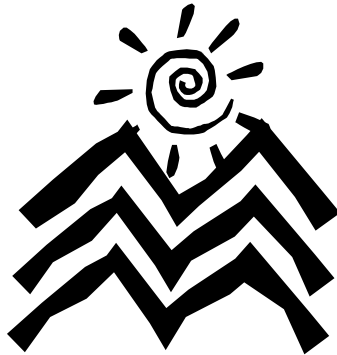




**KAIKOURA
DISTRICT COUNCIL**

***Tourism & Development Committee
Agenda***



14 July 2010

**TOURISM AND DEVELOPMENT COMMITTEE MEETING
HELD AT 1.00 PM ON WEDNESDAY 14 JULY 2010 IN
MEMORIAL HALL SUPPER ROOM, ESPLANADE,
KAIKOURA.**

Agenda

1. *Apologies*
2. *Matters to be raised as Urgent Business*
3. *Matters Arising from Report of 9/6/2010* *page 1*
4. *Minutes Action List*

Meeting	By Whom	Progress
12 MAY 2010		
Undertake an investigation into welcome / information boards for the town	District Planner	Report included on page 5 of the agenda. Further information will also be tabled at the meeting.
9 JUNE 2010		
Obtain further information regarding service and costs associated with 'Take a break' webcam.	A Paterson	Report included in agenda refer page 12.
Write a letter to Whale Watch acknowledging their recent award achievement	A Paterson	Completed.
Provide to committee members a summary of marketing spend for the North Canterbury Food and Wine Trail.	A Paterson	Report included in agenda refer page 12.
Compile Rugby World Cup Information.	A Paterson	Report included in agenda refer page 10.

5. *Tourism and Economic Development Officer's Report* *page 8*
6. *Tourism & Development Statement of Accounts* *page 21*
7. *Representatives from Kaikoura Holiday Parks and Camping Grounds will be in attendance at 1.30pm.*
8. *Event Report from Steve Gurney*
 - A power point presentation will be given by the Tourism Officer.
9. *Inwards Correspondence*
 - *Letter from Nicky McArthur of Kaikoura Wilderness Walks* *page 22*
10. *Urgent Business*

TOWN ENTRANCE INFORMATION BOARD

BACKGROUND

The issue regarding Freedom Camping information boards has been raised at both Council and Tourism and Development Committee Meetings. Freedom Camping has been an issue for a number of years in the District and has more recently been raised nationally as an issue. Kaikoura District Council is under increased pressure by commercial accommodation providers to monitor Freedom Camping more strictly.

The current situation is that Council takes a non-authoritarian approach to Freedom Camping. Freedom Camping fliers are distributed via the I-site, The Store at Kekerengu, Oceanview Restaurant at Oaro and several other businesses throughout town. See attached for the information contained in the fliers. In the summer months, the Traffic Warden monitors the areas not permitted for freedom camping. People parked inappropriately are moved on, and people without facilities are advised of Kaikoura's guidelines.

Freedom camping fliers are no longer distributed by campervan companies, as the companies generally consider that there is too much information in the vans and it is not read, and the campers are better served by the "ask a local" national campaign. However, there are private organisations that supply camping guidebooks to some campervan companies, which promote "free" camping in some areas. Staff are working to correct the information in these publications as they are brought to our attention.

Obstacles to effectively dealing with Freedom Camping include some organisations and business encouraging camping on their land. Kaikoura District Council cannot regulate on public land or space that is not owned or administered by the Council. Examples of Freedom Camping promotion include New Zealand Transit Agency (NZTA) promoting use of rest areas to increase road safety. From New Zealand Transport Agency asset manual rest areas are promoted to have: suitable rest areas at appropriate intervals and locations between towns, including HMsVs. Guidelines for the provision of rest areas between towns, at places of scenic, historical or other interest and in isolated areas where fatigue-stops are appropriate. Likewise, the Department of Conservation is promoting basic campsites for camping. Toilet and water supply are provided in these areas, but the Department has a Camping Care Code for camping in other areas. Some organisations also promote freedom camping on their own land to promote use of their services.

