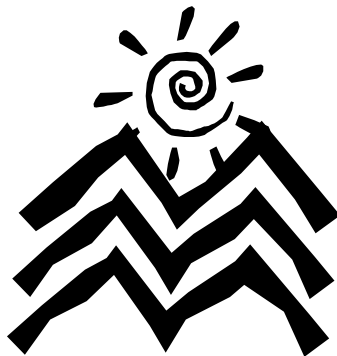




**KAIKOURA
DISTRICT COUNCIL**

***Tourism & Development Committee
Agenda***



13 April 2011

**TOURISM AND DEVELOPMENT COMMITTEE MEETING
HELD AT 1.00 PM ON WEDNESDAY 13 APRIL 2011 IN
MEMORIAL HALL SUPPER ROOM, ESPLANADE,
KAIKOURA.**

Agenda

1. *Apologies*
2. *Matters to be raised as Urgent Business*
3. *Confirmation of Minutes 09/03/2011* *page 1*
4. *Matters Arising from Report of 09/03/2011*
5. *Minutes Action List*

| Meeting | By Whom | Progress |
|---|-----------------|-----------------|
| <i>17 NOVEMBER 2010</i> | | |
| Rugby World Cup | Committee | In Progress |
| <i>8 DECEMBER 2010</i> | | |
| Provide banner options for consideration. | L Buurman | In Progress |
| <i>9 MARCH 2011</i> | | |
| Update message on the www.kaikoura.govt.nz website about the status of Kaikoura following the Christchurch Earthquake | Tourism Officer | Completed |
| Contact businesses regarding Rugby World Cup plans and email a meeting date to the Committee. | Tourism Officer | In Progress |

6. *Kaikoura Weather Forecasting*
 - **B McDavitt and R Oosterkamp from the Metservice will be in attendance at 1pm to present this item**
7. *Tourism & Economic Development Officer's Report* *page 8*
8. *Funding Request Kaikoura Historical Society* *page 17*
9. *Use of Emergency Warning Siren*
 - **Correspondence will be tabled at the meeting**
10. *Tourism and Development Statement of Accounts* *page 20*
11. *KITI Update*
12. *Urgent Business*

Tourism & Economic Development Officer's Report

- **Tourism New Zealand Website Workshop** – Sara Webb, online manager with Christchurch & Canterbury Tourism presented a workshop for businesses looking at the new opportunities available on the section of the TNZ website which allows for user generated content. The workshop was held in the Top 10 conference room and around 30 representatives from the accommodation and activity sectors attended.
- **District Tourism Organisations Meeting** – the quarterly meeting of the Canterbury District Tourism organisations and Christchurch & Canterbury Tourism (CCT) took place on 22nd March. Summary from this meeting:
 - Media coverage has had a considerable impact on Asian & Australian travel in particular
 - 75% of hotel rooms are out of action – significant impact on the conference & business markets & for tour operators who usually use hotels
 - 26 activity/attraction operators are open but only receiving a trickle of visitors
 - Some travel sellers are re-routing itineraries away from Christchurch
 - Coach tour operators have shifted entire series away from Christchurch – now going via Marlborough & West Coast.
 - Major conference and events are progressively cancelling arrangements in Christchurch but this is providing opportunities to neighbouring districts such as Waimakariri
 - Tasman arrivals are down
 - Air NZ have worked to reschedule flights where possible to avoid early morning & late night arrivals and departures due to accommodation situation in the city
 - Air NZ has cancelled 26 routes over the next few months. Jetstar are currently reviewing their routes and several other airlines are doing the same.

