;2 weeks</li> </ul>	<ul style="list-style-type: none"> <li>» 1.5 million travellers</li> <li>» Half retirees, with more spare time on their hands to pursue different interests.</li> <li>» Seeking, value for money, food &amp; wine, history and heritage, places for touring, coastal experiences.</li> <li>» Most seeking to explore multiple destinations and to discover at own pace.</li> <li>» 59% holiday for &gt;1 week, 24% holiday for &gt;2 weeks.</li> </ul>
INTRASTATE	<ul style="list-style-type: none"> <li>» 288,000 Queenslanders.</li> <li>» Slightly lower income households opting for local holidays.</li> <li>» Seeking value for money, family holiday destinations, coastal experiences, great shopping and places for touring.</li> <li>» Most seeking short break or a weekend away.</li> <li>» 26% holiday for &gt;1 week, 3% holiday for &gt;2 weeks.</li> </ul>	<ul style="list-style-type: none"> <li>» 408,000 Queenslanders.</li> <li>» White collar professionals with an affluent lifestyle.</li> <li>» Seeking value for money, coastal experiences, adventure experiences, food &amp; wine, unique experiences.</li> <li>» Most seeking short break or a weekend away, small proportion seek self-pace discovery and visiting multiple destinations.</li> <li>» 16% holiday for &gt;1 week, 4% holiday for &gt;2 weeks.</li> </ul>	<ul style="list-style-type: none"> <li>» 440,000 Queenslanders.</li> <li>» Many retired, enjoying more relaxed lifestyle.</li> <li>» Seeking value for money, food &amp; wine, coastal experiences, history &amp; heritage and learning something new.</li> <li>» Equal proportion looking for a weekend away or to explore multiple places at own pace.</li> <li>» 46% holiday for &gt;1 week, 27% holiday for &gt;2 weeks.</li> </ul>

At a local level, Savannah Way Limited (the Local Tourism Organisation) is geared heavily towards drive tourism, which by nature attracts the over 50's market. Collectively, such information can provide insights into the visitor market and how visitor demographics are likely to evolve over time. In turn, this information will enable you to make strategic decisions regarding how to market your business and the types of holiday experiences you will provide.



### 4.3 ATTRACTIONS - WHAT CAN YOUR GUESTS SEE AND DO?

Station stay tourism can incorporate any number of activities, attractions, or experiences to keep guests occupied and engaged in the experience. Such activities can represent a key upselling opportunity for your business, enabling you to capture greater visitor spend as a result of the guest being encouraged to stay longer through participation in paid or unpaid experiences (e.g. guided tours, etc.).

Of course, in many instances, there will be station stay hosts who may choose not to offer any additional activities, instead opting to simply offer a comfortable place to stay. In these instances, the station stay is typically situated near a major drive route or tourist attraction and represents a convenient stopover point. Alternatively, pastoral stations that have their own natural attractions may choose to encourage self-guided walks, sightseeing and wildlife watching to satisfy their guests desires with minimal ongoing effort required. These offerings tend to cater to guests seeking to explore the region in their own time and with minimal personal interaction.

Beyond a minimal accommodation-only offering, the number of experiences that can be offered to your guests are limited only by your imagination and the amount of time you can dedicate to support the offering. Some examples are provided below:

- » Cattle station tours;
- » Wildlife watching;
- » Historical tours;
- » Mustering activities (horses, quadbikes, helicopter);
- » Fishing and kayaking;
- » Cattle station tours;
- » Homemade cooking;
- » Short-term work as a station hand; and,
- » Mountain bike tracks;

It is worth noting here that a unique value proposition for some establishments may be the link your product has to Indigenous tourism experiences. As noted in Section 1.2 of Part 2 of this How To manual, there is a strong motivation amongst the National, State, Regional and Local Tourism Organisations to position the region as Australia's leading Indigenous Tourism destination. Results from the 2017 Gulf Savannah Tourism Survey also showed that there is a robust appetite for certain Indigenous tourism experiences amongst visitors to the region.

“  
*Such activities can represent a key upselling opportunity for your business, enabling you to capture greater visitor spend.*”



Traditional Owners in the Gulf Savannah are owners and operators of vast expanses of pastoral land so, in such instances, the link to Indigenous tourism and how this is promoted through your station stay may be worth exploring. In other instances, there may be unique and novel opportunities for collaborative tourism ventures and opportunities to be explored between pastoralists and Traditional Owners.

When designing your station stay and determining the additional experiences that you will offer your guests, you may be compelled to find out what other operators do in this space. Drawing inspiration from others can be immensely helpful but remember that most guests will visit your station stay because they are seeking out a unique holiday experience. Your most attractive offerings could most likely be those that are an extension of what your station is already doing.

#### **4.4 SAFETY AND PRIVACY – WHAT CAN'T YOUR GUESTS SEE AND DO?**

Never assume something should be commonsense. What may be commonsense to you may not be so for guests visiting your station. This is where the policies and guidelines that you adopt can help align expectations and minimise frustrations on the side of both the host and guest.

*“ What may be commonsense to you may not be so for guests visiting the station.”*

The policies you create will be an important part of your station stay business. While some will be in place for convenience (e.g. check-in times), others will be in place to ensure the safety of your guests as well as your own privacy as a permanent resident of the property.

The following is a list of policies that you may wish to consider for your station stay business:

- » Guest policy – What is the maximum number of guests you will accommodate? Are children welcome at your property?
- » Booking and payment policies – Will you apply cancellation fees for no-shows or last-minute booking changes? Will you accept payment before or on arrival? Does a deposit apply?
- » Check-in and Check-out times – Do you require certain hours for check-in/out? What amount of time do you require following check-out to have the room ready for the next guest? Will you have separate arrangements in place for people who arrive late at night?
- » Pet policy – Are pets allowed on site? If so, are there limitations on what areas the pets can access?
- » Access zones – Are there areas where you prefer guests not to access for your own privacy? Are there areas restricted for safety reasons?
- » Activity times and bookings – Is there a minimum/maximum requirement for the number of people you will host on a tour/experience? How and when are guests expected to book an experience?
- » Meal times – Can guests choose what time to eat? Will you deliver meals to guest rooms or serve in a dining room? What times will you be serving alcohol?



## 05 Business Establishment

This is the point that all your hard work starts to become tangible. Take some time to think about the best way to structure and get your business running.

- » Choose a business structure that suits your requirements (e.g. sole trader, partnership, company or trust).
- » Understand what is required of you if/when you employ staff.
- » Prepare a business plan that details conservative financial projections.
- » Arrange for financing, be it through equity contributions or debt funding.
- » Work out the appropriate level of insurance that you will require.



## 5.1 WHAT BUSINESS STRUCTURE WILL SUIT YOUR SITUATION?

An important decision that you will have to make when starting your station stay business relates to its structure. Your choice of business structure will depend on the size and nature of your offering and how you want to run the business. The information below is general in nature and should be relied upon only as a guide to assist you to discuss these matters further with an advisor.

There are several structures that you can choose from when starting your station stay business. This section of the How To Manual provides details on the four most common types of business structures in Australia. These structures are presented in the table below:

STRUCTURE	COMMENTS
Sole Trader	» The simplest structure, » Provides you full control.
Company	» More complex, » Limits your liability because it's a separate legal entity.
Partnership	» Made up of 2 or more people who distribute income or
Trust	» Where a trustee is responsible for business operations.

There are various factors and rules relating to each structure that should be considered carefully with input from your accountant, lawyer or business advisor. Further resources can also be found via the following government websites:

- » <https://register.business.gov.au/helpmedecide>
- » <https://www.business.qld.gov.au/starting-business/types-legal-structures/business-structures>

In general, your business structure can determine:

- » The licences you require;
- » The amount of tax you pay;
- » Whether you're considered an employee, or the owner of the business;
- » Your potential personal liability;
- » The amount of control you have over the business; and,
- » Ongoing costs and the amount of additional administrative work for your business

The following subsections provide further details on each type of business structure. You are encouraged to refer to Part 2, Section 3 of the How To Manual for information relating to advantages and disadvantages associated with each business structure.

### 5.1.1 SOLE TRADER

A sole trader is the simplest business structure and is relatively easy and inexpensive to establish. Sole traders are legally responsible for all aspects of their business, including debts, losses and day-to-day business decisions.

### 5.1.2 PARTNERSHIP

A partnership is a common and inexpensive way to structure a business. It is a business structure made up of 2 or more people who distribute income or losses between themselves. Partners are jointly liability for the business's debts and obligations. Each partner has an obligation to keep their co-owners properly informed. It is therefore crucial to have a written partnership agreement in place to clarify each of the co-owner's rights, responsibilities and obligations.

There are 3 main types of partnerships:

- » General partnership (GP)
  - » All partners are equally responsible for the management of the business, and each has unlimited liability for the debts and obligations it may incur.
- » Limited partnership (LP)
  - » Comprised of general partners whose liability is limited to the amount of money they have contributed to the partnership. Limited partners are usually passive investors who do not play any role in the day-to-day management of the business.
- » Incorporated Limited Partnership (ILP)
  - » Partners in an ILP can have limited liability for the debts of the business. However, there must be at least one general partner with unlimited liability. If the business cannot meet its obligations, the general partner(s) become personally liable for the shortfall.

### 5.1.3 COMPANY

A company business structure is a distinct legal entity, separate from its shareholders or officers. This means the company has the same rights as a natural person and can incur debt, sue, and be sued. The most relevant type of company for a station stay business would be a 'Proprietary Limited' company.

*“ A company structure can particularly suit those who expect their business income to be highly variable and want the option to use losses to offset future profits.*

As a shareholder of a company, you are not liable for the company's debts. Your only financial obligation is to pay the company any amount unpaid on your shares if you are called on to do so. Company directors, on the other hand, may be held personally liable if found to be in breach of their legal obligations.

Setting up a company does not have to involve many shareholders. In fact, one, two or more people can set up a Pty Ltd company. They may each own a proportion of shares in the company, often through an initial share offering of \$1 per share. The majority of incorporated organisations in Australia consist of these types of private companies. In many instances, the shareholders, company directors and managers are the same two or three people.

Despite the benefits relating to liability, companies can be more expensive and complicated to set up. A company structure can particularly suit those who expect their business income to be highly variable and want the option to use losses to offset future profits.

#### **5.1.4 TRUST**

A trust is a relationship where a trustee (an individual or company) carries on business for the benefit of other people (the beneficiaries). As an example, a trustee may carry on a business for the benefit of a family and distribute the yearly profit to them. A common reason for adopting this structure is that it can be more tax effective than other options.

### **5.2 SETTING UP YOUR BUSINESS STRUCTURE**

Having chosen the business structure that is most appropriate for your needs, you are now able to register the business with the government. This process need not be difficult. Many business owners rely on an accountant or lawyer to assist with the registration process, particularly if more complex company or trust structures are being adopted.

