The chairperson declared the meeting open and welcomed everyone present.

1. **APOLOGIES**
   
   None.

2. **DECLARATIONS OF PECUNIARY INTEREST**

   The chair advised that since the last meeting all of the Tourism Committee members had provided Council a list of members’ interests and these would be posted on future agendas and updated at each meeting.

   **RESOLVED**

   Mr Marks  )  That Mr Marks’ declaration of pecuniary interest as a director of Ngai Tahu Tourism Ltd be received.
   Ms Valentine  )  CARRIED

3. **NOTIFICATION OF URGENT BUSINESS FOR CONSIDERATION**

   None.

4. **PRESENTATIONS**

   4.1 **Rotorua Market Update - Gina George**

   Ms George spoke to a Powerpoint presentation (Attachment 1).
4.1.1 Slide 1 - Rotorua Visitor Activity - Month of September 2011
There was a 6.0% decline in Rotorua visitor activity for the month of September 2011 over the same month of the previous year. There was an increase in arrivals for the Rotorua Airport and in visits to activities operators; however this was more than offset by negative growth in nights spent in commercial accommodation, nights spent with friends and relatives and in visits to attraction operators.

The Rugby World Cup changed visitor activity for the months of August through November – moving some September conference and tour group business forward to August and some October business back to November. Further the shift in school holidays from falling at the end of September to falling entirely in October this year had a significant negative effect on domestic visitor activity for September.

4.1.2 Slide 2 - Rotorua Visitor Activity 2009-2011
Rotorua's annual visitor activity was 1.3% greater for the year ending September 2011 than occurred two years earlier for the year ending September 2009.

4.1.3 Slide 3 - Commercial Accommodation Nights - Month of September 2011
There was a 10.2% decline in visitor nights spent in Rotorua's commercial accommodation for the month of September 2011 over the same month of the previous year. There was an increase in nights spent in holiday parks and backpackers; however this was more than offset by negative growth in nights spent in hotels and motels.

4.1.4 Slide 4 - Rotorua Commercial Accommodation Nights 2009-2011
Rotorua's annual visitor nights spent in Rotorua's commercial accommodation were 1.2% greater for the year ending September 2011 than occurred two years earlier for the year ending September 2009.

4.1.5 Slide 5 - Domestic Visitor Activity - Month of September 2011
There was a 23.9% decline in Rotorua's domestic visitor activity for the month of September 2011 over the same month of the previous year. All sectors of Rotorua's tourism industry experienced a decline in domestic visitor activity during this time.

4.1.6 Slide 6 - Rotorua Domestic Visitor Activity 2009-2011
Rotorua's annual domestic visitor activity was 2.6% less for the year ending September 2011 than occurred two years earlier for the year ending September 2009.

4.1.7 Slide 7 - International Visitor Activity - Month of September 2011
There was a 15.9% increase in Rotorua's international visitor activity for the month of September 2011 over the same month of the previous year. All sectors of Rotorua's tourism industry experienced an increase in international visitor activity.

4.1.8 Slide 8 - Rotorua International Visitor Activity 2009-2011
Rotorua's annual international visitor activity was 5.3% greater for the year ending September 2011 than occurred two years earlier for the year ending September 2009.

4.1.9 Slide 9 - Rotorua Marketshare of Multi-Day Conferences
Rotorua's market share of multi-day conferences held in the Convention Activity Survey regions increased 2.2 percentage points to 12.1% over the twelve months to year ending September 2011. Rotorua can expect to continue to take market share from Canterbury for at least the remainder of the current year due to relocated conferences and displaced demand following the February earthquake.

4.1.10 Slide 10 - Results to Date - Month of October 2011
Full results for the month of October 2011 are not yet available, however the poor performance of Rotorua attraction operators suggests that those accommodation sectors with a high dependency on tour groups, conference groups and, or the domestic market will show a similar poor performance.
The school holidays fell entirely in October (versus commencing in late September as in the past) and therefore might have been expected to generate an increase in domestic visitor activity for October. However, the poor domestic results from the attractions operators might be an indicator of the Rugby World Cup displacing domestic visitor activity away from typical holiday resort regions to Auckland and Wellington where high profile Rugby World Cup games and celebrations occurred.

