

International Visiting Yachties Survey

Whangarei & Opua

May 2008

Northland Marine Development Group



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With thanks to the Whangarei District Council, Whangarei Marine Promotions Group and Far North Holdings for funding this survey

KEY FINDINGS

- The survey builds on, and confirms, two key points about the influence of the international visiting yacht owner market on the regional economy in general and the marine sector in particular.
- The first is that this group of international visitors makes a valuable contribution to the regional economy through expenditure on boat repairs and maintenance, through general living expenditure and through expenditure by domestic and international visitors coming to see them during their stay in Northland.
- The second is that these visitors show a high degree of loyalty towards Northland such that many contribute to the economy on a regular annual basis and intend to do so for the foreseeable future.
- The results, therefore, present a range of underlying opportunities, namely:
 - how to ensure the existing level of repeat visits is maintained?
 - how to increase the level of expenditure of this group?
 - how to increase the number of repeat visits?
- The survey results have prioritised a range of themes that can continue to be used when promoting Northland as a desirable destination, some of which are common to the region and some of which will apply separately to either Whangarei or Opuā.
- Again, the results have captured some marina specific as well as general opportunities for a range of improvements, with some common to Northland and some specific to each port/town.
- To take advantage of this extra business will depend on increasing the capacity of the region because the results confirm that the region already has the capability and reputation. Both ports are seen to be of high standard but results confirm the marine industry viewpoint that Northland could win more business if there was an enhancement of facilities and service standards.

SURVEY RESULTS

SECTION ONE: Market Size and Economic Impact

- The international visiting yacht owners (yachties) were asked for their expenditure in three main areas, namely:
 - spend on maintenance activities
 - spend on living activities
 - spend by domestic or international visitors who visited them
- The full workings and assumptions used in preparing these market size figures are contained in Appendix One.

1.1 Market Size

	Whangarei	Opuia	Northland
Total Number of Yachts That Visited This Season	155	100	255
Average Maintenance Spend Of Yacht Surveyed	\$29,301	\$20,685	
Total Maintenance Spend Of Yachts That Visited This Season	\$4,541,694	\$2,068,500	\$6,610,194
Average Living Spend Of Yacht Surveyed	\$19,400	\$16,200	
Total Living Spend Of Yachts That Visited This Season	\$3,007,000	\$1,620,000	\$4,627,000
Total Spend of International Visitors Who Visited Yachts	\$609,086	\$459,635	\$1,068,721
Total Spend of Domestic Visitors Who Visited Yachts	\$62,279	\$37,720	\$99,999
TOTAL	\$8,268,915	\$4,222,840	\$12,491,755

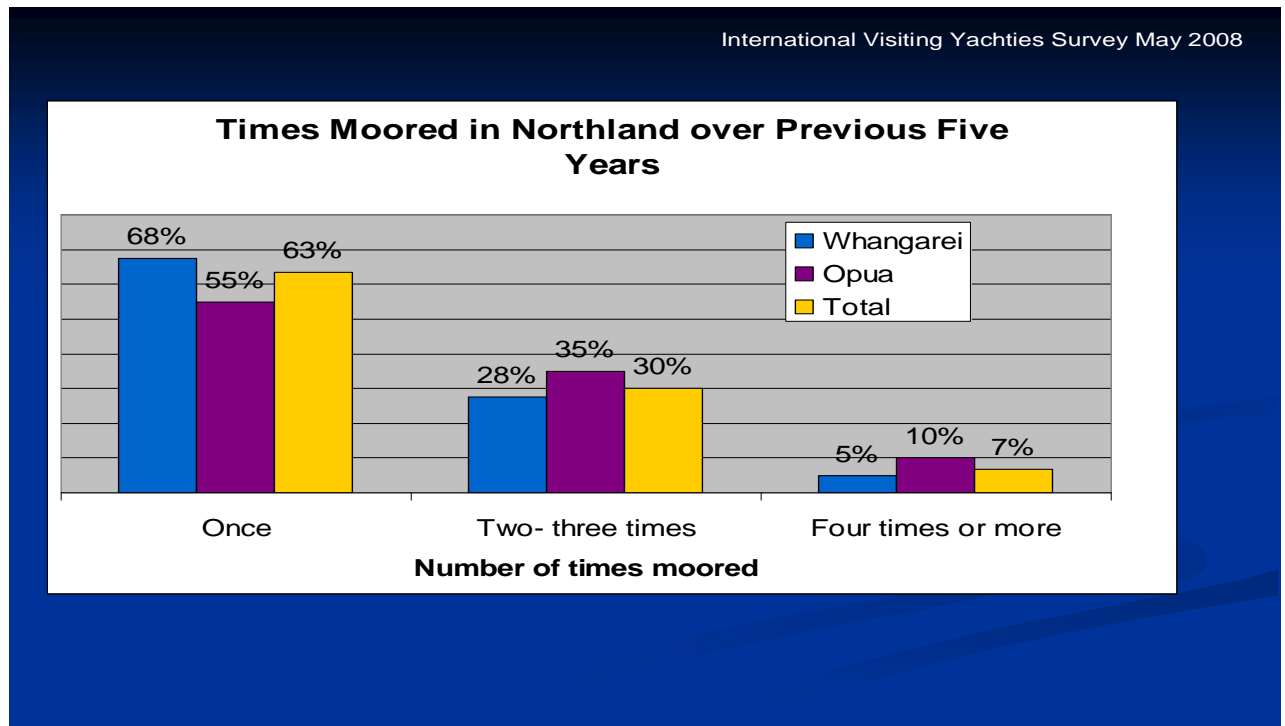
- The results show that this visitor segment contributed almost \$12.5 million dollars to the Northland economy over the six month period from November 2007 to April 2008.
- Of this expenditure, \$8.3 million or 66% occurred in the Whangarei area and the remainder in the Far North.
- Of the total amount, \$6.6 million or 53% was spent with the region's marine businesses and the remainder with general businesses, either by the yachties themselves or their visitors.
- These figures should not be seen as representing the total size of the marine sector as they do not include any new boat construction or refitting of boats over 20 metres.