VISITOR BOARDS

Many towns have visitor boards at their entrance, photos and ideas have been collected and will be tabled at the meeting for discussion. It is worth noting that Kaikoura has a Signs Bylaw, which is rigorously defended to ensure the town is not visually dominated by signs and billboards. Given that the sign's bylaw does not apply to signs that are discharging a statutory function, it is important that the board is for information purposes only and does not promote any particular business or aspect of our District. To meet this, the board could be loosely based on the "sustainability brochure".

Elements that require incorporation into the design include:

A map – showing the recycling centre, recycling stations, camping grounds, no-camping areas, the police, the hospital, business areas and the I-site.

Information on Kaikoura's Sustainability Initiatives.

Information on Kaikoura's Zero Waste and Environmental Certification commitments.

Information on Kaikoura's natural environment.

Information of Kaikoura's wildlife.

Information on protecting Kaikoura.

At the meeting, it is proposed to look at the photo's and information brochures that are to be supplied and brainstorm some other ideas for the board. From this meeting, design options and pricing will be gathered and put back to the committee for approval. Please note no budget has been approved for these boards.

It is proposed that boards be erected at South Bay entrance and Mill Road Reserve, with a view of providing more boards in the future subject to cost.

RECOMMENDATION

It is recommended that the Tourism and Development Committee

- 1. Receive the information in this Report,***
- 2. Workshop some ideas for an information board and***
- 3. Direct staff to do further investigation into possible designs and costs of welcome/information boards for the town.***

Tourism & Economic Development Officer's report

- **Christchurch i-SITE display:** the new Kaikoura display is being installed during the week of 5th July. A copy of the final design is included on page 17. Final editing for the on-screen advertising is underway. To date, 7 operators have signed up for 12 months advertising with 6 operators registering an interest in the 6 month option which will commence in October. Cost of advertising is \$800 +GST for 12 months.
- **Visitor statistics:** guest arrivals and guest nights for April showed very slight increases. Year end April results showed 1% growth in guest arrivals and 0.3% increase for guest nights. Statistics are included on page 18.
- **'Catch the Day' measurements:** Measuring the success of advertising & marketing is always difficult and particularly difficult in the case of destination marketing. However, for 'Catch the Day' there are several measurements which can be studied to give an indication of the effectiveness of campaign activity to date. A copy of the media schedule is attached for reference in the appendix.

These statistics are provided by Google Analytics. Analytics was set up mid November so there is not a complete set of statistics for that month.

	Bounce rate	Average time on site	Average page views
December 2009	65%	1.02	1.93
January 2010¹	66%	1.33	2.06
February 2010²	77%	1.0	1.7
March 2010	62%	1.02	2.09
April 2010	50%	1.49	2.75
May 2010³	45%	1.46	2.92
June 2010	48%	1.24	2.5

	Unique visits	Direct traffic	Referring⁴ sites	Search engines
December 2009	471	54%	35%	12%
January 2010	306	8%	56%	35%
February 2010	827	25%	22%	53%
March 2010	938	56%	30%	14%
April 2010	392	35%	39%	26%
May 2010	254	22%	36%	42%
June 2010	157	14%	52%	34%

¹ There was no advertising at all in January.

² There were no billboards in February.

³ Complimentary billboard in Wellington during May & June

⁴ Virtually no click throughs from online advertising. Poor click through rate from both Kaikoura.co.nz and Kaikoura.govt.nz

Origin of visits ⁵	1st	2nd	3rd
December 2009	Christchurch (274)	Auckland (64)	Sydney (14)
January 2010	Auckland (124)	Christchurch (48)	Sydney (16)
February 2010	Auckland (409)	Christchurch (166)	Wellington (46)
March 2010	Christchurch (535)	Auckland (198)	Wellington (40)
April 2010	Christchurch (144)	Auckland (107)	Wellington (31)
May 2010	Christchurch (72)	Auckland (59)	Wellington (23)
June 2010	Auckland (51)	Christchurch (32)	Wellington (13)

Visits to www.kaikoura.co.nz:

During December 09 and January⁶ 2010, there were substantial increases in visits from users in New Zealand.

