Northland Visitor Strategy

(Update: 2008-2013)

Prepared for

Enterprise Northland

and the

Northland Tourism Development Group

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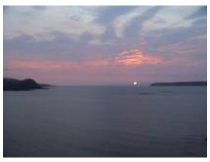
Prepared by Destination Planning Ltd



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Acronyms & Abbreviations

APT	Arts Promotion Trust (Northland)
ATTTO	Aviation, Tourism and Travel Training Organisation
CAM	Commercial Accommodation Monitor
DNL	Destination Northland Ltd
DOC	Department of Conservation
EDA	Economic Development Agency
EN	Enterprise Northland
FNDC	Far North District Council
FNHL	Far North Holdings Ltd.
HSI	Hospitality Standards Institute
i-SITE	The brand name for NZ's official visitor information network.
ITO	Industry Training Organisation
KDC	Kaipara District Council
MRI	Major Regional Initiative
MSD	Ministry of Social Development
NRC	Northland Regional Council
NVS	Northland Visitor Strategy (2008 - 2013)
NZTE	New Zealand Trade and Enterprise
NZTS	New Zealand Tourism Strategy
RTO	Regional Tourism Organisation
TCDH	Twin Coast Discovery Highway (touring route)
TDG	Tourism Development Group
TEC	Tertiary Education Commission
TTMCTA	Tai Tokerau Maori & Cultural Tourism Association
TNZ	Tourism New Zealand
TPK	Te Puni Kokiri
VIN	Visitor Information Network, The VIN brand preceded i-SITE NZ.
UNWTO	United Nations World Tourism Organisation
WDC	Whangarei District Council
Web 2.0	A term for new web technologies and practices particularly related to consumer generated content. See O'Reilly media http://www.oreillynet.com/pub/a/oreilly/tim/news/2005/09/30/what-is-web-20.html

Executive Summary

This Northland Visitor Strategy 2008-2013 provides an update on the region's first Northland Tourism Strategy 2003-2008. The primary goal for this strategy, for the industry and for Destination Northland, is to grow tourism demand and expenditure from the 2006 base of $657.6 million, especially in the shoulder seasons. This will enhance profitability for the tourism industry, creating a stronger commercial rating base for local government, enabling both sectors to increase investment in environmental sustainability initiatives, infrastructure and better quality services. It will also create benefits for the local community in employment and community facilities that would not be justifiable without additional tourism demand.

The strategy has been developed by Enterprise Northland and the Northland Tourism Development Group which comprises representatives from the tourism industry, local government, DOC and tangata whenua. With a primary focus on Destination Marketing, Destination Northland is a key champion and implementer of many of the proposed actions in this plan. However, this is intended to be a comprehensive destination management plan with many recommendations that can only be acted upon by other parties. As such, success will rely upon joint ownership across the full range of stakeholders and a concerted effort to maintain cross-agency communication and coordination.

Overall, this strategy aims to maintain momentum on the high level of success in implementing the initial 2003 plan which was strongly aligned to the NZ Tourism Strategy 2010. Likewise, this new Northland Visitor Strategy has conscious linkages with the updated NZ Tourism Strategy 2015 and the tourism issues that have arisen or become accentuated over the last five years, including increased fuel costs, consumer concern over carbon emissions and marketing in the Web 2.0 environment.

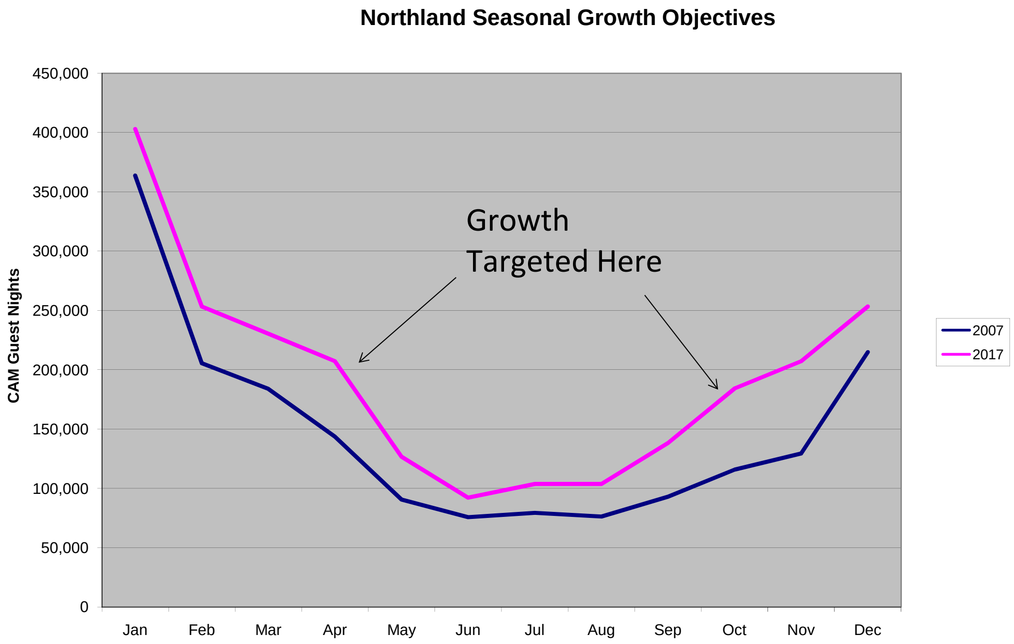
Many of the achievements to date have been supported by New Zealand Trade & Enterprise (NZTE) Major Regional Initiative funding which has now ceased. This has implications for capacity to implement many new intended initiatives. It is also important to acknowledge areas where there remains a level of frustration or lack of progress on the original Northland Tourism Strategy. These include securing competitive funding for Destination Northland, establishing a significant domestic campaign, major regional event development, i-SITE coordination and comprehensive broadband coverage.

A new approach has been taken with a simple framework of three priority headings to promote simple communication of the strategy to stakeholders.

1. Brand – The regional branding will be refined to provide a stronger differentiated proposition, inspiring visitors to come for life-changing experiences. The brand values will be consistently applied to develop and market the region to visitors and will align strongly with Tourism New Zealand's *Youngest Country on Earth* and *100% Pure NZ* positioning.
2. Living the Destination – This is about sustainably delivering a quality tourism experience for visitors and the communities hosting them. Northland's communities in the widest sense must be engaged through a value of tourism stakeholder communications plan in order to deliver on the brand promise. This also encompasses sustainably managing the destination for growth including the environment, Maori tourism development, infrastructure, product development, i-SITEs, profitability, training and professional development, visitor facilities and service quality. Living the Destination is underpinned by the Maori principles of kaitiakitanga and manaakitanga.
3. Targeted Marketing – An increased share of the region's finite marketing resources will go into the emerging economic triangle of Auckland/Waikato/Bay of Plenty, followed by Australia. These are Northland's "banker" markets with the most potential to boost shoulder season tourism spend. Some activity in other core markets including USA, UK and Europe will be sustained, with one off opportunities assessed as they arise. A watching brief will be maintained on markets like China and

India which as yet are not significant for Northland but do have longer term potential to generate off season business. Northland's Web 2.0 marketing will also continue to be boosted to address social networking, build multi-media content, expand translated material and facilitate live searching, booking, and transacting of Northland tourism experiences. There will also be a concerted effort to strengthen strategic partnerships with Auckland, potentially including jointly resourced sales staff, Australian campaigns and more i-SITE presence.

Rather than ring-fencing strategies for sustainability and seasonality, these two concepts are taken as top priority policies to underpin the whole plan. Every initiative must be held up against a vision and criteria for sustainability in all its meanings. Similarly, every effort must be made to ensure that branding, product development and marketing initiatives serve to build the shoulder season. The graph below illustrates the target to change the traditional pattern in the autumn and spring shoulder seasons. Although this appears a modest shift, it will be challenging, yet achievable and can make a significant difference to the profitability of the industry.



In addition to the above seasonality goals, a comprehensive set of indicators has been developed to assist with monitoring Northland's tourism sector performance to 2013. These are divided into:

- Primary Indicators, including:
  - increasing international visitor night market share to 4%,
  - increasing average Commercial Accommodation Occupancy from 25.9% to 30%.
- Supplementary Indicators, including:
  - increasing the proportion of operators that are Qualmarked to 40%,
  - increasing the proportion of accommodation operators using live inventory management tools to 70%.

Introduction

This document provides an update on the Northland Tourism Strategy 2003-2008 and Beyond (NTS 2003). The scope of this plan is primarily for 2008-2013 when New Zealand will host the next Rugby World Cup. However, the timeframe on some initiatives such as engaging the community in tourism will be inter-generational.

Tourism issues for Northland and New Zealand have been well covered in the previous NTS 2003 and the NZ Tourism Strategy 2015. Therefore this document is deliberately briefer, re-emphasising some key underlying principles and progressing straight to the action plan. An update on strategy implementation progress and more recent tourism issues is provided towards the end of the document and in appendices.

Background

The 1996 Northland Tourism Strategy (NTS 1996) was developed as a first ever tourism strategy for Northland. It served the region well with over 60 of the 80 recommendations either fully or partially implemented by 2002 and was instrumental in positioning Northland's tourism industry as a key driver of regional economic development.

The Northland Forward Together Economic Development Strategy (NFT 2002) identified tourism as a lead sector for regional economic progress and recommended that the NTS 1996 be updated to chart the path for tourism development in the region over the next five years. In February 2003 the 'Northland Tourism Strategy 2003 - 2008 and Beyond" (NTS 2003) was completed. A key recommendation of the strategy was the formation of a Tourism Development Group (TDG) to guide Northland tourism development and to monitor the progress and implementation of the strategy. The TDG comprises 20 industry representatives from around the region.

In July 2003 Enterprise Northland was successful in securing the region's first Major Regional Initiative (MRI), a partnership between New Zealand Trade and Enterprise (NZTE) and Northland's tourism industry. The MRI, known as Activate Northland focussed on building capability and lifting the performance of the tourism industry. The project was implemented by the Regional Economic Development Agency Enterprise Northland and its subsidiary, Regional Tourism Organisation, Destination Northland. The MRI provided additional resources to accelerate many of the recommendations of the NTS 2003 and reached the end of its term in June 2007. Since 2002 there has been significant tourism growth with international and domestic visitors spending a total of $657.6 million for the year ending December 2006.

From November 2005, the TDG has been undertaking work to review the strategy and evaluate progress. The brief has been to develop a short action document containing still relevant content from the previous strategy, incorporating any themes from the NZ Tourism Strategy 2015 and a check list on what has been achieved from current strategy.

A workshop was held in January 2008 in Waitangi with a strategy sub-committee of the Northland Tourism Development Group (TDG). The group proposed a new approach for the tourism strategy document with a simple framework of three priority headings to promote simple communication of the strategy to stakeholders.

4. Brand.
5. Living the Destination.
6. Targeted Marketing.

The underlying communication to stakeholders is that tourism is good for Northland's people, environment and economy. The primary goal for this strategy, for the industry and for Destination Northland, is to grow tourism demand and expenditure, especially in the shoulder seasons. This will enhance profitability for the tourism industry, creating a stronger commercial rating base for local government enabling both sectors to increase investment in environmental sustainability initiatives, infrastructure and better quality services.

Sustainability

Rather than considering Sustainability as an isolated concept or project heading within a section of this strategy, it should be taken as a policy to underpin the entire strategy and its projects. The definition used by the World Commission on Environment and Development is, *"Sustainable development means meeting the needs of the present without compromising the ability of future generations to meet their own needs"*. Our interpretation of sustainability is also derived from the Maori principles of Kaitiakitanga and Manaakitanga.

Kaitiakitanga

Kaitiakitanga means guardianship, care, and protection, recognising that:

Whatu ngarongaro te tangata, toitu te whenua,

Man will perish, but the land remains.

Kaitiakitanga gives a basis for a distinctively New Zealand approach to managing our natural and built environment. It is a value that is firmly connected to our indigenous culture and history. The principles of kaitiakitanga stress the importance of managing natural, cultural, and built resources for the collective benefit of the people living here now, and those who will live here in the future.

All members of the tourism sector must understand and support these principles in order to protect the environment. Respecting the principles of kaitiakitanga will give New Zealanders a shared foundation for future action. It also conveys a powerful message to visitors about the value of the connection that New Zealanders have with their landscape, which is an integral part of our national identity.