1.2 Economic Impact

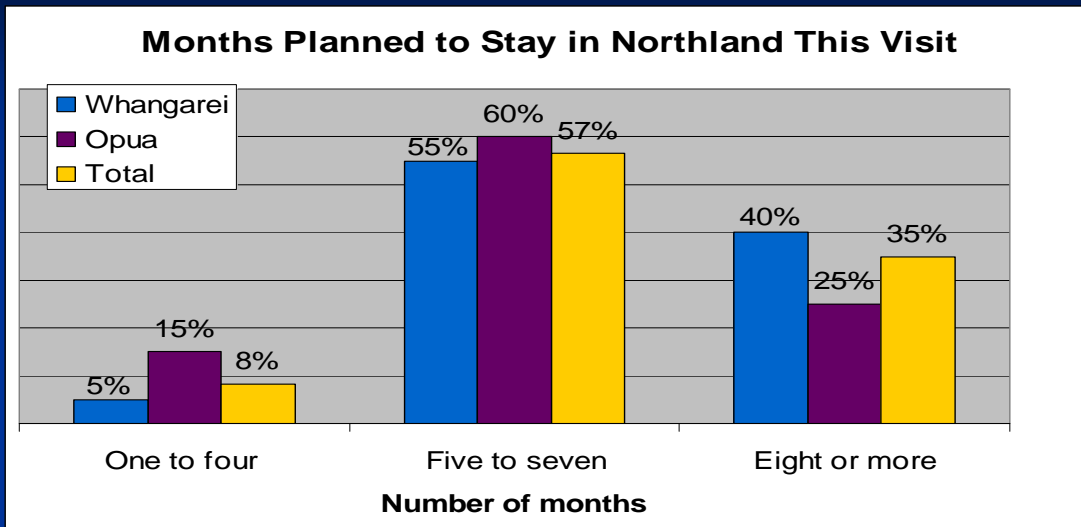
- In order to assess the economic impact or "ripple" effect of this expenditure, an economic impact multiplier can be applied to the market size figures.
- In determining the multiplier, it should be noted that the visitor sector is regarded as having a significant economic impact in that their expenditure occurs across many different sectors within the business community.
- The multiplier used here, based on similar studies, is 2.0 which means that the impact of international visiting yacht owners can be estimated at almost \$25 million (\$24, 983, 510).

SECTION TWO: Customer Behaviour

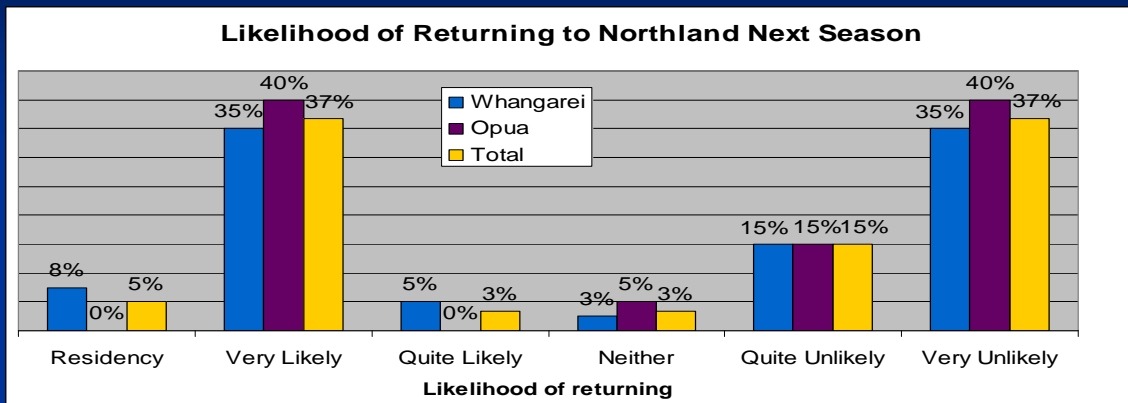
- Yachties were then asked a series of questions relating to their visiting patterns and activities undertaken while moored in Northland.



