

South Wairarapa District Council

August 2013

General Manager's Report

More Visitors, Staying Longer & Spending More

Overview

Visitor Arrivals

Guest Arrivals and Guest Nights were strong for Wairarapa in May with them up 10.5% and 8.4% respectively. The result was a 1.7 point increase in occupancy compared to the same month last year.

June Guest Arrivals dropped 8.4% against last June but there was a phenomenal average stay of 2 nights (in June!), lifting the Guest Nights by 2.1%.

Growth in international guest nights has continued with seven of the past eight months showing growth. May had international guest night growth of 62.5% and June had 96%.

In contrast, Domestic has had seven of the past nine months returning a decrease in guest nights.

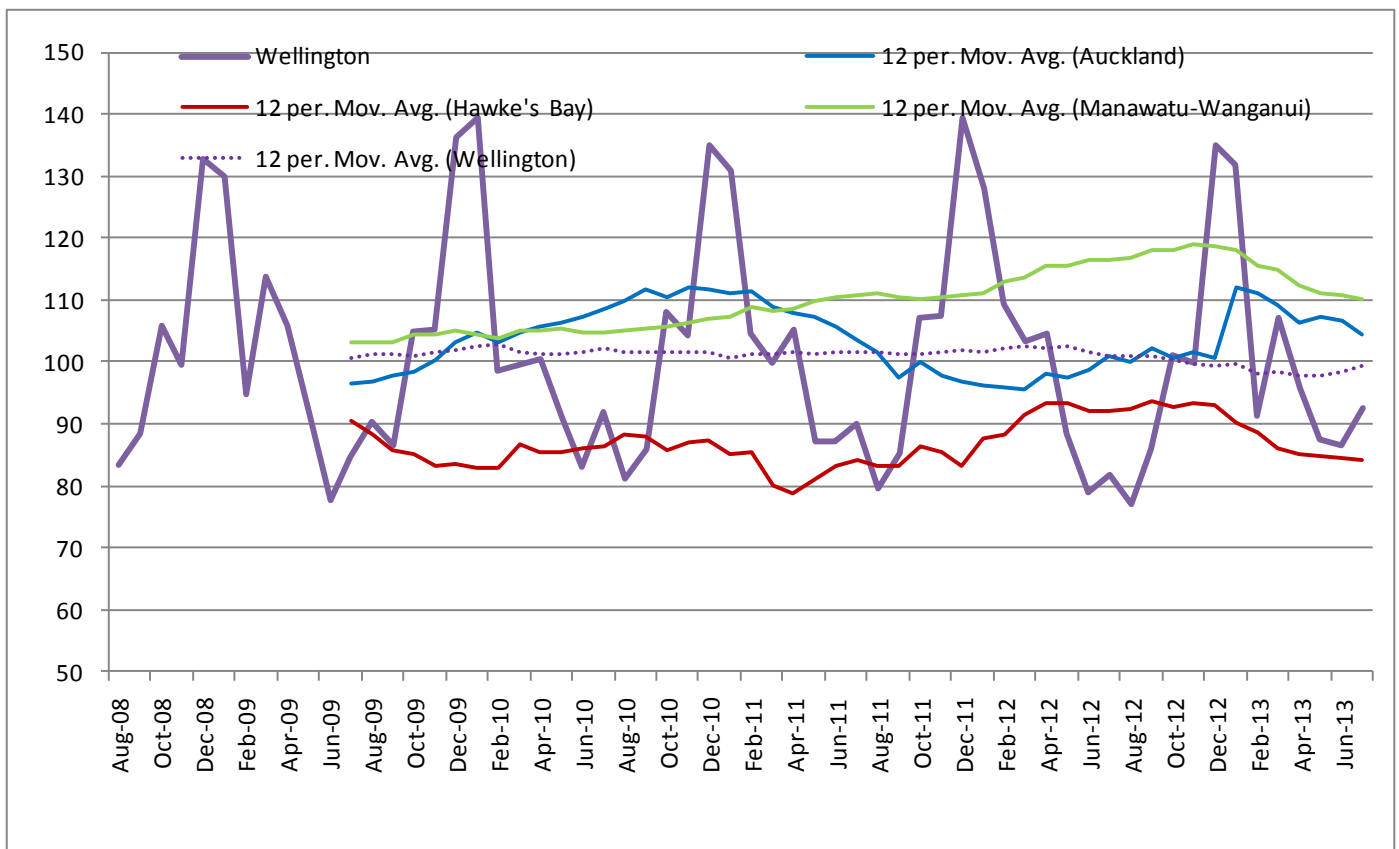
Commercial Accommodation Monitor						
Statistics New Zealand		12 Months Ending June 2012 v 2013				
	Wairarapa	Manawatu	Greater Wellington	Hawkes Bay	Taupo	National
Guest Arrivals						
2013	107,841	269,878	1,176,134	439,377	553,273	16,359,083
2012	110,706	270,410	1,167,219	469,292	558,842	16,316,127
Variance	-2.7%	-0.2%	0.8%	-6.8%	-1.0%	0.3%
Guest Nights						
2013	195,234	446,736	2,399,093	942,891	947,690	31,969,497
2012	205,013	472,086	2,384,214	959,052	960,758	31,751,633
Variance	-5.0%	-5.7%	0.6%	-1.7%	-1.4%	0.7%
Occupancy						
2013	21.4%	32.7%	58.6%	31.5%	36.0%	36.8%
2012	22.5%	32.7%	60.4%	32.0%	35.8%	36.6%
Variance	-1.1	0.0	-1.8	-0.5	0.2	0.2
Length of Stay						
2013	1.8	1.7	2.0	2.1	1.7	2.0
2012	1.9	1.7	2.0	2.0	1.7	1.9
Note: Greater Wellington excludes Wellington City						

