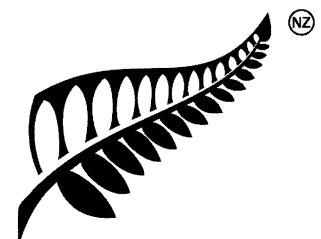


New Zealand Tourism Strategy 2010

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Appendix 1: Glossary of Abbreviations and Terms

Glossary of Abbreviations & Terms

Abbreviations

APEC	Asia Pacific Economic Community
ATTTO	Aviation, Tourism and Travel Training Organisation
CAM	Commercial Accommodation Monitor
CRM	Customer Relationship Management
DoC	Department of Conservation
DTS	Domestic Travel Study
ECAT	ECommerce Action Team
FoRST	Foundation of Research, Science and Technology
FTE	Full time equivalent employee
HIS	Hospitality and Service Industry Training Organisation
ICOMOS	International Council on Monuments and Sites
INZ	Industry New Zealand
ITOs	Industry Training Organisations
IVA	International Visitor Arrivals
IVS	International Visitor Survey
LGNZ	Local Government New Zealand
LOS	Length of Stay
MFE	Ministry for the Environment
MICE	Meetings, Incentives, Conventions and Events
NewRTOs	Proposed 'new generation' RTOs
OECD	Organisation for Economic Co-operation and Development
OTSp	Office of Tourism and Sport
PATA	Pacific Asia Travel Association
PCE	Parliamentary Commissioner for the Environment
RMA	Resource Management Act
RTOs	Regional Tourism Organisations
SMEs	Small and Medium Enterprises
SFRITO	Sports, Fitness, Recreation Industry Training Organisation
TEAC	Tertiary Education Advisory Commission
TIANZ/TIA	Tourism Industry Association of New Zealand
TLAs	Territorial local authorities
TNZ	Tourism New Zealand
TRCNZ	Tourism Research Council of New Zealand
TRM	Trade Relationship Management
TSA	Tourism Satellite Account
TSG	Tourism Strategy Group
VIN	Visitor Information Network
VFR	Visiting Friends and Relatives
WTO	World Tourism Organisation

Terms

Authenticity	Authenticity is a measure of the extent to which an event or experience occurs naturally, rather than being artificially created or contrived. Authentic Maori products are the sub-set of Maori products that deliver a richer understanding and appreciation of whanau/hapu/iwi culture, and are delivered/endorsed by whanau/hapu/iwi.
Back office	Refers to the non-customer facing business operations common to most enterprises. Generally, these include financial systems, HR and payroll, IT elements and the purchase function.
Brand	The attributes that define an identity and embody a market position. The brand for a country as a whole can be different from its brand as a holiday destination.
Brand mark	A name, sign, symbol, music, sound or design, or some combination of these which recalls the brand personality (emotional, tonal, verbal etc) and differentiates one product, service or destination from its competitors.
Compliance Costs	Costs to affected parties of interacting with government to meet statutory requirements, e.g. resource consents, drivers licenses, Statistics NZ returns, DoC's concession fees. They often relate to processing authorisations or provision of information.
Core Data Set	There are six core elements to the New Zealand core data set: Forecasting, International Visitor Arrivals (IVA), International Visitor Survey (IVS), Domestic Tourism Study (DTS), Commercial Accommodation Monitor (CAM), Tourism Satellite Account (TSA).
Destination Marketing	Includes all the planned activities by tourism businesses and organisations that are designed to increase intent to travel to a destination by increasing awareness of the destination's attributes and the benefits of a visit. It includes strategic activities such as brand building and product development as well as sales-related activities such as trade relation management and providing information about products and prices.
Destination Management	Management of the tourism destination elements related to the tourism environment and setting e.g. land management, tourism environment, tourism planning, roading planning.
Direct Contribution	The contribution to GDP made by the sellers of products to tourists, as well as the suppliers of retail commodities which firms onsell to tourists. This allows tourism to be compared to other sectors of the economy. This measure, plus indirect contribution (refer below), imports used and GST comprise total tourism contribution.
Distribution Channels	The systems used by tourism operators to take their products and services to potential consumers with the purpose of generating sales. The distribution channel may involve one or more intermediaries.
Domestic Tourism	For consistency with international definitions, domestic tourism has been defined as overnight trips only. The key requirements for a domestic visitor are: <ul style="list-style-type: none">• The visitor resides in New Zealand• The visitor is travelling outside his/her usual environment• The travel duration is for less than 12 consecutive months• The visitor is not conducting an activity that will be remunerated from within his/her destination• The visitor stays at least one night away

Effective	Achieving the intended and desired result.
Efficient	Achieving the intended and desired result using minimum resources and with minimum negative consequences.
Events	Included are events of all sizes from major international events to small, local events or activities. These could be annual or one off. Also included are conferences, incentives and meetings.
Indirect Contribution	The contribution to GDP of the additional value added resulting from the production of intermediate inputs used to make products sold to tourists.
Investment	Putting money into an enterprise to start it up, expand or improve the standard of its activities.
Length of Stay	The number of nights international visitors spend in New Zealand and for domestic visitors the numbers of nights away from home.
Market	An opportunity characterised by: <ul style="list-style-type: none"> • Customers • Customer needs/wants • Ability to purchase • Willingness to pay • Authority to do so.
Market Position	The way a product or service or destination is perceived by the market in relation to competitors.
Natural Environment	Physical and biological resources including plants, animals, soil, Geological structures, water and air, and the interactions between them.
NewRTO	The new ‘second generation’ Regional Tourism Organisations (RTOs) that will be set up as part of the tourism strategy. This will undertake an expanded range of functions, particularly in relation to regional destination marketing and regional destination management.
NewTNZ	The strategy will bring some enhancements to the current Tourism New Zealand. NewTNZ will continue to undertake all the current functions of TNZ but will include more involvement from the private sector.
Partnership	A relationship approach that reflects a significant and ongoing commitment to working together to achieve long term aims. The term partnership is often used by Maori to describe their preferred relationship with the Crown and/or non Maori.
Quality Mark	A recognisable symbol that provides an independent endorsement of quality.
Regional Spread	The dispersal of visitors and visitor expenditure throughout the country.
Return on Investment	The return on funds (and time) invested. This includes the expected operating/trading profitability; and anticipated capital gains, minus any costs associated with the investment (e.g. interest on loan).
Seasonality	The tendency of visitor flows to be concentrated into specific periods of the year. This is caused by climatic, cultural or institutional factors in either the destination or origin market or both.
Social Environment	Comprises communities and individuals and their cultures, infrastructure and interactions.
Sustainability	The intergenerational management of the physical, natural and social environmental and economic factors that make New Zealand unique, for the enjoyment of New Zealanders and visitors, both for the present and in the future.

Tourism Product	Tourism products comprise infrastructure and goods and services that deliver experiences to visitors. Tourism products are developed, manufactured, grown or extracted. They can be purchased individually or as a package.
Visitor Expenditure	Amount of money spent by a visitor.
Visitor Experience	The total visitor experience is the sum of the experiences provided to a visitor by tourism operators as well as the visitor's other interactions with New Zealand or New Zealanders.
Whole of Government	A co-ordinated and integrated approach among all affected government agencies to responding to policy issues and progressing initiatives.