Current priorities for CCT

- Industry status management
- Lobbying government for assistance
- Communications with travel sellers and media
- Promote recovery story – need a structured PR plan which is already underway
- Support Air Asia launch
- Sustain long-term future as a conference & incentive centre
- Develop a South Island strategy with TNZ & South Island Regional Tourism Organisations

CCT moving forward:

- CCT capability must be guaranteed. South Island districts and regions must work together
- Domestic travel may receive more of a focus – possible support from government for campaign activity in the future.
- Main message is that all of the South Island is open but no longer has a central city hub in Christchurch. It is no longer always possible to overnight in Christchurch at beginning or at the end of a trip. Visitors can still arrive & depart via Christchurch but traditional itineraries need to be reviewed
- Need to generate some excellent PR & media activity
- Good quality trade famils will be organised in Australia
- Looking to get key Canterbury operators in front of Australian media
- Opportunities for districts with regard to conference and incentives
- Over next 3 months – main activity will be PR & media then a domestic campaign possibly with TNZ and also campaign activity in Australia
- TNZ are adopting a national approach but nothing specifically about helping Canterbury out.
- TNZ & CCT are working hard with trade to alter itineraries
- Attendance at trade shows is very important

- Air NZ has offered complimentary tickets to assist with international media programme
- TNZ also working hard using celebrities, bloggers and influencers
- Currently no campaign activity in Japan
- Christchurch International Airport along with South Island Regional Tourism Organisations are working on a South Island strategy
- A temporary i-SITE is now operating from The Chateau on the Park.

Key points from Wellington Tourism Earthquake summit

- Whole country has been affected. Japanese and Korean markets have reacted particularly negatively. Australian forward bookings have weakened.
- TNZ activity in Australia & UK – open for business message

General info from around the Districts:

- Districts such as Waimakariri, Ashburton & Timaru experienced the same scenario as Kaikoura in the immediate aftermath of the earthquake. Mackenzie has noticed sharp decline in visitors since the earthquake – coach tour operators reacted quickly in the week following the earthquake and rerouted tours. Visitor numbers in Mackenzie have dropped considerably in March but not sure if this is a direct result of the earthquake as numbers in January & February were down on 2010. Hanmer has been busy and continues to be very much business as usual.
- Situation now in the Districts – Ashburton & Waimakariri in particular are currently experiencing large numbers of recovery related workers staying in commercial accommodation which leads to a shortage for general visitors. Both Ashburton & Mackenzie looking forward to the winter season – closely watching the Australian market.
-

The District Tourism organisations will meet again with Christchurch and Canterbury Tourism in May.

- **Kaikoura Tourism Industry Meeting:** K Ngapora organised and chaired a meeting of tourism industry members on 25th March to discuss the situation in Kaikoura following the Christchurch earthquake & to identify short, medium and long term responses. Members of Tourism & Development Committee, Kaikoura District Council and Kaikoura Information and Tourism Incorporated were in attendance. Updates and action points from this meeting are included in the appendix.
- **Webcam:** the webcam has been successfully installed at The Pier and is now operating. Images can be viewed at www.takeabreak.co.nz. The image changes every 10 minutes. Information about the webcam has been sent to businesses so that they can include a link to the webcam on their own websites.
- **Joint Ventures with Hurunui Tourism:** presentation planning for the Australian trade visits is underway. With regard to the Alpine Pacific Touring route, Scott Callaway (Hurunui Tourism) and Tourism & Development Officer have discussed the future of continuing to market this route. It has been agreed that both organisations will commit to funding a refresh of the touring route brand which will then be used on the Kaikoura & Hurunui websites and in future visitor guides. A separate Alpine Pacific Touring map will not be produced.
- **Increasing Profile at i-SITES & Other Key Locations:** Tourism & Development officer has been investigating opportunities to enhance Kaikoura's profile in key locations particularly in the South Island. With regard to top of the south and West Coast i-SITES, there are currently no real opportunities to create a stronger presence for Kaikoura. However, there may be opportunities at Blenheim i-SITE once the renovations have been completed.

There are no opportunities onboard Interislander & Bluebridge other than display of the Kaikoura visitor guide. Tourism Officer is now looking at other distribution outlets on the West Coast (accommodation) and further afield including Dunedin, Queenstown and Wellington. Following a meeting with Immediate (media agency), a brief has been drawn up to investigate opportunities in these 3 centres which includes airports. Tourism Officer & Mandy Fissenden (Kaikoura i-SITE) are also looking at the best ways to target i-SITE staff in key locations. Areas which are currently being focused on are Top of the South and West Coast. This focus will broaden to include Dunedin & Queenstown in due course.