Visitor Spend

This data measures indexed spend growth against the average month in 2008 and monthly transaction volumes.

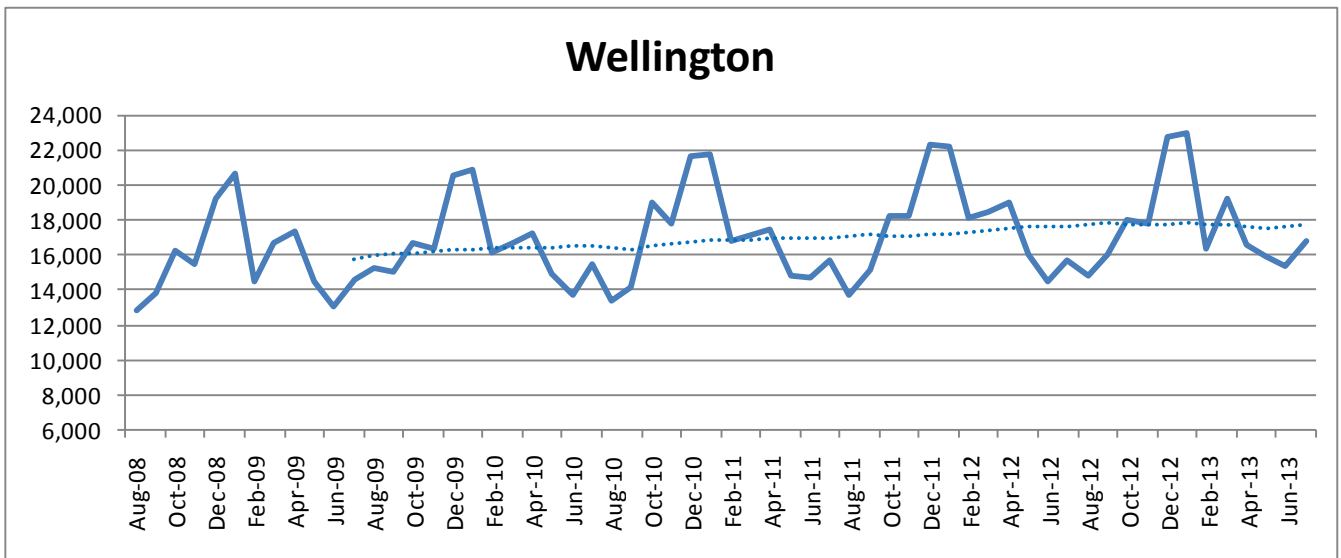
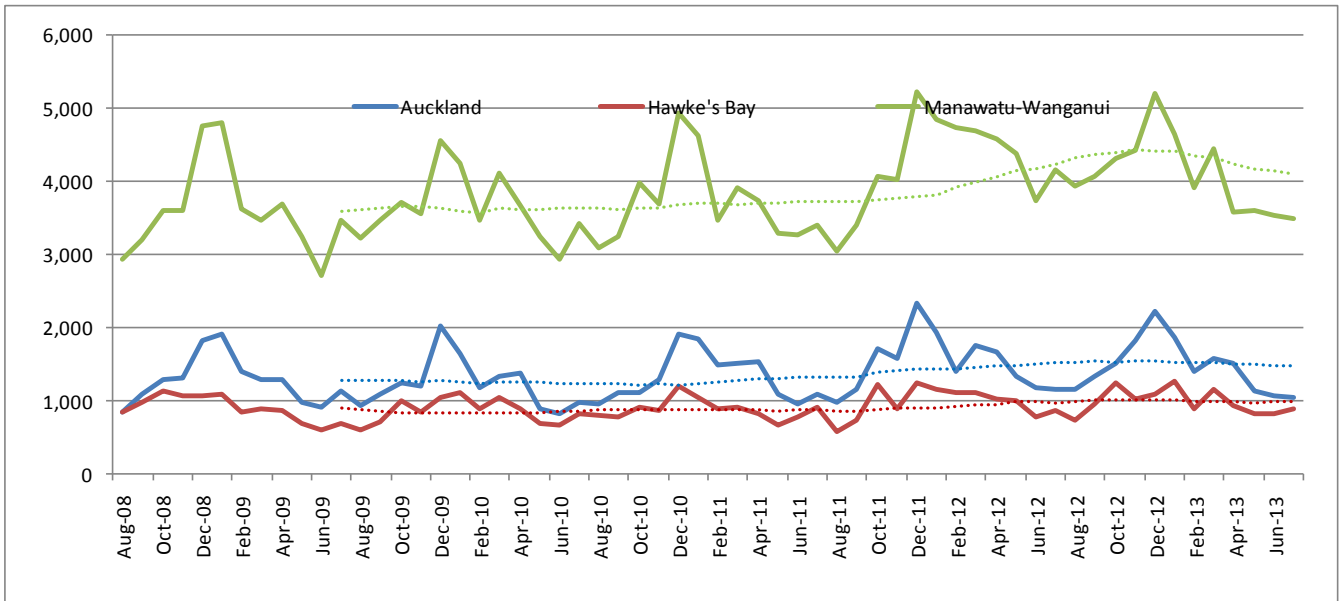
Domestic Level of Spending

- Wellingtonian spend in summers has been fairly consistent with some good growth this winter. Spending overall by Wellingtonians in Wairarapa has generally trended flat but dipping below the index this year.
- The strong growth of Manawatu spend has started to dip but is still above the 100 index.
- Auckland's increase in spending in January has continued but is trending back towards the index level.
- Hawkes Bay had shown some growth last year but has declined somewhat to be 15 points off 2008 average spend levels.