4.2 Update of latest Tourism New Zealand Forecasts - Gina George

Ms George spoke to a slide titled 'Forecasts of Inbound Tourism by Origin/Market 2011-2016 (Attachment 2).

She gave an overview of the charts Total Arrivals, Australia and China, explaining the actual arrivals for the years 2004 through 2010, the original forecast for 2010-2016 and the revised forecast for 2011-2016. Members requested to see the charts for the United Kingdom and Korea, which Ms George also displayed and explained.

5. MINUTES OF PREVIOUS MEETING

Members were informed that the informal resolution regarding Elizabeth Valentine had been ratified at a recent Council meeting.

The committee resolved:

Mr Marks   )   That the minutes of the meeting held 21 October 2011 be adopted as a true and correct record.
Mr Brown   )

CARRIED

6. REPORTS OF OFFICERS

6.1 GROUP MANAGER ECONOMIC & REGULATORY SERVICES

6.1.1 RECOMMENDATION 1: ROTORUA TOURISM COMMITTEE TOURISM INDUSTRY LIAISON STRUCTURE PROPOSAL 01-15-225

Mr Marks and Ms Valentine overviewed this report. Option 2 had been most favoured by respondents.

Mr Marks outlined the next steps as follows:

- Ms Valentine and Mr Rawson would work together to advise respondents of the Tourism Committee’s decision;
- The tourism industry would be consulted with on specific topics, e.g. examine input to 2012-13 China strategy and subsequently review the performance of that performance sector with them;
- The Tourism Committee would go back to the industry sector and ask them to endorse the Industry Liaison Structure proposal.

The committee resolved:

Mr Marks   )   1. That the report “Rotorua Tourism Committee Tourism Industry Liaison Structure Proposal” be received and contents noted; and
Mr Johnstone   )
2. The committee resolves to adopt the following as the most appropriate Tourism Industry Liaison Structure:

Option 2: Two-layered representation that facilitates industry-wide representation at Tourism Committee and market, activity-based focus at Destination Rotorua Marketing level. Provides for more meaningful engagement for outcomes but relies heavily on quality and skill of sector and market representatives, with the amendment that there is a focus on making use, where possible, of the mandated tourism sector groups already in existence.

3. That an implementation plan be prepared for consideration at the next Tourism Committee meeting.

CARRIED

6.1.2 RECOMMENDATION 2: GENERAL MANAGER DESTINATION ROTORUA MARKETING RECRUITMENT AND APPOINTMENT UPDATE

Mr Rawson overviewed the report. He advised that interviews had been held yesterday. References were now being checked. The Appointment Panel would meet next week, and it was hoped that a decision would be made by the end of that week. Pipiana Whiston and Bruce Thomasen were acknowledged for their assistance.

The committee resolved:

Cr Waaka ) That the report “General Manager Destination Rotorua Recruitment and Appointment Update” be received and contents noted.
Ms Valentine )

CARRIED

6.1.3 RECOMMENDATION 3: APPOINTMENT OF NEW TOURISM COMMITTEE MEMBERS UPDATE

Mr Rawson overviewed the report. Only two nominations for the appointment panel had been received:
- Fiona Suurenbroek, Chair of Rotorua Association of Motels; and
- Craig Simpson from Rydges Hotel.

This being the case, no election was necessary and the outcome would be notified today.

To date, ten people had applied to be appointed to the Tourism Committee, and applications were due to close the following day. A short-listing process would be undertaken in early December, followed by an Interview Day in mid-December. It was anticipated that the successful applicants would be welcomed to the Tourism Committee at the next meeting on 20 December.

The committee resolved:

Mr Brown ) That the report “Appointment of new Tourism Committee Members update” be received and contents noted.
Cr Waaka )

CARRIED

The chair ruled that Recommendation 5 would be considered next.