Sustainability does not mean there will be no negative impacts. There are potential adverse impacts for any economic development sector including tourism. The goal is to manage any adverse impacts to within acceptable limits thereby ensuring tourism continues to have limited impacts alongside other sectors in the Northland economy. Practical examples of sustainable tourism management will include:

- Minimising waste generation and maximising energy efficiency of tourism operations.
- Minimising fossil fuel consumption.
- Forward planning of land use to allow for tourism in the most appropriate areas and minimising visual impacts of tourism developments.
- Investing in infrastructure and facilities to cater to increased tourism including roads, waste water, broadband, public toilets, car parks, visitor centres and accommodation.
- Spreading economic impacts of tourism spend as widely as possible through the local communities.
- Managing visitor numbers and crowding at any one time at tourism attractions.
- Managing impacts on endemic flora and fauna species.
- Managing impacts on key heritage sites, buildings and areas of spiritual significance to Maori.

Because tourists are coming to experience our environment and culture, the tourism sector cannot manage a sustainable destination on its own. Visitor satisfaction would be impacted by awareness of polluted streams, visible pollution from old vehicles, unmanaged litter, a lack of recycling facilities and so on. Therefore all of Northland's industries must commit to protecting and in some cases restoring the region's environmental assets. So too must the wider community buy into the principle of Kaitiakitanga. Currently, roadside lay-by waste and litter is a hot topic throughout New Zealand. However, although inbound tourism is often blamed, research suggests that domestic tourists and residents are as much if not more culpable.

Cultural and Social Sustainability

Tourism can only be sustainable if host communities understand and value the benefits of tourism and therefore remain welcoming to visitors. Genuine and open friendliness of Northlanders contributes significantly to visitor satisfaction. Hospitality is a traditional and natural concept for Maori, being the purpose behind the ceremonies on Marae. This is articulated through the Maori principle of Manaakitanga.

Manaakitanga

"Behaviour that acknowledges the mana of others as having equal or greater importance than one's own, through the expression of aroha, hospitality, generosity and mutual respect. Displaying manaakitanga elevates the status of all, building unity through humility and the act of giving".[1]

Nau te rourou, Naku te rourou ka ora te manuhiri

Your food basket and my food basket will satisfy the visitors.

Manaakitanga is about sharing exceptional and natural hospitality, knowledge, and beliefs, on the basis of mutual respect between host and visitor. To achieve mutual respect, the tourism industry needs to provide visitors with a much more in depth understanding of our culture and values. Operators also need to be encouraged to continually improve their general standards of service and hosting.

Community Ownership of Visitor Strategy

Ideally there would have been extensive consultation throughout Northland's communities in developing this tourism strategy update including independent research and numerous community workshops. However, such consultation requires significant dedicated funding which is generally not available to RTOs. The most practical way to ensure community input into tourism planning is through the statutory processes for developing local government LTCCPs and other plans including those of DOC and Transit NZ. This is only effective if tourism is clearly on the various consultation agendas and if there is accurate tourism information fed into the process. This strategy therefore takes its community lead from the existing formal regional community outcomes and the regional economic development strategy (2007).

Going forward, it is critical that tourism is adequately considered as the 2009 LTCCPs are developed. This tourism plan therefore aims to help inform the LTCCPs and can be adapted according to the communities' tourism aspirations articulated in those LTCCPs.

Seasonality

A shoulder season growth policy will be used to shape most of the strategies and actions in this plan, rather than having an isolated set of actions for seasonality. For example, under *Living the Destination*, the products and experiences we develop will be primarily aimed at attracting more off-season visitor spend and the community will understand the benefits that more off season tourism will deliver in terms of providing more permanent employment and more year-round services. The *Brand* initiative will help to shift the traditional perception of Northland to being more than just a one-dimensional summer destination. *Marketing* will be targeted at the visitors who have the highest propensity to visit and spend in our shoulder seasons. A seasonality focus will also be the strongest driver of improvements in economic sustainability. For example, even a modest improvement in off-season occupancy with seasonal pricing brackets, can make an enormous

[1] Professor Whatarangi Winiata, 2005

difference to an accommodation operator's annual profitability. This is not only through direct revenue but also through allowing better staff retention which allows more investment in training, enhanced customer service and ultimately better word of mouth promotion.

There are several possible strategies to try to address seasonality. One theory suggests continuing to promote to existing core peak season markets and the lack of capacity will force tourists to spread into the shoulder seasons. The risk for a region is that they instead go to a competing region and avoid Northland altogether. Another scenario is to grow the whole off-season but with a limited budget, it is not realistic for Destination Northland to spread its marketing activity over three quarters of the year. The most realistic option is to focus all available external marketing resources on one shoulder period being either spring or autumn. Most stakeholders felt that spring has the most potential although the point has been made that during spring, many Aucklanders are still in a skiing frame of mind and that effort should continue to extend Northland holidays into autumn. In addition to promotion, Northland needs to develop new products and experiences that have appeal throughout the year including events, culinary tourism, indulgence and spa tourism, conferences and domestic school educational visits.

Reminder - Benefits of Tourism for Northland

Direct Northland tourism spend of $657.6 million (2006) supports the following positive flow-on benefits to the community:

- The tourism money that is collected directly by accommodation, activity, attraction, transport, grocery, pharmacies, various retailers, food and beverage operators is in turn spent on business supplies and services including food, trades and professional services, supporting a wide range of jobs in the economy.
- As these businesses multiply and become more economically sustainable, they are better able to pay rates at a higher commercial differential, thus limiting the burden on residential rates.
- There are more job opportunities for young residents making it less imperative for them to leave the region to pursue a career. Towns like Opononi and Rawene are obvious examples of settlements that might struggle to survive without tourism.
- Visitor demand and spend can sustain investment in services and facilities that will be used by the community but would not be justifiable on the basis of local population demand alone. This includes cafes, entertainment venues, public transport, parks and better quality public toilets.
- Tourists in Northland consume considerable quantities of primary produce negating the need to export it. At the same time their first hand experience of local produce in a positive travel or holiday context, builds brand value and word of mouth promotion for such produce in their home countries.
- Tourism can enrich peoples' lives and promote international understanding through the sharing of different cultures and values.
- Well managed tourism can help to raise awareness and generate funds for protection and enhancement of heritage and natural assets that might otherwise go neglected. Examples include tourism operators contributing to wildlife recovery, ecological research, wetland, coastal dune and forest restoration programmes.

Vision and Mission

The vision and mission for Northland Tourism remains:

Our Vision

In 2011
Visitors experience, and our host communities understand and embrace, our unique Northland lifestyle and spirit of Manaakitanga (hospitality)

While,
Northland's unique environment, culture and heritage is enhanced and sustained in the spirit of Kaitiakitanga (guardianship)

And,
Northland is recognised as a leading destination for visitors. Tourism businesses are profitable and make a significant contribution to a vibrant economy, that provides choices and opportunities for people to live, work and invest in Northland.

Our Mission

Tourism Operators and the People and Communities of Northland will:

Welcome visitors and with them cherish, share and sustain our environment and celebrate our Northland lifestyle, culture and heritage.

Key Stalemates from the NTS 2003

There has been good progress on NTS implementation, as detailed later in this document. Following are the key areas where little progress has been made.

Funding of DNL

Despite increases in private sector leverage, council funding for DNL has not been materially increased, nor even kept pace with inflation. Funding also remains on a short term, restricting commitment to long term strategic initiatives. Being sourced from the general rate, achieving any tourism funding increases will be difficult given other pressures on local government funding. This remains an issue for many RTOs. The MRI funding which has now ceased, has been critical in supporting past initiatives across the region and there is no immediately obvious replacement. Unless new funding sources or mechanisms are established, DNL and EN activity will effectively *reduce* compared with the last five years.

Domestic Marketing

Impacted by the funding issue, and notwithstanding key achievements in domestic media coverage, Northland has not been able to resource a significant domestic marketing campaign to address seasonality.

i-SITE Development

Despite a comprehensive review and strategy, Northland's i-SITEs are not well coordinated as a regional network, many are still using outdated manual ticket writing systems and the physical facilities (especially Paihia given its icon destination status) have fallen well behind lead-practice developments in competing destinations such as Nelson. The i-SITEs continue to require over $400,000 of local government funding. While this strategy continues to stress the case for ongoing council investment in world class i-SITEs, they should be able to operate more efficiently enabling that council investment to go into other tourism marketing and development initiatives.

Broadband

Lack of broadband coverage continues to limit business potential for all sectors of the economy as is the case in most of provincial New Zealand. Ready access to broadband, including through mobile devices, will be critical for tourism over the next 10 years.

Lack of Regional Event Coordination

FNDC and WDC have undertaken background work on event opportunities and local strategy. However, greater regional cooperation of all interested parties including i-SITEs, DNL and TLA's needs to occur if the region is to develop iconic events that will produce significant media coverage and/or visitation.

The Plan

This revised Northland Visitor Strategy has been simplified and structured under three focus areas for simple communication to stakeholders. All three focus areas overlap each other as illustrated in the diagram below.

Brand

A detailed brand review was undertaken during 2006-2007 and found that numerous regions are trying to brand themselves as *natural,* overlapping with Northland Naturally. Northland's "first region" concept is more defendable and provides an opportunity to leverage Tourism New Zealand's recently developed international marketing position as *The Youngest Country on Earth (and 100% Pure NZ)*. "Birthplace of the Nation" fits under this *first region* umbrella and is more applicable to tourism than other economic sectors. The Birthplace concept is somewhat limiting as it denotes a historical or heritage based profile for Northland whereas First Region allows more future focused initiatives such as Northland's ability to deliver seasonal produce earlier than other regions.

Tourism provides the window to the region for delivery of brand values and there is an opportunity for tourism to be the economic sector that leads this regional brand initiative. Branding will be refined to provide a stronger differentiated proposition, inspiring visitors to come for life-changing experiences. These will be consistently applied to develop and market the region to visitors.

Living the Destination

Living the destination is about sustainably delivering a quality tourism experience for visitors and the communities hosting them. Northland's communities in the widest sense must be engaged including residents, the tourism industry, non-tourism commercial sectors, local government, central government agencies in Northland and Maori in order to deliver on the brand promise. This also encompasses sustainably managing the destination for growth including the environment, infrastructure, visitor facilities and service quality. Living the destination is underpinned by the Maori principles of kaitiakitanga and manaakitanga. It will include communities telling their own stories and allowing young people opportunities to secure fulfilling employment without permanently leaving the region. Delivering on this is deeper than just a tourism strategy and relates to the DNA of Northland. It will take a 20-30 year multi-generational approach to significantly enhance the resident welcome towards visitors. Various initiatives have been undertaken to directly enhance community engagement in tourism such as Rotorua District Council researching direct tourism spend on itemised local products and services, communicating this to the community, engaging residents more in tourism planning and changing council's trading name to *Destination Rotorua*. Such a project for Northland perhaps presents more of a challenge, with three district councils and the regional council. Northland has an opportunity to develop a plan for community engagement as a pilot for other provincial NZ regions to follow. Succeeding aligns with and would represent a major step forward for the NZ Tourism Strategy 2015 and could therefore warrant central government support.

Targeted Marketing

The previous NTS 2003 emphasised internationals as the best opportunity to impact seasonality. Growth projections for inbound tourism have since been dampened. Northland's banker markets are the emerging economic triangle of Auckland/Waikato/Bay of Plenty followed by Australia. These are also the markets that have the most potential to boost shoulder season tourism spend. Historically resource has been fairly evenly spread across these, USA, UK and Europe with trade missions to all of these markets. Given limited resources and the burgeoning importance of the internet, the strategic choice has to be made to re-prioritise resources.

- More relative emphasis will be placed on Australia and Auckland/Waikato/BOP with nominally 75% of the available destination marketing budget.
- The remaining 25% will be allocated to maintain some support for UK, Europe and North America (including Canada) but this will realistically entail some cuts to current activity in these markets. This resource will also need to cover niche opportunities as they come up and are assessed on a case by case basis.
- As markets like China and India mature, they are likely to become more important to some of Northland's larger operators who may choose to invest in visiting these markets, eventually China will be important to all operators. Whilst at this stage no particular actions are appropriate to be made by Destination Northland, the tourism industry should engage where possible with the efforts of other agencies to increase economic benefit from non-traditional tourism markets.