Domestic Volume of Transactions

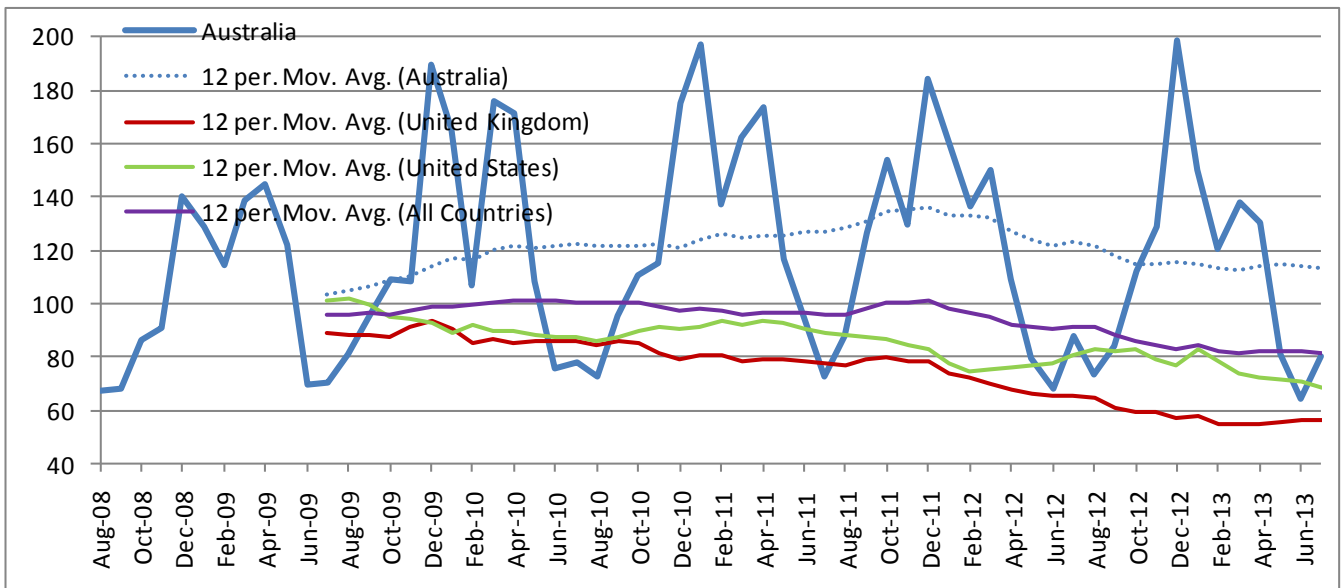
- All major markets are increasing in the volumes of transactions made in Wairarapa
- Wellington continues to have the greatest volume of transactions followed by Manawatu, Auckland and Hawkes Bay
- Wellington produced a record June transaction volume (15,371)
- A flattening of the summer and winter troughs for Wellington and Manawatu is very encouraging