6.1.4 RECOMMENDATION 5: JULY-SEPTEMBER OPERATIONAL REPORT - TOURISM ROTORUA TRAVEL OFFICE

Mr Rawson overviewed this report.
The committee resolved:

Ms Valentine  )  That the report “July-September Operational Report – Tourism Rotorua Travel Office” be received and contents noted.
Mr Brown   )

CARRIED

The chair ruled that the remainder of the agenda, starting with Recommendation 4, would now be considered.

6.1.4 RECOMMENDATION 4: JULY-SEPTEMBER OPERATIONAL REPORT - DESTINATION ROTORUA MARKETING 01-15-225

Ms Bui highlighted the following:

- The DRM Office had reported that monitoring (including on-line monitoring) of non-paid advertising showed a 400% increase over the last year in tourism stories, with a major publication every two weeks. This indicated that Rotorua was increasingly being viewed in a positive light.
- Ms Valentine commented that she had observed an increased presence in national media watch programmes.
- Rotorua had been showcased a few times on national television over the past 2 months.
- The No. 1 Queen Street initiative would operate until the end of March and Winiata Tamaki’s roster was scheduled to coincide with cruise ship arrivals. Sales of $8000 had been achieved since the end of the Rugby World Cup (more than during the whole of the RWC). 6,000 brochures had been handed out at the site.
- There had been a mail drop to 100,000 households in Auckland, Waikato and Bay of Plenty, resulting in good feedback and promising results to date.
- There had been a very positive response to a recent Australian Travel Writers’ Conference in Rotorua. A survey would be conducted in Auckland in July 2012.

A suggestion was made that it may be worth marketing Rotorua to Wellingtonians, as Wellington was becoming more utilised as a hub for the domestic market.

The committee resolved:

Mr Marks  )  That the report “July-September Operational Report – Destination Rotorua Marketing” be received and contents noted.
Mr Johnstone   )

CARRIED

6.1.5 RECOMMENDATION 6: INDUSTRY FEEDBACK FROM THE TOURISM FORUM 01-15-225

Ms Bui overviewed this report. Some good suggestions had come out of the last forum and it was anticipated that there was a positive way forward. Some industry forum dates for 2012 would be set in the near future.

The committee resolved:

Mr Brown  )  That the report titled 'Industry Feedback from the Tourism Forum' be received and the contents noted.
Ms Valentine   )

CARRIED
6.1.7 RECOMMENDATION 7: LONG TERM PLAN 2012 - LEVELS OF SERVICE - DESTINATION Rotorua MARKETING

Mr Rawson overviewed the report. Destination Rotorua Marketing (DRM) staff had the ability to influence the first six performance measures, but he questioned their ability to influence the ‘average visitor satisfaction rating of the Rotorua visitor experience’ and asked if it was fair to include that as a performance measure.

‘Growth in market share’ was also questioned, on the basis that other destinations would not willingly give up their market share, particularly in relation to the Asian market. A suggestion was made to use actual numbers rather than a percentage share to reflect the expected increase in the Asia market.

The committee resolved:

Mr Johnstone  )  1. That the report “Long Term Plan 2012 – Levels of Service – Destination Rotorua Marketing” be received and contents noted; and

Mr Brown  )  2. That the levels of service for Destination Rotorua Marketing identified in this report be approved, with the amendment that the Asia market share performance measure be changed to actual numbers rather than a percentage share.

6.1.8 RECOMMENDATION 8: 2012 TOURISM COMMITTEE MEETING DATES

The committee resolved:

Mr Marks  )  1. That the report titled ‘2012 Tourism Committee Meeting Dates’ be received and the contents noted; and

Ms Valentine  )  2. That the dates for Tourism Committee meetings for 2012 be scheduled as follows:

- 20 February (changed from 23 February)
- 4 April
- 21 May
- 27 June
- 2 August (changed from 1 August)
- 26 September
- 31 October
- 13 December

3. That meetings commencing 20 December 2011 onwards would commence at 1:00pm.

The committee resolved:

7. CONFIDENTIAL ITEMS

None.