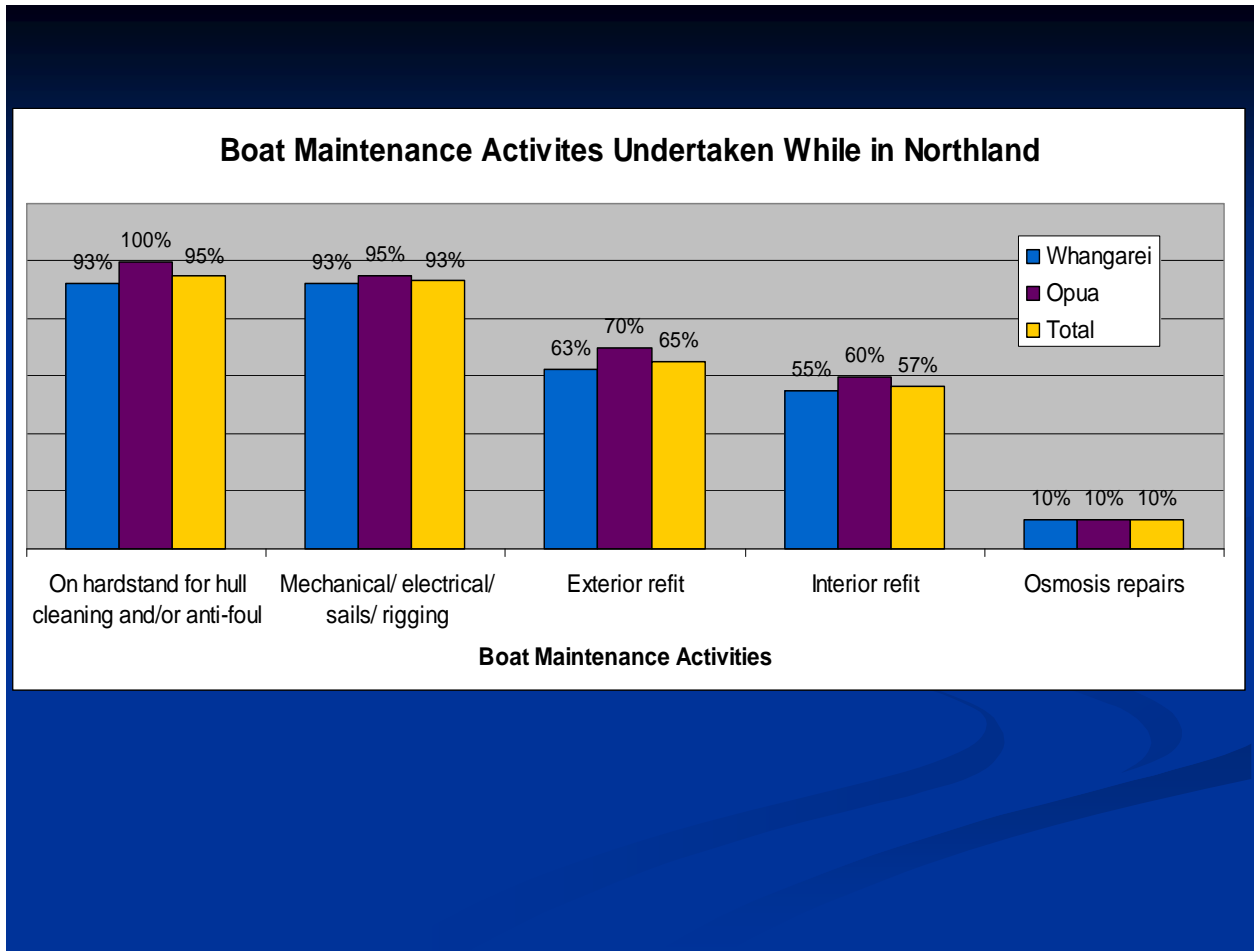
- Nearly one in four yachties have visited Northland on more than one occasion over the previous five years, confirming the region's status as a desirable maritime location.
- Notably, yachties moored in Opua this season were more likely to be repeat visitors than those who stayed in Whangarei (45% versus 33%).



