

## Destination Wairarapa Council and Trust Report 31 December 2016

### More Visitors, Staying Longer & Spending More

#### Overview

#### Visitor Arrivals

Wairarapa's growth has continued particularly with international visitor guest nights up each month for the past 13 months. YTD September 2016 and international visitor guest nights are up 21% on the previous year.

Domestic growth has also continued over the same period and is up 5.4%.

We have seen a marked decline in length of stay which is disappointing but it is a similar trend nationally and in Taupo.

<b>Commercial Accommodation Monitor</b>					
Statistics New Zealand		<b>12 Months Ending September 2015 v 2016</b>			
	<b>Wairarapa</b>	<b>Greater Wellington</b>	<b>Hawkes Bay</b>	<b>Taupo</b>	<b>National</b>
<b>Guest Arrivals</b>					
2016	123,413	1,244,989	502,898	578,294	19,114,885
2015	109,156	1,194,757	463,314	530,080	17,647,393
Variance	11.6%	4.0%	7.9%	8.3%	7.7%
<b>Guest Nights</b>					
2016	224,389	2,690,363	1,116,057	1,059,892	38,040,747
2015	203,123	2,560,179	1,019,263	999,820	35,814,286
Variance	9.5%	4.8%	8.7%	5.7%	5.9%
<b>Occupancy</b>					
2016	23.6%	65.9%	40.5%	40.8%	43.1%
2015	21.2%	63.1%	35.6%	38.7%	40.9%
Variance	2.4	2.8	4.9	2.1	2.2
<b>Length of Stay</b>					
2016	1.82	2.16	2.22	1.83	1.99
2015	1.86	2.14	2.20	1.89	2.03
Note: Greater Wellington excludes Wellington City					

Carterton and South Wairarapa statistics are grouped together so the following table for Masterton is not available for the other two TLAs.

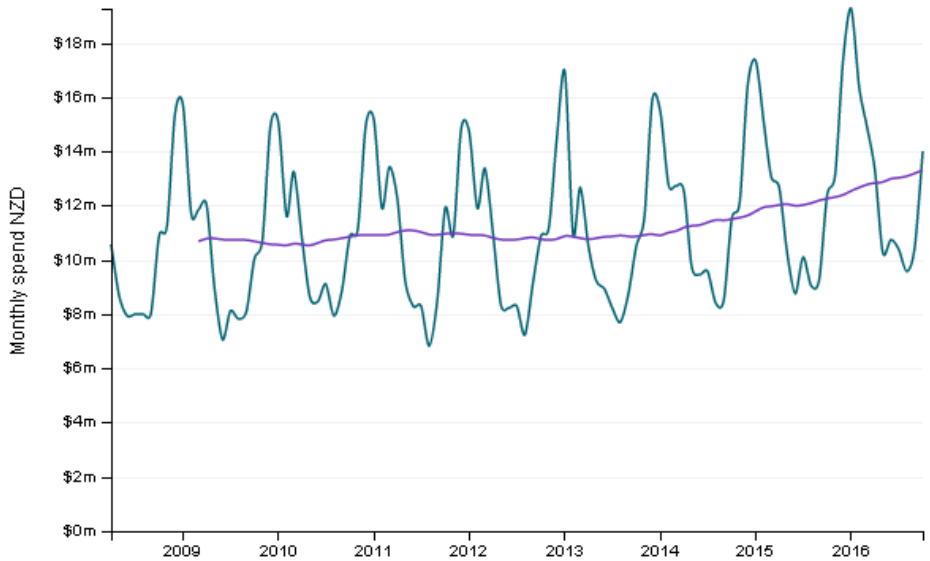
<b>Commercial Accommodation Monitor</b>			
Statistics New Zealand <b>12 Months Ending September 2015 v 2016</b>			
	<b>Wairarapa</b>	<b>Masterton</b>	<b>National</b>
<b>Guest Arrivals</b>			
2016	123,413	69,583	19,114,885
2015	109,156	66,834	17,647,393
Variance	11.6%	4.0%	7.7%
<b>Guest Nights</b>			
2016	224,389	137,023	38,040,747
2015	203,123	129,177	35,814,286
Variance	9.5%	5.7%	5.9%
<b>Occupancy</b>			
2016	23.6%	28.0%	43.1%
2015	21.2%	25.9%	40.9%
Variance	2.4	2.1	2.2
<b>Length of Stay</b>			
2016	1.82	1.97	1.99
2015	1.86	1.93	2.03

**Visitor Spend**

The data Destination Wairarapa has used in the past to report on credit card spend is not currently available as MBIE overhaul their systems. There are also no reports available at the moment specific to individual TLAs. RTONZ the Regional Tourism Organisation association is working with MBIE and Statistics NZ to get the TLA reports operational again. This was hoped to be before the end of 2016 however the earthquake has slowed Statistics NZ return to operations.