International Level of Spending

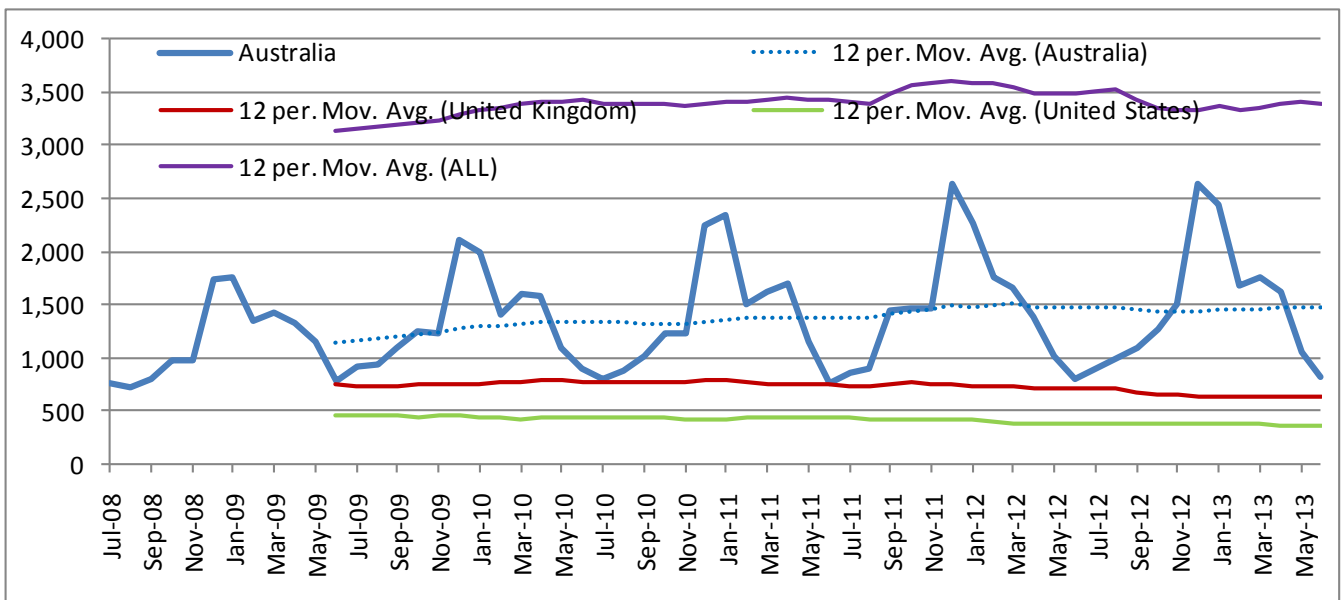
- Spending by international markets in Wairarapa has been trending fairly flat until the end of last summer when a decline has become apparent
- Australia is the only market which has shown any growth in spending since the 2008 index

- Spending continues to trend downwards for USA and all other countries in Wairarapa; however there was a definite upward trend since February.



International Transaction Volumes

- Australian transaction volume has trended upwards since 2008 with summer peaks in particular showing growth year after year
- UK and USA transaction volumes are trending flat/to decline



Winning Conferences

Seven Wairarapa exhibitors made up the Wairarapa section of **Show Me Wellington**;

- Transit
- Tui
- Peppers Parehua
- Brackenridge
- Copthorne Solway Park
- Green Jersey Cycle Tours
- Destination Wairarapa

TECNZ

Ended up going off without a hitch. Feedback was exceptional with suggestions that it was the best one yet. Excellent results with several operators heading off to see Wairarapa businesses with specific interest for future visitor potential.

180 delegates plus 25 Destination Wairarapa day delegate members. Most delegates stayed three nights using Copthorne, Gateway, Asure, South Park, Acorn, Summit Lodge, Discovery, Briarwood and Mawley Park.

Famils were conducted to Castlepoint & Tinui, Pukaha Mount Bruce, Rimutaka Cycle Trail, Masterton and Gypsy River Camping, Parkvale Mushrooms and Greytown.

Some excellent media coverage came from the event with two stories in local media and a half page in the Dom Post.

The results of the budgeted investment of \$19,000 should expect an increase in international guest nights but it will be another 12 months until we try and measure any results.

The Big Weekend

We are working with the organizers of 'The Big Weekend' – the St Matts/Rathkeale Centennial event next summer. Their registration/information website site has a page promoting accommodation bookings (via DW).

Established Products and Markets

Classic New Zealand Wine Trail (CNZWT) –

Have worked with partner regions, Hawkes Bay, Wellington and Marlborough on content for the new Wine Trail website which is under development.

Sara is undertaking an audit of the region's content on newzealand.com and will be managing and uploading lots of new content in coming weeks.

Wellington, Manawatu, Hawkes Bay –

We're getting Sara established and up to speed. Comes at a good time and means she will manage calendars of marketing activity and data acquisition.

We supported a Wairarapa Day for a promotion for Grab One i.e. gave this is a good 'shout out' on Facebook as well as worked with Grab One to get the right operators involved.

Our new format for the Visitor Guide is being progressed and sales activity will soon commence. The new format will take much less time to sell and populate and will be more user friendly as a touring map.