- **Business Surveys:** following the Tourism Industry meeting last month, Tourism Officer and M Manawatu drafted up a business questionnaire to gather data relating to the summer season and impacts on local operators following the earthquake. Tourism officer has sent this survey out to a range of local tourism businesses and once all the completed surveys have been returned, the data will be analysed and then the results will be sent out. In addition, Tourism Officer has developed a visitor survey which will be carried out over the next few weeks. Some surveys will be given out by operators but the bulk of the survey work will be carried out by members of the Kaikoura Youth Council and students from the High School. This will ensure that a large enough sample is obtained. The survey will cover amongst other things visitor travel patterns, length of stay and whether or not the Christchurch earthquake has caused visitors to change plans/itineraries.
- **Website Progress:** the website working group has met with Cabbage Tree to discuss their proposal. In addition, two other web design companies are currently preparing proposals for the group to consider.
- **Enhancement of Entrances to the Town:** Rusty Arthur from Kaikoura Lions Club met with Tourism Officer to report that the Lions Club is in full support of this initiative. He said that the Club is happy to volunteer labour and also to assist with suggestions and ideas. He said that there may be funds available from the Club to assist but this was not discussed in detail. The Tourism Officer suggested that a small joint working group would be the best way to progress with this. Tourism Officer said that she would contact R Arthur following the T&D meeting to start with the planning process.
- **North Canterbury Food & Wine Trail:** a Memorandum of Understanding has been drawn up between Enterprise North Canterbury, Hurunui Tourism and Kaikoura District Council to clarify the relationship that exists between the parties with regard to the Trail. The group will meet later in the month to plan for 2011 – 2012.
- **Ideas for Rugby World Cup:** Tourism Officer has been investigating the options for public screening of matches in a venue such as the Memorial Hall or an outdoor venue. With regard to an outdoor option, the best available system is provided by Open Air Cinema New Zealand with an inflatable 16m x 8m screen. Space required for this system is around 2 acres but the space can be as large as a rugby field. The surface can be tar sealed, grass or sand. Screening begins after sunset with speakers positioned either side of the screen pointing towards the audience. Rain doesn't affect picture quality and the screen can withstand winds of up to 55kmh. Potential locations would be the race course or the domain. The set up could be drive-in movie style or basic open air cinema with the audience required to bring their own seating. There would be plenty of scope for food stalls.

This would be an ideal community event to mark the start of Rugby World Cup and would also be a draw card for visitors. In addition, the screen could be kept for two nights with the 2nd night reserved for a family style movie event. The cost for this system (freight, set-up, all equipment and operation) would be in the region of \$10 – \$12 000. Costs could be recovered via admission charges.

Tourism Officer is also gathering prices for a smaller scale screening of the opening match in the Memorial Hall as an alternative. Licensing issues for screening live matches are also being investigated.

Kaikoura Tourism Industry Post Earthquake Action Meeting Friday 25th March 1pm Encounter Kaikoura

Present: Kauahi Ngapora, Annie Paterson, Ian Plummer, Stuart Grant, Stephan Rattray, John Macphail, Simon Pharazyn, Stu Burrows, Nicky McArthur, Geoff Harmon, Neil Pablecheque, Lynette Buurman, Maurice Manawatu, Pam Sigglekow, Neroli Gold, Mark Fissenden, Eve Parkin, Mandy Fissenden.

Apologies: Janice Dreaver, DOC, Darlene Morgan, Winston Gray

Purpose of meeting:

- ❖ To develop a greater understanding of potential impacts to Kaikoura as a result of the Christchurch earthquake short, medium and long-term.
- ❖ To develop a coordinated and proactive local industry response to address the impacts and protect our local industry.
- ❖ Develop a whole of Kaikoura approach.

Desired outcomes:

- ❖ To collate some robust factual data or actions to this end so that opportunities and challenges can be identified and robust decisions made going forward.
- ❖ Opportunities identified both at district and regional level.
- ❖ Developing clear and necessary actions.
- ❖ Understanding resources and avenues for spreading our message.
- ❖ Identify the key group which will be responsible for driving and delivering on the agreed actions.