This series of graphs is a more aggregated view of spend but still shows growth for all visitors to the Wairarapa at YE October 2016.

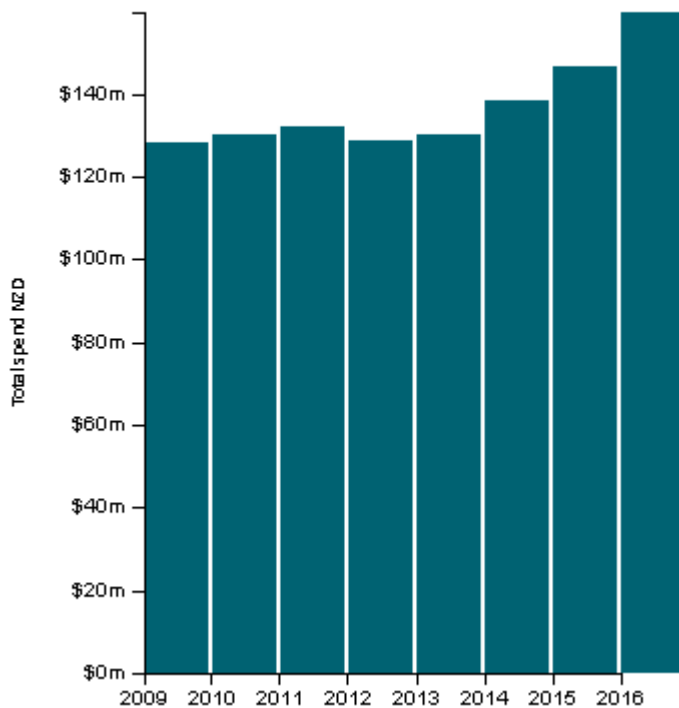
**Historical monthly spending pattern**



The financial objective for the tourism industry is outlined in the Tourism 2025 framework. In a Wairarapa context this means growing annual tourism revenue from \$134 million (YE 2014) by \$78 million to \$212 million a year by 2025.

Revenue from tourism YE October 2016 for the Wairarapa is \$160 million. That's an average growth of 9.7% per annum. The target is average growth of 5.3% per annum, so the Wairarapa is well on track for doing its part for the New Zealand tourism industry.