Top 3 origins⁷ of visits for December 2008 & 2009:

Auckland: +12.6%, Christchurch: +54.5%, Wellington: +18.4%

Top 3 origins of visits for January 2009 & 2010:

Auckland: +14.6%, Christchurch: +21.7%, Wellington: +2.6%

However, visits in February & March remained more-or-less static. During March & April, visits from users in New Zealand increased at the rates of 10% and 21% respectively.

Guest nights and guest arrivals⁸:

% increase 2009 - 2010	Dec.	Jan.	Feb.	March	April
Guest nights	0.2	4.1	1.9	3.2	0.2
Guest arrivals	-0.5	8.5	-1.9	5	0.1

Observations:

- The website & supporting marketing activities have been underway for 8 months.
- To date, no 'Catch the Day' packages or special deals have been sold.
- Numbers of visitors to the site has been very low.
- Substantial decrease in the number of visitors to the site in April & May although marketing activities were more-or-less the same as the previous month.
- During March, April & May, the bounce rate decreased. During April & May, both time spent on the site and number of pages viewed increased.
- Increases in visits to Kaikoura.co.nz in December may indicate that 'Catch the Day' advertising activity has raised Kaikoura's profile, resulting in more "domestic" visitors to www.kaikoura.co.nz, especially when looking at the high number of visitors from Christchurch during December. However it is unlikely that the small amount of advertising in

⁵ Origin refers to the location of the user and therefore not necessarily the residence/nationality of the user.

⁶ There was no advertising activity in January.

⁷ Origin refers to the location of the user and so not necessarily the residence/nationality of the user.

⁸ These statistics are taken from the Commercial Accommodation Monitor (C.A.M). C.A.M gathers data on a monthly basis from accommodation providers with an annual turnover of \$30 000+. C.A.M is administered by Statistics New Zealand on behalf of the Ministry of Tourism – www.tourismresearch.govt.nz

December would have resulted in such increases. Note: the origin of visitors does not signify nationality or residence, it denotes the location of the user.

- 'Catch the Day' advertising activity has not succeeded in driving visitors to 'Catch the Day' website. It is difficult to determine if 'Catch the Day' marketing activity has resulted in an increase in direct bookings for local operators.
- Once on www.kaikoura.co.nz, users are not clicking through to 'Catch the Day'.
- Businesses have shown very little interest in listing on the website.

Recommendations:

- *A thorough review of all marketing activity and budget for 2010/11 to cover all aspects of marketing activity, trade & media activity & events development/promotion to ensure that all resources are utilised effectively to realise achievable and sustainable outcomes. It is particularly timely to undertake this review now in light of major potential projects such as the sports festival outlined in S Gurney's report and in light of the results to date from 'Catch the Day' initiative.*
- **TVNZ advertising:** Tourism & Economic Development Officer met with a sales representative from TVNZ to discuss TV advertising. A couple of advertising options are currently being drafted up and these will be presented to the Committee for consideration in due course. TV advertising can reach a mass audience or a narrow target audience effectively and quickly. In comparison to other media, television often delivers the lowest cost per thousand people reached.
- **Moa Hunt update:** with regard to Moa Hunt 2010, it will be going ahead this year but the date will probably change.
- **Christchurch & Canterbury Tourism:** C.E.O Christine Prince has resigned after 3 years in the role. She will leave at the end of August and an interim C.E.O, Ian Hay will stand in until a replacement has been selected.
- **Destination TV "Hit the Road":** The 20 minute Kaikoura feature is excellent and well worth the investment. This programme will be screened on the SKY Living Channel and Channel 7 in Australia with other channels to be confirmed. In addition, the complete 'Hit the Road' series will be available on Air NZ inflight entertainment from September 2010. The programme features Top 10 Holiday Park, Whale Watch, Encounter Kaikoura, Kaikoura Seafood BBQ and Kaikoura Shuttles bike hire. In addition, there is excellent footage of the District including the lookout, seal colony and general views of the township and scenery.
- **Rugby World Cup Preliminary Forecasting report & sources of RWC information:** Official website: www.rugbyworldcup.com, consumer information can be found on www.newzealand.com in the RWC section. Tourism New Zealand's corporate website, www.tourismnewzealand.com has a host of information relating to TNZ's initiatives. A quarterly RWC newsletter is produced and is available for download from the site or via email.