Challenges:

- ❖ CCT is under immense pressure at local, regional and national level to be a leader for the Canterbury tourism industry but they have lost their main building, made staff redundant and have lost significant revenue resulting in prioritisation of existing funds.
- ❖ 90+% of all international visitors to the South Island come through Christchurch airport and it is the gateway to the South Island.
- ❖ Airlines are constantly reviewing flights and some have already cancelled rescheduled or rerouted flights.
- ❖ Airlines are trying to get passengers to Christchurch during the day so they have time to disperse to the Canterbury region and the South Island.
- ❖ Christchurch airport will be looked upon as a distribution gateway for the short to medium term while the city rebuilds.
- ❖ Christchurch has lost around 50% of commercial beds and although those open are around 95% occupancy 90% of those in these beds are support workers meaning only around 10% of beds are available to tourist so they have nowhere to stay in Christchurch so unless they have somewhere else to go why travel to Christchurch.
- ❖ Christchurch has received significant brand damage as a result of media coverage of the earthquake; this coverage has impacted on Canterbury, South Island and even NZ tourism.
- ❖ Significant cancellations have been received across the industry.
- ❖ Large operators such as Real journeys & Southern discoveries in Milford Sounds are parking up vessels due to soft demand post earthquake.
- ❖ Akaroa is struggling and Black Cat has also parked vessels up and are seeing greatly reduced visitation.

- ❖ ITOC reports around 32,000 cancellations.
- ❖ Both international and domestic tourism to Christchurch will be impacted which will roll on to regional Canterbury.
- ❖ When we talk about tourism locally we have to look at direct and in-direct impact, operators could suffer, accommodation could suffer, restaurants and cafes could suffer, retail and souvenir outlets could suffer tourism services could suffer and support services such as mechanics, electricians, plumbers, builders etc could all suffer.

WWK actions and information gathered to date

Whale Watch Kaikoura has been proactive in promoting that Whale Watch and Kaikoura is “Open for Business”

- Social Media i.e. Facebook and Twitter
- Website
- Contacting inbound operators and international trade
- Visited trade in Australia
- Attending key industry briefings
- Planned NZ road trips visiting i-SITEs
- Kiwilink
- TRENZ
- Special market visits
- Key relationships developing
- Developed the Kiwi Whale Watch club
- Trying to get data on passenger flows thru AirNZ and CIAL (Christchurch International Airport). Where they are re-routing their planes e.g. Is it Wellington? Information not forthcoming. Keeping in touch with CIAL CEO. Expected international decrease over the next 3 months is 25% Domestic decrease is 10%
- Kaikoura on bedbank list in Christchurch
- Cruise Ships – Akaroa and Kaikoura on list for alternative ports to Lyttelton
- Have spoken with PR Media Consultant on what we can do
- Inside Tourism – to do a story on Kaikoura
- Have spoken to Marlborough Bus companies in regards to options if flights are redirected to Wellington
- Air Asia x – Flights start 1st April Whale Watch have distributed discount coupons
- Air Asia go (in-flight publication) Whale Watch has an article in
- In touch with General Travel – A NZ inbound tour operator
- Hosting trade media

Tourism & Development Officer – Annie Paterson – my report appears in the T&D report under the “District Tourism Organisations meeting” section

i-SITE update – Mandy Fissenden

Update on actions from i-SITE NZ

- Updates from TNZ re the earthquake response and the impact on travel around NZ were forwarded to i-SITEs on a regular basis so they had the most up to date info on hand when dealing with visitor enquiries
- Anecdotal reports from i-SITEs in certain regions around the country suggest that they were very busy in the days immediately following the earthquake rearranging travel plans for

visitors and accommodating influxes of displaced ChCh residents (clear examples of the huge value the network provides as a safety net for people travelling around the country)

- TNZ has launched a 'NZ is Open' campaign in markets such as Australia and the UK to get the message across that the earthquake was a localised event and that NZ is very much open for business. Information about the campaign has been circulated to i-SITES.