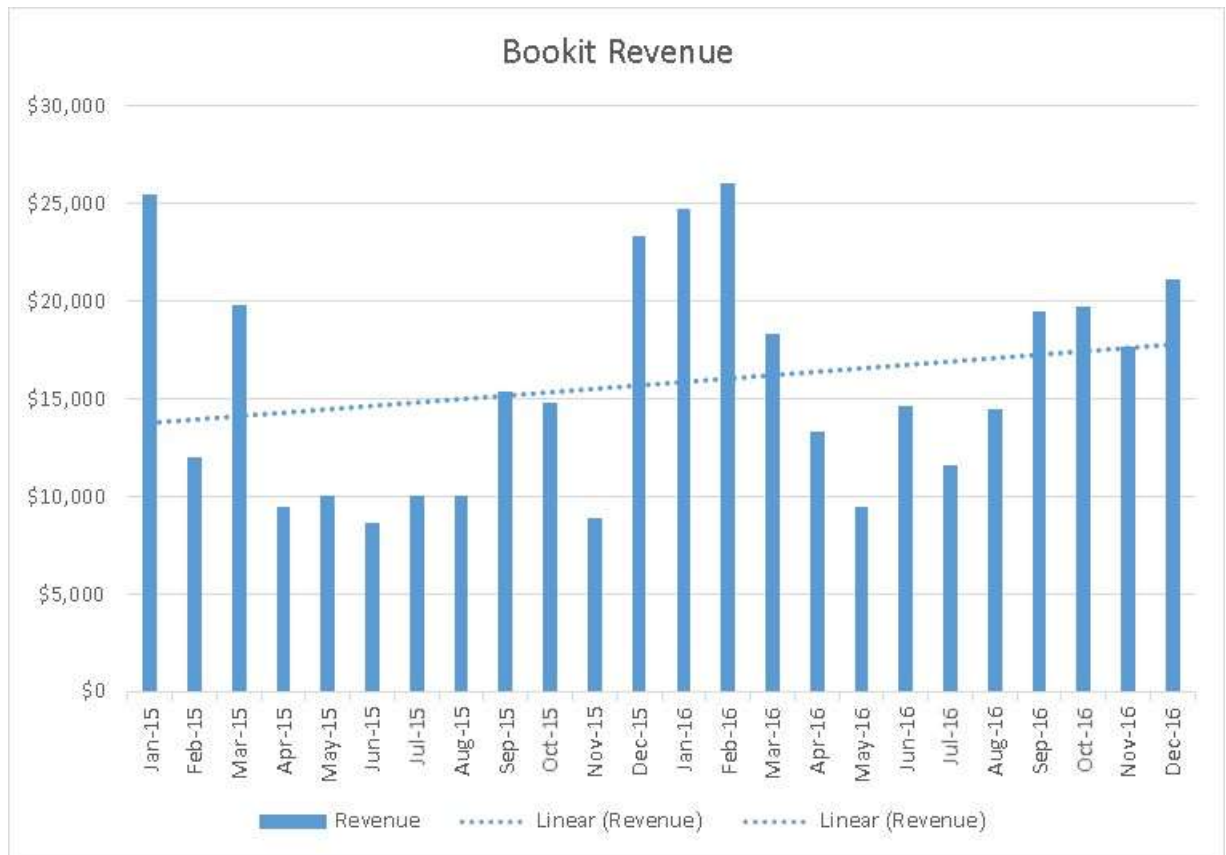
### Total spending for year to October



The following graph shows spend in the Wairarapa by product for July 2016. This order of products purchased doesn't change when viewed for 12 months. The importance of tourism to retail and therefore retail to tourism cannot be understated in the Wairarapa. Getting as many retailers open 7 days a week is a real opportunity for the towns.

## Bookit

Bookit is the online booking engine on the Destination Wairarapa website. Through October to December booking volumes and revenue were up 24.2% on the same period last year. This is revenue going direct to local businesses.



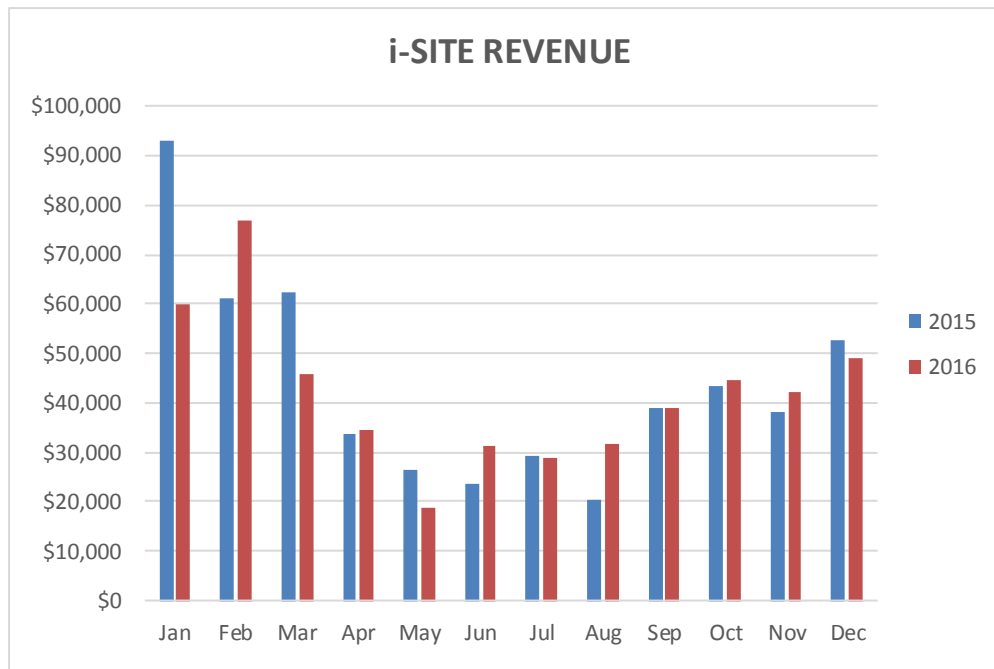
## Winning Business Events

Destination Wairarapa has agreed with partners that in 2017, a collective of operators with an overarching Wairarapa theme would attend Show Me Wellington on 7 March.