Appendix 2: Key TSG Recommendations

Key TSG Recommendations

Structural Change

1. By July 2002, a new jointly owned and funded private/public sector organisation is established to lead international branding and marketing. It should be governed by a Board with members appointed by:

- Central Government,
- LGNZ on behalf of TLAs and NewRTOs
- TIA on behalf of industry.

In appointing representatives to the Board, consideration should be given to nominating people with industry experience, including Maori.

2. Adopt a whole-of-government approach to tourism that is led by a Ministry of Tourism. Immediate priority should be given to increasing the resourcing and funding of OTSP to enable it to take on an enhanced policy advice role, prior to the establishment of a Ministry.
3. TIA continues to lead industry advocacy at both a local and central government level, playing an important role in further developing SMEs' capability. TIA will be involved in key sector initiatives where a collective industry voice is required.
4. By mid 2002, NewRTOs will be established and take an enhanced role in:
 - Destination marketing and management
 - Domestic and international marketing
 - Regional tourism planning and development, and
 - Facilitating provision of services to tourism operators.
5. Local Government builds stronger links with NewRTOs and increases funding levels and certainty by July 2002. This will support their expanded role in both regional tourism planning and development and also the realisation of local and regional benefits.
6. Build Maori capability and ensure that Maori equity investment in tourism is increased, to enable greater participation of Maori in tourism at both a regional and national level.
7. By mid 2002, OTSp, Maori and TPK facilitate the creation of representative Maori tourism bodies (or structures within existing bodies) at a regional level. In the longer term, they will facilitate the establishment of a National Maori Tourism Organisation.

Securing and Conserving a Long Term Future

8. MFE, OTSp and TIA, on behalf of private sector operators, develop and promote resource use efficiency initiatives and environmental management systems to achieve agreed international benchmarks (including carbon neutrality) by 2010.
9. Department of Conservation monitors visitor impacts on the protected environment and promptly intervenes to manage these impacts using tools such as booking systems and one-way routes.
10. Department of Conservation invests in maintaining existing, and developing new recreational services and facilities on conservation lands to support increased visitor growth without damaging the environment.
11. Adoption of a whole of sector model to reduce complexity and improve efficiency in tourism planning and development by 2004. This will be led by LGNZ with local operators, investors, local government, Maori, NewRTOs, NewTNZ and central government agencies.

12. By 2002, Maori partner with NewRTOs and agree roles and accountabilities on:
 - Regional tourism planning and development
 - Regional destination marketing and regional destination managementOTSp and TPK should facilitate this.
13. By mid 2002, NewRTOs, Maori, the arts, cultural and heritage sector and the Ministry of Culture and Heritage provide guidance to the tourism sector on incorporating cultural heritage thinking into decision making.
14. Tourism operators, Maori, NewTNZ and NewRTOs in conjunction with the arts and cultural sector, investigate opportunities to develop cultural tourism products in a manner and timeframe that will differentiate New Zealand in the global marketplace. This will assist in tourism growth, so that by 2003 these products account for an increased proportion of the product range.
15. By late 2002, TIA and NewTNZ undertake a range of initiatives to increase understanding and build support for tourism among stakeholders.

Marketing and Managing a World Class Visitor Experience

16. NewTNZ continues to encourage widespread adoption of a common brand architecture and accelerates and widens the adoption of the NZ fern mark. This should be done by developing strategic alliances with the public and private sector so that by 2010, awareness and understanding of the NZ tourism brand reaches agreed targets.
17. Improve the use and quality of authentic and contemporary Maori experiences through a mechanism such as a Maori mark of authenticity.
18. Tourism operators, NewRTOs and NewTNZ continue to plan, develop and implement joint initiatives for all elements of the marketing mix to achieve private/public sector spend mix targets by 2003.
19. Tourism operators, NewRTOs, NewTNZ and inbound operators increase the development and packaging of year round, regionally differentiated and high yield products. The aim is that by 2003, these products will account for an increased proportion of the product range.
20. Tourism operators, event management operators and NewRTOs develop events at a regional level so that by 2003, these products will account for an increased proportion of the New Zealand product range. OTSp undertakes national policy advice and co-ordination and NewTNZ will assist with national marketing aspects of events.
21. By 2002, NewTNZ, tourism operators and offshore distributors develop a tourism distribution channel strategy so New Zealand tourism operators have an increased level of influence in the distribution channel.
22. Consider adopting the VIN strategy (as currently being prepared by the VIN Inc. Board in conjunction with TNZ), to provide objective information and travel services to the independently minded traveller.

Working Smarter

23. TIA, in conjunction with tourism operators, develops and delivers a range of business tools, methods, templates and resources for use by SMEs by end of 2002.
24. NewRTOs work closely with regional and local government to closely align destination marketing and destination management.

25. A working group of NewRTOs develops detailed options and recommendations for RTO functions, including the reduction of the existing 25 RTOs.
26. A working group of NewRTOs, investigate, model and develop a shared back office business case for common functions most efficiently undertaken on a joint basis. The aim is to achieve an overall reduction in NewRTO's back office costs by end of 2002.
27. By mid 2002, TLAs and central government confirm their long-term commitment to the tourism sector and confirm required infrastructure.
28. By mid 2002, TIA in conjunction with industry associations and operators, investigates the feasibility of rationalising the number of industry associations and/or makes tourism operators' membership to these associations less cumbersome.

Being Financially and Economically Prosperous

29. TIA leads sector initiatives to research, develop and promote the use of pricing and yield management strategies to improve financial and economic viability.
30. Tourism operators increase their use of pricing strategies to improve yield
31. Tourism operators explore premium pricing opportunities for quality and authenticity and NewTNZ and NewRTOs leverage this in marketing campaigns.
32. Tourism operators use competitive yield management strategies as a mechanism to improve utilisation of current assets and infrastructure, and improve planning and infrastructure development.
33. Tourism operators, NewTNZ and NewRTOs work with airlines to ensure airline yield and capacity issues are adequately accounted for in targeting visitors and developing products.

Tourism Enablers

34. By 2002, TIA and NewTNZ facilitate the development and implementation of a sector wide technology strategy to support sustainable growth in New Zealand's tourism sector.
35. SFRITO, ATTTO and HIS, in conjunction with tourism operators refocus the delivery of training to better meet the needs of SMEs.
36. Ensure efforts are made in conjunction with the TEAC to reduce the number of providers of tourism training.
37. TIA works with SkillNZ to obtain a larger proportion of industry training funding.
38. By July 2002, OTSp in conjunction with the TRCNZ establish commitment for continuation of funding for the core tourism data set for at least the next five years. The accountability for commissioning the core tourism data set and developing the R&D programme should be within one organisation.
39. OTSp in conjunction with the TRCNZ work to improve the level of public research funding applied to tourism research. The funding level should be comparable to other sectors making a similar economic contribution.
40. Central and local government and the private sector develop a model and agree on roles and responsibilities in relation to tourism infrastructure needs. This should be facilitated by OTSp, LGNZ and TIA.