Committee members were sent the link to the first R.W.C forecasting report which was conducted by Ministry of Tourism and Ministry of Economic Development. This is an excellent starting point and reference for planning any initiatives relating to this event. Here is a summary of the key points from this report:

Summary of Preliminary Forecast Report⁹

⁹ Preliminary Forecasts of International Visitor Activity in New Zealand during Rugby World Cup 2011. March 2010. Ministry of Economic Development & Ministry of Tourism.

Observations:

- Significant potential within the NZ expat market.
- Australians are likely to focus on weekends, treating NZ as a domestic destination.
- At this stage, low expectations for English & Irish supporters due to economic situation & poor exchange rate.
- A lot of interest from France – both FIT & package visitors.
- Travel patterns of visitors will vary.
- Significant potential in the South African market.
- Expectation that ticket sales will initially be slow especially in the northern hemisphere markets but sales are likely to pick up as the global economy improves.
- Opportunity to combine RWC tickets with mid-week ski packages particularly for the Australian market.
- RWC visitors will be rugby supporters on the weekends and tourists during the weeks.
- There is a need to get rid of the perception that the whole country will be full throughout RWC 2011.

Main forecasts:

- 85,000 international visitor arrivals generated by RWC – this is a cumulative across the duration of the event and is made up of 74,800 supporters and 10,200 visitors with an official affiliation to the event (e.g. media, teams, sponsors).
- Maximum of 43,000 international RWC visitors in NZ at any one time.
- Net impact of RWC 2011 on visitor activity may be less than the predicted 85,000 due to crowding out and pre/post event demand. But very difficult to quantify.

Tourism Dynamics:

- Some visitors crowded out by the event may change the time of their visit to before or after the event.
- The international visitor numbers during RWC 2011 (including non-RWC visitors) will be lower than levels usually experienced during peak visitor periods.
- The expected pattern of convergence (for matches) and dispersion (between matches) is likely to result in congestion during weekends when visitors are concentrated in specific areas and below peak demand levels during the week when visitors are spread more widely.
- The country will not be full throughout RWC 2011. Some regions will be at or near capacity on some days but there will be excess capacity at the national level throughout the event.

Opportunities:

- **Expat New Zealand market** – this market segment can increase in numbers without placing extra stress on the commercial accommodation sector. This market will be one of the few that will visit without the guarantee of a match ticket. **Australia** – good airline capacity and strong VFR (Visiting Friends & Relatives) connections. Opportunities to package RWC with skiing. **France** – high interest. **South Africa** – high interest. There are many expat South Africans in Australia & Asia.
- Initiatives to increase the tourism impact should focus mainly on the early stages of the tournament. Tickets & accommodation should be readily available & reasonably priced during this period & matches are spread out across the country.

- **Take a Break webcam:** Tourism & Development Officer spoke with Dave Robinson who currently operates the existing Kaikoura webcam. He said that he had not encountered any problems with the camera or its installation. He said that he would be happy to talk to Walter Kunz regarding webcam and help out if he can. With regard to costs outlined in the email between K.Ngapora and SnapitHD, these costs are correct. Annual cost is \$1508+GST which covers the cost of continual screening of the webcam on Take a Break website and the camera. This screening is also distributed via several other channels including channels including TV3, Metservice, Telecom Mobile, Google maps/earth and YouTube. Online software is provided to enable the webcam to be included on individual businesses websites. This is included in the annual cost. Additional costs will be installation, power & internet. Further discussion with W.Kunz will determine the best way to cover the ongoing power & internet costs.
- **North Canterbury Food & Wine Trail:** A report outlining activities during 2009/10 which was sent out to existing and prospective members is included on page 19. Marketing plan and draft budget for 2010/11 and budget for 2009/10:

