



THE MARKET

During the year ended 31 March 2007 there were 5,156,539 visitors to Australia aged 15 years and over. This was fairly steady, with an increase of 3% over the previous year. Visitor nights, on the other hand, showed a significant rise of 13% over the previous twelve months to a total of 157.7 million.

Within Australia during the same year, 73.3 million overnight trips were taken by Australian residents aged 15 years and over. This was 5% higher than the number of overnight trips from the equivalent period in 2006. Australians spent 288.1 million nights away from home during the year, which was 6% higher than in 2006.



Best Western has been well positioned to take advantage of the increases in visitor nights because the product meets both leisure and corporate needs.

The increase in domestic travel was particularly welcome as people rediscovered the traditional driving holiday - a key market, with the majority of Best Western properties located on popular driving routes. Great Australian Drives was developed along with other special interest products to cater to the diverse interests of guests.

For corporate travel, Best Western's global minimum standards including high speed internet have resulted in a strong position. Best Western leads the mid market accommodation sector which is comprised of hotels, motels, apartments and resorts.

Globally and locally, Best Western's vision is to lead the industry in superior customer care, while the Best Western mission is to enhance brand equity and increase member value.

ACHIEVEMENTS

In 50 years, the organisation has grown from 11 to more than 210 members in Australia. In 2007, Best Western Australia expanded the brand into the NZ



territory with the highest quality properties.

Since 2002, all Best Western properties around the globe offer BestRequests™ – frequently requested guest amenities and services – in addition to the already stringent global Quality Assurance program which involves over 200 quality checks.

Best Western launched the hotel industry's most



extensive and complete listing of properties on the internet in 1995, making it the largest hotel brand represented on the global computer network.

Best Western Australia pioneered swipe technology in the hotel sector in 1998, providing the benchmark for all competitors.

In 2002, Best Western rolled out MemberWeb, an internet based reservation system so property owners and managers could adjust rates and inventory at anytime from anywhere. Another component of this was BestCheque, a global guaranteed travel agent commission system which strengthens ties with the travel industry and grows business from this sector.

HISTORY

In 1957, eleven moteliers formed a standards organisation called the Motel Federation of Australia (MFA). Foundation President, Lou Pimblett stated that it was "only the forerunner of very big things in motels". This vision was more prophetic than they could have imagined.

In 1975, the name "MFA Homestead" was introduced and The Travel Club, Best Western's first loyalty program, was launched.



In the same year a proposal was received from Best Western as it took the first step toward global expansion. In 1981, Homestead Motor Inns formally affiliated with Best Western. The name change from Homestead to Best Western was gradual. First came "Homestead – Best Western", then "Best Western Homestead" and finally Best Western Australia was born on 15th March 1989. This put the 'International' into 'Best Western International'.

Best Western remains a unique association owned by its members. As a marketing co-operative, revenue is spent on developing and enhancing the Best Western brand and promoting properties as well as offering increased services to members, rather than generating profit for external shareholders.

Best Western has its corporate head office in North Sydney with some 40 employees nationally. In 2007, it changed its trading name to 'Best Western Australasia' in recognition of the recent expansion into the New Zealand market.

THE PRODUCT

Best Western is the world's largest hotel company operating under a single brand with more than 4000 independently owned and operated hotels. It offers 309,562 quality guestrooms in 80 countries.

Through Best Western, independent operators have access to benefits such as branding, sales

and marketing, support services and government and industry lobbying.

In Australia and New Zealand, Best Western offers approximately 220 hotels, motels, resorts and apartments, ranging from 3 to 4½ star. Every Best Western property is unique, which provides a range of packages to meet all tastes.

Best Western participates in the Qantas Frequent Flyer program, is the only hotel chain to offer FlyBuys points and provides guests with its own program (Gold Crown Club International) of rewards at any Best Western property worldwide. The Gold Crown Club International is Best Western's own global loyalty reward program for leisure and



corporate guests. Cardholders receive discounts, earn points and redeem complimentary accommodation and other awards.

Best Western Australia is the only dedicated accommodation partner in the FlyBuys program and Best Western is also a hotel partner in the Qantas Frequent Flyer program and offers a variety of other rewards programs.

Specially designed to suit the needs of the independent, international traveller, the Best Western Hotel Pass offers the flexibility and convenience of planning and pre-paying for accommodation before leaving for Australia.

To help guests plan motoring holidays, Best Western has a series of easily-followed itineraries: Great Australian Drives. These make it easy to plan and book a trip, with an extensive range of two to ten day travel itineraries.