41. Qualmark in conjunction with operators, investigates, develops and implements:

- a quality brand
- sector standards and
- an effective national accreditation framework for tourism.

Strategy Implementation

42. A joint Tourism Strategy Implementation group is established to oversee the development of the Implementation Plan and monitor progress against this plan. A substantive review of the Tourism Strategy 2010 should be undertaken in 2005.

Funding Strategy Implementation

43. A year-by-year analysis of additional funding requirements should be developed as part of detailed implementation planning for the Tourism Strategy and integrated into the appropriate budget rounds for the out years.

Appendix 3: Maori Tourism Advisory Group Paper for the TSG

Maori Tourism Advisory Group (MTAG) Paper for the TSG

Maori Tourism Advisory Group Members

The Maori Tourism Advisory Group consisted of the members listed. The paper they submitted to the TSG is provided below:

Thomas Mulligan (Chair)	Hawkes Bay Māori Tourism Trust
Karen Te-o-Kahurangi Grant	Māori in Tourism Rotorua
Andrea Williams	Māori Trust Office
Jacqui Te Kani	Māori Women's Welfare League
John Barrett	Te Ara A Maui
Kerry Johnston	Tourism Ngāti Porou
Paul Morgan	Federation of Māori Authorities
Peter Kitchen	Tai Tokerau Māori Tourism Assn
Rakihia (Rick) Tau	Ngai Tahu Investments Ltd
Darren Parata	Destination Mount Taranaki
Mānu Paul	New Zealand Māori Council
Owen Ormsby	Māori Tourism Development Board

HE KOHA KII KIA WHANUI TE TITIRO

A Gift of Words to Extend the Vision

In being invited to participate in the development of the NZ Tourism Strategy, members of the Maori Tourism Advisory Group have offered feedback to the strategy group which we trust expresses the framework from which tangata whenua choose to work from.

A framework based on the rights guaranteed under the Treaty of Waitangi – the original strategy for New Zealand’s development since 1840.

It is important to note that the Treaty was formulated to protect the sovereign rights of the tangata whenua prior to, during and subsequent to 1840, and that for the effective development of this New Zealand’s Tourism Strategy, it is the Treaty relationship which protects the rights of Maori to the effective and equitable participation and partnership within the Tourism industry.

In presenting the following vision, core values and critical issues, the Maori Tourism Advisory Group acknowledge that the objective of preparing the “draft strategy document” is to provide a framework from which to receive input and support from the wider industry.

It is incumbent on MTAG members to ensure that this strategy reflects a perspective from the Maori reality. It is felt that this can best be done by the identification of specific Maori outcomes and strategies, with a view to negotiating the level to which these needs and strategies will be included in the NZ Tourism Strategy by Maori.

The overall commitment to a Treaty framework within the Tourism Strategy will assist in demonstrating the value of Maori to the tourism industry and set the foundations from which to develop effective partnership, participation and protection of Maori involvement in the industry.

It is hoped that individual Maori operators, whanau, hapu and Iwi may find a useful foundation from which to empower their own development within their own communities and ensure a greater level of participation and investment in Tourism.

Vision for Maori in Tourism

To be the significant player and leader in the tourism industry

Core Values

Hutia te rito o te harakeke , kei hea to komako e ko
He aha te mea nui o te Ao, Maku e ki ake He tangata, he tangata, he tangata
Pull out the centre of the flax – Where then will the bellbird rest?
What is most important? I will say it is people, it is people, it is people.

Rangatiratanga

He uri whakaheke no nga kawai rangatira

Descendants from the realm of prestigious chief and leaders who have gone before us.

Sovereign right of Maori as tangata whenua and constitutional partner to the Treaty. The Right of Maori to determine and control their relationships in the tourism industry. For Maori to manage themselves and to protect all aspects of Maori culture including our intellectual property, customary practices and language.

Kaitiakitanga

Whatu ngarongaro te tangata, toitu te whenua

Man will perish, but the land remains.

Importance to look after the natural resources and land for the collective benefit of mankind. Sustainable management of natural resources – including those currently in the Crown estate and also natural built resources: pa sites etc. Ensuring the protection of our cultural practices in managing cultural sites, flora, fauna and matauranga.

Utu / Nama

Toi te kupu, toi te mana, toi te whenua

The permanence of the language, prestige and land.

Recognises the right of Maori to develop and build their capacity in the tourism industry. That the tourism industry ensures a Maori value in the New Zealand's investment in tourism. Actively seek retrospective remediation to put right the acts of the past to ensure Maori can effectively participate in the economic development of New Zealand.

Manaakitanga

Nau te rourou, Naku te rourou ka ora te manuhiri

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

Maori belief in the mutual respect between host and visitor. As tangata whenua - being the exceptional and natural host. Reciprocal standards of excellence from a Maori reality.

Whanau / Hapu / Iwi

Ehara te toa he toa takitahi, engari he toa takitini

My strength is not that of an individual but that of the multitudes.

Concept of a tribal community and development. Celebrate and foster Maori tribal difference and variation. Empower people at the whanau and hapu levels to support the tribal development.

Whanaungatanga: Kindred links and relationships are important to Maori.

Kotahitanga

Ka apiti hono , hei tatai hono

Broken pieces are joined together and people are reunited.

In supporting the endeavours of Maori to determine and control their participation, and partnership in the industry, New Zealand will benefit. Co-operative endeavour for mutual benefit.

Critical Issues

Tourism presents several important opportunities for Maori with key issues to achieve these outcomes being:

Significant player and leader in the NZ Tourism Industry

- Requires significant ownership and investment by Maori in the Tourism Industry.
- Requires improved control and/or management in marketing spend.
- Increased marketing of Maori off shore privately by Maori and jointly with the Industry.
- Consistently excellent quality in application of Maori culture in marketing and development in the Tourism Industry.
- Requires critical training for Tourism New Zealand and other agencies on Treaty of Waitangi, pronunciation and the Maori reality.

Development and Co-ordination of Maori Tourism Product

- Develop and increase critical mass at all levels - through associations and networks.
- Support the Use of quality standards across sectors – including retail.
- Maintain Maori Tourism Database – currently with Te Puni Kokiri.
- Enhance opportunities to increase participation by whanau, hapu and Iwi into Tourism.

Appropriate resourcing and assistance targeted for Maori Tourism

- Identify budget, investment opportunities, and collaboration between agencies and training support for Maori Tourism initiatives.
- Support the development of Maori Regional Tourism Organisations (MRTO'S), Maori authorities (iwi, trusts and incorporations), individual operators, new entrants and existing operators ability to participate effectively on the Tourism industry.
- Support the re-establishment of a representative National Maori Tourism Organisation to facilitate a national perspective on Maori interests in Tourism to government and industry and monitor progress of specific outcomes for Maori.
- Establish clear outcomes and outputs for Maori Tourism Development as a priority; to be reflected in Vote: Tourism with specific class of outputs to Tourism NZ and OTSp.