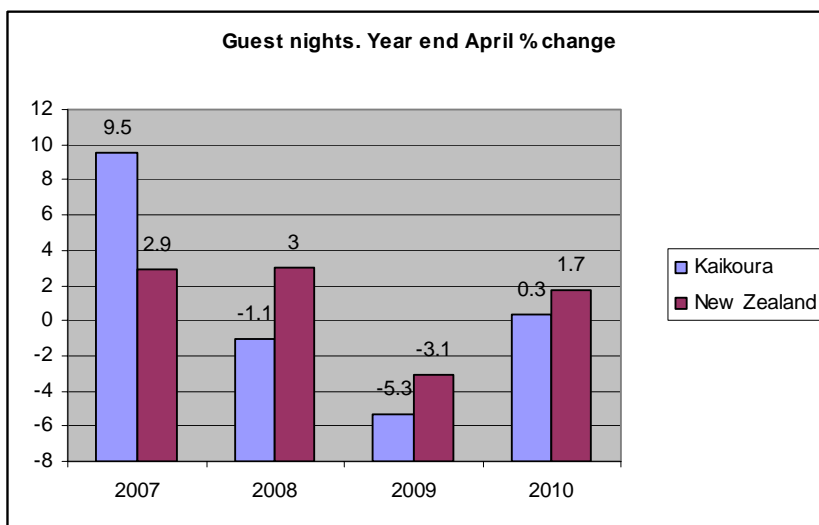
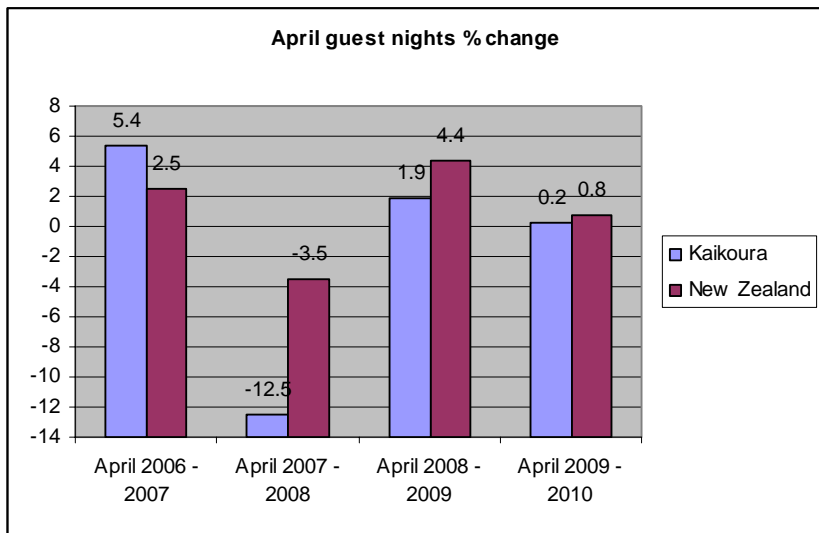
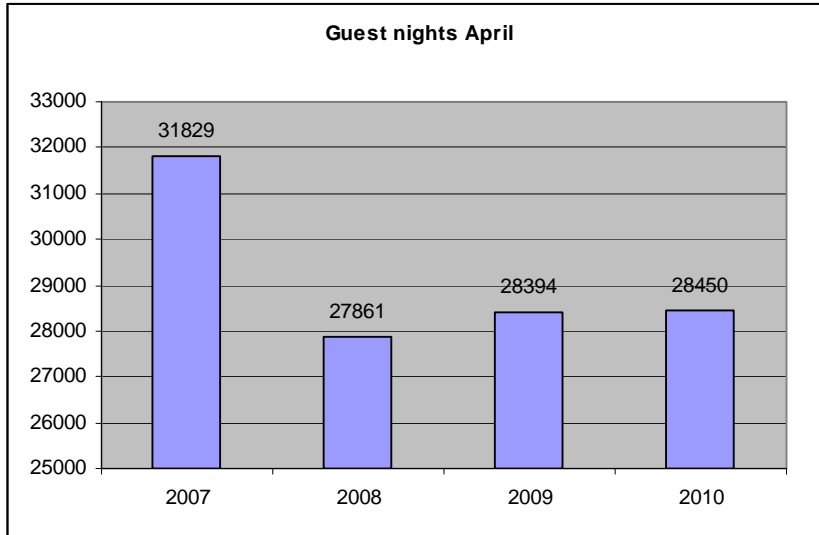
NCFWT 2010/11		
Excl GST		
	Food & Wine Trail	
Income		
Other Canty Trails Logo		\$ 4,500
VW (from NZTE)		\$ 14,895
Members	50x\$395	\$ 19,750
Members	Farmers Markets 3X\$200	\$ 600
WVWG		\$ 2,000
APT		\$ 10,000
KDC		\$ 2,000
Total		\$ 53,745
Expenses		
Staff	Based on Project Management Tab*	\$ 14,265
Printing	A3x60,000 copies	\$ 8,000
Marketing Plan Tab	Publications	\$ 8,500
	Website	\$ 3,200
	Brochure Distribution	\$ 7,000
	Events	\$ 680
	Travel	\$ 1,000
Total		\$ 42,645
Net project surplus/loss		\$ 11,100