Trade

We hosted two Indian wholesalers post TRENZ. They specialise in Honeymooners and will use both Briarwood and Aylstone in their itineraries. Prithvi Shah subsequently wrote this blog which went to all his clients plus posted about the region on Facebook.

<http://atravelduet.com/destination-spotlight-wairarapa-in-new-zealand/>

Met with one of new owners of Martinborough Hotel and advised on a number of key areas of trade and marketing.

Media Results:

We've had some terrific media results: this one from Daily life a huge Fairfax website aimed at Australia women is a ripper – note the messaging round staying here two nights when you visit from Australia.

<http://www.dailylife.com.au/life-and-love/dl-travel/a-week-in-wellington-20130620-2ol5k.html>

<http://travel.msn.co.nz/newzealand/8684914/martinborough-magnet-foodies>

This excellent episode of Coasters featuring Palliser Bay ran in prime time:

<http://tvnz.co.nz/coasters/s2-ep3-video-5465537>

We have developed a very good relationship with the new Wairarapa reporter from the Dom Post off the back of a media release we developed around growing Australian visitor numbers he wrote this (in the hard copy paper it was HALF A PAGE in the Dom POST):

<http://www.stuff.co.nz/dominion-post/news/wairarapa/8885526/Australian-tourists-drawn-to-Wairarapa>

David, Katie and Barbara hosted Andrew Bonallack the Times Age Editor for lunch. Andrew has indicated in a recent editorial that he wishes to write about positive stories. Although a Wellingtonian he appears to know little about the region and this provides opportunities for us to advise/bring him up to speed.

Katie and Barbara attended a Friends of Toast Martinborough event in Wellington. We are working closely with Toast to co-ordinate media visits to maximise coverage of the event for the region.

Attended editorial session and contributed story ideas for the spring edition of Wairarapa Lifestyle magazine.

Thanks to leadership from Greg Childs from Classic Hits Newstalk ZB broadcast their breakfast show live from Martinborough Hotel on Friday July 19th. This is something they will look to do periodically across the year and across the region.

Australia –

Undertaken through Classic New Zealand Wine Trail

Visiting Friends and Relatives -

Destination Wairarapa will have a stand at the Made in Wairarapa trade show

Our series of *Close to Home* articles in The Times Age has continued:
(Wairarapa Times Age ½ page every second Saturday)

- Henley Lake – 11 May
- Olivo – 25 May
- Pinnacles – 8 June
- Lansdowne Trail – 6 July
- Wellington On a Plate & Cafe Cecile – 20 July
- Murdoch James – 17 August

Website/Online

Website is being built. Focus is now for Barb to finalize keyword strategy and edit current copy.

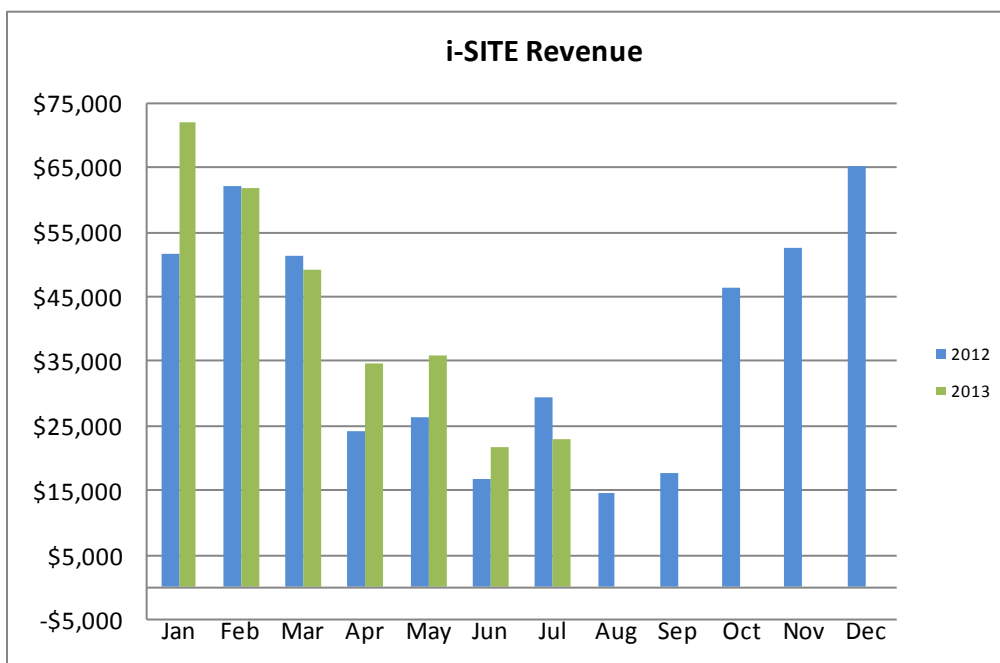
We held a workshop aimed at existing users of Facebook with objective of sharing trends, new opportunities and features of Facebook. 31 Destination Wairarapa members attended and the feedback as extremely positive.