Best Western has a range of Discovery Packages to assist guests to indulge in favourite pastimes such as Wine Discovery or Golf Discovery. During school holiday periods Best Western promotes a Kids Discovery Club while 'On the Move – Best Western Rewards for over 55s', looks after the more mature traveller year round with a range of special benefits.

Worldwide links to online reservations give guests easy access to all Best Western properties. On average, bestwestern.com has been booking \$US1 million in revenue per day since January 2005.

BestCheque™ guarantees travel agents will receive one consolidated monthly commission payment in their local currency for all Best Western properties they book worldwide.

RECENT DEVELOPMENTS

Best Western Australasia unveiled a new look website in 2007. Features include a clean fresh new look based on best e-practices, easier navigation, mapping and trip planning, special interest packages, plus enhanced features for properties to promote their individual offerings.

In 2007, Best Western also launched the Travel Card in Australian currency, a pre-paid gift card that can be used to redeem accommodation and

meals at any Best Western worldwide, as well as En Route Australasia, a quarterly in-room magazine for guests.

PROMOTION

As a co-operative marketing organisation, Best Western is committed to promoting the brand and properties to all market segments including consumers, travel agents, wholesalers and operators.

Regional radio and TV campaigns, cinema ads, magazine ads, sponsorship marketing and newspaper advertising promote products and services to consumers. Best Western is the preferred accommodation partner of Australia's most watched television travel program, 'Getaway'.

Best Western also conducts promotions through loyalty programs, and individual properties promote specials through targeted direct mailings to Best Western Gold Crown Club International cardholders.

Best Western often participates in joint promotions with other brands such as American Express and Bushells. The Best Western website includes mini websites for each property so they can promote their own special 'Hot Deals'.

Best Western works closely with travel agents, wholesalers and operators. Advertising in trade publications, a presence at trade shows and brochure support ensure exposure.

An ongoing PR campaign targeted at newspapers and travel media ensures Best Western is mentioned in a range of publications.

Advertising and PR Toolkits are provided to all Best Western properties to assist them with their own individual promotional activities, saving time and money while providing leverage from national efforts.

BRAND VALUES

Globally Best Western is known as the world's largest hotel chain, but in Australasia the brand represents the essence of local hospitality. Nurtured on the goodwill, local knowledge, humour and tenacity of the group's hardworking independent owner/operators, Best Western is an ongoing success story.



As a member of Best Western I have the freedom to run my own business, ensuring my hotel retains its unique charm and character. Yet I still benefit from the advantages of belonging to an international hotel brand such as:

- Global reservation & distribution systems that deliver guests from all over the world to my door
- Powerful sales and marketing resources at my disposal
- Customers that instantly recognise and trust in the quality of my property
- Expert support and training when I (or my staff) need it
- Significant buying power to reduce my costs
- It really is the best of both worlds!

Find out what Best Western can do for your business. Call (02) 8713 3300 today. www.bestwestern.com.au

Each Best Western is independently owned and operated.

Its history and the member culture drive Best Western's brand values. Best Western Australia strives to create engaging relationships with guests, members, staff and business partners with genuine, warm hospitality. The values set Best Western apart from competitors, and make for a powerful tool for marketing and strategic planning.



The 2002 Best Western Australia tag line "We'll take care of you" encompasses the Best Western core values, which are:

Community – we demonstrate social responsibility with our actions and words.

Excellence – we are committed to excellence in all that we do.

Customer – our customers always come first.

Integrity – we understand that integrity is critical to our success.

Team – we are committed to working together to achieve our vision and accomplish our mission.

Accountability – we are accountable to our guests, our members and each other.

Respect – we treat each other with respect at all times.

Leadership – we understand that leadership is action, not position and accept responsibility for leading by example."

THINGS YOU DIDN'T KNOW ABOUT BEST WESTERN AUSTRALIA

- To visit every Best Western property in the world for one night would take over 10.8 years, and to stay at least one night in every Best Western room in Australia & New Zealand would take 21.08 years.
- Best Western guests use 601.6 tonnes 78,840 kilograms (78.84 tonnes) of soap each year at Best Western properties in Australia.
- Every night approximately 400,000 guests sleep in a Best Western hotel, equating to over 145 million guests annually.
- The Best Western group is the World's Largest Hotel Chain® and is comprised of over 4000 hotels, motels, resorts and apartments spread throughout more than 80 countries.
- Worldwide, Best Western's overall revenue is \$US 7 billion.
- At least once a year, each and every Best Western hotel undergoes a rigorous 200 point quality evaluation test to ensure Best Western's global quality assurance standards are upheld.