## i-SITE Visitor Centres

### Highlights:

- **i-SITE Total Sales**
  - i-SITE Visitor Centre gross revenue for YE December 2016 (\$503,115) was down 3.7% on the previous 12 months but improved 3 points since August 2016 quarter.
- **i-SITE Visitor Volumes**
  - October – December 2016 had 11,201 visitors through the doors which is 6% down on the same quarter in the previous year



#### Product Development

- Development of Castlepoint Tours to be opened in January 2017
- Development of Rivenrock mountain bike park to be opened in January 2017
- Continued development of New Zealand Cycle Classic & Huri Huri; Wairarapa's Bike Festival
- Continued development of NZ wide Brown Tourist sign symbols with MBIE and NZTA
- Monthly meetings with GWRC trains

#### Operator Development

October – China Ready Workshop #2

**David Hancock**

**General Manager**

## September – December 2016 Marketing Manager's Report

### Marketing to Arriving Travelers:

#### Established Products and Markets

A soon to be established market – Singapore – has been a big focus in this period as we've prepared for the new Singapore Airlines flights via Canberra. Two new markets which can now access Wellington easily. WREDA has done a whole campaign into Canberra and we've prepared and worked with trade and media in this period in preparation for Singaporeans.

For example this content was prepared:

<http://www.wairarapanz.com/coming-from-singapore>

<http://www.wairarapanz.com/day-trip-from-Wellington>

We've spent time with numerous members of the new team at WREDA. Some were hosted here so we could meet with new members of the Wellington team. There has been high turnover at WREDA and sadly some key gatekeepers for us are gone.

#### Domestic Marketing

We hosted a Mighty-Mighty Platinum Marketing group meeting. Claire co-ordinated a Platinum members training/sales visit to i-SITEs in Taupo, Rotorua, Hastings, Napier Palmerston North, Woodville and Turangi. This was extremely well received by staff at those sites and valued by our participating members.

#### Wellington Wine Country

We've established strong and regular communications with the new WWC group and look forward to an effective relationship.

#### Projects

Included email database /social media campaigns supporting:

- Free Trains day ex Wellington
- Pukaha Mount Bruce Wairarapa Garden Tour
- Martinborough Charity Bike Ride
- UB40 concert
- Toast Martinborough
- Xmas shopping giving Wairarapa activities and accommodation vouchers
- promoting our When and Where database for locals and gained another 200 members over this period



### Accommodation promotion

To drive accommodation bookings through wairarapanz.com and the Masterton and Martinborough i-SITE Visitor Centres (as opposed to other online providers) we rolled out a Kids Go Free to Pukaha offer. Pukaha Mount Bruce kindly provided this entrance free of charge to us. Too early to measure effect as yet.



### Auckland – Fly Palmy Campaign



This was a major body of work during this period – genuine destination development and messaging regarding coming from Auckland to the Wairarapa by flying into Palmerston North.

The campaign was very capably managed by Claire with many components including production of this video:

<https://www.youtube.com/watch?v=DHMP9JtXBoY>

There was an extensive partnership with Fly Palmy, media hosting of a blogger, online elements, Facebook advertising and website content etc.

We worked very closely with Tui Brewery (the new company The Experience Collective with Nick Rogers and Rosie Broughton) and DB to maximize the launch of the new brewery experience. This meant the campaign was somewhat closer to Xmas than we would have hoped but the benefit of the exposure DB gave us was worth it.

**Below is an example of what partnership can deliver. An animated banner developed by Fly Palmy for us on a promo partner website.**

**Note – a longer 2 minute version of the video for ongoing use will be completed in Feb 2017. It will showcase the northern route.**



### **RTONZ Digital Day**

Claire and I attended two days hosted by RTONZ. One was an industry day which included a presentation by the NZ Rugby Union regarding the forthcoming Lions Tour – very useful insight. Second day was all digital session – trends, opportunities, mobile strategy etc. Very useful, inspiring and actionable by us.

