

Destination Wairarapa  
Q1 2023/2024 General Manager's Financial Report

Unaudited Financials 30 September 2023

**Revenue**

*Trading Income*

YE 30 September revenue shows as being \$37k **above budget**. This is because SWDC's last quarter payment for 22/23 was made in this first quarter of the 23/24 financial year.

**Expenditure**

*Operating Expenditure*

YE 30<sup>th</sup> September is \$3K **over budget**. This is primarily due to forecasted spend occurring earlier in the year.

**Net Profit**

YE 30<sup>th</sup> September net profit is \$33k **over budget**. This is because SWDC's last quarter payment for 22/23 was made in this first quarter of the 23/24 financial year. Our Accountant will adjust this for future reporting.

# Budget Variance
















Destination Wairarapa Inc.

For the 3 months ended 30 September 2023

Cash Basis

	JUL-SEP 2023	JUL-SEP 2023 OVERALL BUDGET	VARIANCE	VARIANCE %
<b>Trading Income</b>				
Retail Sales	354	750	(396) ↓	-53% ↓
Accommodation Commission	759	600	159 ↑	26% ↑
Bookit	379	150	229 ↑	153% ↑
Grants - CDC	14,928	14,928	- —	- —
Grants - MDC	75,467	75,467	- —	- —
Grants - SWDC	68,186	35,198	32,988 ↑ <sup>1</sup>	94% ↑
Interest Received	2,127	750	1,377 ↑	184% ↑
Less Cost of Sales	(377)	(375)	(2) ↓	-1% ↓
Membership	5,686	3,000	2,686 ↑	90% ↑
Other Revenue	73,000	73,750	(750) ↓	-1% ↓
Ticket Commission	281	255	26 ↑	10% ↑
Tourism Products	153	300	(147) ↓	-49% ↓
Travel Sales	1,034	600	434 ↑	72% ↑
<b>Total Trading Income</b>	<b>241,977</b>	<b>205,373</b>	<b>36,604</b>	<b>18%</b>
<b>Gross Profit</b>	<b>241,977</b>	<b>205,373</b>	<b>36,604</b>	<b>18%</b>
<b>Other Income</b>				
STAPP Funding <sup>2</sup>	80,000	80,000	- —	- —
<b>Total Other Income</b>	<b>80,000</b>	<b>80,000</b>	<b>-</b>	<b>-</b>
<b>Operating Expenses</b>				
Advertising	-	800	(800) ↓	-100% ↓
ACC Levies	1,144	1,000	144 ↑	14% ↑
Accounting Fees	2,970	3,300	(330) ↓	-10% ↓
Bank Fees - ANZ	221	135	86 ↑	63% ↑
Board Fees	1,075	5,903	(4,828) ↓ <sup>3</sup>	-82% ↓
Business Events Marketing	36	-	36 ↑	- —
Contract staff	5,281	5,900	(619) ↓	-10% ↓
Depreciation	-	1,980	(1,980) ↓	-100% ↓
Distribution	2,651	2,700	(49) ↓	-2% ↓