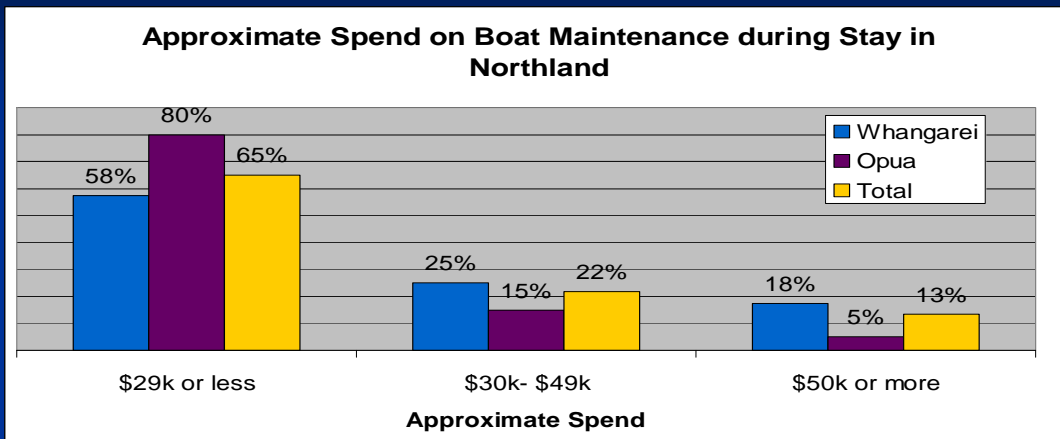
- As the graph demonstrates, not only are a large number of yachties regular visitors, they are also likely to stay in Northland for significant periods of time – around five months or more – regardless of whether that be at Whangarei or Opuia.



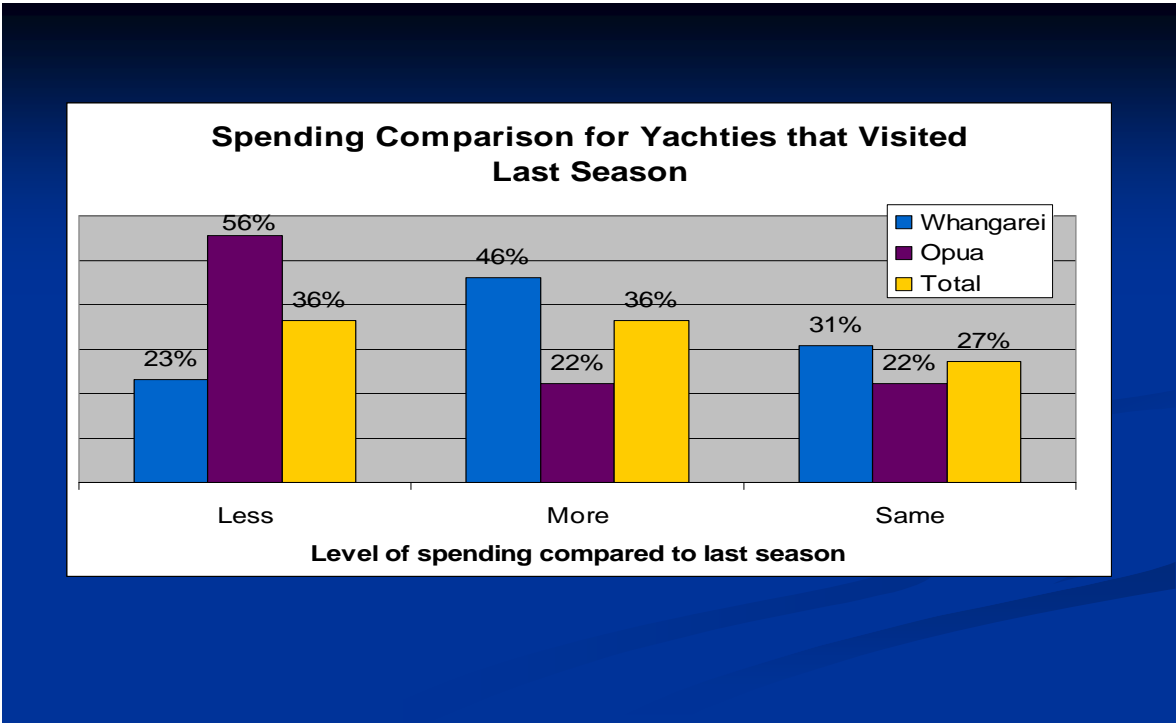
- The previous chart shows that, when yachties were asked about their intentions for next season, four out of ten indicated they were likely to return, with the majority of these Very Likely, again reinforcing the desirability of Northland as a destination.