Meeting closed at 3:50pm
## Rotorua Visitor Activity – September 2011

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>MONTH</th>
<th>CHANGE 2010/11</th>
<th>GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRPORT Int'l Arrivals</td>
<td>672</td>
<td>+298</td>
<td>▲ 79.7%</td>
</tr>
<tr>
<td>CAM Nights</td>
<td>116,493</td>
<td>-13,275</td>
<td>▼ 10.2%</td>
</tr>
<tr>
<td>VFR Nights</td>
<td>84,381</td>
<td>-6,066</td>
<td>▼ 6.7%</td>
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<tr>
<td>ATTRACTION Visits</td>
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<tr>
<td>ACTIVITIES Visits</td>
<td>10,911</td>
<td>+862</td>
<td>▲ 8.6%</td>
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<tr>
<td>TOTAL Visitor Actions</td>
<td>331,300</td>
<td>-21,305</td>
<td>▼ 6.0%</td>
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</tbody>
</table>

### Rotorua Visitor Activity

**Graphs**

- **M.E Growth**: % change from previous year.
- **Y.E Activity (million)**: Yearly trend in visitor activity.
- The graph shows the growth and activity levels from September 2009 to September 2011.
CAM Nights – September 2011

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>MONTH</th>
<th>CHANGE 2010/11</th>
<th>GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOTEL</td>
<td>42,510</td>
<td>-14,106</td>
<td>24.9%</td>
</tr>
<tr>
<td>MOTEL</td>
<td>37,814</td>
<td>-5,304</td>
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</tr>
<tr>
<td>HOLIDAY PARK</td>
<td>20,646</td>
<td>+3,022</td>
<td>17.1%</td>
</tr>
<tr>
<td>BACKPACKER</td>
<td>15,523</td>
<td>+3,113</td>
<td>25.1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>116,493</td>
<td>-13,275</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

Rotorua CAM Nights

[Graph showing monthly growth and total nights from Sep-09 to Sep-11]
### Domestic – September 2011

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>MONTH</th>
<th>CHANGE 2010/11</th>
<th>GROWTH</th>
<th>Region</th>
<th>NZ Bmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rotorua CAM Nights</td>
<td>51,804</td>
<td>-26,885</td>
<td>▼ 34.2%</td>
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</tr>
<tr>
<td>Bay Of Plenty</td>
<td>53,956</td>
<td>+1,227</td>
<td>▲ 2.3%</td>
<td>▲ 11.8%</td>
<td></td>
</tr>
<tr>
<td>Taupo</td>
<td>43,515</td>
<td>-6,017</td>
<td>▼ 12.1%</td>
<td></td>
<td></td>
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<tr>
<td>Queenstown</td>
<td>57,359</td>
<td>-5,357</td>
<td>▼ 8.5%</td>
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</tr>
<tr>
<td>VFR Nights</td>
<td>57,946</td>
<td>-10,252</td>
<td>▼ 15.0%</td>
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<tr>
<td>ATTRACTION Visits</td>
<td>34,433</td>
<td>-8,844</td>
<td>▼ 20.4%</td>
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<tr>
<td>ACTIVITIES Visits</td>
<td>3,789</td>
<td>-408</td>
<td>▼ 9.7%</td>
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<td></td>
</tr>
<tr>
<td>TOTAL Visitor Actions</td>
<td>147,972</td>
<td>-46,389</td>
<td>▼ 23.9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Rotorua Dom Visitor Activity

- **ME Growth**
  - Sep-09: 15%
  - Mar-10: 20%
  - Sep-10: 25%
  - Mar-11: 20%
  - Sep-11: 15%

- **YE Activity (million)**
  - Sep-09: 2.5
  - Mar-10: 2.6
  - Sep-10: 2.2
  - Mar-11: 2.0
  - Sep-11: 2.5

