East Gippsland Shire Council

Digital Action Plan

July 2015

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Executive Overview

This digital plan is presented to the East Gippsland Shire Council for its consideration as a means of supporting the productivity and competitiveness of the businesses and communities in the Shire over the next three years. The plan is the result of comprehensive face-to-face consultation in the region with representatives of all the stakeholders and research into best digital practice in government and business elsewhere in Australia.

The report consists of

- Why, what, and how the region should progress (summarised on page 10)
- Key recommendations (see page 6)
- Key challenges and opportunities (see page 11)
- The action plan moving forward (see page 23).

The strategy is guided of by the division of these issues into four key pillars:

- **Awareness**
- **Leadership**
- **Capacity**
- **Leverage**

Background

East Gippsland Shire Council is committed to economic development of the region. In its 2014 – 2018 strategic plan 'Growing East Gippsland' the vision is clear – a resilient, growing and diversified economy underpinned by innovation, imagination and strong partnerships. Contained in the plan are five subset categories:

1 East Gippsland Open for Business

2 Embracing Opportunities

3 Infrastructure Development

4 Innovation, Leadership and Partnerships

5 Marketing

When considering a 'fit for purpose and actionable' regional digital plan to support business productivity, competitiveness and ultimately sustainable economic growth, it is important to align the digital plan with the region's strategic plan. While digital technology and solutions are relevant to all five categories, the focus of this digital plan is on the business community, its digital maturity across varying market sectors and across large and small businesses.

Snapshot of what we found

Digital maturity – a two-speed digital environment

On one hand, in East Gippsland, there is a handful of large and mature businesses, and a few smaller ones, that have very effective strategies and approaches to using digital channels and digital solutions as business and marketing tools. On the other hand, there is a much larger group of organisations that are not using the digital channels and digital technologies to their advantage. The latter group are missing out on the benefits of a mature engagement with the digital world: productivity gains, cost-savings, more effective sales and marketing strategies, meeting customers' expectations and access to new customers and markets.

While there are some standout performers, the consultation process in the region suggested that the region generally is digitally immature compared with metropolitan regions in Australia. Of the 56 surveyed businesses, only 26% enable customers to select and pay for products and services online, whereas the national average is 57% (see page 13).

Level-playing field: fast, reliable broadband

This digital divide in East Gippsland is also mirrored in the two types of reactions we had to the obvious barrier: access to reliable broadband at speeds enjoyed in urban Australia. The responses was either, "we have no problem with access and speed" or "access and speed is a significant barrier". As with many other challenges of living and working in rural Australia, some people approach them as insurmountable problems while others find work-arounds. Inevitably, expressed some frustration about the lack of broadband used it as a reason not to change or embrace new technologies.

No matter which camp an East Gippsland business owner falls into, fast reliable broadband creates opportunities for all local businesses to overcome the tyranny of distance to compete nationally and internationally. Fast reliable broadband is key to engaging audiences with rich-media content via digital channels; using and benefiting from Cloud solutions; and improving customer service.

Local focus - a strength and weakness

There is strong patriotism within the region to 'buy and do business locally'. This can be viewed as a strength but also a weakness. Throughout the consultation process many business owners mentioned that wherever possible they support other local businesses. This as a positive culture and demonstrates a collective commitment to supporting the region's prosperity.

Business owners also mentioned that much of their customer base is within the region which suggests that they could be missing out on the markets outside the region (Victoria, National and International). It is quite common for local businesses to have developed and grown as a consequence of acquiring local customers by face-to-face contact and local relationships. However, regional growth occurs by expanding reach into new markets and reducing reliance on local trade.

Awareness and imagination required

The key to growing the local economy is to take a larger piece of the pie from other markets whether that be within Victoria, nationally or internationally. It appears that there is a lack of understanding, skills and perhaps courage to expand into new markets. Having a digital strategy and using digital channels to reach new customers is an essential enabler, but businesses need help with how best to proceed and be willing to embrace something new.

Local expertise and knowledge

Business and the community at large rely on the knowledge of specialists in the region. The survey conducted for this plan, revealed that the 'lack of local expertise' was rated by respondents as a minor barrier to the uptake of digital technologies (refer page 27). Despite this, there is considerable potential for improving local specialists' knowledge and experience in digital solutions through additional training and support. This could be achieved through train-the-trainer programs and 'fly in, fly out' digital thinkers in residence (refer page 19).

Leadership by local businesses

It was clear from the interviews we conducted with large organisations such as Bairnsdale Regional Health Service, East Gippsland Water, Patties Pies and Workways that there is a collective feeling of responsibility and passion to support the region more broadly with strategies to improve economic growth.

Leadership by Council	The Council's use of digital solutions, such as its website and use of social media, was out of scope for this digital plan. However, it is important to note that Council's leadership in executing this plan is crucial to its success and therefore, for credibility's sake, Council's own use of digital solutions in its own day-to-day operations needs to be consistent with a mature digital organisation.
Willingness to self-help and collaborate locally	Another positive outcome of our research was the notable absence of business owners and community stakeholders expecting others to solve the challenges they face embracing the Digital Age. It is quite common to hear business owners lament that local and state governments are not doing enough to support them but in East Gippsland, the mood was more one of self-help and working together locally to grow business and the region.