### **Trade**

We've had a lot of trade through on famils in this period:

- Winchester Travel pre the launch of their Singapore tour commencing. We hope these will be regular.
- Tourism NZ Flight Centre group from Australia
- NZ travel inbounders ex Wellington (we initiated)
- Thai Leisure travel group from Tourism NZ
- 4 Trenz Buyers on their way to TRENZ. This is facilitated by WREDA
- Large groups of sellers via Tourism NZ- Chinese x 2 groups, one large European group

### **Media**

We updated our crisis communications tools and approach. We've watched closely the way in which Kaikoura and Wellington have managed their messaging post the recent earthquake.

We hosted during this period:

- 4 Chinese journalists via Tourism NZ
- LENS a Chinese multi media crew from TNZ
- Group Indian and Thai journalists via TNZ
- Conde Nast Traveller
- NZ based Guardian UK writer
- Traveler .com.au

Sam Mickell from Gotta Love NZ as part of a funded visit (anchor funder was Palmerston North Airport). Gotta Love has large social channels including Facebook Instagram, a



blog and website. You pay for content they develop expressively to be shared on their platforms.

Blog is here: <http://www.gottalovenz.com/destinations/adventure-in-wairarapa/>

Freelancer Mike Yardley came and already we've had several great results from him with more to come:

<http://www.newstalkzb.co.nz/lifestyle/travel/mike-yardley-artisans-of-the-wairarapa/>

<http://www.newstalkzb.co.nz/lifestyle/travel/mike-yardley-epic-encounters-at-palliser-bay/>

Just some of the media results with highlights in yellow:

Toast Martinborough

[http://www.stuff.co.nz/life-style/food-wine/food-news/86323895/Dry-River-winery-will-  
hold-a-one-day-pop-up-cellar-door](http://www.stuff.co.nz/life-style/food-wine/food-news/86323895/Dry-River-winery-will-hold-a-one-day-pop-up-cellar-door)

[http://www.stuff.co.nz/life-style/86334034/good-times-great-wine-and-the-odd-naked-  
moment-at-toast-martinborough](http://www.stuff.co.nz/life-style/86334034/good-times-great-wine-and-the-odd-naked-moment-at-toast-martinborough)

<http://times-age.co.nz/sun-turns-wine-lovers/>

[http://www.stuff.co.nz/entertainment/86649415/glorious-weather-greets-visitors-to-the-  
25th-toast-martinborough](http://www.stuff.co.nz/entertainment/86649415/glorious-weather-greets-visitors-to-the-25th-toast-martinborough)

Other:

[http://www.nzherald.co.nz/travel/news/article.cfm?c\\_id=7&objectid=11748480](http://www.nzherald.co.nz/travel/news/article.cfm?c_id=7&objectid=11748480)

[http://www.oversixty.com.au/travel/international-travel/2016/11/must-visit-events-in-  
martinborough-new-zealand/](http://www.oversixty.com.au/travel/international-travel/2016/11/must-visit-events-in-martinborough-new-zealand/)

[http://www.oversixty.com.au/travel/domestic-travel/2016/11/must-visit-events-in-  
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[http://www.oversixty.com.au/travel/international-travel/2016/10/how-we-found-glamping-  
in-retirement/](http://www.oversixty.com.au/travel/international-travel/2016/10/how-we-found-glamping-in-retirement/)

<http://www.thejakartapost.com/news/2016/10/21/spoil-your-taste-buds-down-under.html>

[http://www.thejakartapost.com/travel/2016/10/19/enjoying-nature-in-the-lands-down-  
under.html](http://www.thejakartapost.com/travel/2016/10/19/enjoying-nature-in-the-lands-down-under.html)

<https://www.facebook.com/oversixtys/posts/1836100153286929>

[http://www.stuff.co.nz/travel/kiwi-traveller/84942421/five-of-the-best-bike-rides-in-new-  
zealand-that-involve-eating-and-drinking](http://www.stuff.co.nz/travel/kiwi-traveller/84942421/five-of-the-best-bike-rides-in-new-zealand-that-involve-eating-and-drinking)