Channel strategy will increase the focus on electronic marketing in the Web 2.0 environment. This will require that Northland keeps pace with the swift ongoing developments in electronic marketing including video and audio blogging, social networking and other viral marketing. More translated content will also be introduced as the most effective minor investment for emerging markets.

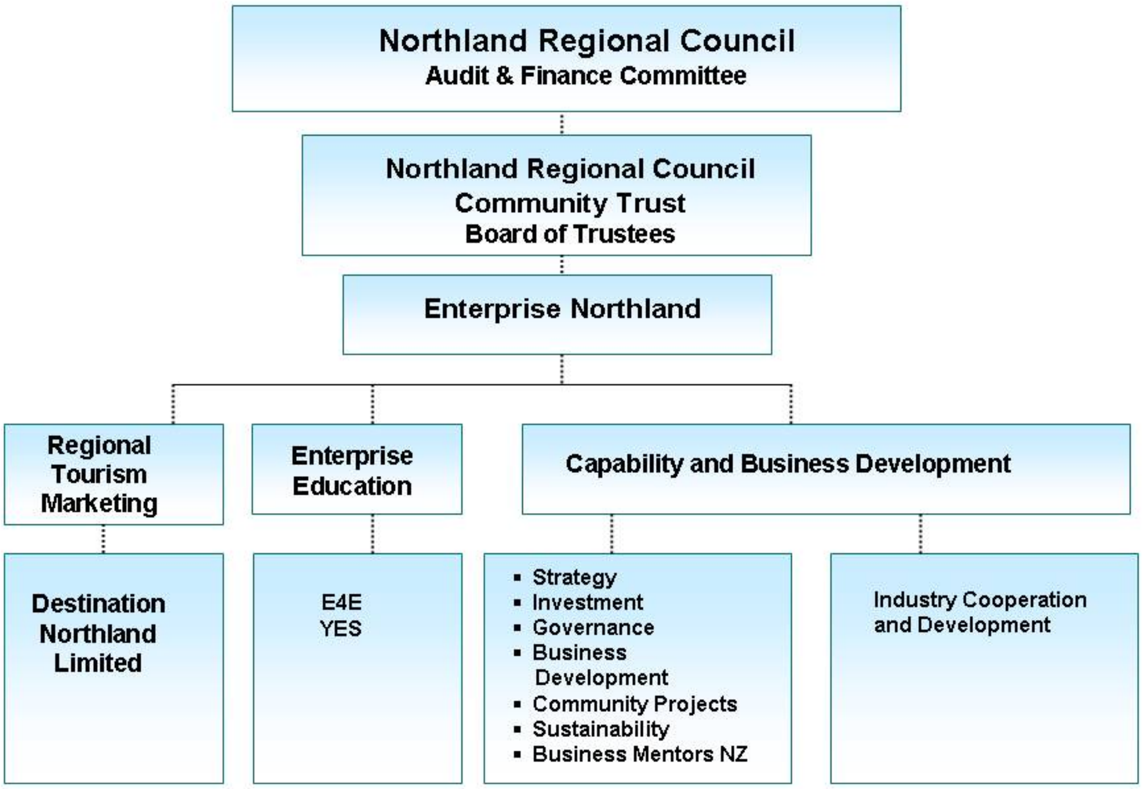
Organisation Roles

Enterprise Northland

Enterprise Northland, as the regional development agency is responsible for leading the overall economic development strategy for the region. This entails maintaining alignment and seeking synergistic opportunities between tourism and other economic sectors as much as possible. Enterprise Northland is also responsible for relationships with central government agencies such as NZTE and MSD which may have funding available for tourism industry or community development initiatives. Along with agencies such as BizNorth and Northtec, Enterprise Northland can facilitate tourism capacity and capability development.

Destination Northland

Destination Northland, as the RTO for the region is primarily responsible for promoting the region externally to increase tourism demand and hence tourism spend. The MRI previously provided resources that enabled Destination Northland to become more involved in locally based industry development and destination management initiatives. The cessation of this funding requires that Destination Northland revert to a stricter focus on external marketing.



Tourism Development Group

This group was established to ensure engagement of key industry and government stakeholders to oversee implementation of the regional tourism strategy. It has partially acted as a voice of industry, however as it includes local and central government representatives there needs to be further work on establishing a strongly mandated industry lobbying mechanism for tourism issues. The TDG is tasked with driving many of the actions in the strategy but there is a question over the degree to which private operators can continue diverting their focus from their own businesses to contributing time to these projects.

Tai Tokerau Maori and Cultural Tourism Association

TTMCTA is the champion for Northland's Maori tourism development. It represents Maori and non-Maori parties interested in Maori tourism through a formal membership mechanism. TTMCTA continues to struggle for funding to support many of its intended initiatives. Key functions include providing networking amongst Maori operators, providing referrals for operators to gain assistance from other agencies, facilitating industry training and establishing Maori art works at the region's i-SITEs.

Department of Conservation

DOC is responsible for managing Northland public conservation lands. Its charter has been "to foster recreation and *allow* tourism" as long as it is consistent with the conservation of natural and historic resources. A recent agreement between DOC and the Tourism Industry changes the wording from *allow* to *enable.*

Action Plan

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
1	*Brand*				
1.1	**Brand Action Plan** Tourism will be the lead sector for revitalised Northland regional branding strengthening the "First Region" concept.				
1.1.1	Engage with a design agency to develop new brand executions for Northland's ongoing tourism promotion, (eg web site, product manual, regional brochure).	**TDG, DNL** / EN	Local agency sponsorship. Establish ongoing marketing project budgets.	high	2008
1.1.2	Develop and implement a brand communication plan for the tourism sector as a component of wider regional brand/communication strategy.	**DNL** / EN, TDG		medium	Formal plan implemented from late 2008.
1.1.3	Aggressively promote the regional brand as the banner for all tourism sector activity within New Zealand and in international visitor markets.	**DNL** / Tourism Industry, Councils	Ongoing marketing project budgets.	medium	Ongoing
1.1.4	Continue to leverage icon sites as a strategy to spread visitors throughout the region but cease using the traditional three icons as positioning message for marketing the region. Other key sites such as The Poor Knights will increasingly feature.	**DNL**		medium	Ongoing

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2	*Living The Destination*				
2.1	**Maori Tourism Development Action Plan**				
2.1.1	Build a much closer practical working relationship between DNL and TTMCTA including updating the MOU and assessing the potential for a Maori tourism development officer to work from DNL's office.	**TTMCTA** / TDG, DNL	New external funding for officer, potentially from MSD or TPK.	high	Update MOU 2008
2.1.2	Improve profile and marketing of the Northland Maori tourism experience in NorthlandNZ.com and other marketing collateral.	**TTMCTA, DNL**		high	Ongoing
2.1.3	Seek to engage iwi in tourism planning (e.g. promote tourism as a regular agenda item for the Iwi Executives Consortium hui.)	**TTMCTA, EN** / DNL		low	Agree policy 2008
2.1.4	Assist businesses to improve interpretation of local Maori history and culture as part of their product offer through toolkits with guidelines, case studies and ways to access local stories.	**TTMCTA, DNL**		medium	Ongoing
2.1.5	Continue to enhance the visible Maori profile entering and circulating Northland through art, design elements and interpretation at gateways and i-SITEs.	**TTMCTA** / i-SITEs, APT, Councils	Seek continuation of existing ASB Trust funded initiative	medium	Detailed plan being implemented from 2009.
2.1.6	Assist iwi, hapu and whanau with the development of tourism related initiatives.	**TTMCTA** / EN	Dependent on Maori officer funding	medium	Ongoing
2.1.7	Consider introduction of bi-lingual road signage (both English to Maori and Maori to English).	**TTMCTA** / TDG, Councils, Transit	Introduce through replacement programmes	medium	Agree on way forward by 2009.
2.1.8	Support development of Matariki celebrations as a flagship event for the region.	**TTMCTA** / APT	Council event budgets	medium	Unique Northland events 2009

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2.2	**Tourism Attraction & Product Development Action Plan**				
2.2.1	Seek funding for a continued dedicated product and industry development officer within DNL to drive and project manage feasibility and development initiatives.	**EN** / TDG	Subject to new funding	high	Secure funding 2008. Commence 2009
2.2.2	Focus on developing concepts where there is a gap in the product offer that is supported by research, feasibility and business case analysis. Align with the NZTS 2015 definition of a World Class Visitor Experience (Appendix 1). Product development must focus on: • Leveraging off the free natural environment attractors • Interpreting and adding extra depth and experiences • Explaining the historic relevance and geographical significance • Explaining and sharing the Maori cultural heritage • Creating opportunities to charge a fee for these extra services and products	**EN /** TDG	Existing	medium	Ongoing
2.2.3	Ensure tourism representation on all development projects in relation to Northland's iconic sites. Eg Cape Reinga	**TDG** / Councils	Industry time, until EN officer in place	high	Project reps identified 2008
2.2.4	Promote the establishment of National Parks and a marine reserve within Northland.	**DOC, TDG** / EN	Seek DOC funding	high	Potential resources identified 2009
2.2.5	Develop an implementation plan for the already completed Great Walk feasibility study project.	**EN, TDG** / DOC, TTMCTA	Existing	medium	Investment plan agreed 2009. Works from 2011.

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2.2.6	Seek to facilitate funding for investigation into new product/ event development opportunities around: • Multi-day walks • Mountain biking trails and experiences • Value added surfing, diving and fishing experiences	**EN** / TDG	Subject to new EN development officer funding	high	2 new viable cases planned by 2010
2.2.7	Support implementation of the recommendations in the Northland Culinary Tourism Review (2007) to develop the Culinary Tourism market as a key off season sector within an overarching Food and Beverage Sector Strategy.	**EN** / DNL	Subject to new funding	high	Ongoing
2.2.8	Enhance the quality and promotion of the TCDH according to the recommendations of the review (April 2008).	**DNL, TDG** / Councils, Transit	Council signage budgets. New Marketing funding	high	Ongoing
2.2.9	Support the implementation of the Northland museums strategy including improved use of technology, schools marketing programmes and driving forward the Hundertwasser Gallery project as a new creative icon for Northland.	**NMA** / EN, TDG	Facility development subject to Te Papa National Services and Creative NZ funding	medium	Ongoing
2.2.10	Continue implementation of the regional arts strategy and continue promotion of the Northland arts trail.	**APT, DNL** / TDG, EN	Existing	medium	Key recs. implemented 2010
2.2.11	Form a working party to review events from a regional perspective.	TDG, DNL, i-SITEs, Councils, Tourism industry	Existing	medium	2009

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2.3	**i-SITEs**				
2.3.1	Work in partnership with stakeholders to implement the following recommendations: • Improve financial efficiency through better business systems, technology use and regional cooperation • Become an integrated response mechanism for all Northland destination marketing campaigns • Increase in-person and remote booking capability • Streamline the mechanisms for industry buy-in to i-SITE services • Enhance the physical capacity, multi-media display and mix of services to enhance customer satisfaction • Provide prioritised profile for Qualmarked operators, retaining a mechanism for inclusion of start-up businesses • Ensure the region's i-SITEs consistently reflect Northland's regional brand • Assess the best options for provision of enhanced Northland information and booking facilities in Auckland	**i-SITE owners** / TDG	Deliver through more efficient operation and increased industry contribution	high	Key recommendations implemented by 2009
2.4	**Profitability, Training and Professional Development**				
2.4.1	Ensure strong tourism representation as the Regional Skills and Training Strategy is updated.	**TDG**	Existing	medium	Updated plan complete 2009
2.4.2	Actively promote increased Qualmark uptake including existing Qualmarked business showcases.	**TDG /** DNL	Existing	high	Linked to Qualmark KPI

