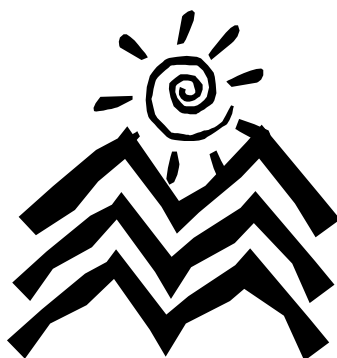




**KAIKOURA  
DISTRICT COUNCIL**

***Tourism & Development Committee  
Agenda***



***11 March 2009***

**TOURISM AND DEVELOPMENT COMMITTEE MEETING  
HELD AT 1.00 PM ON WEDNESDAY 11 MARCH 2009 IN  
MEMORIAL HALL SUPPER ROOM, ESPLANDE,  
KAIKOURA.**

**Agenda**

1. *Apologies*
2. *Matters to be raised as Urgent Business*
3. *Matters Arising from Report of 11/2/2009* *page 1*
4. *Minutes Action List*

Meeting	By Whom	Progress
<b>12 NOVEMBER 2008</b>		
Obtain concept plan for Christmas decorations/lights for the town centre and bring back to committee	L Buurman	In Progress
<b>10 DECEMBER 2008</b>		
Investigate how other districts not involved in tourism help their business	A Paterson	A verbal update will be provided at the meeting
Schedule a meeting of the economic development sub – committee	Councillor Macphail	Meeting held 25/2/2009
<b>11 FEBRUARY 2009</b>		
Investigate Kiwi Link and other overseas Trade Show participation.	A Paterson	Report included in agenda refer page 7
Investigate what has been done and what could be done regarding Combined Packages from Alpine Pacific Triangle	A Paterson	A verbal update will be provided at the meeting
Investigate having a VIP tent at Seafest	Committee	In Progress

5. *Tourism and Economic Development Statement of Accounts* *page 5*
6. *Tourism & Economic Development Officer's Report* *page 6*
7. *Workshop notes 11/2/2009* *page 11*
8. *Economic Development Sub-committee meeting notes 25/2/2009* *page 12*
9. *Tourism Planning Research Group*
  - Research Group investigating Community Based Tourism in Kaikoura

*10. Update on Progress at the New Wharf*

*11. Update on joining Cruise New Zealand and development of a destination profile for Kaikoura*

*12. Urgent Business*

# Tourism & Economic Development

Financial Report to 28 February 2009

	Budget (Year) 2008/2009 \$	Actual (8 Months) 2008/2009 \$	Actual (Year) 2007/2008 \$
<b>Expenses</b>			
Personnel & Personnel Related	56,040	33,072	55,427
Advertising & General Expenses	5,500	1,950	3,367
Overhead Charges	6,342	4,184	6,380
TRENZ	8,400	0	18,482
Green Globe	3,500	4,602	3,311
Christchurch & Canterbury Marketing	5,000	5,000	5,000
Christchurch I-Site Display Space <sup>1</sup>	13,000	4,234	5,293
Canterbury Economic Development Corp	-	2,733	-
Visitor Research & Surveys	3,500	-	-
Events (Moa Hunt, Spring Challenge, etc)	15,000	6,562	5,000
Alpine Pacific Joint Ventures	25,000	16,156	10,500
Visitor Guide	3,000	4,702	10,200
Image Library/Website/Displays	6,700	-	-
AA Tourism Domestic Campaign	-	2,500	2,500
Air NZ In-flight Production	-	3,594	2,387
Radio Advertisement Development	-	-	11,423
Destination NZ TV Series	-	-	1,750
	<b>150,982</b>	<b>89,289</b>	<b>141,020</b>
<b>Funded by:</b>			
Trade Show Participation Fees	-	-	356
Visitor Guide Subscriptions	-	-	679
Christchurch I-Site Advertising Space <sup>2</sup>	-	-	6,445
General Rates	100,982	67,321	99,573
	<b>100,982</b>	<b>67,321</b>	<b>107,053</b>
<b>Activity Surplus/(Deficit)</b>	<b>(50,000)</b>	<b>(21,968)</b>	<b>(33,967)</b>