Key recommendations

The recommendations below are derived from the narrative in the body of this plan and reflect the key initiatives that the research and best practice suggest should be undertaken. The Council is named as the body to implement a recommendation where it is obvious for it to do so. Elsewhere, the organisation or group of organisations responsible for carriage of the recommendation has not been nominated.

| Recommendation	Description	Page No.
Awareness		
General business skills courses – online and offline	That business owners should have greater access to general business skills courses and to local business advisors that can address the key business skills including: governance, management, human resources, sales and marketing, financial and technology.	11

Recommendation	Description	Page No.
'Advisor-in-residence' program	That an "Advisor in Residence" program be established. It would see appropriately qualified advisors from outside the region are selected and invited to the region to stay for a short period (eg a week) to provide face-to-face advice and training to business owners and to provide train-the-trainer programs for business service providers – eg local web developers, sales and marketing advisors. The advisors should be experienced specialists in the business skills areas that this reports highlights as requiring capacity and awareness building in the region: general business planning and development; digital literacy and awareness, using social media and digital strategies and plans; and marketing and sales strategies.	13
Online Digital literacy courses	That an online digital literacy program for business owners, business advisors and government be sourced and promoted – eg see the UK's charity organisation Futurelab's digital literacy program by the National Foundation for Educational Research.	15
Shared online customer insights and trends	That on-going research should be undertaken, and benchmarks and measuring tools established, on behalf of all businesses in the region that will provide insights relevant to online customers' needs and expectations. Relevant online reports (eg Sensis e-Business reports), resources and tools (eg Google Analytics and Google's AdWords) should also be identified and their use explained and knowledge shared amongst all businesses.	15
Local sharing of insights and lessons learnt	That digital issues be added to the agenda of existing regular forums attended by local businesses and that bi-monthly or quarterly forums be established to deal specifically with the key issues raised in this Action Plan.	15
	Leadership	

Recommendation	Description	Page No.
Leadership demonstrated through case studies	That Case studies in local leadership in use of digital be developed, promoted and shared with the local business community.	16
Council as exemplar user of digital solutions	That Council should take a leading role in its use of digital technologies to demonstrate to the region the benefits of embracing digital technologies and solutions. This requires Council to develop a digital strategy that is consistent with best practice and that with Council's strategic direction and its customer-driven culture.	17
Telstra and NBN Co engagement	That there should be on-going engagement with Telstra to develop joint initiatives in relation to broadband usage, awareness and education. Council should continue its dialogue with NBN Co and Telstra to advocate for the roll-out to stay on schedule and includes the main centres in the region.	17
Capacity		
Use of online business tools for business planning	That online tools be identified and promoted that can help businesses with the business planning, digital strategies and marketing process.	18
Digital planning templates, resources and tools	That best practice templates and examples of digital strategies and policies should be sourced so it is quicker and easier for businesses to develop their own and to ensure that they are consistent with best practice.	18
Support Business advisors	A train-the-trainer program provided by experienced business advisors would bring knowledge to business advisors within the region to properly advise in the areas of digital strategies, and digital solutions.	19
Leverage		

Recommendation	Description	Page No.
Support cluster groups with training and education	Council has a strong, supportive engagement with the established food cluster initiative. Consideration of new clusters and also what digital training and education requirements could be of value to the overall growth of businesses within the cluster. If websites and social media are key components of the way clusters connect with new markets, support is required to help ensure the digital channels are effective and enhance the region's marketing plan.	20
Coordinated online promotion of the region	That Council should oversee the Digital Action Plan but much of the implementation should be carried out by existing local groups (eg BTEG, EGMI, DGL, EGFC) - depending on their core capabilities and existing program of work. A well-coordinated approach to the region's online presence and physical presence could result in achieving something more significant than the sum of the parts.	20
The familiarisation programs be leveraged to include online familiarisation	That the familiarisation programs currently run by tourism should be adapted and run for the food and retail trade sectors and raise awareness of not just the physical presence of East Gippsland's businesses, but their online presence and offerings as well. All familiarisation programs should seek no just to establish face-to-face connections with experts and journalists from outside the region, but online connections as well – eg liking Facebook pages, LinkedIn connections. This leverages the traditional familiarisation programs by extending their benefits beyond the period of physical contact and beyond a single article appearing in a newspaper of magazine.	21