To register your business, you will need to consider applying for the following:

- » Australian Business Number (ABN) – There are no costs to register for an ABN. Applications can take up to 4 weeks.
- » Tax file number (TFN) – required for all partnerships, companies and trusts to report business income and deductions to the Australian Taxation Office (ATO). Applications are not required as it automatically is issued when registering for an ABN as a partnership, company or trust. Sole traders can use their personal TFN for both personal and business matters.
- » Business name registration – This is managed by the Australian Securities and Investments Commission (ASIC). An ABN is required to register a business name.
- » Trademark registration – Registering your business name doesn't stop other businesses from using it for their products or services. To protect your business name, you should consider applying for a trademark.
- » Company registration – this registration does not apply to the other business structures mentioned here. To set up a company, it must be registered under the Corporations Act 2001.

Many readers are likely to already have an ABN through an existing pastoral business and may be wondering whether there is a need to register for a new ABN. Everybody's circumstances will be different, so it is best to seek professional advice on this matter. In general though, it is possible to have two or more businesses registered under the same ABN. However, this is only possible if



they are the same business structure. For instance, a single company can have multiple business names registered to it. In this scenario, one registered business name may be held by the pastoral business, while the other is held by the station stay business. The same applies to sole trader, partnership and trust structures. In an alternative scenario where the current pastoral business operates as a partnership but the owner wants to establish the new station stay business as a company (or trust, or sole trader for that matter), then it will be necessary to apply for a new ABN.

When deciding whether to set your station stay business up as a new entity or one that is tied to an existing ABN, consider the following:

- » It is often easier and less expensive to run two businesses under one ABN.
- » Running your new business under the same ABN will place restrictions on the business structure that you can use.
- » You are likely to have less asset protection when operating two businesses under the same ABN (e.g. the debts and obligations of one business can put the assets of the other business at risk).

Other registrations that are typically undertaken alongside the business registration process are Pay as you Go (PAYG) Withholding and Goods & Services Tax (GST) registrations. PAYG registration is necessary if your business employs staff, while GST is necessary if your business will have a GST turnover of \$75,000 or more.

The Australian Government have developed a useful website to assist with the necessary registrations for setting up your business. Visit the following link when you are ready to apply to register your business:

<https://register.business.gov.au/>

### **5.3 EMPLOYEES**

More often than not, station stay businesses are managed and operated by the owners of the business. However, as your business grows over time, you may find yourself needing to hire employees to help with day-to-day operations.

Employing staff will require you to understand your obligations as an employer. Factors such as tax, pay, annual leave and the rights of parents are all covered by employment legislation and must be applied fairly to employees across your business. The list below details some of the key obligations for you as an employer:

- » Pay as you go (PAYG) withholding
  - » A proportion of an employee's payments are withheld by you to cover their income tax, any Higher Education Loan Program repayments and the Medicare Levy.
- » Superannuation
  - » You must make superannuation contributions under Superannuation Guarantee law. The current minimum employer contribution is 9.5% of an employee's ordinary time earnings.

- » Payments must be made by the 28th day following the end of each quarter.
- » Awards, pay rates and leave entitlements.
  - » You must pay above the minimum wage.
  - » Pay slips must be issued to employees within 1 working day of pay day.
  - » All employees (except casuals) are entitled to paid annual leave. An employee is entitled to 4 weeks of annual leave for each 12 months of service (5 weeks for some shift workers).
  - » 10 days paid personal leave each year which accumulates from year to year.
- » WorkCover insurance
  - » Every Queensland employer must have worker's compensation insurance to cover employees if injured because of work.
- » Work health and safety
  - » Under the Work Health and Safety Act 2011, you are required to assess risks and implement control measures to prevent or minimise risk exposure.
- » Anti-discrimination and equal opportunities.
  - » An employer cannot take adverse discriminatory action against an employee, former employee or prospective employee.

For a more detailed understanding of your obligations to your employees you are encouraged to visit the following site:

<https://www.business.qld.gov.au/running-business/employing/employee-rights/obligations>

## 5.4 FINANCIALS

The financial aspects of your station stay business are a make-or-break component of setting up and running your business. At the most basic level, it boils down to whether you can generate enough income to cover your costs and make a profit.

As discussed in previous sections, station stay hosts get into business for a variety of reasons – not all of which relate to attracting additional income. The unfortunate reality is that whilst you may have the capacity to absorb a loss on occasion, if you are unable to make money then it is only a matter of time before you are no longer in business.

Before setting up your business, you should take the time to work out what level of profitability you can expect. Doing so requires you to make reasonable estimates of your costs, the number of people who will visit and the prices that you will be able to charge. At this point in your planning, you should calculate key figures<sup>10</sup> such as your break-even point, gross profit and net profit, as well as looking to develop profit and loss projections and a cash flow projection for your first year. It is crucial that you are realistic and that you run your numbers using conservative estimates. Use financial benchmarks (i.e. compare your business to the broader industry cost structure and/or that of comparable establishments) to understand what some of your costs are likely to be. If done properly, the exercise can be extremely valuable in helping determine the initial scale of your operation and where you should adjust some components of your offering to reduce expenses.

When estimating your costs, ensure that you also consider your start-up costs. You must strike a careful balance between ensuring that you don't over or undercapitalise. Overcapitalising your station stay business will carry a strain on profits and could affect the ongoing sustainability of your operations. Undercapitalising might also reduce the chances of success as it will limit your ability to create an offering that people are attracted to. In addition to this, you should also factor in the amount of money to be kept in reserve to keep operating until you begin to break even or turn a profit.

“...developing a business plan is good practice for managing and running any successful business.”

Another important financial consideration is how you will fund your setup. Again, this will depend largely on the scale of your station stay offering as well as how creative you are when incurring start-up expenses. If it is a small operation with minimal requirements for renovation or site preparation, then it may be possible to use equity finance (i.e. your own money or that of friends and family) to fund establishment. For larger operations, you may require funding through debt finance (i.e. borrowing money that you pay back with interest) from a financial institution.

Should you require additional finance from lenders, you will require a business plan, complete with financial forecasts (e.g. profit and loss, cashflow, etc.). A worked example business plan for a station stay operation is included in the Part 2, Section 3 of this How To Manual to assist you in developing your own plan. Regardless of whether a business plan is required to finance your business, developing a business plan is good practice for managing and running any successful business.

Examples of a pro forma profit and loss statement and a cashflow projection are included in the sections below.

#### 5.4.1 PROFIT AND LOSS STATEMENT

A profit and loss (P&L) statement, also referred to as an income statement, reflects the revenue, expenses and corresponding profits of a business. The P&L projections below are for a fictitious upmarket station stay that offers accommodation for guests in the homestead and two worker's cottages<sup>11</sup>. Accommodation is offered as all-inclusive packages, with breakfast and dinner, drinks and guided tours being part of the offering. The owners, who are also supported by income from their working cattle station, have chosen to draw dividends from the business instead of a salary to provide additional flexibility in the early years as the business develops.



### Profit and Loss Forecast (yearly)

	FY2022	FY2023	FY2024
<b>Revenue</b>	<b>\$139,800</b>	<b>\$273,000</b>	<b>\$352,550</b>
<b>Direct Costs</b>	\$41,940	\$81,900	\$105,765
Gross Margin	\$97,860	\$191,100	\$246,785
Gross Margin	70%	70%	70%
<b>Direct Costs</b>			
Salaries & Wages	\$10,000	\$30,000	\$32,000
Employee Related Expenses	\$1,500	\$4,500	\$4,800
Repairs and Maintenance	\$2,906	\$10,000	\$12,500
Advertising	\$1,600	\$2,000	\$2,500
Memberships	\$300	\$300	\$300
Office Expenses	\$440	\$450	\$450
Legal & Accounting	\$2,500	\$2,700	\$2,900
Insurance	\$1,890	\$2,600	\$2,700
Supplies	\$2,576	\$3,000	\$3,500
Utilities	\$3,340	\$5,000	\$5,400
Phone & internet	\$2,400	\$2,400	\$2,400
Licence renewals & business admin fees	\$1,200	\$1,800	\$2,000
<b>Total Operating Expenses</b>	<b>\$30,652</b>	<b>\$64,750</b>	<b>\$71,450</b>
<b>Operating Income</b>	<b>\$67,208</b>	<b>\$126,350</b>	<b>\$175,335</b>
Interest Incurred Depreciation and Amortisation Gain or Loss from Sale of Assets Income Taxes	\$3,198	\$3,222	\$2,929
	\$5,000	\$5,000	\$5,000
	\$17,703	\$35,438	\$50,222
<b>Total Expenses</b>	<b>\$98,493</b>	<b>\$190,310</b>	<b>\$235,366</b>
<b>Net Profit</b>	<b>\$41,307</b>	<b>\$82,690</b>	<b>\$117,184</b>
<b>Net Profit / Sales</b>	<b>30%</b>	<b>30%</b>	<b>33%</b>

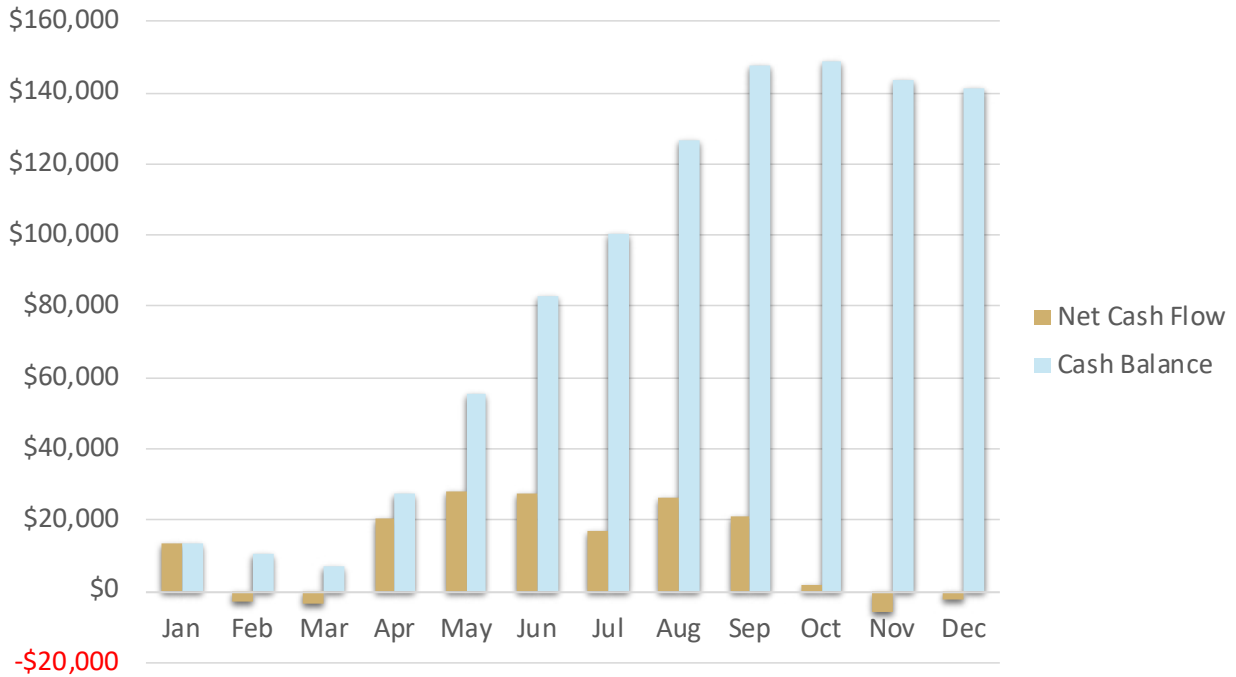
Note that the above P&L forecast is based on the business being established in January 2021, but only operational in April of the same year to accommodate the time required for building refurbishments and to finalise all necessary licence approvals.

