

# tourism activity plan

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## Why we do it

Promote Rotorua as an exciting, vibrant, high quality destination and encourage more people to visit, to stay longer and to spend more.

The Rotorua Travel Office provides a point of first contact to visitors for information and booking things to see and do around Rotorua and the rest of New Zealand.

## What we do

### Destination Marketing

#### Domestic marketing

Undertake year-round marketing activity in key regions such as Auckland, Waikato and Wellington to encourage domestic travellers to come to Rotorua on a regular basis. Target markets will be household shoppers, dual income, no kids and family. Activity will include a combination of strategic media placement, attendance at consumer shows, billboard advertising, website 'hot deals' and TV advertising.

#### International marketing

Undertake marketing activity in the following key markets – Australia, USA, UK, Japan, China, India and other Asian markets. Activity is predominantly focused on working with the travel trade in these markets in joint venture activity, product updates, assisting with brochure development, training and facilitating familiarisation trips. A lot of this activity will be done in conjunction with Tourism New Zealand.

#### Event marketing

Undertake marketing activity to promote events in Rotorua. This will include both international and domestic visitors with specific events being targeted. Activity will include 12 month domestic media campaign, identify and promote one large international event, ensure key events are exposed through major external event websites, produce Rotorua events brochure twice a year with targeted distribution, and develop travel packages that can be sold in conjunction with key events.

#### Conference and incentive marketing

Undertake marketing activity to promote Rotorua as an attractive conference and incentive destination for both domestic and international markets. Activity will include 12 month print and online advertising, attendance at key conference tradeshows, facilitating familiarisation trips for conference and incentive organisers, organise promotional events in both Auckland and Wellington showcasing Rotorua operators and product, ensure Rotorua conference and incentive content on key websites is kept updated and relevant, and undertake direct mail and advertising targeting businesses and associations.

## Rotorua Travel Office

The Tourism Rotorua Travel Office operates 364 days a year.

#### Domestic travel bookings

Offers a comprehensive domestic travel reservation service for both Rotorua and New Zealand products available to local residents and visitors. Commercial returns are earned through commissions on sightseeing and travel sales. It is also contracted to the Rotorua education network to provide quoting and booking services for school groups visiting Rotorua.

#### Information




A full information service is provided for Rotorua and the rest of New Zealand through counter enquires, email requests and phone inquiries. With the development of the lakefront and trans-Tasman, the Rotorua Travel Office will trial a presence at both the Lakefront and the airport providing greater access to visitors in terms of travel reservations, tourist attraction bookings and information.

#### 'The Organiser'

A one-stop-shop for groups (international and domestic), corporates, associations and conference organising. The conference and event services provided are full registration, budget and accounting, development of the programme, venue management, speaker liaison, sponsorship and exhibition along with promotion of the event. Group services provided are quotes, itinerary planning (Rotorua tours or NZ-wide tours) and New Zealand-wide attraction, accommodation and transport information, and servicing the education network.

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## Community outcomes

Community Outcome	How the Council contributes
 Environment	<ul style="list-style-type: none"> <li>■ By helping to protect a range of natural resources in the district.</li> <li>■ By encouraging people to use and enjoy our natural environment.</li> </ul>
 Prosperity	<ul style="list-style-type: none"> <li>■ By promoting our district's unique qualities to encourage more people to visit, to stay longer and spend more.</li> <li>■ By ensuring Rotorua is renowned for tourism; a vibrant tourism sector provides more employment opportunities for locals.</li> </ul>
 Maori Culture	<ul style="list-style-type: none"> <li>■ By fostering Maori cultural activities and expression.</li> <li>■ By encouraging a community that recognises the value of partnerships, including the Treaty of Waitangi.</li> </ul>



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## What does the council plan to do in the future