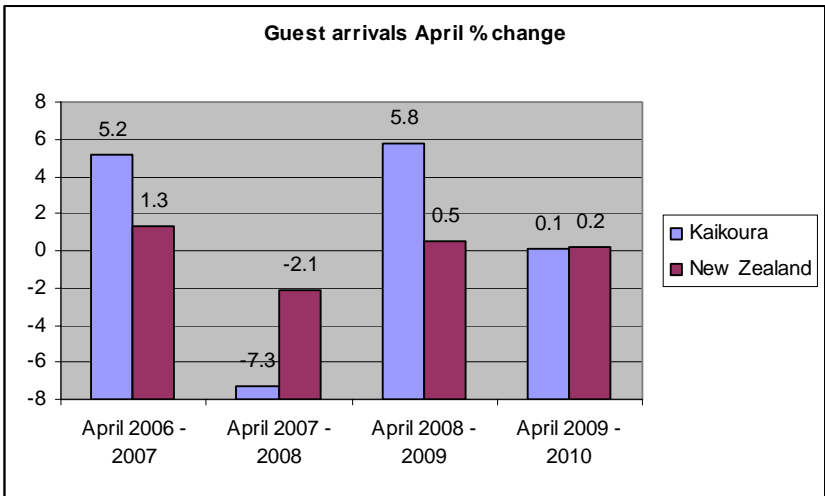
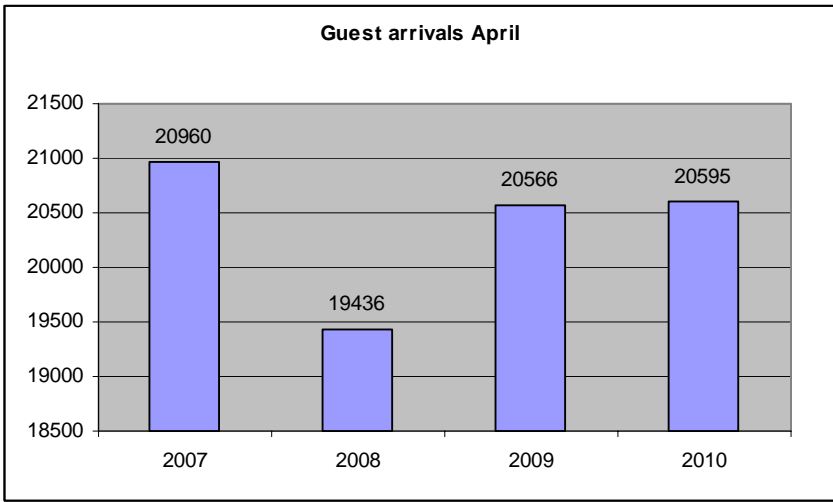
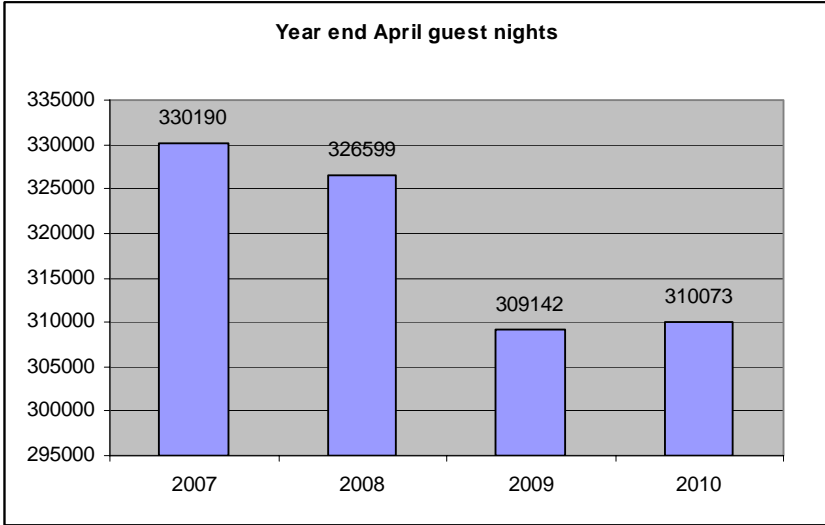
Marketing Plan	Actual	Forecast
	2009/10	2010/11
Publications		
Avenues	\$5,090	\$3,600
AA Guide	\$0	\$2,900
Visitor Guides	\$460	\$1,500
Tourist Times	\$475	\$380
Total	\$6,025	\$8,380
Website		