The P&L statement above shows that the venture is profitable from the very first year. Yet while it is important to know that your business will be profitable, the business's cash flow can often be one of the make-or-break aspects of business establishment. Often, fledgling businesses underestimate the cashflow requirements – either through not keeping enough in reserve or being limited to additional capital – forcing the business to close before a strong customer base is even established.

### 5.4.2 CASHFLOW STATEMENT

A sample cashflow statement for the same establishment described above is included on the next page, with a graphical representation also provided below. The monthly cashflow statement demonstrates that the flow of cash can be highly variable for a station stay business due to seasonal influences, among others. Therefore, it is important to have enough cash reserves to cover expenses that arise in months with low occupancy.

*Monthly Cash Flow and Balance*





## 5.5 INSURANCE

Choosing what insurance applies to your station stay is an important consideration for your business. While some decisions regarding insurance have already been made for you (e.g. compulsory insurance required by law), there are multiple other forms of insurance to choose from. These require you to examine what risk factors you can tolerate and which ones to insure against. Potential risks include but are not limited to:

- » Property damage;
- » Equipment breakdown;
- » Liability claims;
- » Theft;
- » Natural disasters; and,
- » Pandemics.

Having no insurance or being underinsured is risky as it exposes you to potential losses if something goes wrong in your business. At the same time, not all insurance types are applicable to your situation so covering your business with the wrong type of insurance will be a waste of money. This is where ongoing reviews of your business needs and timely advice from a professional will help you to minimise the threats against your business.

An insurance broker can accurately assess the risks of your business and help facilitate the process of securing insurance. It is recommended that you seek the assistance of an insurance broker to help you understand the policies and level of cover that is applicable to you. Insurance brokers are required by law to act as your representatives and work in your interest.

In general, insurance can be taken to protect things like:

- » Business assets;
- » Customers;
- » Employees;
- » Business owners; and
- » Earnings.

Common types of insurance policies are listed below, noting that your own business may need other policies that are unlisted depending on the scale and nature of your offering.

- » Workers' compensation – compulsory if you employ staff
- » Compulsory Third-Party insurance – covers personal injury to third parties in an accident. This is required if you use a vehicle for business purposes.
- » Fire – protects your principal assets, including buildings, contents and stock.
- » Business interruption – can cover risks such as loss of profit, or additional costs incurred because of an event such as fire.
- » Public liability – covers your potential liabilities to third parties for personal injury or damage to property if you are negligent.



- » Product liability – if the use of your products (e.g. food service) causes harm, loss or damage.
- » Directors' and officers' liability – against alleged breaches of duty
- » Burglary – theft from locked premises.
- » Electronic breakdown – specialised cover for computers and machinery.
- » General property – for tools, equipment, mobile phones, etc.
- » Motor vehicle – either business or private.
- » Employment practices liability – covers damages and costs resulting from, for example, anti-discrimination, unfair dismissal and harassment actions
- » Again, it is necessary to obtain advice that is specific to your circumstances. However, as a rule, an accommodation business such as a station stay offering, should consider the following as a minimum requirement:
  - » Public liability of at least \$10 million to cover paying guests and visitors;
  - » Product liability to cover prepared food or other products offered to guests;
  - » Motor vehicle insurance if your vehicle is used for business purposes; and,
  - » Personal injury and/or income protection, especially if WorkCover is not applicable to your business.





## CASE STUDY

# Shandonvale Station

- » Be mindful of where you can make savings on your own investments of time and effort; will you require a minimum night stay? Are there leisure activities you can offer to guests that will not require your constant attention?
- » Ensure that your model is designed to at least cover your costs.
- » Insurance will give you piece of mind but does not mean that it voids your responsibility to minimise risks and act in the best interest of your guests.
- » Take advantage of the range of options regarding business structures to ensure that your assets are adequately protected.

# Shandonvale Station



“

*No big tour groups just you and the amazing young couple who run this place, endless skies, complete stillness and quiet (apart from the galahs, corellas and broilgas) and an insight into Outback life on a station miles from anywhere with no mobile coverage, Wi-Fi or TV. It was bliss!” – Trip Advisor Review, 2018.*

Lane and Deon Stent-Smith operate Shandonvale Station, a working outback station located 1.5 hours by road from Longreach, Queensland. The couple established the Station Stay offering in 2016 in response to several years of drought. ***“We wanted a way to diversify our income. Being a smaller place, another stream of income is critical and the fact that the property is so remote means that you can’t just get a job in the local town because it’s too far to travel.”***

At \$1,700 a night as a flat rate for up to eight guests, the Shandonvale experience is positioned as a mid-range luxury offering. But as Deon readily points out, that doesn’t mean that guests can’t expect to get an authentic experience. ***“Our offering is based on the real deal, not the polished side of tourism. That’s the point of difference we offer.”***

The couple require a minimum two-night booking, with the current station stay package including:

- » Luxury accommodation in the recently renovated, hundred-year-old Shearer’s Quarters;
- » Full use of the Quarters kitchen, dining and living room;
- » Close and personal interactions with animals on the station;
- » Sunset boat shed drinks and canapes;
- » A paddock to plate journey including a station produce breakfast basket and homecooked gourmet meals at the Homestead each evening;
- » Full use of a Polaris ATV buggy for sightseeing;



- » Full use of canoes, boat shed and pontoon for fishing and water leisure;
- » A fully guided station tour;
- » A treetop artesian bath experience; and
- » Shooting practice at the rifle range.

“It’s sometimes easy for us to forget how spectacular our country is. In a lot of respects, the outback is like parts of Alaska and the Arctic, it is so expansive and that’s all part of the attraction.” —Deon Stent Smith, host of Shadonvale Station

The couple emphasise the importance of the minimum two-night stay requirement. Their view is that they are not positioned as a motel. Their offering is designed for guests to spend time at the station and appreciate all that it has to offer. ***“We find that the shorter people stay on the property, the more time and effort is required on our part”.***

*Our offering is based on the real deal, not the polished side of tourism. That’s the point of difference we offer.*

***“We’ve also seen a lot of failure with models where people open up land for camping or caravans so it’s a conscious decision of ours to not go down that path”.*** Deon’s argument is that the low prices for camping and the amount of people likely to visit means that it is barely enough to cover insurance requirements, extra infrastructure requirements, waste removal, etc.

On the topic of time and effort, Deon indicates that the couple recently decided to alter their model slightly as of next year to position it as a self-contained retreat. They intend to provide guests an offering that enables them to relax in privacy, with as little or as much interaction with the hosts as the guests’ desire. Guests will be offered station produce baskets that they can purchase and cook themselves if they want to spend their holiday in privacy. If they want to share more of the experience with the hosts, Deon and Lane will offer experiences such as tag-along trips where guests can accompany Lane or Deon as they do daily station work, including water runs and animal feeding.





The choice to pivot to a different style of offering does not come from a lack of success with the current model. In fact, demand is high. Deon indicates that if he were to open bookings for next year, he would secure at least 50% occupancy within a week of the bookings platform being open. Profit margins are also high, running at over 50% margins “easily”.

The key reason then... ***“It frees up our time to focus on other things. Our current model works well but it requires us to invest a lot of time.”*** In fact, it’s not uncommon for Lane and Deon to host guests for 30 or more consecutive days. The nightly family and guest dinners in the Homestead with Deon and Lane means that the couple are constantly interacting with the guests well into the night.

Deon and Lane enjoy a well-earned break during the off-peak season (October to April), during which time Shandonvale is closed to visitors. Their choice to close is very much a lifestyle choice. ***“We need to take a break; the business requires a lot of people interaction and that can be taxing.”*** Deon points out that it is also almost too hot for guests to enjoy themselves. Nevertheless, he suggests that if they did open, there certainly would be demand. ***“We often have people calling us to try and book over Christmas and New Year.”***

As a final point, Deon notes the importance of protecting yourself and your property against any risk of litigation. It all starts with designing and delivering your offering to mitigate risks. This means making sure that everything is built to specifications and ensuring that you are always acting in the best interest of your guests. Next comes insurance. Deon and Lane have Leisure Liability Insurance which is similar to the type of insurance that a B&B establishment or a motel would get. Whilst the price is dependent on the visitor capacity, the couple pay between \$4,000 to \$5,000 per annum for this protection. Deon points out that it gives piece of mind, but it does not protect against criminal negligence, so it is important to ensure that you are always doing your best by your guests. Finally, Deon suggests that adopting a business structure that protects your assets is a must. For Deon and Lane, this means the station stay business is set up as a separate proprietary limited company, operating under a different ABN to the main station business. This type of setup ensures that their station assets are far removed from the station stay business, which allows their assets to be adequately protected. Deon notes that ***“The problem people encounter is that they trade under their own name, and that way they may have their entire station – which may be a \$15m asset – at risk.”***

As Deon aptly suggests, ***“It’s all about doing your best to minimise risks wherever possible. At the end of the day, there will always be risks but if you aren’t willing to accept that then you probably shouldn’t run your own business.”***







## 06

# Regulatory Considerations

The regulatory landscape for station stay tourism may appear complex. However, it doesn't have to be. A bit of advice from an advisor and early engagement with your local Shire can go a long way to clarifying the path to operation.

Working through the following steps will ensure that you are on your way to running your station stay:

1. Ensure that your tenure allows for station stay operation.
2. Determine if Native Title applies and satisfy any process to use the land for non-pastoral use.
3. Ensure that you have any necessary accommodation licences/approvals from your local Shire.
4. Satisfy any planning scheme requirements.
5. If applicable, obtain a building and plumbing permit and ensure that you exercise duty of care with regards to Aboriginal Cultural Heritage.
6. Understand and comply with any approvals and/or licences required for any additional activities that you choose to offer on your property.
7. Familiarise yourself with all codes of practice and national standards relevant to the setup of your business.

## 6.1 AN INTRODUCTION TO THE REGULATORY LANDSCAPE

This section provides a high-level summary of the regulatory landscape for station stay tourism. The information provided herein (including fees, procedural details, etc.) is accurate at the time of preparation. It is important to note that ***the regulatory environment is dynamic and subject to change over time***. Not only are some of the regulations geographically dependent, but they are also dependent on the scale and nature of the offering.

Unfortunately, there is no one-size-fits-all approach to this aspect of establishment. Accordingly, readers are encouraged to use this section of the document as a tool to become familiarised with the likely process to satisfy the applicable regulatory requirements. Doing so will, in turn, enable you to make an informed decision on what type of guest accommodation and additional experiences are most viable with the amount of time, money and effort that you have available to dedicate. Being armed with background regulatory information and a clear picture of the offering that you intend to provide will then position you well to progress further discussions with the applicable regulatory bodies to define the process specific to your circumstances.