	JUL-SEP 2023	JUL-SEP 2023 OVERALL BUDGET	VARIANCE	VARIANCE %
Domestic Marketing	1,349	1,500	(151) ↓	-10% ↓
Domestic Marketing Email Distribution	2,462	1,500	962 ↑	64% ↑
Domestic Marketing Facebook	(194)	1,500	(1,694) ↓	-113% ↓
Electricity Corporate	679	-	679 ↑ <sup>4</sup>	- —
Equipment Rental	272	273	(1) ↓	0% ↓
Fringe Benefit Tax	1,541	1,550	(9) ↓	-1% ↓
General Expenses	314	300	14 ↑	5% ↑
Information Technology	1,666	2,000	(334) ↓	-17% ↓
Insurance	1,259	1,350	(91) ↓	-7% ↓
Kitchen Supplies Corporate	68	75	(7) ↓	-10% ↓
Kitchen Supplies i-SITES	89	75	14 ↑	19% ↑
KiwiSaver Employer Contributions	4,436	4,050	386 ↑	10% ↑
Media Hosting	2,440	500	1,940 ↑ <sup>5</sup>	388% ↑
Membership Expenses	1,603	750	853 ↑	114% ↑
Merchant & BNZ Bank Fees	50	210	(160) ↓	-76% ↓
Office Supplies & Photocopying Corporate	1,068	1,350	(282) ↓	-21% ↓
Office Supplies i-SITES	207	-	207 ↑ <sup>4</sup>	- —
Personnel incl Training & Conferences i-SITES	595	-	595 ↑ <sup>4</sup>	- —
Personnel incl. Training Corporate	2,325	-	2,325 ↑ <sup>4</sup>	- —
Photocopier i-SITES	333	375	(42) ↓	-11% ↓
POS i-SITES	647	660	(13) ↓	-2% ↓
Relationship Marketing	367	300	67 ↑	22% ↑
Rent & Rates Corporate	6,742	7,050	(308) ↓	-4% ↓
Rent & Rates i-SITES	1,543	1,650	(107) ↓	-7% ↓
Repairs & Maintenance (2210)	-	500	(500) ↓	-100% ↓
Repairs & Maintenance i-SITES	304	-	304 ↑ <sup>4</sup>	- —
Salaries - Holiday Pay	-	600	(600) ↓	-100% ↓
Salaries Corporate	81,662	78,400	3,262 ↑	4% ↑
STAPP Funded Salaries & Expenses <sup>6</sup>	27,692	30,000	(2,308) ↓	-8% ↓
Subscriptions & Membership	9,298	6,900	2,398 ↑	35% ↑
Telecom incl Mobiles Corporate	2,830	1,350	1,480 ↑	110% ↑
Telecom i-SITES	727	480	247 ↑	51% ↑

	JUL-SEP 2023	JUL-SEP 2023 OVERALL BUDGET	VARIANCE	VARIANCE %
Trade Events & Training	80	-	80  	- 
Trade Famils	152	-	152  	- 
Vehicle Operating Costs	3,350	4,500	(1,150) 	-26% 
Wages - Holiday Pay	-	150	(150) 	-100% 
Wages i-SITEs	41,273	49,000	(7,727)  	-16% 
Website	12,247	750	11,497 	1,533% 
<b>Total Operating Expenses</b>	<b>224,854</b>	<b>221,366</b>	<b>3,488</b>	<b>2%</b>
<b>Net Profit</b>	<b>97,123</b>	<b>64,007</b>	<b>33,116</b>	<b>52%</b>

1. SWDC's last quarter payment for 22/23 was made in this first quarter of the 23/24 financial year.
2. STAPP funding no longer exists. This is the code we will use for any external funding for specific projects. In this case it is for Dark Sky.
3. Q1 Board Fees to be paid.
4. Forecast spend for later in the year.
5. Hosted more media than forecast for this time of the year - mostly Dark Sky associated.
6. STAPP funding no longer exists. This is the code we will use for the Dark Sky champion resource (Chrissy Cummings)
7. Less staff during winter.

Destination Wairarapa  
Q1 General Manager's and Marketing Report 23/24  
July 2023 – Sept 2023

2023/2024 Deliverables

*Visitors*

The below graph shows the Accommodation Data Programme (ADP) data for Wairarapa until August 2023.



**August 2022:** 16.9k vs **August 2023:** 14.2K. Although July's Total Guest night figures for 22 and 23 are the same, August is 2.7K down on the year previous, and it appears the 'bounce' upwards that typically comes in Sept for the Wairarapa, is not going to come until later.



A similar trend has been observed in Wellington over the past couple of months (Aug/Sept). Perhaps this is a region more effected than others by a looming election?