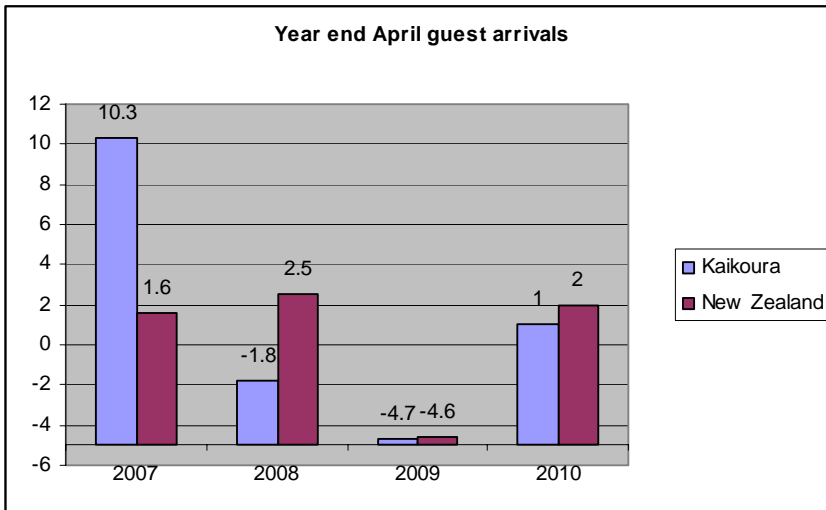
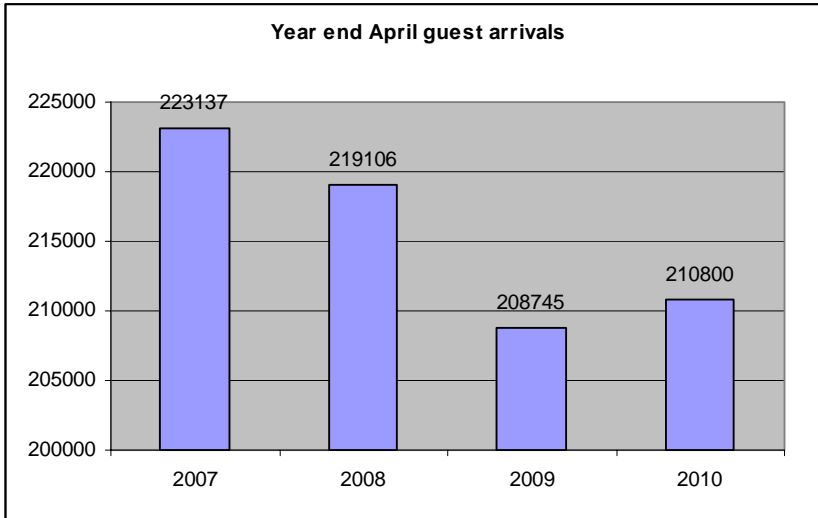
Hosting	\$90	\$90
Tourism Data/Thrive Licence	\$1,600	\$1,600
Optimisation		\$1,500
Further design?		
Total	\$1,690	\$3,190
Brochure Distribution		
Storage & Handling	\$800	\$800
Postage/Courier	\$500	\$850
Jasons Transport	\$2,395	\$660
Jasons Accom		\$1,500
Jasons Interislander		\$1,860
ChCh Airport 2 sites	\$422	\$600
ChCh i-SITE	\$735	\$600
Total	\$4,852	\$6,870
Events		
Waipara Food & Wine Fest	\$180	\$180
Launch in conjunction with CFWT		\$500
Total	\$12,747	\$19,120