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2.4.3	Provide training opportunities for industry including; • Seasonal pricing (potentially 3 seasons) • Package development • Distribution chains and On-line marketing • Adding value, innovation and creativity • Business management systems	**TDG**, **BizNorth** / (DNL for marketing aspects)	Subject to adapting ongoing training schemes	med-high	Ongoing. Report on trends in seasonal pricing.
2.4.4	Explore pathways for tourism businesses including: • Accessing existing programmes through Enterprise Training • Targeted ATTTO, HSI and NorthTec on-site training programmes • Private consultants/providers referral • Businesses sharing consultants/advisors • Mentoring and coaching options	**EN** / TDG	Existing or new programmes outside EN funding. EN to communicate pathways through other agencies	high	Ongoing
2.4.5	Maintain and enhance relationships with industry training providers to ensure industry input into design of training programmes to best meet the needs of the industry in the region including: • NorthTec, Culinary Institute NZ • NZTE – Enterprise Training • HSI & ATTTO, TEC – closer linkages, regional presence	**TDG /** TTMCTA	Dependent on funded programmes from ITOs	high	Ongoing
2.4.6	Work with secondary schools to promote tourism as a worthwhile career option including presentations.	**TDG**	Existing and supported by tertiary institutes	medium	3 high schools per annum
2.5	**Sustainability Action Plan**				
2.5.1	Increase industry adoption of Qualmark's planned environmental sustainability accreditation programme.	**TDG** / DNL	Existing	medium	Establish database 2008 then monitor

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2.5.2	Keep Northland's tourism industry informed on national and global developments of carbon emissions measuring carbon trading schemes and promote uptake by operators.	**TDG** / DNL	Existing	medium	Quarterly update communications.
2.5.3	Provide prioritised promotional profile to businesses with sustainability accreditation. This may entail staged introduction over 2-3 years.	**DNL** / i-SITEs	Existing	med-high	Formal policy decided 2008.
2.5.4	Work towards a nationally agreed methodology to measure and monitor Northland's tourism sector carbon emissions, setting forward management targets.	**TDG** / EN, NRC	Existing and seek integration with MFE and NRC programmes	med-high	Methodology established by 2010.
2.5.5	Increase the recycling options available in public places, at key visitor facilities and in all accommodation operations.	**Councils** / TDG, Tourism Industry	Council waste management budgets	high	Facilities readily available to commercial businesses in 2009 (LTCCP Plan)
2.5.6	Make Northland's tourism industry a leader in use of fuel efficient transport.	**TDG /** Tourism Industry	Industry fleet renewal budgets	medium	Report on change 2010
2.6	**Infrastructure Action Plan**				
2.6.1	Investigate feasibility of an industry funded part-time officer to coordinate "major tourism industry" input to key planning and infrastructure projects, (as occurs in Queenstown).	**TDG**	New industry funding	high	Decide role and funding late 2008.
2.6.2	Apply for and secure funding from Ministry of Tourism sustainability funds for infrastructure projects.	**TDG, DNL**	Working Committee	very high	2008
2.6.3	Develop and maintain a detailed tourism infrastructure needs plan for the region (covering roads, public toilets, boat ramps etc).	**TDG** / EN, NRC	New industry and council investment (officer time)	very high	Funding secured 1 July 2009

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2.6.4	Establish a stronger mechanism for tourism sector engagement in FNHL and other TLA divisions' planning, charging and investment to deliver the best outcome for tourism growth and management.	**TDG** / EN	Existing	high	Ongoing
2.6.5	Advocate for continuous improvement of telecommunication services throughout Northland noting wireless broadband access will be the backbone of future visitor information dissemination.	**EN, TDG**	Existing, integrated with regional broadband project	high	Ongoing
2.6.6	Continue to lobby AirNZ for increased capacity and frequency into Northland.	**TDG** / councils, EN	Existing	high	20% increase by 2010
2.7	**Communication and Stakeholder Relationships Action Plan**				
2.7.1	Utilise qualified research to form the basis of stakeholder education on the Value of Tourism.	TDG	Existing	medium	2008-09
2.7.2	Deliver a "Value of Tourism" communications programme to keep tourism impacts and achievements in the public consciousness through traditional media, council communications and so on.	**TDG** / DNL	Existing	high	Programme established late 2008
2.7.3	Ensure strong tourism industry participation using sound tourism data to promote positive consideration of tourism as 2009 LTCCPs and DOC plans are developed.	**TDG** / DNL, EN, DOC, councils	Existing	high	From August 2008 to June 2009
2.7.4	Distribute a quarterly newsletter that updates industry and wider stakeholders on TDG activity and regional statistics.	**TDG /** DNL	Existing	med-high	2008 and ongoing
2.7.5	Continue rotating location of the quarterly TDG meetings to update industry on tourism strategy progress and invite input into regional issues.	**TDG**	Existing	medium	Ongoing

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
2.7.6	Investigate the potential to extend the existing annual tourism road show to become a two day Northland Tourism Conference including TNZ updates, reviewing NVS implementation progress and showcasing the importance of tourism to Northland.	**TDG/**DNL	Seek sponsorship and user pays to self fund.	med-high	Hold first conference in 2008
2.7.7	Explore mechanisms for stronger engagement between the tourism industry and non-tourism community groups.	**TDG** / EN, DNL community groups	Existing	medium	2 new initiatives in place by 2009
2.7.8	Encourage tourism operators to use off-season capacity to provide subsidised or free tourism experiences to familiarise and engage residents.	**TDG** / Major operators	In-kind operator contribution	medium	Showcase examples winter 2008.
3	*Targeted Marketing*				
3.1	**Research Action Plan**				
3.1.1	Audit/identify what research is currently produced including sources, cost and frequency.	**TDG, DNL**	Commissioned report	high	2008
3.1.2	Develop a Northland tourism research strategy incorporating: • Visitor satisfaction monitoring including partnership with i-SITEs • Future growth forecast scenarios • Increasing from existing annual to new quarterly regional visitor statistics report covering a range of indicators • Twin Coast Discovery Highway user research • Domestic market product and package preferences • Trends in visitor flows throughout the region • New Northland brand awareness and perception	**TDG /** EN	Subject to new local or central government funding.	high	Strategy in place 2008. 2 new projects per year.

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
3.2	**Domestic Marketing Action Plan** Continue to target domestic campaigns during the spring and/or autumn shoulder seasons giving consideration to focusing on one season only to have more impact.				
3.2.1	Continue investment in the AA 101 "Must Dos for Kiwis" campaign or future equivalents, in particular facilitating operator packages that will appeal to the domestic market which has high sensitivity to the overall package price label.	**DNL** / TDG	Existing DNL/Industry marketing budget. Significant new campaigns require new council investment.	high	New domestic campaign for industry Nov 2008 and ongoing
3.2.2	Maintain relationships and facilitate conference cluster activity around the region.	**DNL /** Conference Industry	Dependent on core product	medium	Ongoing
3.2.3	Support operators to develop and promote packages that are attractive to the desired markets in shoulder and low season including: • Wine and Food • Spa/Indulgence, Arts & Heritage (Kauri) • Diving, Surfing, Golf, Fishing.	**DNL, TDG**	Existing	high	Monitor number of new packages supported annually.
3.2.4	Continue to lobby councils to coordinate event timing to avoid clashes and target investment in events that support Northland's brand identity and occur in the shoulder seasons.	**DNL** / councils	Existing	medium	Ongoing
3.2.5	Coordinate the development and promotion of education packages from appropriate operators. Promote Northland suppliers to education market.	**DNL, Northland Museums /** Tourism Industry	Self-funding	medium	Working group 2008. Distribution 2009
3.2.6	Promote TCDH within ongoing activity as an iconic domestic challenge/experience that every New Zealander should accomplish.	**DNL**	Existing web resource, new promotional activity subject to new funding	Med-high	New web content late 2008

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
3.3	**International Marketing Action Plan**				
3.3.1	Develop and implement a detailed separate marketing plan for the Australian market in recognition of its importance and difference from other international markets including: • Being a key partner, potentially with Auckland, in TNZ's 'What's On' campaigns • Dedicated Australian market web content and campaign • Major trade sales mission activity • A focused Australian PR and media plan	**DNL**	Some activity on existing budget. Significant new campaign activity subject to new funding.	high	New plan and campaign from 2008
3.3.2	Formulate applicable annual marketing plans for the other traditional core FIT markets (United Kingdom, Europe and North America).	**DNL**	Existing	medium	Ongoing
3.3.3	Other markets – support through web, TRENZ, trade and IMP hosting programmes.	**DNL**	Existing	medium	Ongoing
3.3.4	Coordinate Northland industry participation as a cohesive and leading region at appropriate international tourism trade shows and TRENZ.	**DNL**	Existing	medium	Ongoing

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
3.4	**Auckland Partnerships**				
3.4.1	Investigate stronger partnerships with Tourism Auckland to increase Northland's presence in Auckland as both a key domestic market and international gateway including: • A jointly funded sales representative housed in Tourism Auckland's offices to build stronger links with IBOs, TNZ, media and rental vehicle companies (for TCDH) • A partnership in the i-SITEs to provide Northland a more visible presence and better staff product training • Improved partnerships and commitment to the Auckland-Northland International Marketing Alliance with TNZ	**DNL** / TDG, Tourism Auckland	Subject to new council and industry funding	High	New partnerships investigated and agreed by 2009.
3.5	**Web Marketing Strategy**				
3.5.1	Develop leading edge resources for use on NorthlandNZ.com and for syndication to other sites including more video and audio content, discussion forums and blogging options.	**DNL**	Subject to new funding	high	Ongoing
3.5.2	Continue to develop and implement a social networking marketing initiative.	**DNL**	Subject to new funding	medium	Ongoing
3.5.3	Deliver more translated content for Northland's key markets.	**DNL**	Subject to new funding	medium	Ongoing
3.5.4	Continually enhance the seamlessness of the customer experience within NorthlandNZ.com to facilitate researching, planning, booking and paying for services and packages.	**DNL**	Subject to new funding	high	Ongoing
3.5.5	Become more proactive in the development and segmented use of the consumer database.	**DNL**	Existing	high	Ongoing

No.	Strategy / Action	Responsibility **Lead**/Support	Resource	Priority	Timeframe
3.6	**DNL Funding**				
3.6.1	Establish a competitive funding base for DNL with long term contracted commitment.	**TDG** / DNL, EN	New funding	high	Ongoing
3.6.2	Lobby DNL's funding stakeholders to invest in a review of potential funding mechanisms for tourism (refer also Appendix 3).	**TDG** / DNL	Requires council lead	high	2008
3.6.3	Promote the findings of the funding review to the commercial sector and business associations to obtain agreement on a preferred option to take back to councils.	**TDG** / DNL	Existing	high	2009

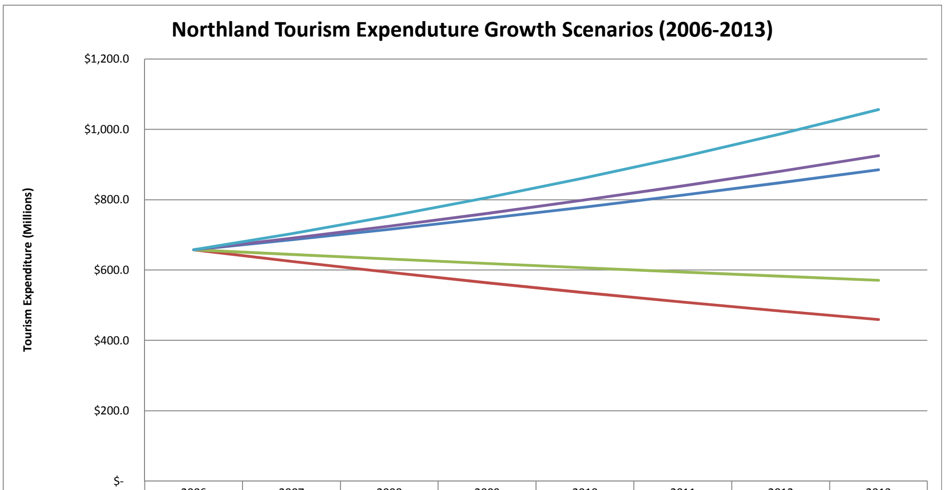
Monitoring and Indicators

This strategy includes a set of Primary Indicators that track objectives related to growth in visitor demand, followed by several Supplementary Indicators that can be used to track progress on other aspects of the strategy such as industry quality, sustainability and marketing campaign response.

Primary Indicators

Although the official tourism forecasts predict 4.3% annual growth in tourism expenditure for Northland, the industry considers there is a real risk that without an increase in tourism marketing and development funding, and with an increasingly competitive global and national tourism environment, growth could be flat or even reverse by between -2% and -5%, stripping between $86m and $198m from the regional economy. The next three years from 2008 to 2011 are likely to be the toughest.