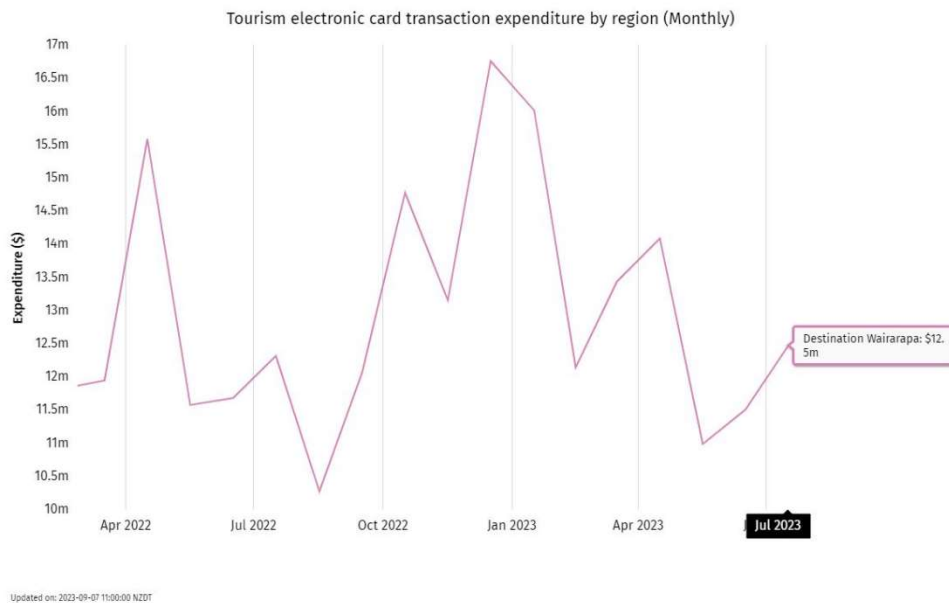
Nationwide = Total guest nights up from last year's levels. Core tourism accommodation providers hosted 2.6 million guest nights in August 2023, up 12% from August 2022 and on par with August 2019 levels.

## *Spend*

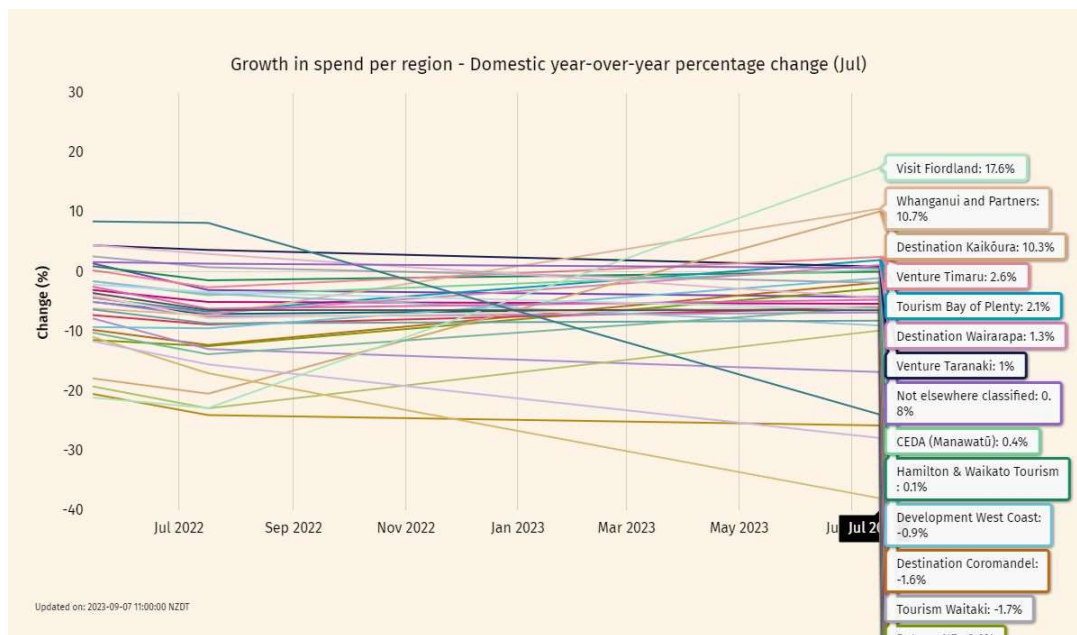
The MRTE series of data has been disrupted by COVID-19, as the methodology for weighting the measured electronic card transaction spend up to the whole of industry spend became unusable.