East Gippsland Shire Council Digital Plan
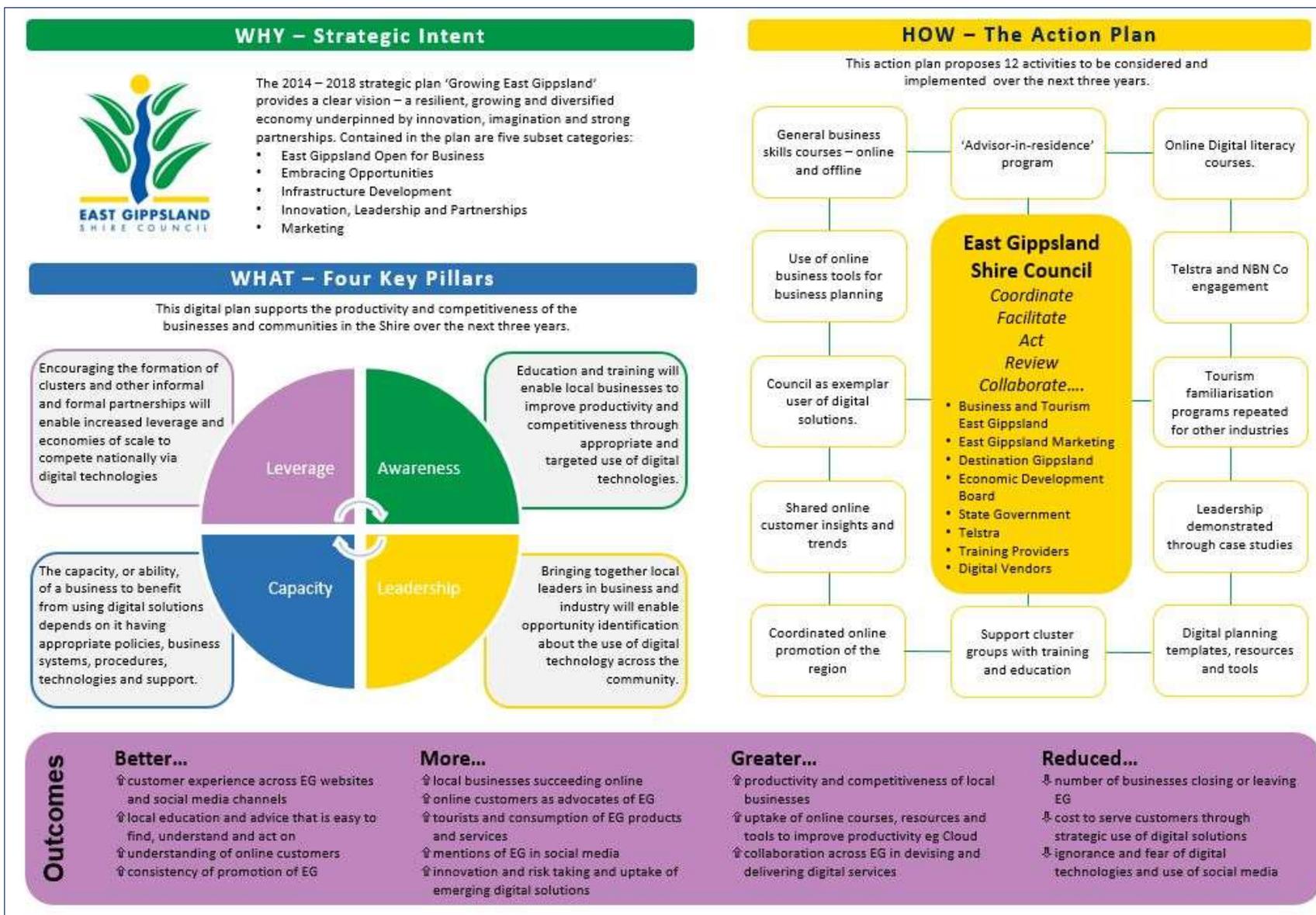
Key challenges and opportunities

This study sought to understand the potential for local businesses and stakeholders to benefit from digital solutions and technologies. It revealed a number of local challenges and barriers to that will impact on that potential. Having analysed these challenges, we have considered possible solutions that would help to address them collectively or where necessary we suggest specific solutions to solve specific challenges.

Awareness

Education and training will enable local businesses to improve productivity and competitiveness through appropriate and targeted use of digital technologies.

Improve business planning and business maturity

Among the most important prerequisites to the success of an organisation's digital strategy are the appropriateness of its overall business plan, the business skills of its managers, its culture and appetite for innovation. No matter how digitally savvy a business owner may be, if he or she is unaware of best practice business principles, or ignores them, the business will struggle to survive and any digital strategy will suffer accordingly.

The people in organisations making decisions about their digital strategy need to understand:

- the purpose of the business, its aspirations and best practice in all key aspects of business management
- their customer and the markets in which they operate
- external trends and issues that might affect their customers and business

When asked to rank eight barriers in order of greatest impact on their business (we removed fast, reliable broadband as it was an obvious number one) there were three other obstacles overwhelmingly cited as the number one challenge for businesses:

- Finding the time (25%)
- Cost (25%)
- Understanding what's possible (23%)

These challenges are not surprising as they are high on the list for businesses across Australia, both metropolitan and regional.

However, no matter where the business is located, citing these as significant barriers often indicates a lack of understanding of the benefits of digital solutions and of meeting customers' needs and expectations and what is required to compete and survive in the Digital Age.

A business ignores at its peril, finding the time and allocating appropriate budget to meeting its customers' needs and expectations online and of using digital technologies to improve productivity and reduce costs. Businesses require help in this regard which is more about general business management skills than digital-specific skills or knowledge.

The range of business maturity demonstrated by the East Gippsland business owners interviewed for this plan is very similar to that for most other regions in Australia. However, local business owners should have greater access to general business skills courses and to local business advisors covering the key business skills including: governance, management, human resources, sales and marketing, financial and technology. These are important underpinning skills and knowledge without which any digital strategy will fail.

Assist businesses on their digital maturity journey

To assist in gauging the region's digital maturity, we have compared the survey data collected with comparable data from the Sensis e-Business Report published in September 2014. The e-Business report is an annual survey that looks at 1,800 Australian small and medium business owners and 1000 consumers regarding their use of digital technologies.

In some areas the East Gippsland participants of our survey outperformed the national average – having a website and use of social media and LinkedIn. However, when it comes to the crucial aspects of mobile-friendly sites, e-commerce enable sites and the investment in their websites, the East Gippsland cohort performs worse than the national average.

Nevertheless, that many businesses have websites and are using LinkedIn provides a good platform for acceptance by the business community of the recommendations made in this report and for sustainable growth in their digital maturity.

Survey question	Comparative %		Comment
Have a Website	66% 81%	Australia East Gippsland	The region has a better than average proportion of businesses with websites. This is a good basis for moving to the next step - to transactional websites. Quality is more important than quantity so it is important that businesses understand what makes for a good website that meets their customers' needs.
Take orders for products and services online	57% 26%	Australia East Gippsland	The region is lagging in the use of of e-commerce, with a significantly lower proportion of businesses able to purchase or sell products online. The data collected indicated that the websites were predominantly brochure-style websites - 61% of local businesses surveyed saying that the main purpose of the website was for information, influence or brand awareness, not transacting online.
Have A Mobile Site	26% 15%	Australia East Gippsland	With the rise in the use of handheld devices it is becoming increasingly important for businesses to have mobile specific websites. This allows consumers to find them easily and browse their websites and it extends the potential customer base through ease of access. Having a mobile-friendly website is crucial with the new Google algorithm giving a higher ranking to mobile friendly sites when searches are made on a mobile device.