Conversely, with a step change in tourism funding to implement all of the proposed actions in this strategy, Northland could out-perform the ministry forecasts to achieve between 5% and 7% annual growth, adding between $267m and $398m of incremental expenditure, providing between $925m and $1025m total regional tourism spend.



	2006	2007	2008	2009	2010	2011	2012	2013
TMT Forecast	$657.6	$686.1	$715.9	$747.0	$779.4	$813.2	$848.5	$885.4
Do nothing -5%	$657.6	$624.7	$593.5	$563.8	$535.6	$508.8	$483.4	$459.2
Do nothing -2%	$657.6	$644.4	$631.6	$618.9	$606.5	$594.4	$582.5	$570.9
New funding 5%	$657.6	$690.5	$725.0	$761.3	$799.3	$839.3	$881.2	$925.3
New funding 7%	$657.6	$703.6	$752.9	$805.6	$862.0	$922.3	$986.9	$1,056.0

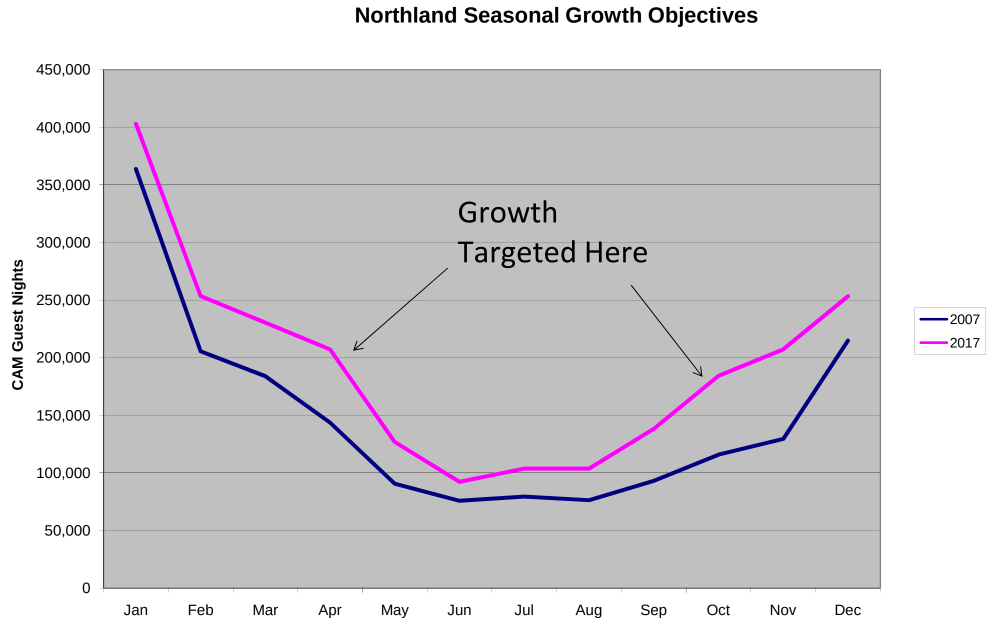
Other primary demand indicators

The following indicators relate to Northland's share of total domestic and international visitor nights for New Zealand. This recognises that while New Zealand's tourism industry might get tougher, Northland will be vying for a greater share in competition with other regions. Occupancy of the commercial accommodation sector will also be tracked.

Measure	Source/ Method	Current Benchmark	Targets 2013 (unless otherwise stated)
International Visitor Nights National Market Share	IVS[2]	3.8% (2006)	4%
Domestic Visitor Nights National Market Share	DTS	6.7% (2006)	7%
Commercial Accommodation Occupancy	CAM	25.9% (2007)	30%

Seasonality Indicators

The next set of indicators relates to the aim to spread demand over a greater part of the calendar. It is never going to be realistic for Northland to have a steady seasonal demand pattern, but a modest shift, as indicated in the graph below will vastly improve industry economic sustainability. The model below recognises that regardless of seasonal marketing efforts, the peak will continue to grow. The aim is for the shoulders to grow at a faster rate as mid-winter will be harder to change.



Measure	Source/ Method	Current Benchmark	Targets
Grow commercial accommodation guest nights in the March-November period	Statistics NZ CAM	987,141 (2007)	1,392,906 (assumes +41% annual visitor nights to 2017)
Grow the share of Northland's annual commercial accommodation guest nights falling in the March-November period	Statistics NZ CAM	55.7% (2007)	60.5% (2017)

[2] The IVS data at regional level has fluctuated wildly from year to year. Weighting and other methodology issues are being reviewed with the next release postponed until July 2008.

Supplementary Indicators

The following indicators track progress on sustainability and quality initiatives which help to underpin achievement of the primary tourism demand growth indicators.

Measure	Source/ Method	Current Benchmark	Targets 2013 (unless otherwise stated)
Conferences	Local conference monitor to be set up	Benchmark to be set	Grow delegate days by 50%
Grow visitor numbers at key attractions	Attraction Monitor	Extend participants before setting benchmark.	Monitor consistency with forecast trends
Increase the proportion of operators that are Qualmarked	Qualmark NZ data over DNL total operator database.	Northland 151[3] (10% of industry) NZ ~ (was 10-13% of industry in 2006)	40% of industry
Increase industry adoption of environmental sustainability programmes	DNL total operator database.	(30, 2% of industry)	30% of industry
Tourism Environmental Impact Indicators	Work with National Strategy as new indicators are developed.	To be established	To be established
Visitor satisfaction with Northland	New monitor aligned with national Regional Visitor Monitor and i-SITEs.	To be established	To be established
Increase the number of Northland operators listed in TNZ's web site.	TNZ site numbers over DNL total operator database.	To be established	To be established
Increase the number of industry using live inventory management tools	DNL total operator database.	To be established	Grow to 70% of accommodation sector.
Increase the number of Maori tourism experiences available in Northland.	DNL total operator database.	To be established	Triple experiences
Domestic market perceptions	New domestic survey every 3 years	To be established	Growth in awareness and perceptions of Northland's destination brand attributes
Destination Marketing Success NorthlandNZ.com usage	Web traffic software	Average monthly unique visitors per year 12,418 (2007) (Awstats)	Set new targets to track use of tools yet to be introduced.
Establish consistent monitors of community attitudes towards tourism via council annual surveys. Aim to maintain or improve community support for tourism.	Council Surveys	To be established	E.g. <=5% of regional residents feel tourism levels are too high. (Questions and methodology may need to be revised including clarification of whether "too high" refers to peak season or the whole year)

[3] Source Qualmark web site 7/03/08

Progress on NTS 2003 Implementation

Following is a summary of activity in relation to implementing the 2003 Northland Tourism Strategy.

Maori in Tourism

- A sustainable funding stream is yet to be secured for TTMCTA.
- Progress achieved with the Treaty Settlements especially Te Roroa in respect to the Waipoua Forest.
- Progress has been made with the planning and development for a visitor centre at Cape Reinga.
- Some progress made to increase involvement of Maori in tourism through participation, interpretation and to integrate Northland's Maori and cultural heritage across the industry. This includes Maori art works in i-SITEs through ASB Trust sponsorship.
- New products have been developed with significant developments in the Hokianga and Bay of Islands.

Iconic Sites

- Road sealing to Cape Reinga underway.
- Upgrades to car parking planned for Waipoua Forest.
- DOC vacating the visitor centre in Waipoua Forest, relocating to Opononi to new visitor facilities in partnership with Far North District Council and a private sector investor.
- Sustainable management plan developed for the Kerikeri Basin. Discussions underway regarding development of an interpretive visitor centre.
- Regular meetings are held between Enterprise Northland, Chairman of TDG and the Conservator to discuss specific issues.
- Some debate within the industry about "what" constitutes an "icon" and the inclusion of other icons e.g. Poor Knights.

Sustainability

- Northland Sustainable Tourism Charter has been established with Northland leading and piloting the model for New Zealand – 30 Northland businesses have undergone sustainable assessments and action plan development.
- Funding for the Sustainable Tourism Project ended in 2006.
- The Sustainable Tourism Project has been communicated at length to the industry and an overview of the project appears in the Northland Visitor Guide and NorthlandNZ.com website.
- Significant progress has been made in developing a closer relationship with DOC and DOC's ability to work with and understand the needs of the tourism industry.
- Limited progress has been made with TLAs to ensure water quality and landscape protection is addressed.
- Northland has been a leader in establishing and promoting a network of recycling drop-off locations through a partnership between the three TLAs, NRC and the Community Business Environment Centre. These are promoted through full page maps in key publications. Degree of use is yet to be determined.

Brand

- DNL has promoted Northland Naturally brand extensively through newsletters, at presentations and through one on one meetings with operators.

- Good levels of uptake of the brand including community welcome signs and marketing collateral.
- Major Brand review project carried out during 2006-07 suggests brand evolution, strengthening the "first" region concept.

Seasonality and Domestic Marketing

- Early packaging work focused upon getting operators to develop packages that are attractive to the desired markets in shoulder and low season.
- Domestic campaign business plan for DNL has a strong media profile plan to raise the interest of New Zealanders through promotion of key interest areas highlighted by Colmar Brunton research.
- Conference Marketing collective in place (supported by MRI), self sustaining beyond completion of the MRI.
- Domestic research carried out to identify ways to attract visitors during summer and winter.
- Food and Wine development project undertaken with excellent domestic and international media coverage.
- Slowing of visitor nights both domestic and international due to a range of factors impacting including increase in fuel prices, strong NZ dollar, increase in outbound travel.

International Marketing

- Leveraging the "Northland Naturally" brand off the Tourism New Zealand 100% PURE brand achieved via website link and through all other joint activities.
- Participation at appropriate international tourism trade shows eg TRENZ, Kiwilinks and all other activities.
- DNL annual marketing plans to target Northland's traditional core FIT markets (Australia, United Kingdom, Germany and Central Europe and North America), in partnership with TNZ.
- Programmes to attract Japanese visitors in the late summer shoulder season; well orchestrated efforts by all parties. (Market in decline – beyond the influence of these programmes)
- Kauri Project launched.
- Investigating potential of new and emerging markets – e.g. India and Canada as potential long stay targets. Sales calls to Canada as part of Kiwilink USA extension. India investigated - decision not to pursue at this stage due to a combination of available budgets and regional readiness.
- Increase in international visitor nights, but slowing spend potentially due to NZ dollar.

Research

- No overall plan in place although a number of critical pieces of research have been carried out that together form a useful base of information from which to assess progress.
- Research carried out since the formation of the TDG has focused upon the specific areas of work occurring within the TDG sub-groups; at times this has coincided with and thus drawn upon the work of the wider industry within NZ.
- Two Colmar Brunton research projects have been carried out as part of the MRI and have coincided with and drawn upon wider (national) research.
- Support for concept development and feasibility studies has also been provided for new product developments to test commercial viability of concepts/developments (MRI). This work has been critical in the development of viable business concepts that have the ability to attract investment. This activity ceased at the end of June 2007.

- Additional funding is still required upon completion of the MRI for research, product development and investment attraction for the tourism industry as per these recommendations.

Training & Professional Development

- Significant amount of time spent through participation and contributions to regional skills analysis and identifying training needs.
- Training remains a priority at a national level and regionally.
- Professional development for SME owners/operators a major component under the MRI with numerous businesses having been through a comprehensive programme and accessed specialist advice as appropriate.
- Limited progress made in career pathways, although presentations have been made to careers advisors within secondary schools.
- A number of organisations provide mentoring such as TTT, TPK, Mentors New Zealand and Biz North. A significant amount of mentoring has been provided to businesses participating in the MRI.
- Year round attraction and retention of tourism staff through increased coordination and collaboration between Northland tourism businesses is still a key issue.
- Tourism understanding for communities and tourism clusters. This work has produced community economic development plans, tourism action plans, supported joint ventures on marketing campaigns ie Waipu, brochure development, signage and professional development. (Ceases upon completion of MRI unless further funding is secure).

Touring Route

- Consulted with Transit on TCDH signage to support product development
- TCDH signage audit carried out 2004 – 53 actions identified
- Tourist drives still needing signage
- Inclusion of Kerikeri CBD is the only route change recommendation from NTS 2003 that has been implemented.
- Discussions re signage to beaches have taken place, limited progress.
- Recommended that the <u>current TCDH be maintained</u> and that any loop extensions be recommended as "Tourist Drives". This position was relayed to both tourism interests and to local district councils, the latter having the final say together with Transit on any such extensions.
- Advocated upgrade of roading around the TCDH
- Recommended Itineraries on NorthlandNZ.com
- No progress made on lay-by photo stops.
- Formal TCDH review underway early 2008 including consulting with Auckland stakeholders.