- Graph shows the trend in visitor activity and growth from September 2009 to September 2011.
### International – September 2011

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>MONTH</th>
<th>CHANGE 2010/11</th>
<th>Region</th>
<th>GROWTH</th>
<th>NZ Bmark</th>
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</thead>
<tbody>
<tr>
<td>AIRPORT Intl Arrivals</td>
<td>672</td>
<td>+298</td>
<td>▲ 79.7%</td>
<td>▲ 26.3%</td>
<td></td>
</tr>
<tr>
<td>Rotorua CAM Nights</td>
<td>64,689</td>
<td>+13,609</td>
<td>▲ 26.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bay Of Plenty</td>
<td>23,095</td>
<td>+9,490</td>
<td>▲ 69.8%</td>
<td>▲ 20.7%</td>
<td></td>
</tr>
<tr>
<td>Taupo</td>
<td>28,141</td>
<td>+13,978</td>
<td>▲ 98.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Queenstown</td>
<td>121,303</td>
<td>-12,667</td>
<td>▼ 9.5%</td>
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<td></td>
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<tr>
<td>VFR Nights</td>
<td>26,435</td>
<td>+4,186</td>
<td>▲ 18.8%</td>
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<tr>
<td>ATTRACTION Visits</td>
<td>84,410</td>
<td>+5,720</td>
<td>▲ 7.3%</td>
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<tr>
<td>ACTIVITIES Visits</td>
<td>7,122</td>
<td>+1,270</td>
<td>▲ 21.7%</td>
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<tr>
<td>TOTAL Visitor Actions</td>
<td>183,328</td>
<td>+25,083</td>
<td>▲ 15.9%</td>
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<td></td>
</tr>
</tbody>
</table>

### Rotorua Intl Visitor Activity

![Graph showing visitor activity](image-url)
### Rotorua Marketshare of Multi-Day Conferences

(Source: Covec – Convention Activity Survey)

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Marketshare (%)</th>
</tr>
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<tbody>
<tr>
<td>Jun-10</td>
<td>8.5%</td>
</tr>
<tr>
<td>Sep-10</td>
<td>9.0%</td>
</tr>
<tr>
<td>Dec-10</td>
<td>9.5%</td>
</tr>
<tr>
<td>Mar-11</td>
<td>10.0%</td>
</tr>
<tr>
<td>Jun-11</td>
<td>10.5%</td>
</tr>
<tr>
<td>Sep-11</td>
<td>11.0%</td>
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<tr>
<td></td>
<td>11.5%</td>
</tr>
<tr>
<td></td>
<td>12.0%</td>
</tr>
<tr>
<td></td>
<td>12.5%</td>
</tr>
<tr>
<td></td>
<td>13.0%</td>
</tr>
</tbody>
</table>

### Results to Date – October 2011

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>MONTH</th>
<th>CHANGE 2010/11</th>
<th>GROWTH Region</th>
<th>GROWTH NZ Bmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRPORT Intl Arrivals</td>
<td>621</td>
<td>+19</td>
<td>3.6%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Rotorua CAM Nights</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bay Of Plenty</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taupo</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Queenstown</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VFR Nights</td>
<td>N/A</td>
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<td></td>
</tr>
<tr>
<td>ATTRACTION Visits</td>
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</tr>
<tr>
<td>ACTIVITIES Visits</td>
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<td>+445</td>
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<tr>
<td>TOTAL Visitor Actions</td>
<td>162,540</td>
<td>-12,295</td>
<td>7.0%</td>
<td></td>
</tr>
</tbody>
</table>
Forecasts of Inbound Tourism by Origin/Market, 2011-2016

- Australia arrivals
- UK arrivals
- USA arrivals
- Japan arrivals
- China arrivals
- South Korea arrivals
- Malaysia arrivals
- Germany arrivals
- Canada arrivals
- Total arrivals

Original forecast (July 2010)
Penmed forecast (August 2011)
Actual results to date (as of August 2011)