Survey question	Comparative %		Comment
Average spend on the website	$3600	Australia	In the last year SMEs spent on average above what most businesses in the region paid to build their website with 57% of the websites being over two years old. It is important businesses understand the investment potential in creating a good website.
	59% of East Gippsland businesses spent less than $2000		
Using Social Media	39%	Australia	The high use of social media in the region is promising provided that businesses are using the correct tools and channel to connect with their customer base.
	80%	East Gippsland	
Using Facebook	91%	Australia	The predominant social media platform used is Facebook. It is important businesses understand how to use Facebook correctly to connect with their customers.
	98%	East Gippsland	
Twitter	27%	Australia	Twitter is used significantly less across the board as a tool to connect with customers. It appears that the region is on par with the national statics.
	28%	East Gippsland	
LinkedIn	27%	Australia	The high presence of LinkedIn in the region allows businesses to connect with each other and broaden their potential customer base.
	48%	East Gippsland	

These comparative figures suggest that East Gippsland businesses require assistance understanding the importance of providing a mobile-friendly website, allowing customers to transact online and allocating a sufficient budget for developing a website that will be effective and meet customers' needs.

Local sharing of insights and lessons learnt

Local business owners and staff in organisations with responsibility for their organisation's digital channels would benefit from the creation of a regular engagement with each other to share their insights and lessons learnt. Topics might include: digital technology innovation, what's working and what is not, success stories, what resources they use and how to raise the digital maturity of the broader local community.

We understand that there are already a number of forums in place where local leaders discuss issues of importance to them and the region. It may be that components of the Digital Action Plan are already discussed in these forums but it may be advantageous to add digital topics to these forums and to establish bi-monthly or quarterly forums that deal specifically with the key issues raised in this Action Plan.

Help business understand their online customers

Many businesses view their online customers' needs through their own eyes and standards and are overly confident that they know what their online customers want. This often leads to poor alignment of the digital channels with customers' needs. Few businesses interviewed for this plan indicated that they had undertaken any formal and independent online customer research. Many relied on anecdotal evidence and their 'gut feeling'.

It is apparent that on-going research should be undertaken, and benchmarks and measuring tools established, on behalf of all businesses in the region that will provide insights relevant to online customers' needs and expectations. Relevant online reports (eg Sensis e-Business reports), resources and tools (eg Google Analytics and Google's AdWords) should also be identified and their use explained and knowledge shared amongst all businesses.

Leadership

Bringing together local leaders in business and industry will enable opportunity identification about the use of digital technology across the community.

There is a collective feeling of responsibility and passion for supporting the region more broadly with strategies to improve economic growth. This ambition was clear from the interviews conducted with large organisations such as Bairnsdale Regional Health Service, East Gippsland Water, Patties Pies. Importantly, we sensed a level of commitment to work towards a common goal which (in our opinion) isn't always there in other communities. To ensure ongoing engagement with the business leaders it will be important for Council to have a 'plan of engagement' with tangible outcomes that can be measured on a quarterly basis, otherwise there is the risk that the business leaders will lose interest.

One of the barriers to digital take-up is the perceived unavailability of suitable broadband in the region. Our discussions with local stakeholders including Telstra increased our understanding of what infrastructure is available now, including payphone hotspots and recent mobile coverage upgrades. The planned NBN fixed wireless network will be deployed within the next 10 months.

The Area General Manager for Telstra in Gippsland is keen to enter into more discussions with local leaders with a view to helping dispel broadly held myths about broadband coverage. We believe it is worth exploring joint partnerships in relation to community education about broadband access as well as how to use high speed broadband to advance business opportunities.

It is recommended that a representative from Telstra be part of the leadership group that meets on a regular basis.

Local leader case studies – to be shared with the Gippsland community

There are a number of examples where large organisations are leveraging available infrastructure and digital technology to improve customer experience and also support internal business operations. An example is East Gippsland Water that provides all field staff with mobile tablets containing all business applications. This offers 'real time' connectivity back to head office regardless of where staff are travelling. In circumstances where mobile coverage drops out, information is cached and automatically transfers when the device comes back into range. It is impressive to learn that field staff of all ages have made the transition to digital.

The environment to provide case study information needs to be defined. It may be that each month (or two) a session is held with an organisation such as East Gippsland Water shares their knowledge with the business community.

Provide access to in-situ infrastructure such as video-conferencing

Based on discussions it appears that larger organisations such as the TAFE, Hospital and Water Board have in-situ video-conferencing facilities and potentially other infrastructure that could be used more broadly under an agreed set of circumstances to support regional growth (this could be a group of businesses or an individual business). For example, it may be that a small business has an opportunity to speak with a new partner or strategic client interstate or overseas. If it were possible to leverage available video-conferencing infrastructure it would help the business represent a professional, capable and credible image rather than attempting to use 'consumer' technologies such as Skype.

Encourage local online business-to-business transacting

Some local businesses that do business with other local businesses could be encouraged to use digital technologies to improve the way they do business with each other. Large organisations that utilise digital technologies as an integrated component of their daily operation could encourage take-up of digital solutions by smaller but aligned businesses by requesting that these businesses also use digital technology. The efficiency, productivity and competitiveness benefits of a well-planned and executed online business-to-business (B2B) arrangements are driving B2B across Australia and internationally. Upsides to an effective online B2B arrangement include streamlining of communications, reduced management and transactions costs, better visibility and control over the supply chain and better end-user (the customer) service.