Equity and Control for Maori Tourism Development

- Negotiate sharing resources to address the development right.
- Improve inclusion of MRTO's in regional tourism organisations – inclusive of media / marketing and communication strategies.
- Increase Maori participation in the management and governance of the Crown Estate: Fisheries, conservation estate, natural / traditional, customary practices e.g.: kiwi, whalebone, birds.
- Review and amend legislation on Department of Conservation regarding the conservation estate, to provide access control and management according to Maori in accordance with Treaty of Waitangi sovereign right.
- Monitor and audit outputs of the strategy.

Consolidation of Crown Agencies and Tourism organisations

- Creation of “One stop shop” concept for the government agencies in Tourism to improve effectiveness to industry needs and efficiency of resources. Suggest Structural consolidation of agencies where there is one place for all advice, expertise and marketing of NZ. Role incorporates provision of tourism information, collection, collation and distribution of tourism information and resources.
- Designated policy and strategy to protect Maori image and practices in marketing strategy and use in the media.

Protection of Cultural and Intellectual property rights

- Establish strategic relationships with organisations and groups to Support of claims and development of specific frameworks to assist in protection of taonga, including:
 - WAI 262: Flora and Fauna and Intellectual Property Rights
 - Creative NZ: Te Waka Toi – Maori Made Mark
 - NZ Maori Arts and Crafts Act 1963
 - Trademarks and Patenting of Life Forms
 - Genetically Modified Organisms
 - Maori Organic Growers Association.
- Share information and assess impacts on development for Maori Tourism. Identify issues, develop policies, consolidate and support where appropriate.
- Foster and promote and preserve our arts and crafts according to traditional practices through training.
- Establish a branding criteria and strategy to assist Maori cultural authenticity in the tourism industry. Development of a Maori marketing strategy.

Maori specific Advocacy and Consultancy Services

- Establish database and support provision of services by range of Maori specialist businesses.
- Provision of advice by National Maori Tourism Organisation to regional tourism organisations regarding Maori tourism development and from Maori Regional Tourism organisations to national agencies or organisations. Facilitating effective consultation frameworks with communities and national forums.
- Facilitate access to best business practice, technology / IT systems / booking systems / e-commerce for Maori businesses and organisations in the Tourism industry.

Other Considerations for the strategy

Determining who are Maori in the Tourism industry

Maori currently participate within the Tourism industry across many sectors. Attempts have been made to define the nature and extent of “Maori Tourism” in New Zealand, but many statistical sources regarding business investment and ownership do not use ethnicity indicators – so there is very little information available.

By seeking an ethnic determinant, research methodologies inherently assume that Pakeha is normal and consequently create a paradigm whereby Maori are outside this. This practice in Crown documentation which reports on or provides for all New Zealanders supports a framework which in fact makes Maori “abnormal” or whereby we are an “outside” or “other” consideration.

The Treaty framework is important in ensuring that Maori are being counted – an acknowledgement of both existence and value. Maori actually means normal, usual and ordinary – an adjective used to describe things in their natural state. Maori was used to describe the indigenous people of the land, to refer to the ordinary inhabitants of Aotearoa.

“Indigenous peoples have the collective and individual right to maintain and develop their distinct identities and characteristics, including the right to identify themselves as indigenous and to be identified as such.

Indigenous peoples have the right to self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.”
(*United Nations Draft Declaration on the Rights of Indigenous Peoples Article 8, Article 3*)

Maori will continue to participate in the Tourism industry with or without a strategy

Primarily Maori will maintain and actively protect the cultural practice and responsibilities of being the tangata whenua or host to visitors to our regions and our country.

But more importantly Maori see opportunities for an economic well being that will support Maori social structures based around marae, iwi, hapu and whanau. The industry needs to develop ways in which to support control by Maori over Maori culture and the use of its symbols, language, images and practices beyond that as a tourist asset or marketing tool.

Active Acknowledgement and commitment to a Maori Strategy will also reinforce the value that Maori culture is important and unique to New Zealand and it’s tourism industry.

Recommendations to facilitate change over the next ten years

Now

- Negotiation at all levels – including local, regional and national regarding inclusion as Treaty partner.
- Improved participation by Maori as businesses and in representation on national organisations of the industry.
- Improved Resourcing of Maori initiatives to build capacity.
- Development of Quality Standards for Maori in Tourism.

5 years

- Monitoring and Auditing Framework based on Treaty. Compliance policy.
- Achievement of Specific spend or budget for Maori Tourism.
- Improved Investment by Maori in marketing and Tourism industry.

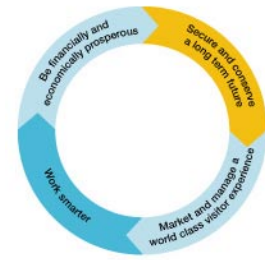
10 years

- Indigenous Policy and Strategy: The concept of specific strategies for Maori economic and tribal development and resources as agreed by Crown and Tangata Whenua.

Ka pu te ruha, ka hao te rangatahi
The old net is cast aside and the new net goes fishing.

Appendix 4: Securing and Conserving a Long Term Future

Objective 1: Securing and Conserving a Long Term Future



Issues and Opportunities

The sector is faced with a number of issues that need to be addressed by this strategy

Our natural, historic, social, built and cultural environment needs to be sustained for future generations. New Zealand's unique natural, historic, social and cultural environment is a major attraction for visitors. However, there are wide ranging environmental effects associated with tourism that could degrade the environmental, cultural and social qualities that underpin the success of the sector.

To manage the cumulative effects of tourism, the sector requires:

- Infrastructure and resources
- Frameworks for identifying required natural and social outcomes
- Better processes for monitoring and managing environmental effects
- Data to gain an appreciation of the full extent of environmental impacts
- Environmental indicators
- Research and development
- More effective planning at all levels (nationally, regionally and locally)
- Environmental standards for tourism operators
- Communication and consultation with, and co-ordination among, key environmental stakeholders.

Resource efficiency is an issue that must be addressed by the tourism sector. Although New Zealand is marketed as a clean and green destination, performance in relation to environmental protection and resource use does not always reflect this. A 1997 OECD survey found that New Zealand had the lowest proportion of companies producing environmental reports. A report produced in 2000 found that total greenhouse gas emissions had increased 19% since 1990. New Zealand is in the process of developing policy on greenhouse gas emissions. It is likely that, subsequently, new standards for transport emissions, and energy performance will be introduced.

Maori require more equitable and effective participation at all levels in the tourism sector. This is particularly relevant with regard to Maori product, establishment and management of Maori tourism businesses, relationships with RTOs, and representation on key sector organisation bodies (e.g. TNZ).