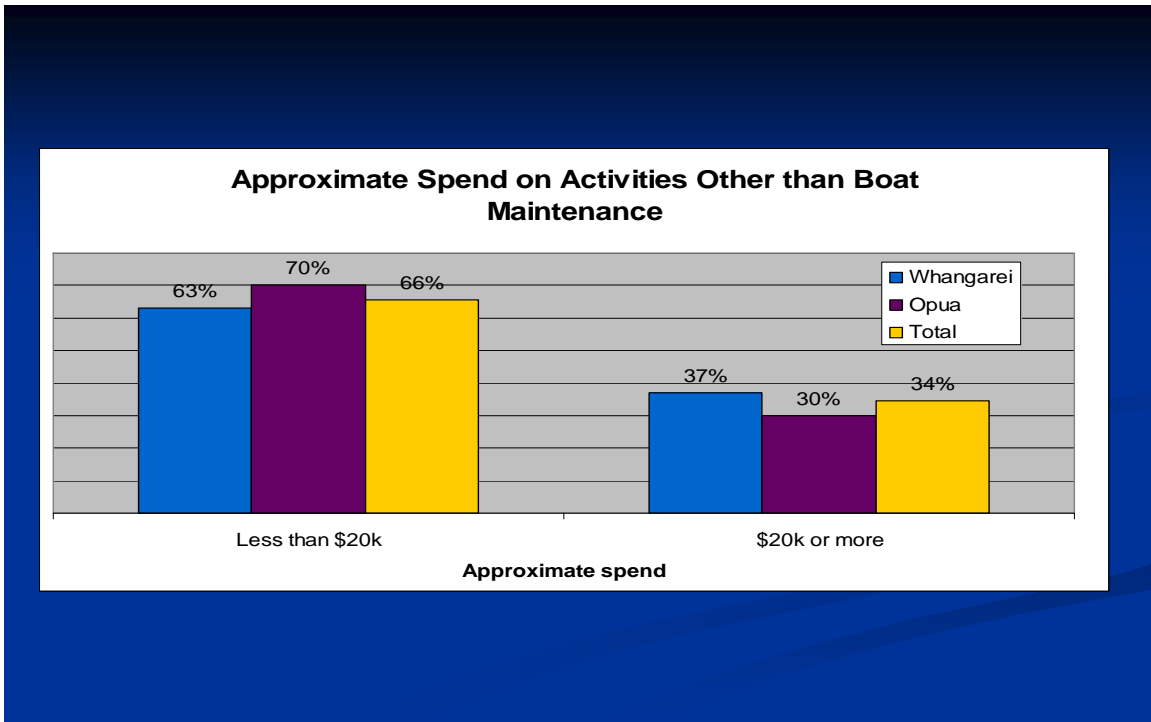
- The predominant activities undertaken include putting yachts on a hardstand for hull cleaning (95%) as well as working on aspects such as sails, rigging and mechanical or electrical areas (90%). There are no major differences between yachties who moor in Opuia versus those in Whangarei



- Two out of three yachties spend less than \$30,000 on boat maintenance activities while moored in Northland.
- Of note is the fact that a much greater percentage of yachties moored in Opuia spend less than do their Whangarei counterparts – four out of five spending \$29,000 or less versus just under six out of ten in Whangarei.



- Those yachties who visited last season were asked whether there had been any change in their level of expenditure on boat maintenance activities.
- In total, there were equal proportions that had spent a larger amount, had spent a smaller amount or about the same amount.
- The results did vary between Whangarei and Opuia, with more than half spending less in Opuia and slightly fewer than half spending more in Whangarei than the previous season.



- In addition to expenditure on boat maintenance activities, all yachties were asked to indicate how much they spend on general living activities such as food, entertainment and so on.
- Two out of three yachties stated that they spend \$20,000 or less, regardless of whether they are moored in Opuia or Whangarei.

SECTION THREE: Customer Satisfaction

- The second section of the survey included a number of questions on how these visiting yachties view their stay in Northland.

	Whangarei	Opuia	Total
To see NZ	60%	70%	63%
Cyclone haven	60%	60%	60%
Reputation for repair/ maintenance	43%	65%	50%
On circuit	20%	30%	23%
Refit	25%	10%	20%
Friends / family here	8%	10%	8%
Recommended	8%	0%	5%
English speaking	20%	5%	5%
Other	13%	15%	13%

- The two main reasons that yachties are attracted to New Zealand centre on their desire to see the country and that it provides a safe haven from the cyclone season in the Pacific.
- Clearly, New Zealand also has a strong reputation for repairs, maintenance and refits. Another important reason for coming to this country is that it forms part of the cruising circuit.
- Yachties who moor in Opuia are more likely to mention the country's reputation for repair and maintenance whereas those who moor in Whangarei are more likely to mention New Zealand's reputation for refitting.