Engage with Telstra to develop joint initiatives in relation to broadband usage, awareness and education

It's possible that Telstra will consider co-funding initiatives that encourage the take-up of broadband technology. These could be in the form of workshops, local networking and social events. With the NBN pending, Telstra will be keen to maintain as many customers as possible. Also they want to be known as a leader and contributor to the community.

Capacity

The capacity, or ability, of a business to benefit from using digital solutions depends on it having appropriate policies, business systems, procedures, technologies and support.

Access to fast, reliable broadband

It was expected that access to fast broadband and reliable internet connection would be cited by all those consulted as a major barrier to local businesses' engagement with digital channels and technologies. A somewhat surprising finding was that not all business shared that view. Nevertheless, there is no doubt that access to fast, reliable broadband would facilitate local businesses moving to more sophisticated use of their digital channels – eg Skype to converse with customers and suppliers; high-definition images and video content on their websites.

The roll-out of the NBN in East Gippsland is scheduled to occur by the first quarter of 2016, however, it is unclear what the availability will be like in the main centres of Bairnsdale and Lakes Entrance. Council should continue its dialogue with NBN Co and Telstra to ensure the roll-out stays on schedule and includes the main centres.

Provide support for developing digital strategies, policies and guidelines

Successful use of digital solutions is underpinned by appropriate digital strategies, policies and guidelines that set the overall purpose of using digital solutions and what is expected of staff in their day-to-day use of the organisation's digital solutions and technologies.

Businesses require assistance in developing their digital strategies and policies which should articulate for staff the purpose of using digital solutions, how they are to be managed and how success is to be measured. Staff should also have easy access to day-to-day policies and guidelines addressing:

- the website and app development, maintenance and improvements
- social media – official use by staff at work and outside of work
- privacy – how customers' records are to be managed and protected
- security and backup – how the business systems are to be secured and backed up

Council should source best practice templates and examples of digital strategies and policies so it is quicker and easier for businesses to develop their own and to ensure that they are consistent with best practice.

Encourage businesses to update their business systems so they are digital-enabled

Converting business processes and services that currently require dealing with customers in person, by mail or telephone to an online self-service model creates considerable cost-savings, meets customers' expectations and creates the possibility of serving customers 24x7 nationally and across the world. But achieving that transformation requires the backend business systems – stock and inventory, invoicing and payment, fulfilment – to be digitally-enabled.

Like many small to medium rural businesses, many in East Gippsland require encouragement and help to transform non-digital processes to digital-enabled processes.

Increase availability of local digital advisors and digital technology specialists

Currently, there are too few suitably experienced business advisors in the region capable of advising in areas such as digital strategies, digital channels and solutions, marketing and sales online. A train-the-trainer program provided by experienced advisors would assist in plugging this capability gap in the region.

Similarly, there are too few local website and app developers who are suitably experienced in more than providing brochure-ware websites. Of businesses surveyed nearly 50% use local professionals (see adjacent graph) to produce their website. It is important to make sure these local web developers are experienced and have resources to leverage in order to keep their knowledge up-to-date, and produce competitive products.
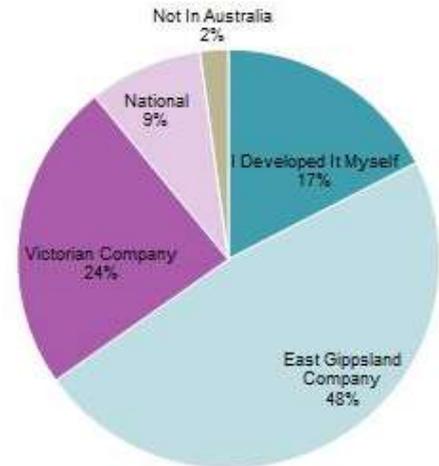
The tyranny of distance and economies of scale explain these gaps. Those few locals who can provide strategic and technical advice are hampered in their own professional development by a lack of digital projects to work on and peers with whom to exchange skills and knowledge.

The Council should consider facilitating an "Advisor in Residence" program. Appropriately qualified advisors from outside the region would be selected and invited to the region to stay for a short period (eg a week) to provide face-to-face advice and training to business owners and to provide train-the-trainer programs for business service providers – eg local web developers, sales and marketing advisors. The visiting advisors should be experienced specialists in the business skills areas: general business planning and development; digital literacy and awareness, using social media and digital strategies and plans; and marketing and sales strategies.

Encourage use of the Cloud and other digital productivity solutions

The Cloud offers numerous productivity gains for businesses, from hosting accounting software (eg Xero and MYOB) to backup of systems, from customer relationship management software to content management systems and website hosting. Cloud is particularly apt for regional businesses where there is often a lack of local technical skills and support for digital channels and solutions.

East Gippsland businesses should be encouraged to use the Cloud where appropriate and relevant. Awareness programs should be offered explaining the advantages of the Cloud and how to manage any risks and the Council should demonstrate leadership by adopting Cloud-based solutions where appropriate. Through the provision of online digital literacy courses businesses can be educated about the benefits and abilities of online cloud solutions.

Leverage

Encouraging the formation of clusters and other informal and formal partnerships will enable increased leverage and economies of scale to compete nationally via digital technologies

There is a commitment by local leaders to the concept and formation of industry clusters. Experience has shown that in larger and denser cities it can be very difficult to initiate and maintain successful cluster partnerships, however, it appears that in East Gippsland there is a stronger understanding about the importance of combining forces to represent a united 'front' to national and international markets.

Provenance was a key term was used by many in the food industry. Local businesses are proud of the organic, quality produce on offer. A food cluster with 28 members is already established. A key digital enabler for this cluster is the pending website 'Feast on East' whereby producers from the region can wholesale their product to consumers and other businesses online.

Other clusters of value for the region would be in tourism and manufacturing.