What is the Council currently doing?	What will we do in years 1 to 3?	What will we do in years 4 to 10?	How will we know if we achieve our objective? (key result areas)
<b>Destination Marketing</b>			
Investigating and researching Trans-Tasman opportunities.	Assistance with establishment of Trans-Tasman services.		Confirmation of airlines committed to trans-Tasman services.
	Seek and increase joint venture industry funding.		JV funding secured.
Align with and influence Tourism New Zealand's off-shore marketing campaigns.			Increased tourist activity.
Strengthen and develop wider Central North Island Regional tourism opportunities and industry relationships to benefit from Trans-Tasman services.			New brand established and increased tourist activity.
Encourage the uptake of sustainability practices within the Rotorua tourism industry.			Increased numbers of tourism industry stakeholders participating in sustainable development programmes.
<b>Rotorua Travel Office</b>			
Investigate options for better utilisation of Travel Office space to cope with growing demand of visitors and provision of levels of service expected.	Finalise community/visitor needs in relation to facility development; develop business plan; develop concept plan and undertake feasibility study; obtain resource consent and identify funding sources.	Detailed design completed and works commenced. Capital works completed and final commissioning.	Maintained satisfaction levels. Increased visitor numbers.
Provide Rotorua presence in Australia (The Organiser) to promote Rotorua and organise conferences to be held in Rotorua.			High standard of customer services maintained and improved.
	Trial presence of Rotorua Travel Office, at the Lakefront and Airport		Increased tourist activity within the district.

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## Measuring our achievements

Level of Service	Performance measures	Current performance	Performance targets									
			09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
<b>Destination Marketing</b>												
Market Rotorua as a preferred destination for leisure, conference/ incentive and events visitors of both international and domestic origin.	Contribute to the number, the length of stay and the average spend of visitors to Rotorua.	1.4 million visitors	1.6	1.7	1.7	1.7	1.8	1.8	1.8	1.9	1.9	1.9
		2.3 average nights	>2.3 average nights									
		\$120 spend per person/day	>\$120 spend per person/day									
Encourage the Rotorua tourism industry to deliver on the promise of Manaakitanga (provision of exceptional hospitality) to the visitor experience.	Average visitor satisfaction rating of Rotorua experience as measured by the Rotorua Regional Visitor Monitor.	8 out of 10 score achieved.	8 out of 10 score achieved									
Encourage the uptake of sustainability within the tourism industry.	% of businesses advertising in the Rotorua Visitor Guide that are associated with the Rotorua Sustainable Tourism Charter, Qualmark or Green Globe.	80%	80%									
<b>Rotorua Travel Office</b>												
Booking services are provided to visitors to Rotorua to encourage extended length of stay and visitor spend.	Amount of commissions revenue generated by Travel Office.	\$ 1.5 million.	\$1.5m	\$1.5m	\$1.8m (Rugby World Cup)	\$1.6m						
	% of satisfaction of industry members of the Tourism Advisory Board with the booking services provided by the Travel Office.	Establish benchmark by June 2009	Review against benchmark as set in 08/09									
Provide an accessible, informative and friendly point of contact to visitors to Rotorua.	% of customers satisfied or very satisfied as per annual customer survey.	80%	80%									
Provide Conference and Group services.	% of clients satisfied or very satisfied with levels of service.	80%	80%									

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## Negative effects

Negative effects	Mitigation options
Tourism is seen as an excessively favoured industry by some parts of the community.	Inform community of the flow on benefits to the community generated from tourism.
Increased visitor numbers resulting from tourism can cause traffic congestion, especially in peak visitor periods.	Education around parking options and other modes of transport within and around the CBD – bikes and bus.
Increased visitor numbers resulting from tourism are sometimes seen as resulting in increased crime – vehicle and theft.	Education – through awareness and personal safety campaigns.
Increased visitor numbers resulting from tourism is sometimes seen as resulting in increased pollution.	Education – through public campaigns.

## Funding considerations

### Who benefits from the activity?

- The community as a whole benefits from improved economic activity and positive outlook/attitudes.
- Individual businesses benefit directly from specific initiatives.
- Visitors to Rotorua benefit from this service
- Residents of Rotorua benefit from this service though the provision of information

### What is the period of benefit?

- Benefits are ongoing for the entire economy.

### Who creates need for the activity?

- The economy as a whole creates the need for city marketing as a tool for regional promotion.
- Businesses create the need for exposure to wider markets.
- Visitors both domestic and international to the Rotorua District create the need for the service.

### Funding source

- It is considered this activity primarily benefits those who use its services. These beneficiaries are visitors to the centre who obtain information and the tourism operators whose services are sold to the tourist.
- The service also benefits the district as a whole by way of positive effects on the local economy created by the spending of tourists and visitors. Further, the activity compliments Tourism Marketing and the community benefits of that activity.
- Funding of this activity is approximately 40% - 50% from user fees and charges, 50% - 60% from targeted rates and up to 10% from general rates.