Many New Zealanders do not realise the contribution tourism makes to the national and regional economies. In many communities there is a division between those who welcome tourism activity, and those who actively resist it. Many communities, iwi and hapu, and interest groups seek more involvement in planning and managing the effects of tourism in their area. Projected steady growth in visitor numbers, while being welcomed by many, will challenge capacity, community acceptance and infrastructure in some communities. Addressing the process and relationship issues for tourism planning and development processes will be a key part of managing tourism growth in a sustainable manner.

These issues and other changes in the international and domestic marketplaces, provide the tourism sector with a number of key opportunities

Gaining sector commitment to conservation of the environment is essential. Traditionally this has been seen as the “responsibility of DoC”. However acting responsibly in areas such as environmental management and resource management offers the tourism sector the opportunity to be, and be seen as a responsible sector and committed to the long term.

There is a need for development of built, historic and cultural heritage (cultural tourism) products for current and new visitor markets. These types of products have been increasingly in demand by both domestic and international visitors. Cultural products address many of the current challenges such as the need for more non-weather dependent product and better regional spread.

Increased Maori participation in the tourism sector is an opportunity for Maori in terms of economic and financial wellbeing, job security, development of businesses, safeguarding Maori cultural values, providing investment opportunities, opportunity to promote the Maori product.

Continued involvement and “embracing of visitors” by local communities is a key opportunity. Visitors frequently comment about the friendliness of New Zealand people. This aspect could continue to be a key differentiator, but only if visitor impact on communities is managed in a way that enables this to be sustained.

Another opportunity is to ensure that we conserve the natural environment not only for conservation sake, but to uphold and future proof the quality of product, the New Zealand experience, and the natural and social environments that attract visitors to New Zealand.

Global Emerging Trends

Many of these issues and opportunities are not unique to New Zealand. The WTO Business Council identified the following key emerging global trends:

Community trends

- The creation of community based tourism organisations to enable communities to champion their own cause.
- Projects specifically focused on development of rural tourism across a country and therefore assisting with employment opportunities – combining tourism objectives with socio-economic, cultural and environmental considerations.
- Development of programmes to diversify local economies into tourism and reduce their dependence on other core sources of income.
- Renovation of traditional housing/infrastructure and converting it into tourism use.
- Development of nature trails via co-ordination of private/public partnerships and the local community.

Environmental trends

- Promotion of environmentally friendly operating practices e.g. The International Hotels Environment Initiative.
- Sponsoring environmental education and training programmes.
- Use of local vendor and locally produced foodstuffs and following of environmentally responsible practice.
- Education of visitors prior to visit (e.g. on the plane, ship) about the environment expectations of their destination.
- Social and enterprise development programmes that seek to promote and fund viable income generating projects that make use of wildlife related resources in the area.

- Linking of ecotourism to real conservation and social development projects.
- Focus on improving the tourism experience of tourists travelling through a natural environment so that they stay longer and generate increased income.

Cultural trends

- Establishment of the “cultural village” to demonstrate the cultural aspects of local communities.
- Restoration of cultural heritage sites as tourism destinations/attractions via private/public partnerships.
- Development of cultural heritage as an important attraction for tourists and development of innovative products around this.

Objective 1: Securing and Conserving a Long Term Future

Goal 1.1: To recognise the value of the natural environment and actively protect, support and promote its sustainability

Strategy **Conservation Management Commitment**

Getting sector wide commitment to conservation of the natural environment resource to ensure sustainability of the resource and maintain the quality of the visitor experience.

- Objectives**
1. Ensure the natural resource upon which tourism depends is preserved and conserved.
 2. Protect the natural environment experience.
 3. Ensure adequate funding is available to manage the sustainability of the environment.
 4. Improve the environmental performance of the tourism sector.

- We will do this by:**
- Kaitiakitanga – guardianship of our land and natural resources for the benefit of present and future generations.
 - Acknowledging that we are active partners in the conservation of the natural environment and its resources.
 - Acting in such a way that ensures that natural resource values are not depleted as a result of tourism.
 - Protecting the natural visitor experience.
 - Providing appropriate levels of funding to manage the environment in a sustainable manner.
 - Using technology and information to provide information to participants on the management of the natural environment.
 - Promotion and adoption of programmes such as Green Globe.

Key Recommendations

MFE, OTSp and TIA, on behalf of private sector operators, develop and promote resource use efficiency initiatives and environmental management systems to achieve agreed international benchmarks (including carbon neutrality) by 2010.

Department of Conservation monitors visitor impacts on the protected environment and promptly intervenes to manage these impacts using tools such as booking systems and one-way routes.

Department of Conservation invests in maintaining existing, and developing new recreational services and facilities on conservation lands to support increased visitor growth without damaging the environment.

Adoption of a whole of sector model to reduce complexity and improve efficiency in tourism planning and development by 2004. This will be led by LGNZ with local operators, investors, local government, Maori, NewRTOs, NewTNZ and central government agencies.

Supplementary Recommendations**Natural Environment**

- TIA continue to assist operators to adopt Green Globe or systems similar to Green Globe.
- Implementation of the Seoul Declaration and the APEC/PATA Code.
- DoC, MFE and TIA (as representative of private operators) investigate options for being carbon neutral and resource use efficient.
- DoC and OTSp develop a Tourism and Environment Statement with key stakeholders.
- DoC and TLAs/LGNZ and NewRTOs investigate methods and costs to monitor and minimise conflicts between increases in different visitor activities, facilities and services.

Tourism Planning and Development

- DoC, MFE and Regional Councils develop frameworks for identifying required natural and social outcomes and assessing the impact of tourism on natural resources and the New Zealand experience.
- TLAs, Regional Councils and MFE in partnership with OTSp, identify and monitor the cumulative effects of tourism activities on the environment and develop options for their management.
- TLAs and NewRTOs develop and implement district and tourism planning processes that uphold community values and involve communities in identifying local assets and defining acceptable limits of change for these.
- TLAs partner with Maori, under the provisions of the RMA, to ensure the protection of Maori rights of ownership.
- NewRTOs, TLAs, DoC and Maori participate in planning and development processes for Maori.
- NewRTOs incorporate elements of destination management into their roles.

KPIs

- Extent to which the sector meets world wide standards and environmental performance measures (e.g. carbon neutrality)
- Visitor satisfaction with quality of experience
- Sector involvement in tourism planning

Key Accountabilities

TIA
DoC
Operators
TLAs, Regional Councils & LGNZ
MFE
NewRTOs
OTSp

Goal 1.2: To ensure Maori participate and are partners in the tourism sector and that Maori culture and identity is protected.

Strategy

Principles, Partnerships and Participation

Recognising and understanding the rights of Maori with regards to tourism under the Treaty of Waitangi and providing opportunities consistent with these rights.

Objectives

1. Provide greater resourcing and support for the sustainable development and management of Maori tourism as part of New Zealand's indigenous heritage.
 2. Provide opportunities to improve representation of Maori in tourism sector organisations.
-

We will do this by:

- Providing opportunities for a mandated Maori tourism presence and voice in all decision making tourism forums.
 - Encouraging Maori to become a significant player and leader in the New Zealand tourism sector.
 - Developing Maori tourism product in a co-ordinated manner.
 - Ensuring appropriate resources and assistance are targeted for Maori tourism.
 - Providing opportunities for Maori to achieve equity and control of Maori tourism development.
 - Protecting cultural and intellectual property rights.
-

Key Recommendations

Build Maori capability and ensure that Maori equity investment in tourism is increased, to enable greater participation of Maori in tourism at both a regional and national level.