When using TECT data, it is recommended we look at trends and comparison figures instead of dollar amounts

## TECT DOMESTIC expenditure Wairarapa (monthly) by RTO



Domestic tourists in the Wairarapa spent \$12.5 million using electronic cards in **July 2023**. Of all 31 RTO's Wairarapa ranked 19<sup>th</sup> highest in terms of domestic TECT spend in **July 2023**.



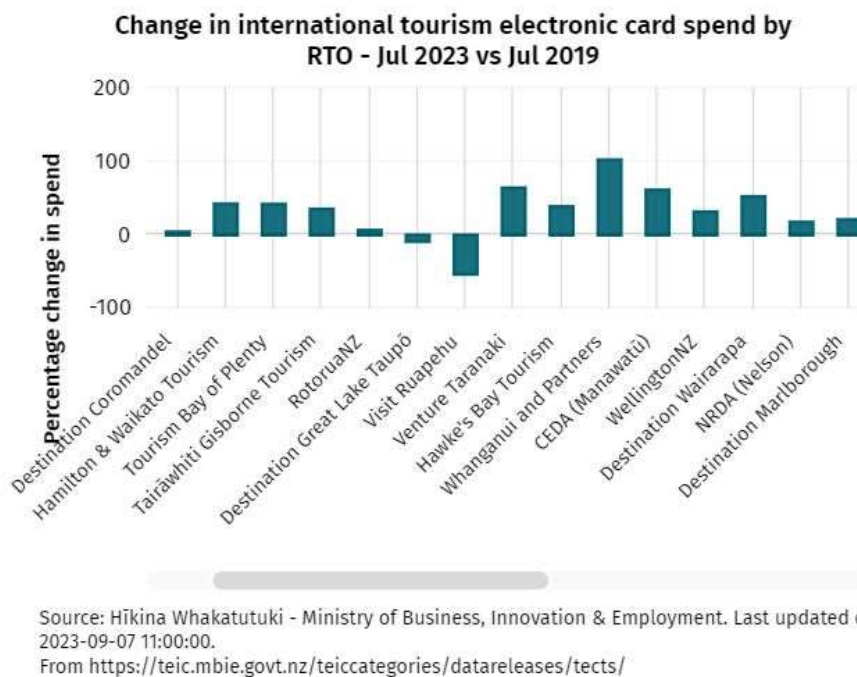
Domestic tourism electronic spend in Wairarapa increased by 1.3% in July 2023, from \$12.3m in **July 2022** to \$12.5m in **Jul 2023**. Of all 31 RTO's Wairarapa ranked 6<sup>th</sup> highest in terms of growth in Jul 2023 compared with Jul 2022

Nationwide, domestic TECT spend in July 2023 was down 6% from July 2022

## TECT INTERNATIONAL expenditure Wairarapa (monthly) by RTO



International tourists in Wairarapa spent \$716.5k using electronic cards in Jul 2023. Of all RTO's Wairarapa ranked 29<sup>th</sup> highest in terms of international TECT spend in **Jul 2023** compared with **Jul 2022**.



International tourism electronic card spend in Wairarapa increased by 52.6% in Jul 2023, from \$469.5k in **Jul 2019** to \$716.5k in **Jul 2023**. Of all 31 RTO's Wairarapa ranked 4<sup>th</sup> highest in terms of growth in Jul 2023 compared with Jul 2019. Pre Covid, International tourist did not really visit Wairarapa during the winter months. It is hoped the Wairarapa Dark Sky Reserve in time will change that trend.

Nationwide, International TECT spend in July 2023 was up 16% on the same month in 2019.



Nationally the international tourism market accelerated strongly in July 2023, with a range of metrics exceeding or approaching pre-COVID levels. New Zealand's co-hosting of the FIFA Women's World Cup provided a welcome boost to visitor arrivals, while pent-up demand following the pandemic is likely still flowing through the international market.