General Comments

- The i-SITE functioned well as the main centre
- 9.4% income increase
- Trying to assist Christchurch by encouraging tourists to visit. Convincing them that Christchurch is OK, activities still operating, Airport is fine. Struggling with finding accommodation more so now than directly after the EQ.
- Backpacker bus options i.e. Stray etc. Some have re-routed tours to bypass Chch one is travelling from Queenstown to Kaikoura in one day.
- A huge loss in brochure display membership fees for the i-SITE. A big % is Christchurch operators and accommodation
- Christchurch i-SITE –a huge loss of income not able to open. Building fine but within the cordon. Opening on April the 4th from the Chateau on the Park. Staff cuts and redundancy's
- Christchurch International Airport i-SITE benefiting from being the only i-SITE in town. Really busy one day, really quiet the next.

Kaikoura District Council – Stuart Grant

General Comment

- To work co-operatively as one unit
- More of a co-ordinated approach
- Gather and generate ideas to create a strategy on how we proceed
- Focus on Wellington -airports and ferries and Marlborough and Hurunui

Locally what's happening

- Increased resource consents –i.e. subdivisions for more affordable homes
- Building of new homes on hold
- Museum and library extension – sub-consultants in place
- Wharf proposal moving forward –lodged resource consent
- Aquatic Centre proceeding
- Draft Budget for rates out later in April 2.5% increase overall. Most commercial operators get a decrease

MANZ – Stephan Rattray

- General consensus bookings are up. The expectation is that this will continue due to the aftershocks.
- Expecting a slow winter
- Increase in domestic? 50% yes 50% no
- RWC11 –general positive response thoughts are that with marketing Kaikoura will benefit
- Wholesalers need to continue to put Kaikoura on the map. Visitors are not wanting to go to Christchurch twice they come off the ferry turn at Picton and head to Nelson
- Uncertainty that activities are guaranteed to operate due to weather
- Opportunities thru the winter – ski market
- Wellington i-SITE

- Summer has been good better than others

Open Floor discussion

- Shuttle options
- Upgrade airfield to a national level, commented that the Runanga would like to pursue
- DATA –from everyone required
- Who has the contracts to the Supporters Club for the RWC11. Appointment to see the wholesaler
- Market Intelligence, surveys on the flow
- Contact business partners - international and domestic
- Co-ordinating approaches
- Stronger connections with Destination Marlborough
- Tranz Coastal – North route under threat of closing
- Cruise Ships –working with Carnival Cruises – pax 2000 per ship. Focus on making these work. Lyttelton not necessarily coping so options are Akaroa and Kaikoura. Kaikoura port profile to be lifted. If they pull out of Lyttelton they may also spend more time in Marlborough –to consider shuttle options
- Urgent action –reinstate the connection with Christchurch
- A regional i-SITE may be based at the Antarctic Centre
- I-SITE staff placed regionally i.e. Picton, Hanmer etc...
- We need data but we need business now
- Domestic strategy different to international strategy
- Need to get out to i-SITEs urgently to do product updates
- Strengthen region – need to respond now
- Information distribution lost (Chch i-SITE) this needs to be re-established
- Action plan data
- Short term
- Long term plans

Ideas

1. Data Collection – Annie/Kauahi
2. Airport – Kaikoura runway - Kauahi
3. Work with Marlborough regions – Annie/Scott
4. Tranzcoastal
5. Regional i-SITE e.g. at the Antarctic Centre
6. Redirect CCT staff to other i-SITEs
7. Targeted i-SITE staff training
8. Transport links between Chch Airport and Kaikoura
9. Cruise ships – Annie/Kauahi
10. Options for Wellington –contacting flight options
11. Government Assistance e.g. Tranzcoastal
12. Trade/Media activity – Annie/Kauahi
13. Leverage off Asia Air X
14. Events more development
15. All inclusive packages for Kaikoura –Kauahi/Annie/Simon/Lynette using Catch the Day/Tranzcoastal
16. Reinforce local touring routes –Coastal Highway

17. Domestic/International differentiation
18. The importance of Nelson Airport as a gateway
19. Raising the profile of local operators
20. Media contacts i.e. Trip Advisor advertising Earthquake Alert – Stephan
21. CIAL CEO Jim Boulton to contact – Kauahi
22. CCT Arrivals into Chch –Annie
23. Local information – survey for operators –Annie/Maurice/Kauahi/Mandy
24. TRENZ – Targeting rugby fans club wholesalers –Kauahi/Annie/Mandy