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## Asset management

### Key assets

- Travel Office building

### Maintaining our assets

The assets are maintained by council's maintenance contractors. Council assets are to be maintained as per agreed specifications and are reviewed every 3 years to ensure that the service that is being completed is up to date with current levels of service requirements. Major works are competitively tendered out to specialised contractors thus insuring that the final product is of a high standard and delivered at a competitive cost to council.

Council employs a staff member within corporate services who is responsible for the maintenance of all council buildings. In the course of assessing buildings for short and long term needs the future needs are determined and replacement requirements scheduled.

## Major changes planned for assets

Reason for change	What will be done?	Year 1 cost (\$000s)	Year 2 cost (\$000s)	Year 3 cost (\$000s)	Year 4 - 10 cost (\$000s)
Renewals and replacements.	IT Ticketing system.	40	-	-	125

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## Financial summary (plan 2009/10 and forecast 2010/11 to 2018/19)

Tourism (\$000s)	Actual 2007/08	Annual Plan 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Operating Expenses</b>												
Direct Costs	4,080	4,266	4,360	4,591	4,578	4,690	4,824	4,942	5,063	5,219	5,358	5,517
Financial Costs	86	57	88	93	96	101	104	108	109	112	114	114
Depreciation	81	96	83	75	71	61	62	58	57	57	56	59
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Costs</b>	<b>4,247</b>	<b>4,419</b>	<b>4,531</b>	<b>4,759</b>	<b>4,745</b>	<b>4,852</b>	<b>4,990</b>	<b>5,108</b>	<b>5,229</b>	<b>5,388</b>	<b>5,528</b>	<b>5,690</b>
<b>Revenue</b>												
Capital Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	2,148	1,904	1,988	2,048	2,264	2,177	2,243	2,310	2,379	2,451	2,524	2,600
Investment Income	119	12	60	60	60	60	60	60	60	60	60	60
Subsidies and Grants	-	-	-	-	-	-	-	-	-	-	-	-
Targeted Rates	-	-	1,882	1,939	1,997	2,057	2,119	2,182	2,248	2,315	2,385	2,456
<b>Total Revenue</b>	<b>2,267</b>	<b>1,916</b>	<b>3,930</b>	<b>4,047</b>	<b>4,321</b>	<b>4,294</b>	<b>4,422</b>	<b>4,552</b>	<b>4,687</b>	<b>4,826</b>	<b>4,969</b>	<b>5,116</b>
<b>Internal Recoveries</b>												
Internal Recoveries	37	38	38	38	38	38	38	38	38	38	38	38
<b>Total Internal Recoveries</b>	<b>37</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>
<b>Net Cost of Service</b>	<b>1,943</b>	<b>2,465</b>	<b>563</b>	<b>674</b>	<b>386</b>	<b>520</b>	<b>530</b>	<b>518</b>	<b>504</b>	<b>524</b>	<b>521</b>	<b>536</b>
<b>Capital Costs</b>												
Renewals	-	-	-	-	-	44	41	15	-	5	-	19
Growth	-	-	-	-	-	-	-	-	-	-	-	-
Backlog	-	-	40	-	-	-	-	-	-	-	-	-
Level of Service	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital</b>	<b>14</b>	<b>158</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>44</b>	<b>41</b>	<b>15</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>19</b>
<b>Operational Funding</b>												
Net Cost of Service	-	-	563	674	386	520	530	518	504	524	521	536
Plus Capital Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Less Depreciation	-	-	(83)	(75)	(71)	(61)	(62)	(58)	(57)	(57)	(56)	(59)
Add back Depreciation Funded by Rates	-	-	-	-	-	44	41	15	-	5	-	19
<b>Operations Funded by General Rates</b>	<b>-</b>	<b>-</b>	<b>479</b>	<b>598</b>	<b>315</b>	<b>503</b>	<b>510</b>	<b>475</b>	<b>447</b>	<b>473</b>	<b>466</b>	<b>496</b>
<b>Capital Funding</b>												
Funding from Depreciation (Rates)	-	-	-	-	-	44	41	15	-	5	-	19
Loans from/(to) Corporate Fund	-	-	40	-	-	-	-	-	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-	-	-
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital</b>	<b>14</b>	<b>158</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>44</b>	<b>41</b>	<b>15</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>19</b>

Minor roundings may occur in above totals