Main Reasons to Moor in Northland

	Whangarei	Opua	Total
Range & proximity of trades, services & supplies	38%	45%	40%
Size of town	30%	15%	25%
Convenient geographic location	15%	40%	23%
Cruising ground	13%	35%	20%
Recommended	25%	5%	18%
Reputation for repair & maintenance	13%	20%	15%
Quality & infrastructure for refit	20%	0%	13%
Cost efficient prices	15%	0%	10%
Weather/climate/cyclone safe	8%	15%	10%
Been to Tauranga &/or Auckland	5%	15%	8%
Natural beauty of surroundings	3%	20%	8%
Community is friendly	5%	10%	7%
Been before	5%	5%	5%
Family or friends are here	3%	10%	5%
All others	13%	20%	15%

- The most significant reasons for choosing to moor in Northland as opposed to other parts of the country relate to the proximity and availability of marine services as well as the convenience of the location.
- There are, however, distinct differences between yachties mooring in Whangarei versus those doing so in Opua.
- Whangarei-based yachties are far more likely to mention aspects such as the size of the town; it was recommended; the ability to undertake refits; and cost-efficient prices.
- On the other hand, the Opua-based yachties mention convenient location; it's an ideal cruising ground; and the natural beauty of the surroundings.

Way in Which Yachties Found Out about Mooring in Northland

	Whangarei	Opuia	Total
Word-of-mouth/ recommended by others	85%	80%	83%
Received a brochure	75%	35%	62%
Visited one or more websites	50%	40%	43%
Met Northland reps in the islands	40%	30%	40%
Part of my/our regular circuit	33%	35%	33%
Other	0%	5%	2%

- The key way in which yachties find out about Northland is via word-of-mouth or recommendation of others and this is the same for Whangarei as it is for Opuia.
- Whangarei-based yachties are far more likely to have received a brochure than their Opuia counterparts, reflecting the many years that members of the Whangarei Marine Promotions Group have spent making their annual visits to the islands.
- Fully one in three yachties visit because it is part of their regular circuit, again confirming results from earlier questions on frequency of visiting and likelihood of returning in the future.

- When asked how satisfied they were with facilities for mooring and refitting, the overall rating given was 4.5 out of a possible 5.0, with no variation between yachties moored in Whangarei and those staying at Opuā.

	Whangarei	Opuā	Total
Proximity & range of parts, services & trades	63%	40%	55%
Friendly & helpful people	40%	40%	40%
Quality of facilities	25%	35%	28%
Trade skill level/ quality	25%	30%	27%
Size of town	8%	5%	7%
Brilliant surroundings	5%	5%	5%
Other	8%	15%	10%

- Yachties were then asked what they liked most about these facilities, with the main aspect being the proximity and range of maritime services available. Whangarei-based yachties were much stronger on this point than those based at Opuā.
- Northland has also been rated very favourably by yachties as having friendly and helpful people, whether that be in Whangarei or Opuā.
- Although quality of facilities and the level of trade skills were the third most liked aspects about Northland, they are rated by far fewer yachties than the first two aspects.

Least Liked Aspects of Facilities

	Whangarei	Opua	Total
Facilities inadequate (both marine & general)	20%	60%	33%
Costs too expensive	30%	35%	32%
Overruns not justified	13%	20%	15%
Nothing- I am happy	15%	10%	13%
Quality of trade work is variable	13%	10%	12%
Fluctuating power supply	5%	5%	5%
Water access	8%	0%	5%
Traffic noise	5%	0%	3%
Customs dock inadequate	5%	0%	3%
Yard not completed/ mud	5%	0%	3%
Other	15%	5%	12%

- The least liked aspects related to the facilities being inadequate, with this comment being much more common among Opua-based yachties than those in Whangarei. This feeling is more likely, in Opua's case, to relate to general facilities than marine facilities.
- The other main grouping of least liked aspects relates to the performance of the marine businesses who service the yachties and these comments apply equally to Whangarei and Opua. There is criticism of costs, cost overruns and the quality of some of the workmanship.

Improvements That Could be Made to the Facilities

	Whangarei	Opua	Total
Dredging approaches	40%	0%	27%
Improved & more marina facilities	15%	35%	22%
Improved & increased ablutions	23%	15%	20%
Satisfied - no problems	10%	15%	12%
More marina berths & pile moorings	8%	15%	10%
Transport service	5%	20%	10%
Customs clearance at Whg Harbour entrance	13%	0%	8%
Educate trades to be more professional	10%	5%	8%
Small workshop at marina	8%	5%	7%
Channel marker (& buoys) improvement	10%	0%	7%
Secure wi-fi at marina	10%	0%	7%
Ground sealed, or more gravel	5%	10%	7%
Costs too high in NZ	5%	10%	7%
pedestrian/ cycle friendly driving	8%	0%	5%
Make it easy to leave yacht in NZ	3%	5%	3%
All others	13%	25%	17%

- When asked what improvements could be made, there is significant variance between the Whangarei- and Opua-based yachties.
- More than half of Whangarei-based yachties mentioned improvements related to accessing the marina, namely dredging approaches (40%), the Customs facilities (13%) and the Hatea River Channel markers (10%). Other improvements related to better marina facilities, better ablutions facilities and the availability of more berths.
- Yachties based in Opua were more likely to comment on the need for improved facilities, the need for a transport service to connect with Paihia and beyond, improved ablutions facilities and the availability of more marina berths.