By comparison, the domestic tourism market was relatively subdued compared to July 2022, possibly due to a greater propensity for Kiwis to travel overseas and a tightening in discretionary spending. However, domestic tourism figures for July 2023 were still well above levels seen in July 2019, prior to the pandemic.

### TECT INTERNATIONAL expenditure by TLA (Total annual rolling sum)



International Visitor Spend **YE July 2019**. MDC: \$4.1m, SWDC: \$6.3m, CDC: \$796.9k



International Visitor Spend **YE July 2023**. MDC: \$6.2m, SWDC: \$8m, CDC: \$826.1k

Across all Wairarapa TLA's YE July International spend at least doubled when compared to the same time period in 2022, and exceeds pre covid levels.

### *Destination Management*

#### **Major Events Strategy Development**

In late 2020, the government allocated funding to Destination Wairarapa to develop a Wairarapa specific Destination Management Plan (DMP) and begin work on projects in the plan that address the strategic imperatives identified.

The Wairarapa DMP was received by all 3 Wairarapa councils in 2022.

Destination Wairarapa engaged James Patterson – an events professional recommended by both the Wellington Regional Economic Development Agency (WREDA) Major Events team and Upper Hutt City Council to provide DW and the Wairarapa region with a foundation study for the development of a future Events Strategy – as recommended in the DMP.

James presented his findings to the Wairarapa Combined Council on Wednesday 30th August 2023.

A paper further outlining this work, and subsequent recommendations to the councils regarding next steps for the region and Major Events in relation to the LTP, has been prepared and will be submitted to the council separately for consideration.

## *Product Development*

### **Wairarapa Dark Sky International Reserve**

In late 2020, the government allocated funding to Destination Wairarapa to develop a Wairarapa specific Destination Management Plan (DMP) and begin work on projects from the plan that address the strategic imperatives identified.

The Wairarapa DMP was received by all 3 Wairarapa councils in 2022.

Destination Wairarapa engaged Martin Jenkins Consulting to qualify the opportunity for the Wairarapa and suggest options for how the region can maximise it.

Options were considered across the spectrum of engagement, from a business as usual/do nothing option through to an aspirational option where hero projects were developed and funded.

Business as usual would rely on the existing resources and work of the Wairarapa Dark Sky Reserve Association, Destination Wairarapa and passionate volunteers, which is not a sustainable situation for the growth potential that exists. Spreading resources more thinly across multiple demands risks diluting the Dark Sky Association's and Destination Wairarapa's existing activity. In addition, most businesses delivering Dark Sky activity are currently small, with limited resources. This suggests that a do-nothing option would be unlikely to see the potential benefits realised.

At the other end of the spectrum, it is too early to consider hero projects. Feasibility testing and discussions with businesses and potential funders emphasise that opportunity is in its infancy. The proposed approach - Leveraging the Wairarapa International Dark Sky Reserve Programme with a dedicated programme champion co-ordinating activity as well as developing tourism product/experiences, is best suited to the current environment and stage of development. It is a staged approach across multiple workstreams and involving multiple Stakeholders that is cognisant of the current businesses, their characteristics and aspirations, and the broader visitor strategies of the Wairarapa and the Greater Wellington region.

Destination Wairarapa and WEDS are currently co-funding the programme champion/product development manager in order to get this initiative off the ground for the region. This source of funding however will come to an end on the 31st March 2024.

A paper further outlining this work, and subsequent recommendations to the councils regarding next steps for the region and Dark Sky in relation to the LTP, has been prepared and will be submitted to the council separately for consideration.

### **Dark Sky Programme Champion/Product Development Manager Q1 Activity Highlights**

Star Safari operator, Trade Product finalised, \$299.00pp, distributed via Tourism NZ to 600 Asian operators and other Inbound Operators for International Market. Lifted Public Rates from \$27.00 to 47.00pp children under 15 remain free. Application to Tourism Industry NZ Trust to

create the NZ School of Stargazing and Space Tourism: Fostering Sustainable Astro Tourism for Aotearoa.