i-SITE Visitor Centres

Highlights:

- ***i-SITE Total Sales***

i-SITE gross revenue (\$21,655) in June was up 28.2% but down 21.9% in July against the same months last year.



- ***i-SITE Profit Reports***

Profits (excluding retail) for the 12 months ending July (\$34,222) were up \$4,376 (14.7%) on the previous year.

- ***i-SITE Foot Count***

The year ending July saw the i-SITEs with 49,904 visitors which is 2.7% (1,317) up on the previous 12 months.

- June 2,259 – up 19%
- July 2,583 – up 37%

Product Development

- Product development in July-August has included work on:
 - Mataikona Rocks
 - Brown Tourist Signs
 - Masterton Airport and Air New Zealand
 - Wairarapa Cycle Trail
 - Kuranui Outdoor Education

We welcomed Sara Renall to our team. Sara's role is slightly different from Helen's with more of a focus on online content creation e.g. blogs and populating travel websites. She is a real self starter and has hit the ground running.

David Hancock
General Manager

South Wairarapa District Council August 2013 General Manager's Financial Report

Financials Unaudited EOY 30 June 2013

- The unaudited EOY financial statements are attached and summarised below:

Destination Wairarapa						
Profit & Loss Summary						
	June 2013			Full Year		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue	\$45,501	\$63,329	-\$17,828	\$815,288	\$812,978	\$2,310
Expenditure						
Corporate Support	\$32,697	\$36,531	\$3,834	\$390,360	\$404,651	\$14,291
Marketing	\$11,496	\$11,318	-\$178	\$193,407	\$164,494	-\$28,913
i-SITEs	\$16,640	\$18,871	\$2,231	\$222,610	\$226,570	\$3,960
Total Expenses	\$60,833	\$66,720	\$5,887	\$806,377	\$795,715	-\$10,662
Net Surplus/Deficit	-\$15,332	-\$3,391	-\$11,941	\$8,911	\$17,263	-\$8,352
PROJECTS						
Opening STAR Funds in Retained Earnings				\$47,603	\$47,603	\$0
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Expenses	\$0	\$1,400	\$1,400	\$7,290	\$14,000	\$6,710
Closing STAR Funds in Retained Earnings				\$40,313	\$33,603	\$6,710
Total Net Surplus/Deficit	-\$15,332	-\$4,791	-\$10,541	\$1,621	\$3,263	-\$1,642

- Revenue EOY is up \$2,310 however this does include Visitor Guide revenue of \$23,948 which was not budgeted for.
- Corporate Support finished \$14,291 under budget with cost savings made across the entire budget
- Marketing did finish \$28,913 over budget which was largely due to the unbudgeted expense of the visitor guide
- i-SITE expenses finished \$3,960 under budget again with administration savings made throughout
- Net Surplus EOY of \$1,621