Whether Yachties Consider a Shore-based Waste Pumpout Facility Important

	Whangarei	Opuia	Total
Yes	63%	55%	60%
No	35%	40%	37%
Maybe	3%	5%	3%

- Yachties were probed specifically on whether they thought it important to have a shore-based waste pumpout facility, with almost two thirds agreeing that it was.
- Finally, yachties were asked how satisfied they were in their dealings with the following government departments – Customs, Immigration and Agriculture. The maximum rating is 5.0.

Agency	Whangarei	Opuia	Total
Customs	4.8	4.9	4.8
Immigration	4.8	4.6	4.7
Agriculture	4.9	4.7	4.8

- Clearly, there is a very high degree of satisfaction with the performance of these central government agencies.

SECTION FOUR: Customer Profile

- A series of questions were asked in order to establish the profile of the visiting yachties. The following results are based either on the 129 permanent inhabitants or the 60 yachts in the sample.

Nationality

Country/Region	Number	Percent
USA/Canada	56	43%
Europe	38	29%
Britain	25	19%
All others	8	6%

Occupations

Occupation	Number	Percent
White collar/professional	55	65%
Self-employed	11	13%
Blue collar/trades	10	12%
Retired	9	11%

Last Port Prior to Northland

Port	Number	Percent
Tonga	42	71%
Fiji	13	22%
Other	4	7%

Next Port After Northland

Port	Number	Percent
Fiji	29	49%
New Caledonia	14	24%
Tonga	9	15%
Other incl. Don't Know	7	12%

Country of Home Port

Country/Region	Number	Percent
USA/Canada	26	44%
Europe	14	24%
Britain	14	24%
All others	5	8%

Boat Size

Metres	Number	Percent
Up to 12	14	24%
12 to 15	39	66%
16 or more	6	10%

Boat Age

Years	Number	Percent
Up to 20	32	54%
21 or more	27	46%

Incidence of Holding Tanks

	Number	Percent
Yes	48	83%
No	10	17%

APPENDICES

APPENDIX ONE: Market Size & Economic Impact

International Visiting Yachties Survey May 2008

Market Size

Assumptions

- Yachts all under 20 metres, average= 13 metres
- 2007/08 season Whangarei 155
Opuia 100
- International visitor daily spend = \$137.00
- Domestic visitor daily spend = \$82.00
- Economic impact multiplier = 2.0

WHANGAREI

- Average spend on maintenance this season = \$40,000
- Yachts that visited Whangarei this season = 155
- Total spend = $40,000 \times 155 =$

\$6,200,000

OPUA

- Average spend on maintenance this season = \$20,700
- Yachts that visited Opuia this season = 100
- Total spend = $20,700 \times 100 =$

\$2,070,000

NORTHLAND TOTAL

- Whangarei spend on maintenance this season
= \$6,200,000
- Opuia spend on maintenance this season
= \$2,070,000
- Total spend on boat maintenance this season =

\$8,270,000

WHANGAREI

- Average spend on other activities this season = \$19,400
- Yachts that visited Whangarei this season = 155
- Total spend = $19,400 \times 155 =$

\$3,007,000

OPUA

- Average spend on other activities this season = \$16,200
- Yachts that visited Opuia this season = 100
- Total spend = $16,200 \times 100 =$

\$1,620,000

NORTHLAND TOTAL

- Whangarei spend on other activities this season
= \$3,007,000
- Opuia spend on other activities this season
= \$1,620,000
- Total spend on other activities this season =

\$4,627,000

WHANGAREI

- Yachts that had domestic visitors = 15%
- Average spend of domestic visitors = \$2,680
 - $15\% \times 155 \times 2,680 =$ **\$62,310**
- Yachts that had international visitors = 53%
- Average spend of international visitors = \$7,410
 - $53\% \times 155 \times 7,410 =$ **\$608,730**

OPUA

- Yachts that had domestic visitors = 15%
- Average spend of domestic visitors = \$2,510
 - $15\% \times 100 \times 2,510 =$ **\$37,650**
- Yachts that had international visitors = 50%
- Average spend of international visitors = \$9,190
 - $50\% \times 100 \times 9,190 =$ **\$459,500**

NORTHLAND TOTAL

- Spend of domestic and international visitors to yachts in Whangarei = \$62,310 + \$608,730
- Spend of domestic and international visitors to yachts in Opuia = \$37,650 + \$459,500
- Spend of visitors to yachts in Northland this season =

\$1,168,190

APPENDIX TWO: Questionnaire

INTERNATIONAL VISITING YACHTIE SURVEY 2008

Date of Interview		Location	Opua
Name of Yacht			Whangarei

Hello, my name is and I'm doing a survey for the Northland Marine Development Group to find out what international visiting yachties think of their stay in Northland; I'd also like to ask you some questions about how much you spend on re-fitting your boat and general living costs such as food, entertainment and so on. The survey will take between 20 and 30 minutes and, before we start, I would just like to assure you that all your replies will be treated confidentially. All replies will be grouped together and a statistical report will be produced.