By mid 2002, OTSp, Maori and TPK facilitate the creation of representative Maori tourism bodies (or structures within existing bodies) at a regional level. In the longer term, they will facilitate the establishment of a National Maori Tourism Organisation.

By 2002, Maori partner with NewRTOs and agree roles and accountabilities on:

- Regional tourism planning and development
 - Regional destination marketing and regional destination management
- OTSp and TPK should facilitate this.
-

Supplementary Recommendations	<ul style="list-style-type: none"> • TPK develop, update and maintain a database of Maori in tourism. • TPK, in conjunction with OTSp and Maori tourism organisations, develops a monitoring and auditing framework based on the Treaty and including a compliance policy. • As part of the sector quality standards and accreditation framework develop quality standards for Maori in tourism jointly between Qualmark and Maori tourism organisations. • Improve resourcing of Maori initiatives to build capacity, including working with INZ to achieve this.
KPIs	<ul style="list-style-type: none"> • Maori participation indicators (e.g. employee numbers, employees in specific types of roles). • Maori specific information availability. • Level of funding available (public and private) for Maori tourism. • Operators and organisations are able to explain to visitors the meaning and importance of the Treaty of Waitangi.
Key Accountabilities	<p>TPK OTSp Maori operators. Maori through their involvement in sector agencies</p>

Goal 1.3: To proactively foster the recognition, understanding and appreciation of New Zealand's built, historic, cultural and Maori heritage.

Strategy

Expressing our Cultural Identity

Encouraging the whole sector to incorporate cultural heritage and contemporary culture(s) thinking in its decision making and acknowledge its importance to the tourism mix and to the longer term sustainability of our cultural identity.

Objectives

1. Improve the awareness, appreciation and access to New Zealand's historic and cultural heritage for both citizens and visitors.
 2. Ensure historic and cultural heritage values are not depleted as a result of tourism.
 3. Provide greater resourcing and support to sustainably manage New Zealand's historic and cultural heritage.
-

We will do this by:

- Acting in such a way that ensures that historic and cultural heritage values are not depleted as a result of tourism.
 - Making this an area of concern that involves all those participating in the sector.
 - Being sensitive to the needs of Maori to protect their rights and ownership and to determine what they want.
 - Sustaining both our cultural identity and product in a manner that promotes Maori integrity and other cultural values, and ensures that cultural values are retained for the future.
 - Promoting recognition of Maori cultural heritage by all tourism participants as a critical sustainability factor for tourism.
 - Encouraging the development of cultural and historical based products and using innovative packaging to target visitors.
 - Developing partnerships with the arts sector in New Zealand.
-

Key

Recommendations

By mid 2002, NewRTOs, Maori, the arts, cultural and heritage sector and the Ministry of Culture and Heritage provide guidance to the tourism sector on incorporating cultural heritage thinking into decision making. Tourism operators, Maori, NewTNZ and NewRTOs in conjunction with the arts and cultural sector, investigate opportunities to develop cultural tourism products in a manner and timeframe that will differentiate New Zealand in the global marketplace. This will assist in tourism growth, so that by 2003 these products account for an increased proportion of the product range.

Supplementary Recommendations	<ul style="list-style-type: none"> • OTSp, Maori and the Historic Places Trust in conjunction with the arts and cultural sector (Creative NZ) develop frameworks to identify required cultural and heritage outcomes. • Maori and NewRTOs promote recognition of the importance of Maori cultural heritage in the sustainability of the New Zealand natural experience. • Historic Places Trust, local communities and operators identify and prioritise areas of historic and cultural heritage value where they interact with tourism. • Creative New Zealand facilitates the development of a cultural tourism strategic plan. • Creative New Zealand facilitate the development of a “register” of cultural tourism products. • NewRTOs, local operators and arts and cultural networks develop regional cultural tourism directories where not already completed.
KPIs	<ul style="list-style-type: none"> • Understanding and awareness levels of New Zealanders about cultural heritage and the meaning and importance of the Treaty of Waitangi. • Understanding and awareness levels of visitors about cultural heritage and cultural tourism and the Treaty of Waitangi. • Increase in cultural tourism product sales as a percentage of total sales • Continued willingness of Maori to participate.
Key Accountabilities	<p>Operators whose product includes cultural aspects.</p> <p>NewRTOs.</p> <p>DoC as part of its Historic Places role.</p> <p>Cultural heritage and cultural tourism product organisations (e.g. Creative NZ, Nelson Arts).</p>

Goal 1.4: To have New Zealanders and their communities understand and actively supporting tourism

Strategy

Communities Interaction and Values

Making New Zealanders' level of understanding and interaction with tourism such that it encourages them to contribute to tourism growth in a manner that does not detract from community values.

Objectives

1. Build New Zealanders' recognition of tourism as a credible sector and contributor to the New Zealand and local economy.
 2. Improve the support and participation of host communities to tourism.
 3. Retain the essential elements of the host community that attract visitors and residents alike.
-

We will do this by:

- Building recognition of tourism both at the New Zealand and local community level.
 - Fostering retention of those essential elements that attract visitors and residents to a community.
 - Protecting the experience of New Zealanders so that they support tourism.
 - Respecting community values.
 - Manaakitanga – offering warmth and hospitality.
-

Key Recommendations

By late 2002, TIA and NewTNZ undertake a range of initiatives to increase understanding and build support for tourism among stakeholders.

KPIs

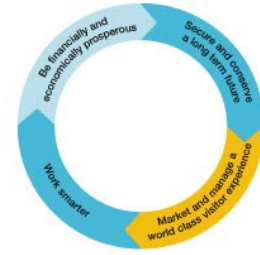
- Awareness of tourism as a key economic contributor (awareness exists, details known).
 - Communities' tolerance of visitors.
-

Key Accountabilities

- Private sector operators (who are often developing these messages on a one on one basis) in conjunction/co-ordinated by TIA as part of their "advocacy" role,
 - TIA
 - NewRTOs
 - NewTNZ
-

Appendix 5: Marketing and Managing a World Class Visitor Experience

Objective 2: Marketing and Managing a World Class Visitor Experience



Issues and Opportunities

The sector is faced with a number of issues that need to be addressed by this strategy

There must be a close match between the promise made to visitors and the products delivered. There is a need to better align branding and marketing activity with product delivery including the components of customer service, quality standards and infrastructure. The alignment will vary for different market and lifestyle segments.

As a tourist destination, New Zealand needs to brand itself and its regions in a manner that stands out from its competitors. This is a long term commitment. Tourists see many images of New Zealand from major exporters such as the Meat Board and the Dairy Board that typically have larger marketing budgets than the tourism sector. It is vital that there is an alignment across all New Zealand internationally focused branding initiatives.

