

Case study | Spicers Retreats

THE WEEKENDER THAT LAUNCHED A \$60 MILLION HOTEL BUSINESS

SNAPSHOT

Spicers Retreats

- Founded in 2010
- 9 properties (including Potts Point which is currently closed for renovations)
- 113 rooms & suites and 10 tents (+ a further 20 suites when Spicer's Potts Point Hotel opens in 2017)
- 240 employees
- 40,000 guests annually

Properties

- Spicer's Peak Lodge – Scenic Rim, QLD
- Spicer's Sangoma Retreat – Blue Mountains, NSW
- Spicer's Clovelly Estate – Sunshine Coast, QLD
- Spicer's Vineyards Estate – Hunter Valley, NSW
- Spicer's Hidden Vale – Lockyer Valley, QLD
- Spicer's Balfour Hotel – Brisbane, QLD
- Spicer's Tamarind Retreat – Sunshine Coast, QLD
- Canopy Eco Lodge – Scenic Rim, QLD
- Spicer's Potts Point Hotel – Sydney, NSW (opening late 2017)



Heading up a luxury boutique hotel business was the last thing on Jude Turner's mind when she and her husband bought a 3,000 hectare property south west of Brisbane 15 years ago.

They had planned to build a private lodge on the property for some peace and quiet, but work commitments ended up preventing that. Instead, Jude saw an opportunity to build something much larger and market it as a luxury lodge.

Opening in 2004, that property became 'Spicer's Peak Lodge' – one of nine luxury properties in Queensland and NSW operating under the Spicer's Retreats brand.

Jude's husband is Graham 'Skroo' Turner, founder and Managing Director of Australia's largest travel agency group, Flight Centre, so it makes sense she

also ended up in the travel business. "Getting into the business was never the plan. It was a total coincidence," Jude says. "Spicer's was one of those organic things that just evolved. Since we weren't using the property much, we thought it would be a waste not to share this unique and spectacular place with other people."

Success breeds success

While Spicer's Peak Lodge was being built, the Turners acquired another property – a 4,856 hectare cattle station in the Lockyer Valley, south west of Brisbane. Included with the purchase was a 31 room luxury country retreat called Hidden Vale. Spicer's Peak Lodge and Spicer's Hidden Vale were initially managed for the Turners under the Peppers brand.

The immediate success of these ventures, especially Spicer's Peak Lodge, encouraged the Turners to invest in other properties. In the years that followed, Jude added

two Sunshine Coast properties to the portfolio – the already acclaimed Tamarind Retreat at Maleny, and Clovelly Estate, an elegant homestead at Montville.

Clovelly Estate, which Jude transformed into a French-provincial inspired guest house, opened in 2009. The refurbished and expanded Tamarind Retreat launched in 2010.

With four properties in the collection, and a joint venture in the Hunter Valley (Spicers Vineyards Estate), Jude decided it was time to unite them all under one premium brand. The Spicers Retreats brand was officially launched in February 2010 with five retreats. It took its name from Spicers Gap and Spicers Peak, dominant features of the majestic mountain backdrop to the Turner's first property, Spicers Peak Lodge.

Since then, the Spicers Retreats collection has grown to include Spicers Balfour Hotel (a chic inner city hotel in Brisbane), Spicers Sangoma Retreat (an intimate eco-retreat in the Blue Mountains), Canopy Eco Lodge (an eco-friendly retreat in the Scenic Rim in Queensland) and a row of terrace houses in Potts Point, Sydney that will become a luxury Spicers hotel when it opens in 2017.

Spicers Retreats properties have become sought after destinations for luxury travellers from Australia and around the world. Since 2010, more than 120,000 guests have stayed, with an ever growing proportion from the US and Europe.

“Our guests travel from far and wide, but the majority are Queenslanders who love the region and all that it offers,” Jude says. “They become very loyal and in many regards are our greatest advocates. We try to ensure that every guest is made to feel as though they are the only ones there.”

A unique business model

When you take into account Jude's creativity, vision and love of the bush, and Graham's business experience, it comes as no surprise that Australian tourism's 'power couple' could make the Spicers model work.

The Turner's approach was based around welcoming guests into a 'relaxed style of luxury' and encouraging them to experience nature, and learn and interact from the 'amazing environments' where the retreats are located.

“Guests are made to feel more like family, visiting friends and relatives, than just guests staying at a hotel,” Jude says.

Food and wine also forms an important part of the Spicers' philosophy, resulting in a collection of properties that Jude says many could consider 'restaurants with rooms'. They have been recognised by the industry (with numerous awards, chef hats and accolades) and consumers alike.

The Turner philosophy, combined with significant growth in the weekend getaway and conference/ incentive markets, saw business increase from \$5 million in 2010 to over \$17 million in 2015. The company is on track for a 20 percent increase in revenue for 2015-16.

Accommodation at Spicers Retreats ranges from \$299 a night (bed and breakfast) for an executive queen room at Spicers Balfour Hotel (midweek) to \$1699 a night (all-inclusive rate) in a private lodge at Spicers Peak Lodge.

Guests also have access to luxury spa treatments, award winning restaurants (many which are “hatted”), cooking schools, nature based activities and nature walks (more than 4000 hectares of Spicers' land is protected as nature reserve).

Jude says the success of Spicers Retreats is due in no small part to the hard work of its dedicated and passionate team of more than 240 hospitality professionals. “Our teams are so important in delivering the unique Spicers brand of hospitality. Their genuine love of the product and desire to create lasting memories for every guest, helps ensure that every experience is a special one,” Jude says.

Feedback from social media sites like Trip Advisor certainly supports Jude's claim. Spicers' properties continue to receive five star ratings from hundreds of reviewers.

Key pillars for growth

Over the next three to five years, the key growth market for Spicers will be midweek domestic and international inbound leisure guests, according to Jude. She says the key pillars of growth in this market will include nature-based and adventure tourism including interaction with the local flora and fauna, history tours, walks, cycling, kayaking, event tourism and culinary tourism (including organised tours).

“The domestic MICE market is also a key focus for us, specifically executive level midweek business conferences and stays,” Jude says. “We have also started focusing on attracting more international visitors to our retreats, primarily from the US and Europe. Asia will become a significant focus as we expand.”

Jude says collaborating within Australia's tourism industry – optimising a range of initiatives from Tourism Australia and individual STOs – is a vital component of attracting and retaining international visitors, as well as nurturing the invaluable domestic market.

Based on these opportunities, and other growth signs for the boutique hotel business, Spicers Retreats will continue to expand. In addition to opening a new hotel at Potts Point in Sydney in 2016, there are also plans to build three more luxury suites at Spicers Sangoma Retreat and four new cottages at Spicers Hidden Vale.

Jude also has her eye on another two properties – a beach site on 30ha near Ballina in northern NSW and another Queensland Scenic Rim site near the town of Aratula. “Our plan is to build a portfolio of around 15-20 properties and three or four active experiences – such as guided walks and mountain bike tours. This will be guided by the market and visitor demand,” she says.

ABOUT TOURISM AUSTRALIA AND AUSTRADE

Tourism Australia and Austrade formed an investment promotion partnership in response to the national long-term tourism strategy, Tourism 2020, which involves the Australian and state and territory governments working with industry to double overnight visitor expenditure to between A\$115 billion and A\$140 billion by 2020. The partnership demonstrates the Australian Government's commitment to making the process of investment easier by removing barriers and making information and insight on Australian tourism opportunities more readily available to interested investors.

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