Many prospective hosts may at first be dissuaded by the regulatory obligations for establishment. Yet it is important to recognise that in many instances ***agritourism activities form a key part of several national, state and local government strategies for economic development***.

Whilst some of the regulatory requirements may seem onerous and inflexible, there is strong regional support for station stay tourism and an overall willingness amongst government and regional peak bodies to facilitate further opportunities in this segment. A section which outlines the strategic alignment of station stay tourism with local, regional and State objectives has been included in Part 2, Section 1 of the How To Manual for your convenience.

### Step 1: Review the relevant form of tenure

The type of tenure relevant to your pastoral station is an important factor as it will determine to what extent usage is limited by certain controls and legislation. A summary of some of the key differences between leasehold and freehold tenure is provided in the following table<sup>12</sup>:

ISSUE	LEASEHOLD	FREEHOLD	COMMENT
Land uses	Limited by purpose of lease and land legislation. Limited by environmental and town planning controls.	Limited by environmental and town planning controls.	Leases are subject to a higher level of control.
Tree clearing controls	State retains ownership of native trees. Permission must be sought for clearing.	Regulation of clearing of native trees.	Leases are subject to a higher level of control
Duty of care	High level of duty of care defined in land legislation. May be responsible for developing and maintaining improvements.	Duty of care following common law and as required by some Environmental Protection Acts.	Leases are subject to a higher level of control.
Retrieval/resumption	Powers to acquire leasehold interest or withhold land when lease expires.	Some powers to acquire land for public works.	Leases are subject to a higher level of control.
Ownership of resources	Ownership of native trees, native fauna and minerals remains with the State.	Ownership of native fauna and minerals remains with the State.	Ownership of vegetation is the major difference.
Security of tenure	Varies according to lease type but forfeiture for non-performance may be possible.	Very high level of security.	In general, leases are less secure than freehold.



As noted above, freehold title to land is somewhat less restrictive from a regulatory perspective given that the land has been purchased from the State. It is not controlled by the Land Act 1994 and there are no requirements to seek approval from the State with respect to use of the lease for station stay tourism; however, there is a requirement to comply with other legislative requirements, such as local planning controls and vegetation clearance controls. **Readers who possess a freehold title are encouraged skip forward to Step 2 of this manual.**

In most other cases in Queensland, pastoralists who do not possess a freehold title to land are likely to hold tenure in the form of pastoral leasehold. It is estimated that there are approximately 1000 pastoral leases in existence covering about 40% of Queensland<sup>13</sup>.



Pastoral leases in Queensland are considered under the Land Act 1994. They provide a more restricted range of property rights than freehold land as there are various lease conditions and management requirements imposed on it. In general, activities that are not within the terms of a lease, such as station stay tourism, are subject to government approval.

### **Approval of non-pastoral land uses on pastoral leases**

Non-pastoral land uses can generally be approved by the Department of Resources (DoR) for diversification purposes. Diversification involves the complementary use of part of a pastoral lease where pastoralism remains the dominant activity. For an additional activity to be complementary to pastoralism:

- a) It must have a positive material effect on the primary original purpose. E.g. it could contribute to the economic viability or ecological sustainability of the agricultural purpose of the lease.
- b) Any generation of additional funds from a complementary activity must be used to support the primary original purpose.
- c) It must be of sufficiently small scale to ensure that it does not become the dominant or principal activity.
- d) It does not necessarily need to be related to agriculture.
- e) It should not interfere with the State's rights in regard to vegetation and quarry materials under the Forestry Act 1959.
- f) To limit the risk of a complementary activity becoming an entity in its own right, the original lease may be subject to new imposed conditions of lease.

For station stay tourism, this activity is typically classified as an ‘additional use for low key tourism’. You should consult with DoR to understand if your own station stay plans meets the criteria of ‘low key tourism’. Examples of commonly proposed low key tourism activities and their treatment are provided in the table below<sup>14</sup> :

CRITERIA	CONSIDERATIONS
Use of existing infrastructure with minimal capital investment (e.g. renovations to existing homestead, old shearers’ shed and workers cottages, camping tents, fencing, walking tracks, etc.)	<ul style="list-style-type: none"> <li>» This is an additional use for low key tourism activities.</li> <li>» Sub-purpose and conditions to be added to the lease.</li> <li>» Allows for low key tourism, subject to requirements of the Planning Act 2016</li> </ul>
Some additional structures/infrastructures – up to four accommodation units (catering for up to 16 guests), and an amenities building. These would be in addition to use of the existing homestead, shearers’ shed or workers cottages.	<ul style="list-style-type: none"> <li>» All above considerations apply.</li> <li>» Ideally a heritage assessment of older buildings should be undertaken in consultation with the Department of Environment and Science (DES)</li> </ul>
If cultural heritage sites are involved.	<ul style="list-style-type: none"> <li>» Cultural heritage impact will need to be considered in accordance with the Aboriginal Cultural Heritage Act 2003.</li> </ul>

The process to gain approval from DoR to allow an additional use for low key tourism involves an application to change the purpose/conditions of a lease. The following application forms must be completed and lodged to DoR:

- » Form LA00 – Application form part A
- » Form LA13 – Application for change of purpose of a lease, licence or permit to occupy.

Form LA13 must be accompanied by a property sketch, along with any letters of consent from the sub-lessee or mortgagee, if applicable. Application forms and instructions can be found via the following link:

<https://www.qld.gov.au/environment/land/state/leases/changing>

## ACTION

Application to DoR to alter the conditions of pastoral lease to allow additional use for low key tourism. Application forms and instructions for lodgement can be found via the following:

<https://www.qld.gov.au/environment/land/state/leases/changing> .

## Step 2: Review native title requirements

Under current legislation, native title is not a consideration for lessees of grazing homestead perpetual leases and grazing homestead freeholding leases or on leases where native title has been extinguished (e.g. freehold title). Readers with pastoral stations falling under any of these categories are therefore encouraged skip forward to Step 3 of this manual.

Native title is the recognition by Australia's High Court of 'the common law rights and interests of Aboriginal and Torres Strait Islander people in land, according to their traditional laws and customs'. The question of native title was raised when the High Court decided in 1992 in favour of a land claim by the late Eddie Mabo, a Torres Strait Islander. Accordingly, this gave rise to the Native Title Act 1993 (Cwlth) (the Act). The Act, in addition to the subsequent Wik High Court Decision and the Native Title Amendment Act 1998 (Cwlth) collectively have important ramifications for pastoral leases and non-pastoral land use.

Pertinent factors relating to pastoral leases and non-pastoral land use in the initial Act, the Wik High Court Decision and the Native Title Amendment Act 1998 are summarised as follows<sup>15</sup>:

### **NATIVE TITLE ACT 1993 (Cwlth)**

The main purpose of the Act was to recognise and protect native title.

### **THE WIK DECISION, 1996**

In December 1996, the High Court decided that native title might survive on pastoral leases. It also said that the rights of pastoral lessees prevailed over any inconsistent rights that native titleholders may have.

### **NATIVE TITLE AMENDMENT ACT 1998**

This Act includes proposals put forth by indigenous interests, such as the introductions of Indigenous Land use Agreements (ILUA). It also recognises and protects potentially co-existing native title rights on pastoral leases, so native title claims can continue to be made over pastoral leasehold land.

The Native Title Amendment Act 1998 made a number of changes to the Native Title Act 1993 to clarify that existing rights of pastoral lessees may co-exist with the rights of native title holders. Prior to this, the existing rights of lessees were only for pastoral activities consistent with the original lease. The amended Act increased the scope of these existing rights by enabling State and Territory governments to allow lessees to undertake other activities under the umbrella definition of 'primary production'. This allows for diversification activities, including low key tourism.

The Native Title Act 1993 (Cwlth) reserves the right of traditional owners to negotiate on other activities not within the definition of 'primary production'. Therefore, for non-pastoral uses that fall outside this definition, where applicable, native title must be addressed.



Sourced from [australiangeographic.com.au](http://australiangeographic.com.au)

Where native title claims are pending and lessees wish to change the pattern of land use beyond what is permissible under 'primary production', lessees can negotiate directly with traditional owners to ratify ILUAs. These agreements are legal documents that provide lessees with consent to undertake certain activities on the land.

From a practical perspective, advice from DoR in relation to the impact of low key tourism on Native Title is that each situation/proposal is dealt with on a case by case basis.

The DoR's Native Title Services should be the first point of contact to advise on land that may be subject to native title and native title processes for non-pastoral land use on a pastoral lease. Contacts and further resources can be found via the following two links:

<https://www.dnrme.qld.gov.au/mining-resources/contacts/native-title>

<https://www.dnrme.qld.gov.au/qld/atsi/native-title-work-procedures>



## ACTION

Contact Native Title Services at DoR to work through the native title process applicable to low key tourism activities (i.e. station stay) on a pastoral lease.

### Step 3: Obtain accommodation licence/approvals

Accommodation licences and/or approval to use land for certain station stay accommodation types are typical requirements for station stay businesses. These licences and approvals are administered by each of the local Councils and are regulated by the local Council laws.

*“...early advice from your local Council may save you valuable time and effort.”*

The way in which you intend to accommodate your guests will dictate what approvals are required and the local laws and subordinate laws that apply. For instance, an accommodation licence may be required for bed and breakfast, guest house or holiday cabin-type setups; whereas approvals to use land as a camping ground or caravan park are required for more temporary abodes.

As with all regulatory aspects of this How to Manual, you are encouraged to consult with your local Council early in the planning stage to determine what approvals are required for your own circumstances. In some instances, exemptions can apply, as is the case if the accommodation type is a private home in which you provide accommodation for no more than three boarders. Hence, early advice from your local Council may save you valuable time and effort if found that your intended setup renders you exempt from certain approval or licensing requirements.

The following subsections outline each of the local Council approvals required for accommodation in permanent and temporary structures.

#### **Accommodation in Permanent Structures (Guest house, B&B, cabins, etc)**

Accommodation licences are generally required for short-term stays in permanent structures. Local Council laws regulate accommodation to ensure that all rental accommodation, particularly that with shared facilities, complies with adequate health, safety and amenity standards.

Accommodation licensing varies according to Council but, in general, each may issue permits with conditions that require you to:

- » Limit the number of persons in the premises for whom you may provide accommodation;
- » Carry out specified modifications, or other specified building work related to the premises;
- » Regularly maintain the premises;
- » Provide and maintain specified facilities, furniture and equipment;
- » Regularly clean the premises;
- » Regularly provide clean linen and towels if relevant to the type of accommodation provided;
- » Provide services of specified kinds (e.g. safe custody of valuables);
- » Keep specified records; and,
- » Treatment to keep the premises free of pests;

Depending on which LGA your station is located, your application for an accommodation licence will likely require:

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. The name, location and real property description of the premises;</li> <li>2. A site plan and floor plan drawn to scale;</li> <li>3. Details of shared facilities such as number of toilets, bathrooms and showers, as well as laundry, dining and cooking facilities;</li> </ol> | <ol style="list-style-type: none"> <li>4. Evidence that sufficient vehicle parking is available;</li> <li>5. A report from a qualified professional that the fire safety provisions of the Building Act 1975 have been complied with; and,</li> <li>6. Written consent of the owner to the application (if applicable);</li> </ol> |
|---|--|

Applications are made through your local Council, who will provide the necessary forms for the process. It is worthwhile accessing the relevant local laws and subordinate local laws relevant to your LGA to find out the specific documents and materials that must accompany your application for approval. The relevant local laws and subordinate local laws that you should refer to are detailed in Part 2, Section 2 of this How To Manual.