## Tourism & Economic Development Funds Held

	Budget (Year) 2008/2009 \$	Actual (8 Months) 2008/2009 \$	Actual (Year) 2007/2008 \$
<b>Opening Balance</b>	<b>52,100</b>	<b>58,565</b>	<b>90,110</b>
Activity Surplus/(Deficit)	(50,000)	(21,968)	(33,967)
Interest Applied to Fund	-	-	2,422
<b>Closing Balance in Fund</b>	<b>2,100</b>	<b>36,597</b>	<b>58,565</b>

<sup>1</sup> Revenue from Christchurch I-Site Display Advertising is shown under Funding (see Note 2)

<sup>2</sup> Note that the display advertising revenue for Christchurch I-Site display was received in the 2007/2008 financial year (\$6,445 as shown).

# Tourism and Economic Development Officer's Report

## Meetings attended:

- 25<sup>th</sup> February: Economic Development Sub-committee meeting. Notes have been sent to all Committee Members
- 3<sup>rd</sup> March: Carol Taplin – new Business Development Manager with Enterprise North Canterbury
- 5<sup>th</sup> March: Tourism New Zealand/Christchurch & Canterbury Tourism updates & networking evening.

## Project Updates:

**Long Term Council Community Plan:** Tourism & Development Officer along with the other Council officers have been working on the Draft LTCCP which will be available for public consultation next month.

**Visitor numbers:** Refer to Appendix 1

**Latest update from Tourism New Zealand:** Economic conditions around the world are starting to have an impact on the overall number of long-haul visitors into New Zealand.

Figures from Statistics New Zealand show that there were 3.7 per cent less visitors to New Zealand in January 2009 than the same time last year - an overall decrease of just under 10,000 visitors. This follows a record month for arrivals in December.

Most of New Zealand's key markets showed a decline in the first month of this year. Key long-haul markets such as the United Kingdom (-10.4%), the US (-19.5%) and Japan (-25.6%) were all down in January.

The exception among New Zealand's key markets has been Australia. Seemingly still undeterred by the onset of recession, and with New Zealand's profile helped by Tourism New Zealand's first summer campaign in years, holiday arrivals from across the Tasman increased by 4.5 per cent in January. In total an extra 2,000 Australians came to New Zealand compared to the same month last year.

Numbers from China were also up by 31 per cent, representing an increase of around 4,000. This was due to Chinese New Year, a key national holiday, falling in January this year. Despite some positive signs, George Hickton, Tourism New Zealand Chief Executive says those in the tourism industry are preparing for some tough times ahead.

"The industry has been reporting for some time that booking numbers from our key markets are on the decline," says George Hickton. "It is going to be the most challenging year for tourism in a long time."

## Alpine Pacific Tourism: Proposed Changes for the Tourism Board

The Alpine Pacific Tourism Board (APT) has been busy over the last 9 months undertaking a strategic review of the Board's brand direction and strategic focus. This review has also led to a proposed restructuring of the organisation - full details will be outlined in the upcoming Hurunui Long Term Community Plan.

Key points: Due to the proportion of overheads currently paid by APT, it is proposed that restructuring of the organisation can better utilise the targeted tourism funding for both destination marketing and

destination management. The major difference will be a reallocation of the Board's marketing funds to achieve a larger collective pool of funding. District marketing resources will be aligned more closely with the marketing activities of the Thermal Pools and Spa, including the combined use of an advertising agency.

The proposed changes will also create a dedicated Tourism Development Manager to work on a range of product development initiatives and ensure Council remains on track in relation to a revised brand proposition for the District; based on the concept of "Hurunui Wellness".

If the proposal is accepted, the Alpine Pacific Triangle brand will continue as a useful marketing and navigational tool for visitors, but it will not be used as the dominant regional branding for the District.

**Surveys for Agricultural & Economic Research Unit at Lincoln University:** As discussed by Heather Miller at last month's meeting, it is a requirement for an economic development strategy to be developed for the region as part of the process for accessing regional development funding. Tourism & Economic Development Officer is currently interviewing key businesses and stakeholders within the Kaikoura District. This data will then be sent on to AERU for use in developing the strategy.

**Kiwi Link India September 2009:**

What sort of representation will Kaikoura get?

In general, Kaikoura is represented by Christchurch & Canterbury Tourism in offshore activities. This representation is funded through our \$5000 annual contribution to CCT. KITI also contributes \$5000 annually.