Comments

- Priority Data Collection, Transport and Packages
- Doing something to grab the media's attention that is cost effective
- Emailing trade –not to all be contacting the same trade and bombarding them.
- Getting a message about Kaikoura into publications such as Inside Tourism and Travel memo
- CCT redundancy's using these resources - staff and knowledge
- Outside contracting and funding
- Media activity – short term encouraging people back to Christchurch. PR Campaign regional focus
- Targeting Australian market
- Target school holidays/Easter e.g. kid specials
- Booking agencies sharing knowledge

Tourism & Economic Development

Financial Report to 31 March 2011

| | Budget (Year) 2010/2011 \$ | Actual (9 Months) 2010/2011 \$ | Actual plus Commitments 2010/2011 \$ | Actual (Last Year) 2009/2010 \$ |
|-----------------------------------|-------------------------------------|---|---|--|
| Expenses | | | | |
| Advertising & General Expenses | 8,000 | 8,238 | 8,238 | 4,281 |
| TRENZ | 7,500 | 4,677 | 4,677 | 7,325 |
| Green Globe | - | - | - | 5,861 |
| Projects/Cruise NZ | 6,000 | 1,000 | 1,000 | 1,000 |
| Chch & Canterbury Marketing | 5,000 | 5,000 | 5,000 | 5,000 |
| Visitor Research & Surveys | 1,000 | - | - | - |
| Events Funding | 20,000 | - | - | 1,633 |
| Images/Website/Webcam | - | 3,375 | 3,375 | 728 |
| Marketing Activities | 15,000 | 15,911 | 15,911 | 10,600 |
| Visitor Guide | 6,000 | 12,263 | 12,263 | 9,173 |
| Campaign "Catch the Day" | 60,000 | 33 | 33 | 65,446 |
| Chch I-Site Display Space | 1,000 | 13,148 | 13,148 | 5,120 |
| Town Signage & Beautification | - | 300 | 300 | - |
| Canty Economic Devt Corp | - | 2,400 | 2,400 | 2,400 |
| | 129,500 | 66,345 | 66,345 | 118,567 |
| Funded by: | | | | |
| Canterbury I-Site Advertising | - | 4,985 | 4,985 | 4,465 |
| Visitor Guide Subscriptions | - | 4,007 | 4,007 | - |
| Seafest & Other Revenue | - | 2,781 | 2,781 | 1,459 |
| Commercial Rates | 199,226 | 149,436 | 199,226 | 176,996 |
| | 199,226 | 161,209 | 210,283 | 182,920 |
| Less Overheads, Personnel | 69,726 | 46,177 | 69,726 | 83,077 |
| Activity Surplus/(Deficit) | - | 48,687 | 74,212 | (18,724) |

| Funds Held in Special Reserve | Budget (Year) 2009/2010 \$ | Actual (9 Months) 2010/2011 \$ | Actual (Last Year) 2009/2010 \$ |
|--------------------------------|-------------------------------------|---|--|
| Opening Balance | - | 16,467 | 34,677 |
| Activity Surplus/(Deficit) | - | 48,687 | (18,724) |
| Interest Applied to Fund | - | - | 514 |
| Closing Balance in Fund | - | 65,154 | 16,467 |

| | |
|--|-----------------------|
| TOTAL FUNDS AVAILABLE | |
| Funds Held in Special Reserve as at 31 March 2011 | 65,154 |
| Expenses Budget Remaining (Budget less Actual) | 63,155 |
| Funds Available to be Spent By 30 June 2011 | <u>128,309</u> |

PLEASE NOTE: THE FUNDS TO BE SPENT BY 30 JUNE 2011 HAS ELIMINATED ALL FUTURE ESTIMATED COSTS RELATING TO PERSONNEL AND OVERHEADS, AND THEREFORE REFLECTS THE AMOUNT THE COMMITTEE SHOULD BE SPENDING BY 30 JUNE 2011.