*sourced from gilbertonoutbackretreat.com*

## Accommodation in Temporary Structures (Tent sites, caravan sites, etc)

Approvals are required to use land as a camping ground or caravan park where you intend to use the following structures as temporary abodes:

- » Cabins;
- » Caravans;
- » Tents;
- » Movable dwellings; and,
- » Other structures;

Local Council laws regulate camping grounds and caravan parks to:

- » Ensure that caravan and commercial camping grounds are properly maintained;
- » Ensure that the operator of a commercial camping ground provides basic facilities for users of the camping ground.;
- » Ensure that camping grounds comply with appropriate standards of cleanliness and hygiene;
- » Regulate conduct on camping grounds;
- » Safeguard health and safety in caravan parks; and,
- » Provide the comfort and convenience of short-term and long-term caravan park residents;



The requirements for approval vary by Council but, in general, Council must be satisfied of the following:

You will operate the caravan park/camping ground in a way that will not cause nuisance, inconvenience or annoyance to the occupiers of adjoining land or environmental harm. All facilities in the caravan park/camping ground will remain at an acceptable standard or will be brought to acceptable standard for use by residents.

The proposed manager of the caravan park/camping ground is suitable.

The operation and management of the caravan park/camping ground will comply with the criteria laid down under Local Law policies.

Depending on which LGA your station is located, your application for an accommodation licence will likely require:

- |   |   |
|---|---|
| <hr/> <ol style="list-style-type: none"><li>1. Evidence of any necessary statutory permit, authorisation or approval for the development and use of relevant land as intended;</li><li>2. Site plan drawn to scale and showing location of sanitary conveniences and ablutionary facilities, as well as division of</li></ol> <hr/> | <hr/> <ol style="list-style-type: none"><li>campgrounds/caravan park into individual sites;</li><li>3. Details of water quality, reticulation and drainage; and,</li><li>4. If the applicant is not the owner of the land, written consent of the owner to the application is required;</li></ol> <hr/> |
|---|---|

Applications are made through your local Council, who will provide the necessary forms for the process. Again, you should consult with your local Council as early as possible as your specific circumstances and intended setup will determine the extent to which an approval is required. You can find details on the relevant local laws and subordinate local laws which outline the specific information required for an application in Part 2, Section 2 of this How To Manual.

# ACTION

Accommodation in permanent dwellings may require an Accommodation Licence, while camping ground and caravan park configurations will likely require approval to use land for these purposes.

Licences are administered by your local Council. Contact your local Council to lodge an application. Applications need to be accompanied by supporting documents, including but not limited to:

- » The name, location and real property description of the accommodation.
- » A site plan and floor plan drawn to scale.
- » Details of shared facilities, sanitary conveniences, ablution facilities, etc.
- » Written consent of the owner to the application (if applicable).

## Step 4: Compliance with planning scheme requirements

Each Shire has its own planning scheme and the 'Levels of Assessment' determine the approval process for new development. On 'Rural' zoned land in each Shire, the approval process may differ. The levels of Assessment determine if a planning assessment or approval is required at all and if it is, it can require informal assessment against specific codes in the planning scheme without a formal planning application being lodged with Council. If an informal planning assessment identifies non-compliance, then a planning application will be required.

If a planning assessment is compliant and a planning application is not required, then the development can establish on the site. However, if the development requires new building and/or plumbing work then a Building Application and a Plumbing Application will be required, and permits must be issued before work can start (refer to Step 5).

In some instances, the Levels of Assessment may require a code assessable planning application or an Impact assessable planning application to be lodged and approved by Council before development can proceed. A code assessable planning application is relatively straightforward and is likely to be approved by Council (and the State, if applicable). By contrast, an impact assessable planning application is more complicated and requires public notification and Council (or the State) can refuse the application if the proposed development is considered inappropriate. To understand if a code or impact assessable planning application is required, a town planning consultant is likely to be required to provide professional assistance.



In some instances, your intended setup may trigger the referral or lodgement of your development application to the State. Typically, the State may act as either the Assessment Manager or Referral Agency for any development applications that may impact on a State interest, with triggers being related to location or use. To this end, the State Assessment and Referral Agency (SARA) is the responsible entity for ensuring a coordinated, whole-of-government approach to the State's assessment of development applications.

Where SARA is nominated as the Referral Agency, Council typically still plays the role of the assessment manager. In such instances, SARA assesses and decides on only the part of the development application which is generally relevant to the State Government's 'State interest', e.g. development on transport corridor, development that meets or exceeds certain thresholds, and developments on, adjoining or next to heritage listed place, etc.

In instances where SARA is the Assessment Manager, the application is lodged with SARA and SARA is subsequently responsible for assessing and deciding on the whole development application.

In the context of establishing a station stay operation in the Gulf Savannah region, likely triggers for referral or lodgement to SARA are State Controlled Road (SCR), Regulated Vegetation and Wetlands. If the proposed development is in an existing cleared area removed by 20 metres from regulated vegetation or 100 metres from a wetland, you can arrange a pre-lodgement meeting with the SARA to try and not trigger referral. If vehicular access to the site is from a SCR you are likely to trigger referral but you are encouraged check with your SARA regional office to determine/clarify.

On a practical level, you can determine whether your development application will need referral or lodgement to SARA by referring schedules 8, 9 and 10 of the Planning Regulation 2017<sup>16</sup>, as well as by referring to SARA's online mapping system. The mapping system can be accessed via the following link:

<https://planning.dsdmip.qld.gov.au/maps>

The mapping system shows the location of matters relevant to State assessment such as heritage places, State-controlled roads, certain vegetation and coastal areas, which can be used in conjunction with the Planning Regulation 2017 to determine if State assessment is required.

In many cases, development proposals can be lodged with your local Council as the first step in the process. If Council deem it necessary to have your application referred to or lodged with SARA, you will receive this information, along with the triggers and reasons for referral to SARA via a confirmation notice issued by Council.

As a word of caution, all planning applications incur a Council processing fee and if referral to the State is required, SARA also has a processing fee. SARA fees are not insignificant, so before making a final decision enquires should be made to determine the cost of referral to the State, which is dependent upon what State interests are triggered and the type of development proposed.

Ultimately, if you are unsure about how to use the mapping system or how to interpret the Planning Regulation 2017 with respect to your own specific circumstances, your local Council and your regional SARA office are available to assist with any enquiries you may have before lodging a development application.

The two relevant regional SARA offices for the Gulf Savannah region are:

- **North Queensland**

Mailing address: PO Box 5666, Townsville QLD 4810

Email: NQSARA@dsmip.qld.gov.au

- **Far North Queensland**

Mailing address: PO Box 2358, Cairns QLD 4870

Email: CairnsSARA@dsmip.qld.gov.au

Further information relating to SARA can be found via the following link: <https://planning.dsmip.qld.gov.au/planning/better-development/the-development-assessment-process/the-states-role>

## ACTION

The first step in determining the approval process for your station stay business in relation to the local government planning schemes is to contact your local Council. Not only does the approval process differ between each Shire, but the scale and nature of your intended business will also dictate what will be involved in a planning application, if it is at all required.

To understand if a development triggers referral under State mapping or a code or impact assessable planning application is required, a town planning consultant is likely to be required you are encouraged to consult with a town planning consultant and/or the regional office of the State Assessment and Referral Agency (SARA) to obtain professional assistance.

## **Step 5: Obtain additional permits/approvals if applicable**

Once you are issued with a planning permit (Step 4 – if applicable), you may be required to obtain other permits depending on the extent of any works that you intend to carry out and/or the impact of your operations on Aboriginal Cultural Heritage. If the development of your station stay business requires construction works or land disturbance, then several further application or approval processes may be required. The relevant approvals are:

- » Building permit
- » Plumbing permit
- » Exercising duty of care for Aboriginal cultural heritage.

### **Building and plumbing permits**

Building permits and plumbing permits are documents that certify that a proposed building complies with the relevant building, plumbing and drainage regulations. It provides you with protection by ensuring that:

The building practitioners working on your project are registered and carry the required insurance.

- » Adequate documentation is prepared so the construction can be carried out correctly and according to building legislation.
- » Work is independently inspected to ensure that it complies with the relevant building or plumbing laws, as well as the terms of the permit.
- » Your building is suitable for occupation.

At a practical level, your architect or builder can apply for these permits on your behalf. However, you must first authorise them in writing to make the application on your behalf. If this is to be the case, it is important that you also personally check the relevant documentation and building permit before any work begins.

The nature of your planned development will dictate what supporting information is required for your application. The advice of a licenced building certifier is recommended to obtain specific advice about individual properties. You should also ensure that you clarify with your local Council as to what the requirements are as the timeline for approvals is dependent on how complete your application is. The following list details some of the possible requirements for your application(s):

- » “DA Form 2 – Building work details”;
- » Structural Plans, including site plan (required to be stamped by an Engineer and appended with “Form 15 – Compliance Certificate for Building Design or Specification”);
- » Soil classification report, if applicable;
- » Queensland Building and Construction Commission (QBCC) Confirmation of Insurance Certificate for builder;
- » Plumbing and Drainage Plans;
- » “Plumbing Form 1 – Compliance assessment application”; and,
- » “Plumbing Form 7 – Notification of responsible person”;

Applications should be lodged with your local Council. The relevant building forms can be accessed via the following link: <https://www.business.qld.gov.au/industries/building-property-development/building-construction/forms-guidelines/forms>

Application documents for plumbing and drainage permit applications can be found here: <https://www.business.qld.gov.au/industries/building-property-development/building-construction/plumbing-drainage/forms-templates>

## ACTION

A building application and/or a plumbing and drainage application is likely to be required if building or renovating. Applications can be made by your architect or builder on your behalf. Consult with your council as to the exact application requirements for your specific development. All relevant forms to support your application can be found at:

<https://www.business.qld.gov.au/industries/building-property-development/building-construction/forms-guidelines/forms>

and

<https://www.business.qld.gov.au/industries/building-property-development/building-construction/plumbing-drainage/forms-templates>



## Aboriginal cultural heritage<sup>17</sup>

All places of Aboriginal and Torres Strait Islander cultural heritage are protected under the Aboriginal Cultural Heritage Act 2003 and the Torres Strait Islander Cultural Heritage Act 2003 (Acts) (the Acts) regardless of whether they are mapped in your relevant planning schemes. It is not necessary for an area to contain markings or other physical evidence indicating Aboriginal occupation for the area to be protected as a significant Aboriginal area under the Act.