E-Technology

- E-Technology strategy developed and implemented, NorthlandNZ.com launched December 2004.
- First region to utilise TNZ's tourism product database to feed both Northland's and TNZ's consumer web sites, reducing compliance costs (time) for operators.
- Winner of TUANZ award for Best Promotional Website
- The Northland i-SITE Review and Strategy provided direction on improvements to technology use for bookings to help both i-SITEs and operators.

- Research has identified the value of the internet with 65% of those surveyed accessing the web to plan their visit.
- Lack of progress on regional i-SITE cooperation has held up Northland's delivery of best practice Northland booking and packaging options.
- On-line inventory and reservation systems have been investigated and a partnership with local firm Vianet developed. This delivers live availability search, confirmation and payment from NorthlandNZ.com.

Product Development

- No formal product development review has been carried out, or plan developed.
- Colmar Brunton Research identified opportunities around Food & Wine, Heritage.
- Product Development has mainly been led by private sector.
- Key product development projects in Kawakawa and Hokianga where Footprints has received excellent media coverage and support from TNZ as an ideal example of new cultural and eco tourism product for NZ.
- Significant development/investment in accommodation throughout the region with hotel expansion and apartments. This includes refurbishment and Copthorne branding in Omapere and major increase in conferencing capacity for the Copthorne Bay of Islands enabling Northland to better compete in the mid-size regional conference market.
- Kaipara - West Coast accommodation research completed but no new major developments.
- New business support has been provided by the product development officer under the MRI and DNL in relation to marketing and product positioning.
- Museum strategy and trail developed.
- Arts and Creative Industries Strategy developed.
- Cultural Tourism plan themed on Kauri with Kauri Heritage Publication and festival initiated.
- Golf, Art and Museum trails have been aligned with TCDH touring route in Visitor Guide, Trade Guide and Website.
- A Food and Wine Trail was developed and various promotions initiatives undertaken. A detailed review of Culinary Tourism opportunities carried out in 2007 suggests Northland should continue to develop this sector.
- Marine reserve development in discussion at national and regional level.
- Tai Tokerau Rough Guide to Maori Tourism produced 2004.

Visitor Information Centres – i-SITEs

- i-SITE review and strategy drafted in 2005 but progress stalled due to lack of political buy-in in some districts.
- An application was made to TMT for support to implement strategy as a pilot for Northland as a model for regional integration but this could not progress without comprehensive local political support.
- i-SITE review now being revisited under new political environment.
- Doubtless Bay visitor centre has seen significant growth in demand since the review and operates without subsidy.
- Due to a lack of i-SITE strategy progress, the NorthlandNZ.com and Vianet booking interface bypasses the i-SITEs while Far North i-SITEs are still writing manual tickets.
- Collectively, the region's i-SITEs continue to draw over $500,000 of public funding.

Infrastructure

- Establishing dedicated tourism advocates within councils has not been achieved.
- Workshops held (2004) with TMT and TLAs re sustainable tourism planning.
- No formal monitoring programme of the economic, environmental, social and cultural impacts of tourism to inform the Regional and District planning and development processes.
- Limited progress made with Councils to identify infrastructure improvements required and make a commitment to address these over three years based on key priorities. There has been some increase in budgeting for enhancements to parks, reserves and public toilets which are used by tourists (eg KDC investment in Kai Iwi Lakes facilities).
- Closer link with FNHL formed providing input into FNHL infrastructure development plans. However development plans currently stalled and some industry feel alienated over fees and charges (eg. mooring costs).
- No discussion regarding diversion of dividends from Northland community-owned electricity and port companies into infrastructure development for Northland communities.
- Supported urgent action on Northern Motorway extension even if tolls are a necessity.
- Established communication with Northern Gateway Alliance.
- Contributed to the NRC Northland Transport Strategy
- Supported continuation/improvement of Hokianga ferry service in preference to proposed bridge.
- Support rail access to Marsden Pt as alternative to road use.

Communication and Stakeholder Relationships

- Formation of the Tourism Development Group was achieved.
- Bi-monthly meetings are currently held between EN and the DOC Conservator.
- Relationship between DNL and TTMCTA and private and public sectors has been maintained.
- DNL holds its industry updates in different locations around the region to facilitate access.

Funding

- DNL budget has <u>remained fixed</u> at $500,000 and hasn't been adjusted to reflect inflation.
- DNL has continued to grow the private sector input through partner funding for marketing activities and in 2002 achieved a ratio of $1.50 of private monies for every $1:00 of public monies invested.
- Since 2003 core activities have increased but core funding has decreased in real terms.
- Central government regional development assistance was received through the MRI providing additional funding to progress implementation of the strategy.
- Three full time roles have been provided working in product development, professional development and community economic development. Additional funding for projects has been secured from the Ministry of Tourism and Ministry for the Environment. Part time roles were provided in the areas of food and beverage and sustainability but these have discontinued.
- Enterprise Northland now employs Economic Development Officers for each of the three Northland districts. The Far North officer works from FNDC's offices in Kaikohe while the Whangarei and Kaipara officers operate from EN offices in Whangarei.
- A Regional Arts Development Officer has now been contracted by the Arts Promotion Trust (Northland) and operates from DNL office in Paihia.

Strategic Context

Planning for the future of Northland's tourism sector should be cognisant of related national and regional strategies and external trends in the market.

Global and Local Tourism Trends & Observations

Environmental sustainability issues

- During 2006, the Stern report and Al Gore's movie, "An Inconvenient Truth" resulted in a step-change in government and consumer concern about global warming and carbon footprints. Opportunist tactics include Norway promoting itself in the UK as a more environmentally friendly option than NZ with similar scenery.
- The NZ tourism industry is still trying to predict the impacts of carbon footprint concern. Whilst it is estimated that the tourism sector is responsible for 6% of New Zealand's total greenhouse gas emissions, much lower than other key industries, 90% of NZ's international tourism emissions are generated in travelling to and from New Zealand. On the one hand technological innovation is resulting in more fuel-efficient planes and coaches. However, if all tourists are passed on the cost of carbon emission, some long term scenarios include long haul travel becoming much more expensive with round-the-world travel once again becoming a once in a lifetime aspiration and even short haul air travel reverting to higher pricing. Were this to eventuate it could bolster domestic tourism. This area is uncertain but does present serious long-term risk for the tourism industry to position itself for.
- Airlines are developing carbon-neutral tickets based on paying additional charges that go into environmental programmes. Sofitel became the first hotel chain in USA to qualify as an Environment Protection Agency "Green Power Partner" through purchase of wind-generated power for all nine properties in the form of Renewable Energy Certificates (RECs). Intercity is one of NZ's highest profile companies to achieve carbon zero accreditation.
- Geotourism is emerging as an important international trend. While some research points to willingness to pay higher prices for companies that demonstrate an effort to preserve and protect their environment, there remains a question over whether this follows through to actual behaviour. Some commentators suggest that travel is too important to most consumers to compromise their activity. Airlines and airport companies are still presenting bullish growth plans.
- NZ's markets are generally well educated about carbon emissions and the term "greenwash" has been coined for any less than sincere attempts by tourism businesses to brand themselves as environmentally friendly. The NZTS 2015 highlights the need for better research to understand which environmental initiatives will be most meaningful to our visitor markets.
- Regions that have followed Northland to develop sustainable tourism charters are finding it difficult to maintain operator buy-in once the TMT & MFE funding incentive runs out.

International Competition and Air Access

- The official tourism forecasts to 2013 project 3.7% average annual growth in international visits with lesser growth of 3.4% in visitor nights reflecting a shorter average stay. Some industry leaders are suggesting these forecasts are over-optimistic for the next 2-3 years, but that NZ will again see strong inbound growth from around 2011 as new aircraft allow an increase in seat capacity and development of new markets such as South America. Boeing's recent announcement of further delays in Dreamliner delivery to Air NZ could push New Zealand's capacity growth out to 2012.
- Following the success of the 100% Pure NZ campaign leveraged against the LOTR films, TNZ have evolved to integrate more conversion activity in partnership with industry and regions. The Australian

'What's On' campaign, starting in 2006 is a key example. In 2007 TNZ's campaign was refreshed using the "Youngest Country on Earth".

- A growing number of countries are adopting leading practice national destination marketing strategies, with much bigger budgets than NZ. Tourism Australia had its budget boosted by an extra $200m while other destinations that compete with NZ include Vietnam, South Africa, Brazil and Iceland.
- 2007 has been a tough year for NZ tourism with key markets such as UK, USA and Japan stagnant or declining while the modest total international growth figure has been largely driven by Australia and China which deliver less yield.
- Exchange rate fluctuations do not significantly impact visitor arrivals but every 1% increase in the value of the NZ$ reduces spend by per visitor by around 0.81%. NZ's high dollar has impacted over the last few years. However, it seems more likely to decrease than increase from 2008 which bodes well for tourism and other export sectors.
- European and North American Low Cost Carrier (LCC) airlines have significantly grown their home regions' short-haul market with new eastern European destinations being "in". This is likely to impact on time and cash availability for long haul to NZ.
- Asian airlines have quickly replicated the LCC model with incredibly cheap intra-Asian flight and holiday options, also impacting on long haul competitiveness. Tiger Airlines is the first truly low-cost airline entering Australia in 2007 and some industry experts suggest NZ will have one in the next few years.
- The Japanese market has continued to decline despite turnaround efforts by Air New Zealand and TNZ.
- Budget airline trends are changing backpacker travel patterns with a move away from round-the-world tickets. Many will get a cheap flight to Asia, then purchase a further flight to Australia. Only during their time in Australia do they make the final decision on whether to fly to NZ, increasingly using budget airlines from Queensland.
- Inbound air capacity to NZ has been negatively impacted due to a hiatus in global airline growth initiatives following 9/11. Now that confidence is returning there is a large lag on aircraft supply. Positively for NZ, Air New Zealand is early in the order queue.
- Air New Zealand has:
    - ➢ Added a direct Shanghai route which has recently had a further capacity boost creating major opportunities in the China market.
    - ➢ Announced direct Beijing services from mid 2008 in time for the Olympics.
    - ➢ Dropped the Singapore route in favour of Hong Kong, providing the only single airline round-the-world connection through NZ. This will enhance Air New Zealand's attractiveness to the UK/Europe markets and to markets such as Guangzhou in mainland China. It may also lead to new carriers such as Emirates routing to NZ through Singapore.
    - ➢ Increased capacity from Auckland to Los Angeles, and added direct San Francisco and Vancouver services.
    - ➢ Indicated it is considering new markets such as South America when the new 787s come on line.
- There is anecdotal evidence of a decline in share of international FITs doing NZ as a circuit in and out of Auckland. Christchurch's growth as a gateway coupled with internet pre-planning that often focuses on south island icons may be resulting in more itineraries exiting the country from Christchurch, including more time in the South Island, and indeed South Island only holidays. Despite some international services ceasing, Christchurch International Airport is still forecasting international passenger growth of 4.7% per annum.

Distribution Channels

- Tourism Business to Consumer (B2C) e-commerce has extended beyond the "commodity" flight and rental car products, into all types of accommodation, major scheduled departure activities, and attractions that offer internet pre-booking incentives.
- Rather than the Internet putting inbound operators and wholesalers out of business, innovative agents have embraced it for both B2C (often bypassing travel agents) and B2B commerce to strengthen supply relationships.
- Real-time product or service availability is the critical catalyst to take visitors beyond research to booking on-line. Overseas visitors are increasingly pre-booking NZ product and the internet has now become the primary means of domestic visitors booking accommodation.
- While on-line research is increasing, many travellers are happy to book with shorter lead times, including making more arrangements after arriving in NZ.
- Many affordable ICT and software options are becoming available to operators with benefits in market reach, reduced administration costs, cash-flow improvement and customer data collection. Several big players are vying for tourism supplier market share including TradeMe-Vianet, AA Travel-Roamfree and Jasons-Strait Solutions with the latter announcing a radical zero commission booking model.
- Several new electronic and mobile marketing techniques are being exploited resulting in a decline in relative value of brochure advertising for external markets.
- The world is moving to a Web 2.0 environment placing destination image under increasing control of the consumer, giving them the ability to post independent comment and Blogs on tourism experiences and destinations to a global audience. A number of web sites now allow users to upload their own personal images, video and audio tour files with the latter able to be downloaded and used by any consumer with an MP3 device. RTOs and NTOs can establish their own blogs but have little ability to control most content other than attempting to ensure ongoing local tourism quality improvements to encourage positive comment, posting balanced response to any negative feedback, and leading the way with new products such as MP3 audio tours.
- Useful travel applications are converging on single hand-held devices providing email, text, music and other audio files, video, medium resolution digital camera and GPS. Apple i-Phones convert standard web sites into a format that is more practical to view on small screens. Once free broadband wi-fi is widely available this will transform the ability for travellers to access dynamic information including navigating, searching for tourism services, confirming and paying on the run.