For certain offshore activities, the Regional Tourism Organisations (there are 29) are represented in larger groupings called International Marketing Alliances (there are 9). Canterbury and West Coast are linked together to form one of the IMAs.

Prior to any offshore & New Zealand based trade events, CCT contacts business partners and District Tourism Organisations for updates, new product and so on. In addition, information regarding direct participation in any of these events is also distributed.

Regarding Kiwi Link India – places for individual operators are limited to 20. Registrations close on 8<sup>th</sup> May. Registrations are made to Tourism New Zealand and in the event of over-subscription, TNZ have discretion to make the final choices with preference given to businesses which are trade ready or already operate extensively with the international trade.

Cost is \$3000 plus flights (international & domestic) & accommodation & meals.

What about Kaikoura being represented as a stand-alone destination? Advice from Christchurch & Canterbury Tourism is that in general, and especially in the case of emerging markets such as India, Indian buyers will recognise Canterbury region but will probably struggle with Kaikoura as a stand-alone. New Zealand is tiny in comparison to the emerging markets such as India & China and fragmenting down isn't effective. Kiwi Link is much more useful to operators who are trade ready and can really benefit from one-to-one time with buyers so that details & rates can be discussed in detail.

Occasionally businesses may team up and send one person to represent two businesses. This works best where there are clear links between these two operators and where the representative has an excellent knowledge of both businesses.

This year, Kiwi Link itself will be shorter – 4 days only. CCT will stay on for a further week of additional trade visits. It is recommended that any operator who attends should do likewise and make the most of the trip by organising trade visits.

**TNZ filming unit visit – Have your say:**

The mobile filming unit travelling around New Zealand enabling visitors to send video postcards was in Kaikoura in the i-SITE car park from 23<sup>rd</sup> to 25<sup>th</sup> February. The “Have your say” concept is the next step in the ‘What Do You Say, UK?’ campaign, which launched in the UK in September last year. The campaign is based on research that found word-of-mouth recommendations are among the strongest motivators for British travellers when they are thinking about a holiday in New Zealand.

The mobile studio - a distinctively branded converted shipping container on the back of a flat-bed truck, complete with giant tui nest – allows visitors to record a video ‘rave’ about their New Zealand holiday. These video diaries are emailed out immediately to friends and family, and then broadcast on a special ‘Have Your Say’ YouTube channel. The mobile studio will make around 40 stops in towns around New Zealand between January and April.

Tourism & Development Officer worked alongside TNZ in planning this visit as well as joining TNZ staff & Kaikoura i-SITE staff in encouraging visitors to record their messages while the unit was situated in the car park. Tourism & Development Officer also circulated details of the visit to local businesses to enable them to promote this to their guests and clients. At the end of the 3 day visit, Kaikoura was in the top 5 destinations visited so far in terms of the number of video messages recorded.

**Kaikoura A&P show:** Tourism & Development officer set up a small display at the A&P show as part of the Council’s display.

**Pre-TRENT famil:** Tourism & Development officer has been working with Christchurch & Canterbury Tourism on a pre-TRENT famil which will take place from 4<sup>th</sup> – 7<sup>th</sup> June. Four product & sales managers from UK, Thailand & Belgium will be in Kaikoura, staying at Hapuku Lodge and either experiencing Kaikoura Wilderness Walk or Maori Tours. TRENT takes place at ASB showground’s in Auckland from 8<sup>th</sup> – 11<sup>th</sup> June. This year Whale Watch Kaikoura and Kaikoura Wilderness Walks will be exhibiting along with the District.

**Visitor guides:** Demand for Kaikoura Visitor Guides has been much greater than last year. Currently there are only a few hundred guides left in stock. An additional 10 000 guides will be printed to cover the next 6 months. Distribution via Interislander has just been secured.