The Acts binds all persons, including the State, and is intended to provide effective recognition, protection and conservation of Aboriginal and Torres Strait Islander cultural heritage. The Acts require that if you plan to carry out an activity, you must take all reasonable and practical measures to ensure the activity does not harm Aboriginal heritage. This is referred to as the cultural heritage duty of care. The duty of care applies to any activity where Aboriginal cultural heritage is located (inclusive of freehold land), regardless of whether it has been identified or recorded in a database.



*Sourced from [queensland.com](http://queensland.com)*

Consultation with the relevant Aboriginal party for an area is necessary if there is a high risk that your activity may impact Aboriginal cultural heritage. Where an activity causes no additional surface disturbance of an area it is generally unlikely that the activity will harm Aboriginal cultural heritage or could cause additional harm to Aboriginal cultural heritage beyond that which has already occurred.

Activities causing significant additional ground surface disturbance pose a risk to Aboriginal cultural heritage. In instances where you plan to undertake activities causing additional surface disturbance to features likely to have cultural heritage significance, then you will most likely require advice from the relevant Aboriginal party as to:

- » Whether the feature constitutes Aboriginal cultural heritage; and
- » Agreement as to how the activity may be managed to avoid or minimise harm to any Aboriginal cultural heritage.

If at any time during any activity it is necessary to remove, relocate or harm a cultural heritage find, the activity should cease immediately, and you should consult with the relevant Aboriginal party as to how best manage the activity from there on in.

Aside from the risks posed by land clearing, Aboriginal cultural heritage must also be a consideration when designing your station stay product offering. This applies to material being displayed, photographed or published without prior consultation with the traditional owners. Under section 24 of the Acts, it is an offence to harm cultural heritage. The display of material may constitute 'unlawful harm'. The views of traditional owners for an area are key in assessing cultural heritage and managing any activity likely to have an impact.

For example, if your product has an Aboriginal cultural heritage component such as story telling or viewing of sacred sites or artifacts (rock art) then the Aboriginal Cultural Heritage Act 2003 requirements need to be met and permission from Traditional Owners must be obtained. This applies regardless of whether native title has been extinguished or not (i.e., a freehold, perpetual lease, non-exclusive pastoral lease, etc.). In general however, the DoR Native Title Work Procedures states that this is not a Farm Tourism Activity that is allowed on a non-exclusive pastoral lease.

Guidelines have been developed to assist land users in assessing reasonable and practicable measure for meeting the cultural heritage duty of care. The land users should consult the duty of care guidelines before undertaking a land-use activity. The cultural heritage duty of care guidelines can be viewed via the following link:

<https://www.datsip.qld.gov.au/people-communities/aboriginal-torres-strait-islander-cultural-heritage/cultural-heritage-duty-care>

Consultation with an Aboriginal or Torres Strait Islander party for an area is recommended in the planning stages and before any activity commences. Persons carrying out activities that may impact cultural heritage can request assistance from the Department of Aboriginal & Torres Strait Islander Partnerships (DATSIP) in identifying the traditional owners for a particular area. This can be achieved by email ([cultural.heritage@datsip.qld.gov.au](mailto:cultural.heritage@datsip.qld.gov.au)) or by carrying out a search through DATSIP's online portal via the following link:

<https://culturalheritage.datsip.qld.gov.au/achris/public/home>

## ACTION

The first step is to consult with the duty of care guidelines that have been developed to assist land users in assessing reasonable and practicable measures for meeting the cultural heritage duty of care. The guidelines can be accessed via the following link:

<https://www.datsip.qld.gov.au/people-communities/aboriginal-torres-strait-islander-cultural-heritage/cultural-heritage-duty-care>

Assistance can be requested from the Department of Aboriginal and Torres Strait Islander Partnerships (DATSIP) to identify the traditional owners for a particular area. Contact can be made with the Department emailing:

[cultural.heritage@datsip.qld.gov.au](mailto:cultural.heritage@datsip.qld.gov.au)

### Step 6: Other requirements dependent on the nature of your offering

As discussed in previous sections of this manual, the number of activities and experiences that you choose to offer your guests for your station stay business are only limited by your imagination, along with the time and resources you can dedicate towards providing it. Fortunately, the Australian Government has developed a useful online tool to help determine what licences may be required for a business activity falling within a certain jurisdiction. This tool, known as the Australian Business Licence and Information Service (ABLIS), may be found via the following link:

<https://ablis.business.gov.au/>

For convenience however, further information is provided in Part 2 (Sections 1 and 2) of the How To Manual, to inform you of the requirements for additional activities that could be relevant to most station stay operators in the Gulf Savannah region.

## ACTION

Visit the following link to access relevant information pertaining to licences required for the activities and experiences you intend to provide for your station stay business:

<https://ablis.business.gov.au/>

## Other compliance considerations:

In addition to the licence requirements outlined in the sections above, there are also several codes of practice or equivalent material that you should familiarise yourself with prior to commencement. A code of practice is a document prepared to provide practical guidance on how to comply with certain legal obligations.

The table below highlights some of the relevant codes of practice, principles and national standards relevant to station stay tourism:

ISSUE	KEY RESOURCES
Employment of staff	<p><b>National Employment Standards:</b>  <a href="https://www.fairwork.gov.au/employee-entitlements/national-employment-standards">https://www.fairwork.gov.au/employee-entitlements/national-employment-standards</a></p> <p><b>Anti-discrimination resources:</b>  <a href="https://www.qhrc.qld.gov.au/your-responsibilities/for-employers">https://www.qhrc.qld.gov.au/your-responsibilities/for-employers</a>            Privacy (Tax File Number) Rule:  <a href="https://www.legislation.gov.au/Details/F2015L00249">https://www.legislation.gov.au/Details/F2015L00249</a></p>
Privacy – Code of Practice	<p><b>Resources:</b>  <a href="https://www.legislation.gov.au/Details/C2020C00025">https://www.legislation.gov.au/Details/C2020C00025</a>  <a href="https://www.oaic.gov.au/assets/privacy/australian-privacy-principles/the-australian-privacy-principles.pdf">https://www.oaic.gov.au/assets/privacy/australian-privacy-principles/the-australian-privacy-principles.pdf</a></p>
Workplace Health and Safety	<p><b>Resources:</b>  <a href="https://www.worksafe.qld.gov.au/tourism">https://www.worksafe.qld.gov.au/tourism</a></p>
Child safety on cattle stations	<p><b>Resources:</b>  <a href="https://www.worksafe.qld.gov.au/agriculture/health-and-wellbeing-at-work/child-safety">https://www.worksafe.qld.gov.au/agriculture/health-and-wellbeing-at-work/child-safety</a></p>
Fire Prevention – Building Fire Safety Obligations	<p><b>Resources:</b>  <a href="https://www.qfes.qld.gov.au/buildingsafety/pages/default.aspx">https://www.qfes.qld.gov.au/buildingsafety/pages/default.aspx</a>  <a href="https://www.qfes.qld.gov.au/buildingsafety/Pages/owner-occupier.aspx">https://www.qfes.qld.gov.au/buildingsafety/Pages/owner-occupier.aspx</a></p> <p>If your station stay is deemed “Budget Accommodation” (i.e. a building that provides accommodation to 6 or more unrelated persons who have shared access to a bathroom/toilet facilities), then the following resource is relevant:  <a href="https://www.qfes.qld.gov.au/buildingsafety/Pages/budget.aspx">https://www.qfes.qld.gov.au/buildingsafety/Pages/budget.aspx</a></p>
Accessibility for people with disabilities	<p><b>Resources:</b>  <a href="https://humanrights.gov.au/our-work/disability-rights/disability-standards">https://humanrights.gov.au/our-work/disability-rights/disability-standards</a></p>





## CASE STUDY

# Gilberton Outback Retreat

- » Find out what other operators offer, but don't bother copying....Be original.
- » Stand on the shoulders of your neighbours – Seek advice from associations and other operators on how to navigate the regulatory process. They could save you time and money.
- » Don't go too big, too fast but make sure that you have enough starting capital to deliver a product people are attracted to.

# Gilberton Outback Retreat



“

*“Lyn and Rob open their home, and their country by warmly welcoming guests to Gilberton Outback Retreat.... History, diversity, sustainability, luxury are only a few words that perfectly describe this location!”* – Google Reviews, August 2020.

When Rob and Lyn French first started out with Gilberton Outback Retreat 5 years ago, there wasn't much clarity on how to establish a successful Station Stay operation. As Lyn explains, ***“we walked into it knowing nothing about what we were getting ourselves into. We made a few mistakes along the way but we're proud of what we've built.”***

When Rob and Lyn French first started out with Gilberton Outback Retreat 5 years ago, there wasn't much clarity on how to establish a successful Station Stay operation. As Lyn explains, ***“we walked into it knowing nothing about what we were getting ourselves into. We made a few mistakes along the way but we're proud of what we've built.”***

What started out as a means of securing additional revenue during the drought period, quickly evolved into a labour of love for the French family. ***“We just love having people around and we have always felt that we have so much to offer our guests. Our aim is to have people visit as guests but leave as friends”***. Being the 7th generation of family to live in this

area, and having four generations currently living on the station, Rob and Lyn certainly have a lot of local knowledge to offer. They know their product intimately well and they live and breathe every aspect of station stay life. The couple also emphasise that a strong motivation for them has always been to educate people about where their meals come from – paddock to plate.

Lyn and Rob always envisaged Gilberton Outback Retreat to be positioned as a luxury offering. Lyn rightly points out that each property is unique so there's no point trying to copy what someone nearby is doing. The couple did their own primary research to get ideas on what they wanted their station stay business to be, and what they didn't



want it to be. That meant a few luxurious nights out at \$1,000 per night station stay retreats in the Northern Territory and elsewhere.

*“ If you can do something yourself for the time being then that’s the best way to approach it. ”*

The regulatory and planning requirements were hurdles that Lyn describes as a **“bit of a nightmare”**. However, a bit of creative thinking and some help from the Bed & Breakfast and Farm Stay Association of Far North Queensland<sup>18</sup> helped them identify significant shortcuts that reduced the regulatory barriers to entry. Yet whilst they were able to find handy shortcuts around onerous paperwork, the couple never cut corners on quality and always ensured they used qualified builders and tradesman who worked to strict specifications.

In relation to food licences, the couple had completed all the necessary food handling training. However, because of the nature of Rob and Lyn’s offering, where they only cater to one guest at a time and offer their accommodation as an ‘all-inclusive’ package, they were able to classify their visitors as “guests of the house” who do not pay for food or alcohol. This enabled them to work around the requirement for food and alcohol licences.

The Gilberton property operates under OL tenure (option to lease), which, as Lyn puts it **“is the lowest tenure you can have”**. Changing it would have been extremely difficult, so the best option was to establish the property as a Nature Refuge with the Queensland Government. Such an agreement is negotiated directly with the landholders and acknowledges a commitment to protect land with significant conservation value, while allowing compatible and sustainable land uses to continue. As part of their negotiations, Lyn and Rob had incorporated the right to conduct eco-tourism (low risk).

Lyn suggests that the best way to start is to not go too big, too fast. **“If you can do something yourself for the time being then that’s the best way to approach it”**. This is advice that Lyn practices herself, with all work on the station stay being undertaken by her and her husband Rob. She indicates that the couple would eventually love to employ some other staff at the right time and under the right circumstances, which they suspect they will be able to do so in the near future.