Council to create an improved engagement model with cluster groups to support their business objectives

Discussions in relation to the food cluster and the launch of 'Feast on East' identified some digital challenges, in particular the requirement for producers to provide relevant content for the website. Also it became apparent that many of the producers do not have their own website which will potentially hinder the uptake of sales from markets outside the region. Primary producers know a lot about the produce they grow but not so much about marketing and sales channels. It would be helpful to the Cluster leadership team to have some training and education made available to their members which would enhance the potential of cluster initiatives to deliver economic growth.

Coordinated online and off-line promotion activities

There are a number of organisations in the region with websites and social media accounts whose purpose is to support online and physical traffic to the East Gippsland region as well as to encourage regional economic growth. Among these organisations include:

- Business and Tourism East Gippsland (BTEG)
- East Gippsland Marketing (EGMI)
- Destination Gippsland
- Economic Development Board
- Training Providers
- Digital Vendors

When considering the Council's Digital Plan for the region it is important to consider what part these organisation can play in shaping the plan and in its implementation. A possible way forward is for Council to oversee the Digital Action Plan while various relevant organisations adopt and own a relevant recommendation or activity. It will be important to the successful

implementation of each recommendation or suite of activities, to ensure that the organisation that adopts it is the right cultural fit and has the requisite core capabilities and resources.

Without proper planning there is a risk of duplication and a fragmented array of projects that may not be executed as well as possible. A well-coordinated approach to the region's online presence and physical presence could result in achieving something more significant than the sum of the parts.

Familiarisation Programs

The East Gippsland area has a number of familiarisation programs run in the tourism industry. To maximise exposure of other industries this form of set up should be repeated in other industry sectors such as food and retail trade. This could be offered in much the same style as already in place in the tourism industry as well as the provision of further digital literacy courses.

Critical Success Factors

The success of the Digital Plan will be determined by how well the following factors are addressed before and during the implementation of the plan.

- The Digital Plan being clear, easy to understand and practical, with KPIs that are realistic and measurable.

- Council buy-in to the Plan and becoming an example of best practice in use of digital technologies and solutions

- Council being an effective leader and undertaking key responsibilities:

  - *coordinator*

  - *facilitator*

  - *reviewer*

- Local stakeholders understanding the Plan, embracing it and collaborating locally to compete nationally and internationally

- Local industry leaders embracing the Plan and championing it in their industry and in the region

- Identifying highly relevant, flexible and well delivered training courses and trainer-the-trainer individuals

- While roll out of the NBN is not a critical success factor in the short term, it will become so in the mid to long term – from the end of 2016

- Effective monitoring and review of progress with the action items and effective mitigating strategies if problems arise.

Action Plan

Awareness	Recommendations General Business Skills courses Advisor in residence program Online digital literacy courses				
Action	Description	Leader	Partner	Timeframe	Measure
1	Delivery of business planning programs to include specific digital planning	BTEG	EGSC	2015-2018	6 business planning programs delivered
2	An online digital literacy program be sourced and made available to businesses	EGSC		2017/18	online digital literacy program provided
3	Develop and share case studies of best practice within East Gippsland	EGSC	BTEG	2015-2018	6 case studies developed and communicated
4	Benchmarks and measuring tools established that provide insights to customers on line needs and expectations. Results to be shared with businesses	EGSC	Industry	2016/17	Benchmarks and measuring tools identified, and communicated
5	Identify the most appropriate channels to distribute digital information to the business community	EGSC	BTEG, EGMi	2015/16	Distribution channels identified and used
Leadership	**Recommendations** Leadership developed through case studies Council engagement with NBN Co., Telstra other and other providers Council as an exemplar user of digital technologies				
Action	Description	Leader	Partner	Timeframe	Measure
6	Regular engagement with Telstra regional manager to developed initiatives that support business	EGSC		2015-2018	Quarterly meetings with Telstra. 2 initiatives develop and delivered.
7	Ongoing engagement with the larger organisation in East Gippsland to in discuss, identify and implement shared digital services	EGSC	EGW, BRHS, Workways (not limited to the above)	2015-2018	Regular engagement established.
8	Promote the use of current video infrastructure across East Gippsland to support small business	EGSC, Infrastructure owners	Federation Training	2016/17	Increase awareness and usage of video infrastructure
9	Continue dialog with the NBN Co and determine the most appropriate channels to update the community of the NBN roll out	EGSC	NBN Co	2015-2018	Quarterly communications on NBN roll out to community
10	Council to take a leading role in the use of digital technologies solution to drive a customer driven culture	EGSC		2015-2018	Online customer service tool implemented
Capacity	**Recommendations** Online tools for business planning Digital planning templates and tools				
Action	Description	Leader	Partner	Timeframe	Measure
11	Source templates, policies, best practice and communicate to business	EGSC		2015/16	Templates sourced and distributed
12	Develop and deliver an East Gippsland in residence program	EGSC		2015-2018	2 in residence program delivered
13	Provide cloud training	EGSC	BTEG, Small Business Victoria, Training providers, Cloud service providers	2015/16	4 Cloud training programs provided over the length of the plan
14	Encourage business to update their systems to be digitally enabled.	EGSC		2015-2018	Increase in businesses utilising digital to manage their businesses
Leverage	**Recommendations** Support curernt cluster groups with training and education Support industry groups with training and education Coordinated approach to promotion of the region				
Action	Description	Leader	Partner	Timeframe	Measure
15	Provide digital training for the food sector	EGSC	EGFC	2015- 2018	4 Digital training programs delivered
16	Provide digital training in identified industries e.g. retail, tourism	EGSC	BTEG	2015-2018	6 digital training programs delivered
17	Coordinated online and off line promotional activities	EGM	EGM	2015-2018	
18	Business advisor support program e.g. Tourism Tribe	EGSC	DGL	2015 -2018	Digital champions identified, trained and operating

Case Studies

One important take-away from the interviews with stakeholders was the identification of businesses that were harnessing the use of websites and Facebook to maximise their business. By speaking to these businesses further and highlighting their achievements in the digital space it shows other businesses in the region that it is possible to run a business online, or use digital to improve the productivity and competitiveness of an existing business.