The uneven spread of visitors during the year causes fluctuations in asset utilisation, employment patterns and financial returns to businesses. Fifty-two percent of international visitors come to New Zealand during the period November to March each year.

Seventy six percent of all international visitor expenditure is spent in five main cities in New Zealand and sixty two percent of all domestic expenditure is spent in four of these and one other. This disparity between the regions raises infrastructure and asset utilisation issues, particularly in provincial areas.

It is essential to constantly refresh and replenish the products offered to the market. Traditionally New Zealand products have had a weather-related and landscape/outdoor activity focus. Whilst these are still important products, there is a need to develop products that are less weather dependent to assist in smoothing out seasonality, and products to attract new and different types of international and domestic visitors.

These issues and other changes in the international and domestic marketplaces, provide the tourism sector with a number of key opportunities

International and domestic visitors are always looking for new product types and have increasingly sophisticated expectations. This creates opportunities for differentiation and development of new product types to address the seasonality issues.

Trends, such as the pressure to take short breaks from work and changes in the travel motivations of international and domestic markets, provide opportunities for creative packaging and pricing of New Zealand product. Examples of these include a wine trail through New Zealand linking different regional products, and niche focused arts and cultural tourism products. These initiatives will assist in achieving greater regional spread.

There is opportunity to develop domestic tourism marketing to a similar level to that of international marketing. This would enable optimisation of the “tools” currently used in international marketing and also the opportunity to grow regional competencies and develop distinct regional brands and products.

Many visitors to New Zealand also visit Australia. With airline capacity decisions being increasingly driven from Australia there is an opportunity to target new customers with a combined Australia/New Zealand product, where it is productive for New Zealand to do this. New Zealand should still compete where applicable.

Technology offers valuable opportunities to strengthen relationships with visitors from before travel starts to after the holiday is over. Building more relevant and ‘rich’ databases about visitors preferences and behaviours will assist New Zealand to understand these better and increase influence over travel decisions made off-shore by individual FIT and wholesalers and distributors.

Targeting domestic visitors to holiday in New Zealand is an opportunity that should not be underestimated. New Zealanders can be encouraged to travel more within New Zealand to “even” out some of the peaks that are caused by international visitors. Products such as events, arts and cultural products and other non-weather dependent activities will be attractive to domestic visitors.

Emerging Global Trends

Many of these issues and opportunities are not unique to New Zealand. The WTO Business Council identified the following key emerging global trends.

Product trends

- Improved co-operation between different product stakeholders such as product providers and government or local authorities.
- Facilitation of existing product improvements through improvement in facilities.
- Products focused around appreciation of the natural and cultural landscape and experiencing of local customers.
- Development of “product club” programmes as a form of joint marketing.
- Tourism promotion and marketing programmes that include members from sectors outside tourism e.g. automobile manufacturing, high fashion goods, department store chains.

Relationship trends

- Private/public sector partnerships for tourism promotion and marketing.
- Trans-border partnerships to encourage development of new tourism products.
- Innovation in the manner in which the public/private partnerships are developed and leveraged.
- Joint funding of individual campaigns to promote specific products or target specific markets, particularly focusing on co-ordination of efforts between parties.

Promotion trends

- Promotion programmes to market a country and also to educate the general public on the economic importance of tourism and the need to upgrade the tourism product.
- Campaigns that reinforce the natural and environmental aspects of a destination.
- Development of co-operative crisis management programmes.

Objective 2: Developing a World Class Visitor Experience

Goal 2.1: To strengthen the unique elements of New Zealand’s culture, lifestyles and environments in our brand positioning and New Zealand and regional product development

Strategy **Building a Compelling Brand**
 Investing in, promoting and developing a compelling brand by adopting the New Zealand fern mark and the brand values that underpin it. Ensuring a match between the promise we have made with our brand(s) and the delivery of the product. Strengthen the unique elements in New Zealand product development including adoption of a product differentiation strategy and utilising innovative packaging and pricing to take these to market.

- Objectives**
1. Accelerate the adoption of the New Zealand fern mark and the brand values that underpin it in New Zealand and regional tourism branding.
 2. Improve and leverage regional profiles to provide consistent but differentiated product.
 3. Provide a high quality differentiated experience that delivers on the promise and stimulates demand.
 4. Increase reach and penetration of our brand to key target segments.

- We will do this by:**
- Building on our base brand elements and maximising opportunities to further differentiate in our brand and product development.
 - Developing and co-ordinating differentiated regional brands and products consistent with the overall brand.
 - Implementing a focused brand strategy, which reinforces brand values.
 - Developing products to deliver on the promise we have made.
 - Using quality frameworks and our key people resource to assist in this positioning.
 - Recognising the unique role of Maori in brand and product positioning.
 - Utilising leading practice destination management mechanisms and techniques.
 - Co-operating with other external marketing agencies/brand builders.

Key Recommendations NewTNZ continues to encourage widespread adoption of a common brand architecture and accelerates and widens the adoption of the New Zealand fern mark. This should be done by developing strategic alliances with the public and private sector so that by 2010, awareness and understanding of the New Zealand tourism brand reaches agreed targets.

Improve the use and quality of authentic and contemporary Maori experiences through a mechanism such as a Maori mark of authenticity.

Supplementary Recommendations	<ul style="list-style-type: none"> • NewTNZ and NewRTOs jointly develop and co-ordinate differentiated regional brands consistent with the New Zealand brand. • Consideration should be given to extending use of the New Zealand fern mark to the New Zealand flag. • NewTNZ and Maori tourism participants promote recognition of the importance of Maori culture and experience in brand positioning. • NewTNZ in conjunction with the private sector continue to identify strategic alliance opportunities to improve reach and penetration of the brand. • NewTNZ, NewRTOs and operators evolve the New Zealand tourism brand to emphasise our people and cultures as well as our landscape and adventure industry.
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KPIs	<ul style="list-style-type: none"> • Brand awareness in target markets. • Reach in target markets. • Penetration in target markets. • Level of adoption of Brand New Zealand Fern mark by tourism operators and other stakeholders.
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Key Accountabilities	<p>NewTNZ primary accountability in conjunction with Trade New Zealand, NewRTOs Maori Operators Creative New Zealand/ Te Waka Toi Qualmark Industry New Zealand</p>
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Goal 2.2: To establish New Zealand as a leading tourism destination in our target markets

Strategy **Applying Creativity and Co-ordination to the marketing elements**

Undertaking co-ordinated advertising, market research, product development, pricing and promotion to ensure that all exposure of New Zealand as a leading tourism destination to domestic and international visitors is sending a consistent message(s) and is aligned with brand messages.