The couple estimate that those prepared to do it right should be willing to spend about \$100,000 to establish a successful station stay business. As Lyn suggests “Don’t go half-hearted. If you do something, do it properly”.

Gilberton Outback Retreat relies on bookings to be made through the website or by phone. Lyn notes that she and Rob had tried a few different booking platforms in the past but ultimately have chosen to control this themselves. A big factor in this is that they refuse to work with overseas companies in which their core values don’t necessarily align.

Lyn’s final bit of advice is that you should be prepared to tolerate a bit of criticism here and there from other landholders as this comes part and parcel with any decision to tread your own path.

***“You just have to look past that and move on otherwise it brings you down. Criticism is like rain... It should be gentle enough to nourish a person’s growth without destroying their roots”.***

***“ Don’t go half-hearted. If you do something, do it properly. ”***





## 07 Marketing Your New Business

So you've gone through all the effort of setting up your business, now it's time to draw the customers in. Effective marketing is what will attract first time customers and keep them coming back.

- » Product – Have you done your best with your station stay to ensure that it meets the expectation of the customer? Are you learning and adapting to customer feedback?
- » Price – What is your pricing strategy? Are you competing through cost leadership or differentiation?
- » Promotion and sales conversion – What media do your target market consume? Where will they make the transaction?



## 7.1 YOUR STATION STAY PRODUCT

The product itself (i.e. your station stay offering) is arguably the most important component of your marketing efforts. The harsh reality is that no amount of advertising or price promotions can compensate for a poor product. If your target market simply doesn't like your offering, then there isn't much that you can do in terms of advertising to turn your fortunes around.

In the context of your marketing efforts, the quality of your station stay does not necessarily correspond to how luxurious or elaborate your offering is. What it does correspond to is how effectively you create an environment that satisfies your customers and keep them coming back.

There are several factors that will create a welcoming environment for your guests. Firstly, consider how you will greet your guests. A smile and a friendly welcome will go a long way. Work out how you will juggle the time required to greet your guests and make them feel at home with the time you need to carry out other tasks. Many guests will arrive in the timeframe that you reserve for preparing and cleaning rooms. It may also be that you must tend to cattle station work at the same time. Will it be feasible for you to stop what you are doing to spend the necessary time with the guests? Or should you be delegating that role to a friend or family member who can assist occasionally during the day?

Another consideration is how you will furnish your guest rooms. Will you opt for new furniture or will you furnish the rooms with antique furniture? Either of the two can be just as appealing to a guest depending on what the target market is and what their preferences are. Importantly, be deliberate with how you furnish the room. Plan the look you want to create, rather than assembling a mismatched collection of furnishings. Consider using artwork to create atmosphere and avoid using tired and dated furniture.

Also consider how you will keep your rooms authentic to your cattle station. The chances are people who visit your cattle station don't need to be convinced that they are on an island resort. If your station experience is geared towards authentic station life, then your guests may be expecting a rustic environment that can add to their experience. If you are attracting couples for a romantic and relaxing getaway, then deep colours might fit the profile of a memorable stay.

What will you do to keep your guests occupied? Additional experiences have been discussed in previous sections of this How to Manual and these experiences will certainly help to keep guests occupied and staying longer. But what else will you do to ensure they experience what the region has to offer? This can be as simple as being the go-to person for honest advice about local activities and attractions. Guests will appreciate your honesty about where to go/not go with the limited time and money that they have at their disposal. In some instances, station stay hosts collaborate with operators of local attractions to act as booking agents. The benefits can also extend to you as a host if the operators pay commissions for bookings.

How will you make sure your guests feel heard? Allowing your guest the opportunity to provide feedback can be valuable for both parties. Not only can the guest honestly share their experiences with you, but it will enable you to consistently improve your offering in response to the feedback you receive.

Finally, how can you make your guests feel like you have gone above and beyond to make their stay memorable and comfortable? Often the things you offer to guests that they might not otherwise expect can make all the difference. It might be a bottle of wine on arrival, a cheese platter or even simple luxuries such as specialty soaps that could make all the difference to their opinion of your offering.

Remember, investing a bit of time and effort into your product can lead to good returns for your business. Not only does a good product lead to more sales conversions and more repeat guests, but it also encourages more word-of-mouth recommendations which can be a very powerful tool in attracting new visitors. Don't overlook your station stay offering as a powerful marketing tool in its own right.

## **7.2 THE PRICE YOU CHARGE**

Once you have a complete understanding of your station stay offering, you now need to make some pricing decisions. This is important to your business because it impacts profit margins, supply and demand and your marketing strategy more generally.

Firstly, decide on what signals you want your pricing to send to prospective guests. Do you want to establish yourself as a cost leader by trying to beat the market with the lowest price? Or do you want to differentiate your offering by inflating the price based on a luxury component or brand image?

*“...decide on what signals you want your pricing to send to prospective guests.”*

It is also important to have clarity on what your prices will and won't include. Does your offering include meals, experiences, etc.? Or are these components offered as additional revenue streams for your business?

Once you have defined how you want to position your pricing, you should now carry out

some research to determine what your competitors and similar businesses in nearby regions are charging. The idea is to establish a baseline for your guest's willingness-to-pay. Contact competitors to find out what they are charging. How successful are they and how will your setup compare? Collect flyers and advertising brochures as well as information on the specials and promotions that your competitors offer. The more data you can collect, the more likely that you will price your offering at an appropriate level.

Your prices are unlikely to be static. Similar to most hotels and motels, they are likely to be influenced by seasonal cycles, supply and demand. If you find demand levels sitting at the extreme of no guests or the other extreme of having full occupancy, this may well be a signal that you have not set your price optimally for that point in time.

When pricing your station stay offering, always be conscious of the costs required to keep operating. At a bare minimum, you should be aiming to price your offering at a level that will enable you to make money when you factor in a realistic occupancy rate.

### **7.3 HOW DO YOU PROMOTE YOUR BUSINESS AND CONVERT SALES?**

Effective advertising requires you to start off by understanding exactly what media your target market consumes, what content they trust and where they tend to research and plan for their holidays. For instance, there would be little benefit in launching an advertising campaign on Twitter if your target market only consumes printed media content such as newspapers and magazines. In some cases, you may have multiple target markets, so your choice of where to advertise and promote your business might vary with the audience.

Regardless of the chosen advertising medium, it is crucial to be honest with prospective guests about what they can expect to experience when they arrive and stay at your station stay. Guests who feel like they have been promised something other than what they actually experience are likely to become quickly aggrieved, and this will most certainly impact on your reputation.

In practice, there are endless possibilities for how you can promote your business – some more effective than others. The subsections below have been formulated to assist you with working out some potentially useful platforms and ways to promote your offering. Given that many people research and decide on their trips solely from the results shown on online booking platforms, this medium has also been included below as a form of advertising.

#### **7.3.1 WORD OF MOUTH AND CONSUMER-GENERATED CONTENT**

In the targeted consultations undertaken in the development of this How to Manual, most station stay hosts agreed that one of the most effective forms of marketing was through word-of-mouth recommendations. This form of marketing is effective because it is free advertising for the business owner and generally holds more weight in the minds of consumers than most other form of paid advertising.



Overall, consumers trust the advice of their friends and family more than they do the recommendation of a business owner who has a vested interest. In fact, even if the advice does not come from a person known to the prospective guest, they are more likely to trust “earned media” above all other forms of advertising<sup>19</sup>. Earned Media encompasses not only personal recommendations, but also consumer generated content through sites including, but not limited to:



### **TRIP ADVISOR**

A website and mobile app with user generated content. It offers online reservations and booking for restaurants.

TripAdvisor has developed into a very powerful research tool for travellers who are deciding on where to travel. As your business grows, you may find that it becomes listed automatically by a former guest. However, business owners do have the ability to list their offering on TripAdvisor themselves, which enables you to provide a greater level of information, such as links to your website, phone numbers, images, etc.



### **GOOGLE REVIEWS**

Like TripAdvisor, Google Reviews is a useful research tool for customers. Businesses can set up profiles via “Google My Business”. This will enable you to add your location and contact details to the listing and serves as a place that customers can leave reviews.



### **FACEBOOK**

When you set up a Facebook business page, you also have the option to enable or disable reviews. If you are using Facebook in place of a website (see next section) to manage your image and to funnel customers through to booking, then enabling your customers to provide positive reviews might complement your marketing efforts significantly.



### **WIKICAMPS**

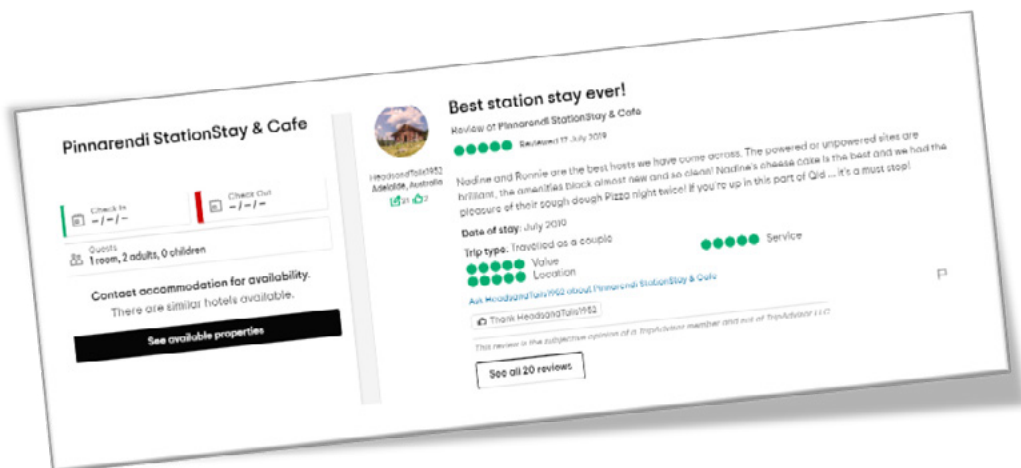
Wikicamps is an app that provides an extensive crowd-sourced database of campsite and caravan park locations, prices and reviews around Australia. The app works offline which is beneficial for people planning their last-minute stopovers whilst on the road.

The app charges a fee for prospective guests to use. Unlike TripAdvisor, there is no management portal. In order to manage your site, you should sign up (making it clear that you are the host or manager in the username) and ensure that you are keeping your listing optimised with relevant information for users. This would include ensuring the contact details are correct, uploading high quality images and videos, posting current pricing, and answering relevant questions about your offering.

As with all forms of earned media, the negative recommendations can be just as powerful as positive ones. As a tourism operator and accommodation host,

you should carefully consider how you will manage this. With word-of-mouth personal interactions, one or two consumers who spread negative feedback about your offering might not hurt your reputation significantly. On the other hand, negative reviews on user-generated sites have a larger audience and can be highly detrimental to your business. Most sites provide options for hosts to publicly respond to feedback. This can be an effective way to manage your reputation if you are able to craft a carefully considered response that avoids being overly aggressive or defensive. If you suspect that the review has been falsely posted, many of the sites will allow you to lodge a request to remove the content.