Domestic Market

- The domestic market stagnated over the 10 years to 2006 significantly due to cheaper outbound short haul flights to Australia and the Pacific. Other influencing factors were the strong NZ dollar going further in offshore holidays, high petrol prices and increased marketing in NZ by Pacific destinations, Tourism Australia, its states[4] and capital cities. This notably impacted traditional domestic destinations like Northland, Taupo and Nelson but the market has improved somewhat for Northland in the last year.
- Outbound travel grew spectacularly over the same period for similar reasons. Growth has more recently slowed and is forecast to continue growing at 1.2% per annum or 8.5% from 2005 to 2012. The share of nights away from home by New Zealanders has changed from 69% domestic / 31% abroad before late 2002 to a 59% / 41% mix.
- Domestic economic trends continue to fluctuate, particularly the NZ dollar and petrol prices. Sustained high interest rates and a cooling property market are impacting NZ household wealth. However, increasing flight and fuel prices also push up the cost of domestic holidays. Pacific Blue competition has reduced rates on CHC-WLG-AKL routes but Northland domestic flights remain costly.

[4] Australian state tourism budgets for 2006/07 ranged from AU$15.9m (ACT) to AU$101m (VIC)

- AA Travel is now entering year two of its "101 Must Dos for Kiwis" domestic campaign with increasing support from RTOs as campaign partners.
- The impact of mandatory four weeks annual leave began to be felt from April 2007, opening the possibility for more NZ (but also trans-Tasman and Pacific) short breaks. At the same time this will increase employment costs for tourism businesses.
- School holidays have been realigned, starting closer to Christmas but extending into early February. Given that little travel occurs prior to Christmas this seems to extend the domestic holiday peak from January into February.
- Competing NZ destinations have stepped up their event procurement, infrastructure and facility investment, boosting their competitive position. For example, Bay of Plenty competes directly with Northland in key markets and has enjoyed significant tourism growth over the last few years.

Product and Niche Market Developments

- Most regions are attempting to grow their offerings in spa or "Health and Wellness" tourism as off-season product.
- The cruise market has vastly increased with high visitor satisfaction levels and intentions to re-visit but there is concern that New Zealand ports are under-investing in facilities and will become uncompetitive in the international market.
- There has been a trend towards increased development of products and services specifically targeting women, in both tourism and non-tourism sectors.
- While cultural tourism is as old as tourism itself, there has been increasing awareness of its importance within the tourism industry, with a resulting increase in cultural elements that add customer value to tourism experiences. A much wider choice of authentic Maori experiences is now available throughout much of New Zealand.
- The concept of volunteer vacations is gaining popularity. Travelocity's annual forecast poll of active members found that 11% plan to volunteer during their vacations this year, up from 6% last year.
- Culinary tourism is gaining a much higher profile and while the dedicated culinary traveller is still a relatively small niche, it is growing fast and with more travellers researching and choosing destinations based on culinary profiles rather than simply thinking about wine and food options after they arrive.
- The holiday park market has changed with increasing demand for higher quality motel type units and a wide range of facilities that also serve to promote use beyond the short traditional summer season. Occupancy rates improved considerably during 2006. At the same time skyrocketing coastal property prices resulted in several camping grounds being sold to developers. In response, DOC has stepped in to secure coastal camping facilities including sites in Northland.
- Touring routes are becoming more mainstream and promoted more extensively to suit the increasing independent traveller market. Classic NZ Wine Trail is the latest officially sign-posed route while the Great NZ Touring Route collective has perhaps been the most proactive in coordinated marketing. This will serve to boost consumer awareness and understanding of NZ touring route options, while it also increases competition for TCDH.

Current State of Northland Tourism

The Ministry of Tourism updates the tourism forecasts every year, usually in spring. Following is the data based on the forecasts to 2013 made in 2007. Please refer to www.tourismresearch.govt.nz/RegionalData/North+Island/Northland+RTO/ for updates. An APR consultants annual update report on key tourism statistics for 2007 will also be available on DNL's web site by May 2008.

Visits

Total visits by travellers to Northland RTO are forecast to rise from 4.49m in 2006 to 5.00m in 2013 - an increase of 11.3% (509,200) or 1.5% p.a.

International visits are expected to increase from 835,800 in 2006 to 1.08m in 2013, representing growth of 243,000 or 29.1%. The share of total visits generated by international visitors is expected to increase from 18.6% to 21.6%.

Domestic visits are expected to increase from 3.65m in 2006 to 3.92m in 2013, representing growth of 266,200 or 7.3%. The share of total visits generated by domestic visitors is expected to decrease from 81.4% to 78.4%.

Visitor Nights

Total visitor nights in Northland RTO are forecast to rise from 5.32m in 2006 to 6.09m in 2013 - an increase of 14.5% (771,800) or 2.0% p.a.

International visitor nights are expected to increase from 1.78m in 2006 to 2.25m in 2013, representing growth of 472,300 or 26.5%. The share of total visitor nights generated by international visitors is expected to increase from 33.5% to 37.0%.

Domestic visitor nights are expected to increase from 3.54m in 2006 to 3.84m in 2013, representing growth of 299,500 or 8.5%. The share of total visitor nights generated by domestic visitors is expected to decrease from 66.5% to 63.0%.

Visitor Expenditure

Total visitor expenditure in Northland RTO is forecast to rise from $657.6m in 2006 to $885.3m in 2013 - an increase of 34.6% ($227.6m) or 4.3% p.a.

International expenditure is expected to increase from $222.9m in 2006 to $347.1m in 2013, representing growth of $124.1m or 55.7%. The share of total expenditure generated by international visitors is expected to increase from 33.9% to 39.2%.

Domestic expenditure is expected to increase from $434.7m in 2006 to $538.2m in 2013, representing growth of $103.5m or 23.8%. The share of total expenditure generated by domestic visitors is expected to decrease from 66.1% to 60.8%.

Related Strategies

New Zealand Tourism Strategy 2015

The New Zealand Tourism Strategy 2015 was launched in late 2007 following wide consultation with the tourism and local government sectors. This updates the previous 2010 plan on which the original Northland Tourism Strategy 2003-2008 was heavily based. A separate draft NZTS 2015 implementation plan is due in March/April 2008 and will hopefully outline what government funding will be invested. Following are the key points that update the NZTS 2015 and need to be integrated into strategy for Northland.

- There needs to be a whole-of-New Zealand approach to sustainability, across all government and economic sectors, recognising that they are all interdependent.
- The tourism industry is called upon to be the economic sector which leads and challenges other sectors to be environmentally sustainable.
- Much more focus has been placed on the domestic market and its ability to underpin profitable tourism businesses and impact seasonality of tourism.
- Qualmark's importance is re-emphasised as the key strategy to continually enhance product quality and Qualmark will be extended as the key sustainability accreditation scheme for the country.
- i-SITEs are to be further developed and improved to support customer service and to be a stronger tourism distribution channel.
- Although called for the NZTS 2010 much better progress is needed on engaging communities and local government in planning for the type of tourism they want. This has to be underpinned by better tourism data so that they can make informed decisions.
- Progress in Maori tourism development is acknowledged and further promoted as one of our key points of difference. Relationships between RTOs and Maori RTOs need to be strengthened.
- There is a focus on delivering a seamless tourism experience right from external marketing through arrival and travel within NZ. This includes more emphasis on local infrastructure such as public toilets and transport through to strategic national infrastructure including Auckland airport and a national convention centre. In line with this there must be better research and monitoring of all aspects of visitor satisfaction.
- Business profitability will be supported with a need to better coordinate the wide array of existing business support programmes available, developing tourism managers and growing the quality and availability of the workforce.

Northland Regional Economic Development Strategy

(Strategy for the Sustainable Economic Development of Northland. "Northland Forward Together – Kokiri Ngatahi Taitokerau" Update 2007-2011).

There are numerous issues for the tourism sector that are replicated across the wider Northland economy and cannot be dealt with by the tourism sector in isolation. It would therefore be wasteful to ignore the regional economic development strategy and develop separate initiatives within the Northland Regional Tourism Strategy. Below are the key extracts that are most relevant to tourism.

Strategy 1.1: Delivering secure infrastructure to Northland

Action 1 - Development of integrated/aligned Northland Infrastructure plans with funding mechanism, including:

- Digital strategy/Network entity/Fibre optic back bone
- Energy
- Regional Land Transport – local roads, forest roads, rail

- TLAs asset management plans

Strategy 1.2: Positioning Northland for investment and growth

Action 1 – Develop a cohesive EN/local govt./agency approach to positioning/promotion of Northland for visit/work/live/invest, including:

- Compatible district plans and regulatory regimes across TLAs
- Productive vs lifestyle land planning parameters
- Ensuring Whangarei has sufficient appropriate zoning for development needs
- How can we help?" approach to new investment in Northland

Action 2 - Develop and undertake a communication plan to increase the Northland public's understanding of economic activity and its impacts.

Development Priority 2. Raising capability

Strategy 2.1: Deliver improved educational/skills outcomes that lift Northland's productivity and prosperity.

Strategy 2.2: Instil an enterprise focus in youth prior to transition from school to the workplace.

Strategy 2.3 Enhance communities focus and ability to capitalise on development opportunities.

Strategy 2.4: Establish integrated "single entry" business growth and support process.

Strategy 2.5: Increase governance skills and understanding throughout business and community.

Development Priority 3. Changing Northland's economic profile

Strategy 3.1: Intensify sector strategic activity – across all key sectors.

Currently Northland's economy is based on a few key sectors. Understanding potential global/local impacts and planning for risk mitigation will dampen fluctuation impacts.

Action 1 – Revisit/review key sector analysis and strategic understanding, including profiling selected industries to ensure full understanding of upside/downside impacts on the regional economy.

Action 2 – Investigate the potential to establish "centres of excellence" based on established comparative advantages – e.g. specialist engineering (marine focused), aquaculture, and tourism/hospitality.

Action 4 - Ensure appropriate funding mechanism are available to address pan-industry issues e.g. funding for Destination Northland and support for Aquaculture Management Area planning.

Strategy 3.3: Take action to effectively position Northland as a desirable place to live, work and invest.

Action 1 - Develop regional positioning and communications plan, including; regional story, competitive advantage, and "single unifying idea" or differentiator.

Action 3 – Instigate a business to public communications process to highlight and celebrate business success. Develop a communications strategy with key messages to ensure that the wider community understands the wider significance of economic development.

Tai Tokerau Maori Tourism Strategy

The Tai Tokerau Maori Cultural and Tourism Association is in the process of finalising its own strategic plan, while representatives of TTMCTA have been involved in the working group which developed this Northland Visitor Strategy. Key initiatives have included facilitating training programmes, establishing Maori art in

i-SITEs with ASB Trust sponsorship and promoting development of Matariki events.

Northland Creative Industries Arts Sector Strategy

The Northland Arts sector Strategy, “Arts in the Regional Frame” 2005-2008 and beyond was produced in March 2006. Many of the recommendations have been implemented including the Northland Arts Promotion Trust, which is based in Whangarei and trades as APT employing a dedicated officer who works from DNL’s Paihia office. An arts trail has been established and aligned to TCDH with a dedicated brochure incorporating distinctive Northland design elements while a high quality publication has been produced for retail, showcasing Northland artists. Further initiatives include:

- Developing arts branding in alignment with the regional brand
- Developing creative industries arts events (including Matariki), arts hubs and arts centres of excellence.
- Artist in residence programmes and Northland art showcases in Auckland and Wellington.