[http://www.oversixty.com.au/lifestyle/retirement-life/2016/10/senior-sisters-open-their-  
own-cafe-in-retirement/](http://www.oversixty.com.au/lifestyle/retirement-life/2016/10/senior-sisters-open-their-own-cafe-in-retirement/)

**Barb Hyde Marketing Manager**

# Profit & Loss

## Destination Wairarapa Inc. 1 October 2016 to 31 December 2016

	31 Dec 16	30 Nov 16	31 Oct 16
<b>Income</b>			
Accommodation Commission	7,562	6,062	4,070
Bookit	4,682	3,529	2,439
Interest Received	563	581	834
Membership	68,743	192	364
Other Revenue	1,399	1,398	1,774
Ticket Commission	2,172	1,836	1,498
Tourism Products	5,322	2,640	818
Travel Sales	500	708	781
Wairarapa Visitor Guide	-	27,289	27,289
<b>Council Grants</b>			
Grants - CDC	17,667	13,250	13,250
Grants - MDC	66,560	66,560	66,560
Grants - SWDC	28,866	28,866	28,866
<b>Total Council Grants</b>	<b>113,092</b>	<b>108,676</b>	<b>108,676</b>
<b>Retail Sales</b>			
Retail Sales	5,390	4,133	3,012
Less Cost of Sales	(1,013)	(762)	(779)
<b>Total Retail Sales</b>	<b>4,377</b>	<b>3,371</b>	<b>2,233</b>
<b>Total Income</b>	<b>208,411</b>	<b>156,283</b>	<b>150,777</b>
<b>Gross Profit</b>	<b>208,411</b>	<b>156,283</b>	<b>150,777</b>
<b>Less Operating Expenses</b>			
<b>Corporate Support Expenses</b>			
ACC Levies	-	-	1,040
Accounting Fees	5,179	3,979	1,200
Audit Fees	15,844	15,844	57
Bad Debts	-	456	495
Bank Fees - ANZ	161	155	149
Board Fees	343	5,170	4,547
Board Members Expenses	178	180	180
Electricity Corporate	288	346	294
Entertainment	84	26	26
Equipment Rental	272	272	272
Fringe Benefit Tax	2,399	2,399	2,399
Information Technology	1,013	1,746	1,875
Insurance	1,206	1,217	1,228
Interest Expense	1,231	1,252	1,273
Kitchen Supplies Corporate	5	68	136
KiwiSaver Employer Contributions	3,471	3,553	3,519
Legal Expenses	1,878	880	-
Membership Expenses	1,929	2,054	957

# Profit & Loss

	31 Dec 16	30 Nov 16	31 Oct 16
Merchant & BNZ Bank Fees	769	626	496
Office Supplies & Photocopying Corporate	2,564	2,883	1,087
Personnel incl. Training Corporate	135	385	418
Rent & Rates Corporate	3,467	3,467	3,467
Salaries	69,808	75,229	73,314
Subscriptions & Membership	3,881	4,828	2,078
Telecom incl Mobiles Corporate	2,461	2,511	2,509
Vehicle Leases	1,632	1,632	1,632
Vehicle Operating Costs	2,090	2,459	2,503
<b>Total Corporate Support Expenses</b>	<b>122,287</b>	<b>133,617</b>	<b>107,151</b>
<b>Total I-Site Expenses</b>			
Electricity i-SITEs	636	1,557	1,517
Kitchen Supplies i-SITEs	82	82	55
Office Supplies i-SITEs	215	215	81
Personnel incl Training & Conferences i-SITEs	1,280	1,280	578
Photocopier i-SITEs	469	522	323
Rent & Rates i-SITEs	7,169	7,253	7,806
Telecom i-SITEs	1,228	1,191	1,183
Travel & Transport	-	3,197	3,197
Wages	46,401	45,204	44,326
<b>Total Total I-Site Expenses</b>	<b>57,479</b>	<b>60,501</b>	<b>59,065</b>
<b>Total Marketing Expenses</b>			
Distribution	3,013	3,232	2,148
Domestic Marketing	1,668	2,105	1,059
Domestic Marketing Email Distribution	832	503	609
Domestic Marketing Facebook	44	-	28
Domestic Marketing Spring Campaign	4,200	3,530	122
Imagery	415	366	-
International Marketing Alliance	18	25,000	25,000
Media Hosting	1,555	2,679	2,671
Relationship Marketing	111	175	351
Trade Events & Training	1,661	1,845	1,547
Trade Famils	416	437	471
Visitor Guide	16,915	16,915	-
Website	817	1,520	1,303
<b>Total Total Marketing Expenses</b>	<b>31,664</b>	<b>58,307</b>	<b>35,308</b>
<b>Total Projects Expenses</b>			
Rimutaka Cycle Trail	7	7	-
<b>Total Total Projects Expenses</b>	<b>7</b>	<b>7</b>	<b>-</b>
<b>Total Operating Expenses</b>	<b>211,437</b>	<b>252,433</b>	<b>201,525</b>
<b>Operating Profit</b>	<b>(3,026)</b>	<b>(96,150)</b>	<b>(50,748)</b>
<b>Non-operating Expenses</b>			
Entertainment - Non deductible	96	34	101
<b>Total Non-operating Expenses</b>	<b>96</b>	<b>34</b>	<b>101</b>
<b>Net Profit</b>	<b>(3,122)</b>	<b>(96,184)</b>	<b>(50,849)</b>