As with all forms of earned media, the negative recommendations can be just as powerful as positive ones. As a tourism operator and accommodation host, you should carefully consider how you will manage this. With word-of-mouth personal interactions, one or two consumers who spread negative feedback about your offering might not hurt your reputation significantly. On the other hand, negative reviews on user-generated sites has a larger audience and can be highly detrimental to your business. Most sites provide options for hosts to publicly respond to feedback. This can be an effective way to manage your reputation if you are able to craft a carefully considered response that avoids being overly aggressive or defensive. If you suspect that the review has been falsely posted, many of the sites will allow you to lodge a request to remove the content.



Don't be afraid to encourage guests to review your business on any of the sites listed above. Tell them how helpful this will be. Your business will develop a reputation online with or without your input. Hence it is important that you remain proactive and take control of your brand image early on. Be sure to regularly review feedback, respond politely but constructively to negative feedback and update the image libraries and information as regularly as needed.

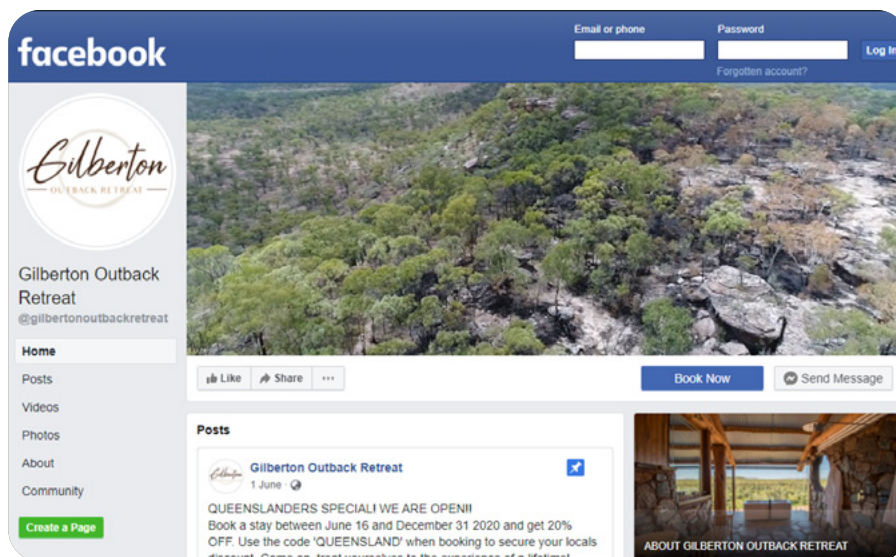
“Your business will develop a reputation online with or without your input.”

### 7.3.2 WEBSITE AND SOCIAL MEDIA

A website and Facebook site are often the go-to channels for prospective guests who have some preliminary knowledge about your offering but are seeking more information or a convenient way of booking. Quite often, potential customers may have been referred by former guests and your website and social media presence present the easiest way for them to find out more about your station stay. In other instances, potential customers might be funneled to your website via other forms of paid advertising.

In almost all cases, something in what they have previously heard or read about your station stay offering has sparked their curiosity and caused them to visit your website and social media pages. This is where you can convert prospective customers into actual guests. Make it count!

Your website and social media accounts should be informative, image-rich and easy to navigate. Ideally, positive Facebook reviews or customer testimonials on your website will go a long way to provide comfort to prospective guests regarding what to expect from their visit.



Whilst it is possible to establish a website on your own, unless you have significant experience with web design, a small investment in engaging a professional web developer to build your website is likely to yield higher returns. A good web developer will be able produce something that is functional, error free, and search engine optimised. These attributes are critical to the sales conversion process, particularly if your website also handles reservations.

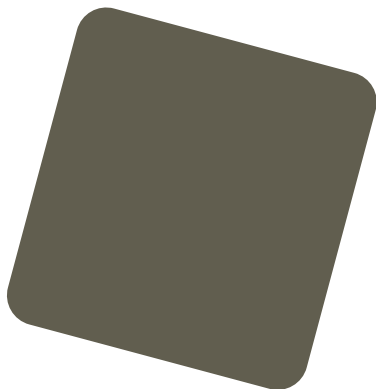
If a website is outside of your initial budget, it might be worth considering an initial presence through Facebook. Use images and videos to show your customers what they can expect and regularly update content. As you gather momentum in your business, you may then be able to develop your own website at a later stage.

### 7.3.3 PAID ADVERTISING

One of the most conventional forms of advertising is to purchase ad space in publications such as a newspapers or magazines or to acquire advertising air-time on radio and television. While these formats can provide exposure to certain demographics, they are generally more expensive than other options and potentially less effective. Whilst TV, radio and printed media advertisements do have a place in terms of building brand exposure, consumers are often wise to the fact that you are paying to advertise your offering in the best possible light.

An alternative to printed advertisements in newspapers and magazines that may be worth considering is to promote your station stay through brochures displayed at visitor centres throughout neighboring regions. Occasionally, visitor centres and local associations publish their own collateral to display in visitor centres and they can offer advertising space for a small fee. Another option can be to develop your own brochure which features information and images on what your station stay offers and arrange with your local visitor centre to have this on display.

*“...consumers are often wise to the fact that you are paying to advertise your offering in the best possible light.”*





### 7.3.4 ONLINE BOOKING PLATFORMS

As mentioned previously, many people research their holiday trips only as they are ready to book. Therefore, a strategic presence on various booking platforms can benefit your sales conversions immensely. The following booking platforms are some of the options that are relevant to station stay tourism



#### **AIRBNB**

Airbnb is a booking platform that offers accommodations for anything ranging from homes to hotels. The booking platform allows you to have full control of your availability, prices, house rules and the way you interact with guests. All bookings are covered with property damage and insurance against accidents. Listing is free but a 14-20% booking fee can apply.



#### **BOOKING.COM**

Booking.com is an online booking platform that is suited to hotels, motels and B&B-type accommodation offerings. Registration is simple and free. It requires you to provide details on your property, photos and payment details. A booking.com agreement must be signed which outlines the nature of the listing arrangement. The commission rate the platform charges is 15% per booking.



#### **YOUCAMP**

Youcamp is a platform for property owners to showcase their land and for guests to pay to stay there. It is suited to station stays which offer land for camping and caravanning. The platform handles much of the administrative process associated with booking. Listing a property is free, however an 11% booking service fee is deducted from the base rate that you set. This fee covers the cost of the online payment gateway as well as covering \$10 million host public liability insurance (for eligible hosts).



#### **FULL RANGE CAMPING**

Full Range Camping is a directory of camping spots and related locations. It also serves as a community of camping and caravanning enthusiasts, comprised of over 114,000 members and 128,000 Facebook followers. Full Range Camping also has an offline app for paid members which provides location details on camping and caravanning sites without access to the internet. It is currently free to list your business on the directory.



#### **CARAVAN OVERNIGHT FARMSTAY**

Caravan Overnight Farmstay links farmers and pastoralists who are willing to host self-contained vehicles on their land. Membership is \$66 for 2 years which provides signage to erect at your station gate, along with a website page to promote your business. Guests typically pay by donation or by a fee that you set.

*“...a strategic presence on various booking platforms can benefit your sales conversions immensely.”*

A photograph of a rural landscape. In the foreground, there are several trees with green and yellow leaves, suggesting an autumn setting. In the background, a white station stay structure is visible, partially obscured by trees. The sky is a clear, pale blue. The overall scene is a natural, outdoor environment.

## CASE STUDY

# The Mid-West Outback Station Stay's Collaboration

- » Working in collaboration with nearby station stay operators can help you to problem solve issues and unlock cross-promotional marketing opportunities.
- » A collaboration can be as formal or informal as you like.
- » Collaborations don't happen by themselves... They require commitment and leadership to drive the initiative.

# The 'Mid-West Outback Station Stays'

“

*“Frances and David are the most hospitable guests you could ever meet. The food was fantastic, the other guests interesting, the bath was luxurious and the rooms extremely comfortable. There was a well-stocked library and even better stocked cellar. And that’s before even venturing outdoors!”*

– Trip Advisor , July 2020

Wooleen Station is a sprawling property located in the heart of the dramatic Murchison region in Western Australia. The hosts of the station, Frances and David Pollock, are only too happy to offer guests a taste of the spectacular landscapes and historical attractions that the 380,000-acre property has to offer. It’s not all about enjoying the awe-inspiring scenery and the wildlife though, as visitors are also treated with delicious home-style cooking, a hand-picked assortment of fine Australian wines, along with plenty of guided and self-guided activities to keep busy with.

Frances and David are passionate advocates of sustainable land generation. With David holding a degree in Environmental Conservation and Frances holding a degree in Eco-Tourism and a diploma in Social Media Marketing, the couple made the conscious decision in 2007 to gradually destock the property over several years to regenerate degraded land. As a result,

whilst the station still produces cattle to supplement their income, station stay tourism now forms a much bigger part of the station’s operations.

Frances’ credentials and experience in tourism and marketing becomes obvious when she discusses the various ways that she promotes Wooleen Station Stay and Homestead. One of her key initiatives came about five years ago when she had the idea of forming a largely informal association with several other station stay businesses, known as Mid-West Outback Station Stays. As she explains, “It came out of a desire to network. We felt like in the early days we weren’t sure if we knew what we were doing. It was lots of research and lots of trial and error.”





It wasn't until Frances met other operators that she recognised networking to be a great way to help with problem solving given that in many cases other operators would have had to navigate through similar hurdles during the establishment phase.

What started off as a means to problem solve and share experiences soon evolved into a successful joint marketing initiative amongst members. Not only did the group develop annual brochures to promote each property, but they also engaged in word-of-mouth cross-promotion with their guests to encourage them to visit other station stays. At a practical level and David, this means getting out to other station stays in the area to really understand what they are offering. Only then does the couple feel that they can be authentic in promoting other experiences.



For Frances

To many starting out in the industry, collaboration with the “competitor” may at first seem risky. Yet as Frances explains “The more of us there are, the more reasons there are to get out here!”.

Frances points out that there are other innovative Station Stay collaborations that have emerged which can only be a good thing for station stay tourism. For example, ‘Station Stay Way’ is a coastal focussed station stay trail that features businesses along the Gascoyne coral coast. “They’re very professional in the way they promote, and they also have a semi-formal arrangement in place as to how often the members will meet to plan and coordinate cross-promotion activities”. In addition to web-based, printed media and word-of-mouth marketing, Station Stay Way also attends caravan and camping trade shows to promote the trail.

When asked about the benefits of the collaboration to her business, Frances says ***“It’s not always easy to coordinate, but definitely valuable to have... As with anything like this, it often needs someone to take the lead”***.

Other key points:

- » Wooleen Station is a proprietary limited company. The pastoral business and tourism business fall under the same company. David and Frances chose to adopt this approach out of simplicity.
- » The couple spend about \$8,000 a year on insurance which covers the pastoral business and station stay business. They can keep their insurance expenses low as they choose not to offer high risk activities such as horse-riding or access to ATVs.