## Appendix 1

### Kaikoura Guest nights & Guest arrivals for November & December:

2008	Guest nights	% change 2008 - 07	Guest arrivals	% change 2008 - 07
November	31 128	4.3	20 842	3.6
December	35 761	-7.4	23 631	-5.7

### Kaikoura Guest nights – Year end December:

Year end	Kaikoura District
December 2004	256 108
December 2005	310 641
December 2006	329 719
December 2007	348 644
December 2008	329 176

### Guest nights (percentage change):

Year end	Kaikoura District	New Zealand
December 2004	8.4%	4.6%
December 2005	17.8%	1.8%
December 2006	9.3%	0.6%
December 2007	5.7%	3.8%
December 2008	-5.6%	0.0%

### Guest nights (percentage change):

Year end	Kaikoura District	New Zealand
November 2004	7.9%	5.1%
November 2005	18.6%	2.3%
November 2006	9.7%	-0.2%
November 2007	6.8%	4.2%
November 2008	-5.0%	0.3%

**Kaikoura Guest arrivals – year end December**

<b>Year end</b>	<b>Kaikoura District</b>
<b>December 2004</b>	<b>174 137</b>
<b>December 2005</b>	<b>205 919</b>
<b>December 2006</b>	<b>221 324</b>
<b>December 2007</b>	<b>233 024</b>
<b>December 2008</b>	<b>221 881</b>

**Guest arrivals (percentage change)**

<b>Year end</b>	<b>Kaikoura District</b>	<b>New Zealand</b>
<b>December 2004</b>	<b>8.8%</b>	<b>5.9%</b>
<b>December 2005</b>	<b>18.3%</b>	<b>2.2%</b>
<b>December 2006</b>	<b>7.5%</b>	<b>0.3%</b>
<b>December 2007</b>	<b>5.3%</b>	<b>2.3%</b>
<b>December 2008</b>	<b>-4.8%</b>	<b>-0.4%</b>

**Guest arrivals (percentage change):**

<b>Year end</b>	<b>Kaikoura District</b>	<b>New Zealand</b>
<b>November 2004</b>	<b>8.8%</b>	<b>6.5%</b>
<b>November 2005</b>	<b>19.1%</b>	<b>2.8%</b>
<b>November 2006</b>	<b>7.6%</b>	<b>-0.3%</b>
<b>November 2007</b>	<b>7.0%</b>	<b>2.6%</b>
<b>November 2008</b>	<b>-4.6%</b>	<b>0.0%</b>

All figures and tables used are taken from the Commercial Accommodation Monitor (C.A.M) C.A.M gathers data from accommodation providers with an annual turnover of \$30 000+ on a monthly basis. C.A.M is administered by Statistics New Zealand on behalf of the Ministry of Tourism – [www.tourismresearch.govt.nz](http://www.tourismresearch.govt.nz)

## **Workshop Notes 11 February 2009**

### **Events Strategy**

- How do other districts spend money and how do they prioritise spending for events
- Promote Kaikoura as a venue for events.

### **Tourism Strategy**

- Revise the strategy to make sure it is relevant today
- Review action list items, do new items need to be added?
- Individuals could come up with action points that could be worked through at the next meeting
- Recommend to Council that there be a structure plan of Kaikoura
- Have the Economic Development Sub- committee try and access funding for an economic development advisor
- Have the Economic Development Committee draft an Economic Development Strategy to bring back to the Tourism and Development Committee.

### **Things to Do:**

- M Fissenden and A Paterson to investigate how much money is spent on events and how spending is prioritised by other districts.
- Schedule a meeting of the events sub-committee
- J Macphail and A Paterson to review the terms of reference for the Tourism and Development Committee
- Hold another workshop following the next Tourism and Development meeting (11 March 2009)
- Councillor Macphail to put forward a terms of reference draft.
- Schedule a meeting of the Economic Development sub committee on Wednesday 25<sup>th</sup> of February 2009.

The workshop concluded at 2.58pm

## **Economic Development Sub-committee Meeting Notes 25 February 2009**

Main discussion points:

- How can Council support local businesses in a realistic & practical way? Is there any action which can be taken that would really have an impact?
- There is a need to develop some initiatives which would stimulate the local economy
- Ideas included rates rebate, reduction in development contributions, deferment of development contributions, ways to make it easier for existing businesses to expand & develop.
- Agreement that an initiative to defer development contributions should be discussed at T&D committee with a view to making a recommendation to Council.
- Economic development strategy (AERU) will be very useful.
- Discussion around a “buy local campaign”. Agreement that this was an excellent idea and should progress with this along with support from Council.
- Is there a need for a Structure plan? This should be investigated in more detail.
- Supporting the pool/community facility trust should be a priority. This should be discussed at T&D committee.