World Space Week finalised, community awareness & engagement, particularly Go Carterton/CDC funding Star Safari \$4k to hold 7 free community events during World Space Week.

Dark Sky Connections Event in collaboration Dark Sky Reserve Association – finalised -60 Guests have RSVP, 12 Specialists attending. Graeme Murray highly regarded co-founder Earth & Sky at Lake Tekapo & Mt John observatory, speaking and partaking as a Dark Sky specialist.

Wharekauhau Group enquiry via Australian PCO 7 nights value \$450,000k TBC.  
Parehua Country Estate, Group enquiry via Business Events Wellington 1 night \$16,500.00 TBC.

Tourism NZ are visiting the region to shoot imagery and video content at Star Safari, scheduled for the second week of November 2023. The imagery and video content will be used in upcoming campaigns and Tourism NZ's content library. This is a huge opportunity for the region and Star Safari who are also Qualmark Silver. Qualmark (also TNZ) will feature the Wairarapa during the month of October & World Space Week.

Ben Bayley (NZ Chef) will be filming an episode for his TV series A New Zealand Food Story in the Wairarapa in November also and alongside highlighting some of the region's local food heroes, the series will also feature some content on the Dark Sky Reserve in conjunction with the operator Under the Stars.

Selection of other Dark Sky media during this period:

[www.wairarapa.space](http://www.wairarapa.space)  
<https://www.worldspaceweek.org/>  
<https://www.forbes.com/advisor/credit-cards/travel-rewards/road-trip-around-new-zealands-north-island/?fbclid=IwAR2Dpa2t4t6tsUe4jkDeoyf1OwvRxg0S5EYAfHAW8biDR6O-qcS7QCTI9ig>  
<https://times-age.co.nz/local-government/ldr/tourism-bosses-optimistic-for-summer/>  
<https://www.thepost.co.nz/a/travel/350048614/room-review-parehua-resort-perfect-place-wairarapa-getaway>  
<https://mtlt.org.nz/news/latest-trust-grants-help-locals-reach-stars>  
<https://www.thepost.co.nz/a/nz-news/350054229/opportunities-dark-sky>  
<https://www.stuff.co.nz/national/wairarapa/131340762/taking-a-safari-through-the-stars-in-the-worlds-newest-dark-sky-reserve>

## **Remutaka Cycle Trail**

The Remutaka Cycle Trail is one of the Ngā Haerenga New Zealand Cycle Trails Great Rides network and connects Wellington with Wairarapa, winding through the Hutt River valley, old railway tunnels and farmland.

As a member of the Remutaka Cycle Trail steering group, Destination Wairarapa has long advocated for an extension to the trail that will lead cyclists into Featherston as an option to the trail.

The trail is 115km long in total but has not previously included Featherston. That will now change with funders the Ministry of Business, Innovation and Employment according the 10km section Great Rides status. This means the route will now qualify for additional funding for maintenance and promotion.

This section of the Remutaka Cycle Trail provides people with a safe and accessible route to Featherston, the gateway to the Wairarapa, and will bring people into the town to experience its hospitality, history and retail opportunities.

The route will also connect to The Wairarapa Five Towns Trail Network project that aims to develop almost 200km of recreational trails for walking and cycling, linking Martinborough, Featherston, Greytown, Carterton and Masterton.

### ***Marketing***

This period covered Winter including Matariki and School holidays. Like many other parts of the North Island, the region experienced ongoing very wet weather. Despite this a number of events were successful and as shown below spend for July was up from the previous year, which in the current climate is an outstanding result.