**COUNCILLOR REPORT**  
**for**  
**South Wairarapa District Council Meeting**  
**22 February 2017**

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<b>WRFD Board</b>	Max Stevens Council Representative
<b>Meeting – Date &amp; Venue</b>	Wednesday 28 <sup>th</sup> November 8.30am WBS Room Greytown Town Centre. AGM and General Meeting.
<b>Key issues from meeting</b>	<p><b>AGM:</b> Chairs and PRFO reports presented.  Set of Audited Accounts with Auditors report and Audit Management Report tabled. (Auditors: Moore, Stephens &amp; Markhams)  M Stevens re-appointed Chair.  WRFD is in a sound financial position.  Fire cost recoveries on target.  H&amp;S and Training continued to be a priority, training of VRFFs at highest level and concentrating on areas of weakness, this work is ongoing.  The 2015-2016 fire season was one of worst recorded for fire climate severity and rain fall deficit. Two major fire prior to Christmas, fortunately the lack of wind throughout summer greatly reduced the consequences and impact of the fires.  Considerable effort put into fire prevention(Reduction) and readiness, <a href="http://www.wrfd.org.nz">www.wrfd.org.nz</a> providing information and forecasting articles in local media etc.  Equipment purchased during the year; new Isuzu for Mauriceville VRFF. New Harvest Weather Station for monitoring the Rimutaka Hill Corridor.  25,000 Litre water tank for Lake Ferry. VRFFs supplied with telepages.  <b>Ordinary Meeting held after AGM</b>, operational finances to budget, new Isuzu ordered for Wainuioru VRFF, Building consent application filed with MDC for Tinui Depot, this project should start in the new Year. H &amp; S internal and external audit now completed results good.  Fenz consultation workshops on going, WRFD is in a good position to facilitate the transition on 1<sup>st</sup> July 2017. Some work requires to be done regarding various leases/status for WRFD Depots to ensure there continuity of use.</p>
<b>Speakers</b>	Members from the Fenz Transition Project; Gary Lockyer, Janine Mc Lees and Erica Zarbo, they attended our AGM and discussed the procedures that are being put into place for the transition. For the Councils, the most significant change will be the stakeholder funding will no longer be required (funding from insurance levies) and there will no longer be a Board. There will be larger regions 10-14 is being suggested but the decision will be made by the Fenz Board after the 1 <sup>st</sup> July, the designated Regions will have an appointed advisory

	<p>committee not governance. Rural fire cost recoveries will be treated differently this is still be finalised, the Bill (Act) should be approved by April. Things like Civil defence, first response will continue and be covered by the Act. The Act recognises current emergency services currently done but not legislated currently.</p>
<p><b>Specific item/s for Council consideration</b></p>	<p>Councils need to ensure that the Volunteer Rural Fire Force depots are secure for the future as the service they provide is essential for all the communities and the district.</p> <p>The PRFO Phil Wishnowsky will attend combined Council meetings to keep Councils informed. I'm happy to answer any questions or go through the reorganisation process with any Councillors if wanted.</p>
<p><b>General</b></p>	<p>I would like to thank SWD Council for appointing me to the WRF Board, with the reorganisation so close it is important that there was continuity of directors to ensure a smooth and uninterrupted transition takes place.</p> <p>Many thanks Max Stevens.</p>