Goldsmiths in the Forest

The Goldsmiths in the forest offer a unique Australian experience – providing a secluded stay in the forest, walking, smelling, touching then around the accommodation and tasting the bush. A meal of local produce with information about the area.

They have used their website and social media to:

- ✓ Enable their customer to access information that is up to date, and provide assistance with planning activities to enhance their visit.
- ✓ Overcome issues of the disorganised and fractured state of tourism in this area, as well as coping with the change of visitors and expectations.

They credit the best aspect of digital is social media taking over from website which has taken over from other forms of promotion. The interactivity of the new media allows the build-up visitor expectation and continue the conversation after they leave.

East Gippsland Aboriginal Community Controlled Health Organisations & Consortium Partner

East Gippsland Aboriginal Community Controlled Health Organisations & Consortium Partner are a Local Aboriginal Community development organisation who work through physical recreation programs and projects.

They have used their website and social media to:

- ✓ Enable their customer to access relative and specific information enables our community to be informed, therefore equipped to make better choices and take advantage of opportunities otherwise missed.
- ✓ Overcome issues of tangible communication with teenagers. Bridging distance and logistics for more cost effective and timely links with our four defined community locations in East Gippsland.

They credit the use of their website and social media to reach the high percentage of Aboriginal community who use Facebook, which makes word of mouth is very successful. We can provide quality and timely information to our target audience. The website has provided program/brand recognition and credibility vital to working in partnerships and seeking funding.

Appendices

Appendix #1: Research Methodology

Consultation with local businesses was an integral step in order to gain an understanding of what support a digital plan could offer local businesses in the East Gippsland Shire Council region.

Steering Committee

The Council's Steering Committee aided in the identification of local issues faced and provided advice on people and businesses of interest, organising those of significance to be interviewed on a one-on-one basis. The Committee scheduled interviews with a range of local businesses, stakeholders and business intermediaries to give a broad cross section of the region. This selection of businesses ranged from a handful of large and mature businesses to smaller partnerships and sole traders and across a variety of industries and included business intermediaries who had an intimate understanding of the issues business face.

One-on-one Consultations

The one-on-one consultations allowed an insight to be gained into the individual and specific barriers faced by businesses as well as gaining understanding of the issues at a local level. This collection of knowledge is key in implementing a digital strategy to aid in the advancement of the region.

Workshops

Small workshops were also held in Bairnsdale and Lakes Entrance. This arranged a collaborative, community forum open to the general public, including business owners and people with a genuine interest in advancing the digital maturity of the region. The varied types of community consultation aids in local businesses and stakeholders to be strongly included as part of the process, and therefore more likely to take on responsibility and be accepting of recommendations made.

Phone calls

Phone calls were made to individuals who were unable to attend workshops or face-to-face consultations due to both time and travel issues. Where possible a similar structure of interview was undertaken to ensure comparable data was gathered and businesses felt equally engaged in the process.

Survey

In order to have consistency when interviewing this large cross section of businesses a survey was created with an assortment of probing questions. These questions were crafted to trigger conversation around the key issues in recommending a digital plan for the region. The survey supplied quantifiable data and in order to gauge the digital maturity of the region.

Appendix #2: Who we interviewed

We consulted with 61 businesses, stakeholders and business intermediaries in the East Gippsland Shire Council region. During the course of each interview or workshop, representatives were asked to fill out the KPMG prepared survey. This data can be viewed below.

We would like to thank the following businesses and organisations for their participation in the consultancy stage of the digital plan.

1. Jane McKay Communications	2. Abayda Day Spa
3. King & Heath	4. Friths Plumbing & Gas Fitting
5. East Gippsland Marketing	6. Protea Farm
7. Workways Offices	8. East Gippsland Farm
9. Right Track Tours	10. Bluewater Marine Centre
11. Y media	12. Project Support Services
13. SchoolWorks	14. Paynesville Maritime Museum
15. Goldsmiths In The Forest	16. R U Fit
17. Araluen Park Cottages	18. The Scarf wall
19. Allambi Holiday Apartments	20. Natural Health
21. Lakes Entrance Souvenirs	22. Gippsland East Local Employment
23. Lakes Explorer Sea Safari	24. Tom Ponting's Associates
25. Jetty Road Retreat	26. Virtual B Degrees
27. Kickback Cottages	28. Best Western Colonial Motor Inn
29. Djillay Ngalu	30. Paynesville Newsagency
31. Blay Builders	32. EG BAS Agents Plus
33. East Gippsland Field Days	34. Interior Philosophy
35. East Gippsland Catchment Management Authority	36. ClearTrack
37. Homestead House	38. Feast on East Direct
39. BTEG	40. Waverly House Cottages
41. Crossco	42. Lakes Entrance Realtors
43. Ann Waller Real Estate	44. Brooker Builders
45. Internet Secrets Made Easy	46. Jayco Caravans
47. All Aussie Opals	48. Crowe Horwarth Accountants
49. Cranes Asphalting & Bitumen Sealing	50. Lightfoot & Sons
51. Bairnsdale Air-Conditioning	52. Enhanced Clothing
53. Decorative Elements	53. Marlo Hotel
54. Destination Gippsland	55. Silverbeet Solutions
56. East Gippsland Water	57. Bairnsdale Regional Health
58. Fenning Bairnsdale	59. Wuk Wuk Beef
60. Patties Foods	61. Lakes Entrance Fishermen's Co-Op

Appendix #3: Survey Responses

This table indicates the range of industry types represented in the consultation process. The Australian New Zealand Industry Code has been used as the base for categorising the representatives.