Q1a Over the previous five years, including this season, how many times have you moored in Northland for the summer season?

1	2	3	4	5
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Q1b About how many months will you stay in Northland this time round?

1 month	2 months	3 months	4 months	5 months	6 months	7 months
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Q1c How likely are you to return to Northland for the next season i.e. 2008/2009?

Very Likely	Quite Likely	Neither	Quite Unlikely	Very Unlikely
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Q2a Thinking about maintenance on your boat, which of the following activities have you or will you undertake while you are in Northland?

On hardstand for hull cleaning and/or anti-foul	
Osmosis repairs	
Interior refit	
Exterior refit	
Mechanical/electrical/sails/rigging	

Q2b Approximately how much have you or will you spend on maintenance on your boat during your stay in Northland? **RECORD AMOUNT IN \$NZ**

\$NZ

IF YACHTIE VISITED NORTHLAND LAST SEASON i.e. REFER Q1A

Q2c Is this amount more, the same or less than you spent last season?

More than last season	
About the same as last season	
Less than last season	

Q2d Thinking about your spending on food, entertainment and all items or activities other than boat maintenance, approximately how much have you or will you spend during your stay in Northland? Please remember to include any expenditure on stores and provisions that you will buy in preparation for leaving Northland. **RECORD AMOUNT IN \$NZ**

\$NZ

Q3a During your stay in Northland, how many friends or family have visited or are likely to visit you? Please include people from other parts of New Zealand as well as from overseas.

Q3b Approximately how long did these people stay in Northland?

TYPE OF VISITOR	NUMBER	LENGTH OF STAY
Friends or family from other parts of New Zealand		
Friends or family from overseas		

Q4a Would you please tell me three main reasons why you visit New Zealand?

Q4b Would you please tell me three main reasons why you moor in Northland?

Q5 In which of the following ways did you find out about mooring your boat in Northland?

Met Northland reps in the islands	
Visited one or more websites	
Received a brochure	
Word-of-mouth/recommended by others	
Part of my/our regular circuit	
SPECIFY OTHER:	

Q6a Thinking about facilities for mooring and re-fitting your boat in Northland, overall how satisfied are you with these facilities?

Very Satisfied	Quite Satisfied	Neither	Quite Dissatisfied	Very Dissatisfied
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Q6b What do you like most about these facilities?

Q6c What do you like least about them?

Q6d What would be three main improvements that could be made to these facilities?

IF NOT SPECIFICALLY MENTIONED, THEN ASK:

Would a shore-based waste pumpout facility be important to you?

Yes	
-----	--

No	
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Q7a Which of the following New Zealand government departments have you had dealings with this season?

Customs	
Immigration	
Agriculture & Forestry	

FOR EACH AGENCY DEALT WITH

Q7b How satisfied were you overall with

CUSTOMS	Very Satisfied	Quite Satisfied	Neither	Quite Dissatisfied	Very Dissatisfied
IMMIGRATION	Very Satisfied	Quite Satisfied	Neither	Quite Dissatisfied	Very Dissatisfied
AGRICULTURE	Very Satisfied	Quite Satisfied	Neither	Quite Dissatisfied	Very Dissatisfied

Finally a few questions about yourself and your boat, for analysis purposes

- A BOAT SIZE
- B BOAT AGE
- C HOLDING TANK YES/NO
- D NUMBER OF PERMANENTS ON BOARD
- E NATIONALITY OF PERMANENTS
- F CURRENT OR PREVIOUS OCCUPATIONS
- G LAST PORT PRIOR TO NEW ZEALAND
- H NEXT PORT AFTER NEW ZEALAND
- I HOME PORT

GENERAL COMMENTS: Are there any general comments that you would like to make?

THANK YOU FOR PARTICIPATING IN THIS SURVEY

APPENDIX THREE: Methodology

OBJECTIVES

- To assess the value of the IVY sector to the Northland marine sector and the overall regional economy
- To measure the level of customer satisfaction by the IVY sector with their Northland visit

WHO DID THE INTERVIEWING?

- Whangarei Ian Thompson
- Opuā Val Cooper
- They were recommended by Ian Gray; both have extensive marine backgrounds; I have met them both separately and am confident of their ability and willingness to carry the project out

HOW MANY INTERVIEWS WERE CONDUCTED?

- Whangarei 40
- Opuā 20
- These are good sampling fractions and, while a Northland report will be prepared, the opportunity exists to look at results for each location separately

WHEN WERE THE INTERVIEWS CONDUCTED?

- Interviewing began from the middle of March and was completed before the end of April

HOW WAS THE SURVEY CONDUCTED?

- face-to-face interviews, using a structured questionnaire