NCFWT 2009/10			Budget	30.4.10
Excl GST			Full Year	Actual YTD
Income				
Members	47	395	18,565	18,274
WVWG (18 listings)			2,000	2,000
APT			10,000	10,000
KDC			2,000	2,000
VW			8,000	
Other Income (Seafest)				881
Other Income (Waipara)				680
Less Farmers Markets			-400	
Total			40,165	33,835
Expenses				
Brochure Design & Print	60 000		11,438	11,438
Website design&production			1,665	1,665
Website - mobile			950	950
Website Hosting Digiweb			83	90
Cabbage Tree hosting data				1,600
Brochure Distribution			7,000	3,500
KVIC Handling & Storage			800	800
Marketing			8,000	9,610
Travel/Food/Overheads			1,000	2,800
Project Management			8,000	
Total			38,936	32,453
Difference			1,229	1,382

Kaikoura Visitor statistics:







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

Tourism & Economic Development

Financial Report to 30 June 2010

	Budget (Year) 2009/2010 \$	Actual (Year) 2009/2010 \$	Actual (Year) 2008/2009 \$
Expenses			
Personnel & Personnel Related	56,100	55,555	51,192
Advertising & General Expenses	3,000	4,249	4,834
Overhead Charges	6,400	6,732	6,276
Cruise NZ Membership	2,000	1,000	-
TRENZ	9,000	7,325	7,433
Green Globe	3,500	5,861	3,158
Christchurch & Cnty Marketing	5,000	5,000	5,000
Visitor Research & Surveys	1,000	-	-
Events Funding	15,000	1,633	5,412
Image Library/Website/Displays	7,500	458	270
Marketing Activities	10,000	5,100	24,623
Trade Projects	5,000	-	-
AA Tourism Domestic Campaign	-	-	2,500
Air NZ In-flight Production	4,000	5,500	3,594
Visitor Guide	6,000	9,007	11,904
Domestic Campaign "Catch the Day"	50,000	65,446	-
Christchurch I-Site Display Space	1,500	5,120	5,359
Cnty Economic Development Corp	-	2,400	2,400
Contingency	3,000	-	-
	188,000	180,386	133,955
Funded by:			
Enterprise North Canterbury Refund	-	-	3,333
Network Evening Participation Fees	-	836	-
Cnty I-Site Advertising Revenue	-	4,465	-
Enterprise Nth Canterbury (Seafest)	-	623	-
Commercial Rates	175,667	176,991	100,982
	175,667	182,915	104,315
Activity Surplus/(Deficit)	(12,333)	2,529	(29,640)

Funds Held	Budget (Year) 2009/2010 \$	Actual (Year) 2009/2010 \$	Actual (Year) 2008/2009 \$
Opening Balance	30,000	30,406	58,565
Activity Surplus/(Deficit)	(12,333)	2,529	(29,640)
Interest Applied to Fund	-	-	1,481
Closing Balance in Fund	17,667	32,935	30,406

NB actual figures for 2009/2010 are yet to be finalised and may be subject to additional transactions.