ANZIC Industry Type	
agriculture, forestry and fishing	3
mining	0
manufacturing	0
electricity, gas, water and waste services	0
construction	4
wholesale trade	0
retail trade	9
accommodation and food services	1
transport, postal and warehousing	0
information media and telecommunications	1
financial and insurance services	2
rental, hiring and real estate services	2
professional, scientific and technical services	0
administrative and support services	2
public administration and safety	0
education and training	1
health care and social assistance	2
arts and recreation services	7
other services	4

The following pages provide aggregated data from the survey forms completed by the participants.

Organisation Type	Company	Government	Not-For-Profit	Other			
	27	1	7	21			
Employees	1-5	6-19	20-199	200+			
	38	8	6	2			
Location of Current Customer Base	% Local to East Gippsland	% Victoria	% National	% International			
	66.95	38.28	22.84	14.36			
What market(s) do you want to expand into	Don't Wish to Expand	% Local to East Gippsland	% Victoria	% National	% International		
	8	50.21	33.04	21.84	20.70		
Customer type	Other Business	General public	Tourists				
	28	36	24				
Have you got a written business plan or marketing plan?	Yes	No	Not Sure				
	33	21	1				
How would you rate your own personal level of comfort with using technology in your business?	Very High	High	Satisfactory	Low	Very Low		
	18	17	15	6	0		
How would you rate your own personal level of comfort with using technology in your personal life?	Very High	High	Satisfactory	Low	Very Low		
	19	18	16	3	0		
Has your organisation got a website? *If no – got to question 19*	Yes	Yes	No	Not Sure			
	45	45	10	0			
When was it developed – how old is it?	1 Year Old	2 Years Old	3 Years Old	3 Years+	Not Sure		
	14	9	10	13	0		
Who developed it? Where is their	I Develop	East Gippslan	Victorian	National	Not In Australia		

business located?	ed It Myself	d Company	Company				
	8	22	11	4	1		
How much did it cost to develop?	Less Than $2,000	Less Than $5,000	Less Than $15,000	Less Than $30,000	$30,000+		
	26	11	1	2	1		
What the main purpose of the website?	Information Only	Selling Products or Services	Influencing People	Brand Awareness			
	21	21	6	7			
Which of these actions can customers do on your website?	Pay Online for Products or Services	Complete Forms Online	Download Documents	View a Video	None of These		
	14	21	20	16	12		
About how many staff maintain the website day-to-day?	1	2-3	3-5	5+	Not Sure		
	38	6	0	1	1		
Is your current website mobile-friendly?	Yes	No	Not Sure				
	28	12	6				
Do you have a dedicated mobile version of your website?	Yes	No	Not Sure				
	9	28	9				
What social media platforms does the organisation use?	None	Facebook	Twitter	Instagram	YouTube	Not Sure	
	11	44	13	15	9	0	
If you have a personal LinkedIn account, when did you last use it?	I Don't Use LinkedIn	This Week	This Fortnight	This Month	Not Sure		
	29	14	2	8	6		
Do you have a personal Twitter account?	Yes	No	Not Sure				
	16	40	0				
If you have a personal Twitter account, when did you last use it?	I Don't Use Twitter	This Week	This Fortnight	This Month	Not Sure		
	38	4	2	4	6		
How do you rate the success of your current website?	Not Applicable	Very High	High	Satisfactory	Low	Very Low	Not Sure

	12	4	10	17	7	2	4
How do you rate the success of your use of social media?	Not Applicable	Very High	High	Satisfactory	Low	Very Low	Not Sure
	10	10	14	11	7	4	0
How do you rate your organisation's understanding of your customers' online expectations and needs	Not Applicable	Very High	High	Satisfactory	Low	Very Low	Not Sure
	0	7	18	12	19	0	0
How do you rate the potential of the Web (websites, mobile apps,to help your organisation achieve its goals?	Not Applicable	Very High	High	Satisfactory	Low	Very Low	Not Sure
	0	24	20	9	3	0	0
How do you rate the potential of social media (eg Facebook, Twitter) to help your organisation achieve its goals?	Not Applicable	Very High	High	Satisfactory	Low	Very Low	Not Sure
	0	20	18	10	6	2	0
Do you use any cloud-based solutions in your organisation – eg Xero	Yes	No	Not Sure				
	27	27	2				
What would you say is the greatest barrier to you in improving your use of the Web and digital technologies in general?	Understanding What's Possible	Cost	The Level of Complexity	Finding the Time	understanding and delivering What our customers want from us Online	Lack of Digital Expertise in our Organisation	Lack of Digital Experts Locally or to Employ for Advice
	11	13	3	12	4	6	2

What would you say is the greatest barrier to you in improving your use of the Web and digital technologies in general?								
	Rated 1	Rated 2	Rated 3	Rated 4	Rated 5	Rated 6	Rated 7	Rated 8
	1	2	3	4	5	6	7	8
Understanding What's Possible	11	8	5	7	5	2	6	7
Cost	11	10	6	6	6	5	3	5
The Level of Complexity	4	5	4	9	4	4	8	11
Finding the Time	10	13	14	1	4	1	3	5
Understanding and Delivering What our Customers Want from us Online	4	7	4	8	5	14	5	3
Lack of Digital Expertise in our Organisation	5	6	7	7	3	7	8	7
Lack of Digital Experts Locally or to Employ for Advice	3	3	2	4	10	12	10	7