Auckland Visitor Strategy - Bringing The World To Auckland

The strategy was commissioned by Auckland’s Regional Economic Development Agency, AucklandPlus. Although the RTO, Tourism Auckland was involved as a stakeholder, it is not their strategy and has a marked supply-side focus. Key points for Northland include:

- Key suggested positioning as a Coastal City with further focus on volcanoes.
- A concept of concentric ring zones around the CBD with the outer perimeter, “Amazing Hinterland” reaching to Rodney District. Northland is not mentioned.
- A case for central government investment into Auckland on the basis that as NZ’s primary international gateway city, Auckland must deliver a quality experience otherwise it will impact negatively on the whole NZ experience for visitors.
- Auckland is presented as NZ’s host city with key projects being a national convention centre, development of Eden Park and transport infrastructure for the Rugby World Cup 2011.

Northland has great potential to benefit from major infrastructure development in Auckland. The ALPURT Motorway extension will improve the driving time and experience in getting to Northland. RWC 2011 benefits will spread well beyond Auckland as proven by the case of the British & Irish Lions Tour in 2005. The only other city that might make a compelling case for a national convention centre is Christchurch which, if successful would create much less if any benefit for Northland compared with an Auckland based facility. The major international conventions enabled by a new facility will generate considerable pre, post and satellite event activity for Northland with high yield and significant shoulder season business.

From a tourism standpoint, Northland should therefore be formally supporting Auckland in its goals to develop these projects. A better understanding also needs to be built amongst Auckland leaders that Auckland is a primary beneficiary of growth in Northland’s tourism and wider economy. This is because most supplies come from Auckland and several of the key operators such as Intercity have offices there.

Other areas for stronger Northland-Auckland relationships not mentioned in the Auckland Visitor Strategy include:

- Future development and marketing of the Twin Coast Discovery Highway.
- Partnerships in showcasing and booking Northland tourism product in strategic Auckland sites which could include Tourism Auckland’s i-SITEs.
- TNZ is continuing to promote nine International Marketing Alliances rather than 30 RTOs carrying out offshore promotional activity. Northland and Auckland are one of these alliances and the two RTOs have therefore cooperated on some tactical initiatives to comply with TNZ criteria but have yet to actively engage at a strategic level.

Appendix 1: NZ Tourism Strategy Key Excerpts

IN 2015, TOURISM IS VALUED AS THE LEADING CONTRIBUTOR TO A SUSTAINABLE NEW ZEALAND ECONOMY

OUTCOME ONE: NEW ZEALAND DELIVERS A WORLD–CLASS VISITOR EXPERIENCE

- New Zealand is seen by visitors as a desirable, high–quality destination.
- The New Zealand tourism industry offers booking services that are easy to use.
- The i–SITE network is recognised by visitors as being a source of high–quality and objective visitor information.
- Qualmark is recognised by consumers as a mark of quality.
- The tourism sector is committed to monitoring visitor satisfaction and perceptions of quality.
- New Zealand's infrastructure supports a quality visitor experience at all stages of the journey.
- Domestic travellers help create a strong demand for visitor products and services.
- Maori actively participate and invest in the tourism sector.

OUTCOME TWO: NEW ZEALAND'S TOURISM SECTOR IS PROSPEROUS AND ATTRACTS ONGOING INVESTMENT

- Tourism businesses identify and put in place strategies that will consistently increase their returns on investment.
- Businesses deliver products and experiences that meet the expectations of high–value visitors.
- Tourism attracts and retains an appropriately skilled workforce.
- The tourism sector improves demand during the off–season.
- New Zealand's tourism research is accessible, timely, high–quality, and relevant to the decisions that need to be made.

OUTCOME THREE: THE TOURISM SECTOR TAKES A LEADING ROLE IN PROTECTING AND ENHANCING THE ENVIRONMENT

- The tourism sector contributes to a whole–of–New Zealand approach to ensure that New Zealand's environment will continue to be enjoyed by future generations and visitors, in the spirit of kaitiakitanga (guardianship).
- The expectations of our visitors are clearly understood, and visitors are able to easily identify and select products that deliver good environmental performance.
- The tourism sector leads the way in introducing initiatives that will reduce carbon emissions and increase the energy efficiency of transport within and en route to New Zealand.
- The tourism sector improves its energy efficiency, energy conservation, and use of renewable energy at all levels.
- The tourism sector takes active steps to reduce and manage its waste, encourages other sectors to do the same, and engages with the local, regional, and national agencies that provide waste–management standards and facilities.
- Tourism businesses have the capability and knowledge to take a leading role in protecting and enhancing the environment.
- The tourism sector, DOC, and other key agencies continue to work together to make sure that conservation values are enhanced.
- Visitors' tourism experiences give them the opportunity to learn about and contribute to New Zealand's environmental and conservation goals.

OUTCOME FOUR: THE TOURISM SECTOR AND COMMUNITIES WORK TOGETHER FOR MUTUAL BENEFIT

- The tourism sector is an active partner in planning and managing our communities.
- Local authorities understand the benefits tourism offers and lead destination management and planning initiatives and processes to maximise these benefits.
- Tourism decision–making by local government, communities, iwi, and the tourism sector is informed by high–quality research.
- Regions and communities preserve and promote their local culture and character and incorporate this into all aspects of the visitor experience.
- Core infrastructure and facilities are appropriately funded.

A WORLD–CLASS VISITOR EXPERIENCE

- offers outstanding customer service
- is deep, rich, authentic, and unique
- offers real consumer benefits
- allows customers to explore, experiment and get involved
- can be customised to meet specific visitor needs
- provides high–quality interpretation of environmental, cultural, and heritage stories
- is convenient and uses time efficiently
- is environmentally sustainable
- manages visitor expectations
- offers value for money
- is safe for visitors and their possessions

Appendix 2: Davos Agreement

The Davos Declaration provided the basis for the UNWTO Minister's Summit on Tourism and Climate Change. It was submitted for adoption at the UNWTO General Assembly in Cartagena de Indias, Colombia, November 2007, and presented at the United Nations Climate Change Conference in Bali, Indonesia, in December 2007. It called on:

Governments & international organizations to:

- Incorporate tourism into existing climate change agreements.
- Implement mitigation, adaption technology and financing consistent with the Millennium Development Goals.
- Provide financial and technical assistance to tourism in destination countries to assist with actions related to climate change.
- Promote networks and information sharing to assist with sustainable development of tourism. Collaborate to reduce GHG's in transport.
- Introduce education and awareness programs for all tourism stakeholders including consumers.
- Develop regional and local climate information services.
- Implement policy for effective adaption and mitigation.

The tourism industry and destinations to:

- Take leadership to implement concrete measures to mitigate climate change throughout the tourism value chain.
- Reduce the carbon footprint throughout the tourism sector.
- Integrate tourism in local and regional adaptation and mitigation strategies.
- Strive to conserve biodiversity particularly "Earth Lungs" (carbon sinks).
- Diminish pollution.
- Implement climate-focused product diversification.
- Raise awareness amongst customers and staff.

Consumers to:

- Reduce Carbon Footprint and/or offset emissions.
- Opt for environmentally-friendly resort activities

Research and communications networks to:

- Encourage research and develop tools.
- Include environment and climate-related subjects in tourism education.
- Promote quadruple bottom line responsible travel.
- Raise awareness of tourism's development potential.

Appendix 3: Tourism Rating Models

Wellington

Wellington City's tourism funding is derived from a targeted commercial sector "downtown levy". This is considered one of the leading practice models in the country as it is easy to administer and ensures the RTO does not have to focus undue time on fund raising. As the funding is not derived from the general rate, this avoids significant opposition from lobby groups such as Grey Power who tend to oppose general rates going into anything other than what they consider essential services and infrastructure. However, this does mean that outside the downtown area, accommodation, retail, transport (including fuel) and dining sector businesses in particular are free-riding on the CBD sector unless they are voluntarily buying into the RTO's partnership programmes. Applying Wellington's model directly to Northland would be difficult because the latter does not have such a dominant commercial/retail sector.

Queenstown

Queenstown Lakes District Council collects a tourism marketing levy on all commercial businesses, on behalf of the RTO which is an incorporated society. Being subject to the rate automatically makes a business a legal member of the RTO with AGM voting rights. Other businesses can pay a voluntary membership fee. The council is currently working through a plan change to rectify equity issues such as apartment developments being designated "residential" and thereby avoiding the commercial rate and parking requirements. Meanwhile a small B&B has had to pay a commercial rate.

Lake Taupo

Taupo's tourism rate is focused on the CBD and defined tourism businesses at a rate of 0.001846 cents in the dollar on land value, providing 55% of Destination Lake Taupo's funding.

Bay of Plenty

Tauranga City Council strikes a commercial rate applied to all commercial enterprises in the city, including tyre repairs, gas stations and traditional tourism businesses. This is where funding for the RTO, i-SITEs and EDA comes from.

Hurunui

Hurunui District Council has a targeted tourism rate that is stepped according to the value of improvements to each rating unit. It targets all properties in Hamner Springs Ward unless they are solely for private use or for emergency services, farming or forestry. Elsewhere in the district it targets most licensed premises (liquor and food), accommodation on commercially zoned land, gas stations and "commercial tourism operations". This raised just over 50% of the RTO's tourism funding with the remainder coming from the general rate. However for 2005/06 this was altered to increase the proportionate funding from the targeted rate. The nine rate bands start at $215 for improvements up to $100,000 running through to $1015 for improvements over $800,000. Property owners who want to avoid the tourism rate have to sign a declaration to the Mayor stating that they are *not* charging for holiday rental or homestay/B&B.

Marlborough

Marlborough District Council currently funds Destination Marlborough as follows:

(a) $50,000 p.a. Grant from port company dividend proceeds

(b) $250,000 p.a. Grant ex targeted general-type rates

(c) $100,000 p.a. TARGETED RATE ex Targeted Tourism Charges

Commercial/Industrial uses pay 100 times the rate in the dollar for (b) above compared to Residential/Rural uses.

The targeted Tourism Charges for (c) above are currently levied on the following properties:

- Properties used for Residential Baches or other Dwelling Units that are advertised for short term rental accommodation
- Properties used for Commercial Rental Accommodation where less than 30 people can be accommodated
- Properties used for Commercial Rental Accommodation where 30 or more people can be accommodated
- Properties used for Tourism Activities excluding the three groups above.

As a result of submissions from Destination Marlborough and feedback from the tourism industry, the first two targeted tourism charges are proposed to be amalgamated.

The Queenstown and Taupo models are long standing and have probably succeeded due to the obvious prominence of tourism as a local economic driver. Businesses there generally have a better understanding of how they benefit from tourism. The Marlborough and Hurunui models have helped to put their respective RTOs on a more solid financial footing, however the amount of money raised through these mechanisms seems limited when considered against the complexity of each rating model. Both rating policies have been revised in their first few years of existence and this seems likely to continue.

RTO membership models where tourism industry businesses are asked to pay a voluntary membership are subject to market failure as non-paying businesses still benefit from the generic tourism interventions, acting as a disincentive to paying businesses. Membership funding programmes are also expensive to administer. Where RTO funding is sourced 100% from the general rate significant increases in tourism funding will be extremely difficult to achieve.

Following is a model for further discussion for Northland as funding options are assessed:

- An economic development rate (from which tourism funding is derived) on all commercially zoned businesses. This mechanism would have to ensure inclusion of areas of tourism focus (eg Doubtless Bay, Mangawhai, Tutukaka) and may need specific exclusions for some sectors such as solely farming and forestry properties.
- A common regional rule linked to the district plans relating to accommodation operators. (Eg businesses that have capacity for 4+ guests might be subject to a levy). Although this could seem difficult to administer, with a well maintained tourism database and a more consistent i-SITE network, new and closing businesses could be effectively monitored. The fact that this would also act as a deterrent to fickle home accommodation businesses would only help to shore up the industry's professionalism.
- A contribution of say 15% - 20% of the total economic development funding derived from the general rate. This reduces the burden on the commercial sector, recognising the indirect benefits of tourism to the wider community, but is at a low enough level to be justifiable to potential anti-lobby groups. This also recognises the tourism benefit to many home based businesses (eg. plumbers and electricians) that may be missed by a commercial rate and yet clearly benefit through work for tourism operators.