### **Events**

Events we supported and promoted through our channels included:

- Festival Of Christmas
- Jazz in Martinborough – both key concerts were sold out and pop-up events alongside the festival were very well attended.
- Matariki – such a wide range of events all across the region. And the now established public holiday meant this was one of the biggest winter weekends for the region.
- Daffodil Festival - finally got a really great day weatherwise and excellent numbers.
- Masterton Cultural Festival – a new event there's great potential to pair this up with the Daffodil festival for a super family weekend
- Longbush Tulip Festival – excellent turn out
- Wedding Expo – featured a number of members. A great success

### **FIFA World Cup**

The event brought games to Wellington and visitors to the area – there was a noticeable number and variety of international visitors in Martinborough, for example and day tour operators bringing wine tourists from Wgtn for the day were busy.

<https://wairarapanz.com/about-wairarapa/coming-fifa>

## Digital Reach Campaign with Tomahawk

Our sole funded activity in this period was a social media campaign via Tomahawk. Our objective was to drive messaging and content via paid social, widely into the lower half of North Island. The overarching objective is to get the region in front of more people - the numbers we can achieve are compelling.

Content was the Festival of Christmas and Dark Sky. Across both campaigns, the Destination Wairarapa winter campaign ads were seen 1.3 million times reaching 480,000 unique users from our audience. The cost per 1000 impressions overall was \$0.70, much lower than the industry average.

- Dark Skies posts and a short video: Reach 163,200. Post Engagement 4,615 total (reactions, comments, likes)
- Festival of Christmas. Reach 387,136. Post Engagement 19,293 total (reactions, comments, likes)

## Operators

The Runholder – we have worked closely with both Foley Wines marketing team and the PR company they have appointed as this new venue opened.

Pūkaha Te Wānanga Taiao – we worked with the marketing manager to draft a marketing plan to attract bookings for this new environment, ecology, education and conference centre at Pūkaha.

## Trade

Hosted Di Reid the new trade marketing manager from WgtnNZ. She immediately went offshore and promoted our operators at Tourism NZ's Kiwilink USA and South East Asia.

Finalised a trade ready FIT (Free Independent Traveller) product for Greytown Honey and for Star Safari.

## Website Structure and Design Development Progress

Following the successful finalisation of our website RFP we have moved forward with Stun and Satellite Design to develop the critical components of Site Architecture, Conceptual Design, and Site Map.

Satellite Design will deliver the graphic design and visual aesthetics of the new site which will play a role in influencing the overall site's user experience. Our strong relationship with Satellite Design has meant they have a thorough understanding of our brand identity, which has given us a strong foundation to revitalise and modernise the design of our new site.

Our primary design approach to our new site is 'Lean', focusing on a streamlined content structure and an uncluttered, user-friendly design and layout, contributing to an enhanced user experience. With nearly 70% of our existing website users accessing our site through mobile

devices, our website development and design strategy places a strong emphasis on a 'mobile-first' approach. This strategy ensures;

- Seamless navigation: The site is designed for easy and intuitive navigation on mobile devices, enhancing user accessibility.
- Efficient Information Consumption: Users can easily and efficiently consume information on our site.
- User-Friendly Functionality: The website's features and functions are tailored to provide a user-friendly experience on both mobile and desktop platforms.

## Media

We've put in place a stakeholder comms programme, designed to lift our own activity, and deliver it in very easy to use format to local media and stakeholders.

We had immediate success lifting this outstanding spend news:



Selection of other media results in the period:

<https://www.stuff.co.nz/travel/destinations/nz/wellington/132515112/best-winter-day-trips-from-wellington>

[https://www.thepost.co.nz/a/nz-news/350054229/opportunities-dark-sky?fbclid=IwAR0T2HjITMzHStk7v3BHrFzOu7gGNskgiLxuF0ahp-YbJYUuCCAIR0hhT\\_I](https://www.thepost.co.nz/a/nz-news/350054229/opportunities-dark-sky?fbclid=IwAR0T2HjITMzHStk7v3BHrFzOu7gGNskgiLxuF0ahp-YbJYUuCCAIR0hhT_I)

We hosted Pamela Wade freelancer one of her outputs is here:

<https://www.thepost.co.nz/a/travel/350048614/room-review-parehua-resort-perfect-place-wairarapa-getaway>

Anna Nielson – General Manager

October 2023