- Objectives**
1. Create awareness of New Zealand as a visitor destination in a consistent manner in our target markets.
 2. Improve effectiveness of public/private marketing spend in international and domestic markets.
 3. Develop one on one relationships with existing and potential visitors to New Zealand.
-

- We will do this by:**
- Developing effective partnerships both between the private and public sectors, and among public sector organisations.
 - Using technology to promote effectiveness and consistency in the message.
 - Promoting to domestic visitors opportunities to holiday in New Zealand.
 - Innovative customer and trade relationship marketing.
 - Ensuring there is a quality approach in both message and delivery.
 - Increasing reach and penetration of our brand to our key target markets.
 - Being innovative in the use of integrated communication programmes by combining the most effective communication media (word of mouth, media and advertising/marketing) and combining multi agency/organisation messages.
 - Recognising the importance of all elements of marketing including research, product development, pricing, promotion and distribution.
-

Key Recommendation Tourism operators, NewRTOs and NewTNZ continue to plan, develop and implement joint initiatives for all elements of the marketing mix to achieve private/public sector spend mix targets by 2003.

Supplementary Recommendations	<ul style="list-style-type: none"> • NewTNZ improve its understanding of visitors’ perceptions of New Zealand, including visitors’ travel motivations and expectation, decision making processes and satisfaction levels. • NewRTOs continue to lead domestic marketing of their regions ensuring consistency with New Zealand branding and marketing. • NewTNZ and relevant tourism operators investigate opportunities for joint New Zealand-South Pacific dual destination travel marketing initiatives where this makes sense. • NewTNZ, tourism operators and NewRTOs develop more integrated communication programmes that include word of mouth (WOM), media and international marketing. • NewTNZ and tourism operators investigate ways to establish more effective one-to-one relationships with visitors. • Tourism operators and NewRTOs work together to identify opportunities to improve the sector approach to the visitor post sales process and experience. • Identify opportunities for better meeting the needs of visitors with disabilities. • NewRTOs evaluate opportunities to grow the volume and value of the domestic market. • NewTNZ and tourism operators continue to develop mechanisms for joint funding of offshore destination marketing. • NewTNZ and tourism operators investigate options for continued development of customer relationship marketing and trade relationship marketing initiatives.
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KPIs	<ul style="list-style-type: none"> • Awareness of New Zealand as a visitor destination in our target markets • Ratio of public: private sector funding in domestic and international marketing spend
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Key Accountabilities	<p>NewTNZ</p> <p>NewRTOs</p> <p>Private sector operators</p> <p>Input from distribution channels both onshore and offshore.</p>
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Goal 2.3: To optimise yield, seasonality and regional spread

Strategy **Growing year round domestic and international demand for New Zealand as a destination**

Influencing the visitor's decision making process either directly or through intermediaries to optimise yield and improve seasonality and spread. Development of year-round and segment specific product at the New Zealand and regional levels.

- Objectives**
1. Increase yield per visitor (average) by 2010 and achieve targeted yield levels for each per target market
 2. Increase the percentage of visitors (domestic and international) that arrive outside the defined "peak season", whilst not reducing the peak.
 3. Improve regional spread
 4. Increase and strengthen reasons for people to come to and travel within New Zealand.
-

- We will do this by:**
- Targeting new visitors to travel to, and within New Zealand, at times other than those that are currently peak season.
 - Providing differentiated product to meet visitor needs.
 - Enhancing the appeal of products that are not weather dependent and therefore can be more easily provided outside peak season.
 - Co-ordinating the provision of current seasonal based product.
 - Innovative packaging of products to target specific lifestyle segments.
 - Understanding, identifying and targeting high yield (elements of days stay and spend) visitors.
 - Increasing the opportunities to influence the tourism supply chain.
 - Recognising airline yield and capacity imperatives.
 - Recognising the influence on demand that pricing formulas can have.
-

Key Recommendations

Tourism operators, NewRTOs, NewTNZ and inbound operators increase the development and packaging of year round, regionally differentiated and high yield products. The aim is that by 2003, these products will account for an increased proportion of the product range.

Tourism operators, event management operators and NewRTOs develop events at a regional level so that by 2003, these products will account for an increased proportion of the New Zealand product range. OTSp undertakes national policy advice and co-ordination and NewTNZ will assist with national marketing aspects of events.

Supplementary Recommendations

- NewTNZ, relevant NewRTOs, tourism operators and airlines facilitate development of joint South Pacific/New Zealand products targeted at long haul visitors who do not currently see either New Zealand on its own or the South Pacific/New Zealand as travel options.
- NewTNZ, tourism operators, NewRTOs and macro regions co-ordinate season-based product.
- Tourism operators, NewTNZ, NewRTOs and macro regions identify opportunities to build the ‘NZ experience’ and local experience into product development.
- NewTNZ, macro regions, NewRTOs and tourism operators identify opportunities to develop innovative packaging for lifestyle segments.
- NewRTOs and event operators/associations identify options for improved co-ordination of management of MICE to utilise a twelve-month calendar.
- Events organisers establish a process for the development and co-ordination of event bidding and management, and sharing of leading practices.

KPIs

- Yield per international visitor from target markets.
- Percentage of additional volumes of visitors that arrive outside the peak season.
- Percentage of domestic and international visitor expenditure made in other than the top five regions.

Key Accountabilities

NewRTOs in conjunction with NewTNZ.

Private operators either individually or as part of a “product group” e.g. arts or cultural products.

OTSp on government inter-agency activities.

Goal 2.4: To sustain and strengthen our distribution channels to ensure long term distribution access and profile of New Zealand tourism product

Strategy

Developing and retaining strong distribution channels

Identifying and developing long term distribution channel requirements, to ensure a strong link between the visitor and the product provider.
Ensuring that public and private sector roles are developed and agreed consistent with channel lifecycle requirements.

Objectives

1. Develop a unified view of target markets and commonality of goals and responsibilities between private and public sectors
 2. Strengthen the New Zealand content on major travel internet sites
 3. Achieve critical mass in wholesaler representation and promotion of New Zealand product in key target markets
 4. Continue to manage and monitor distribution channels to ensure continued and strengthened presence in target markets
-

We will do this by:

- Managing appropriately through channel lifecycles to ensure a good continuity of representatives in key markets.
 - Focusing on both traditional and new distribution channels.
 - Encouraging distribution channels to provide regular and consistent brand and product messages and content to target markets.
 - Developing a distribution strategy that articulates common goals and responsibilities between the public and private sector. This could, for example, focus the public sector on channel development in developing markets and the private sector on expanding the distribution channels in mature markets.
 - Establishing and maintaining critical mass for New Zealand product with wholesalers and specialist travel product aggregators in key target markets.
-

Key Recommendations

By 2005, NewTNZ, tourism operators and offshore distributors develop a tourism distribution channel strategy so New Zealand tourism operators have an increased level of influence in the distribution channel.

Consider adopting the VIN strategy (as currently being prepared by the VIN Inc. Board in conjunction with TNZ), to provide objective information and travel services to the independently minded traveller.

Supplementary Recommendation

- Tourism operators, NewTNZ, TIA (TRENZ) and NewRTOs identify opportunities to package products for the trade/distribution channels.
-

KPIs

- Level of representation in distribution channels in target markets
- Accuracy and consistency of content on major travel internet sites.

**Key
Accountabilities**

NewTNZ in conjunction with NewRTOs

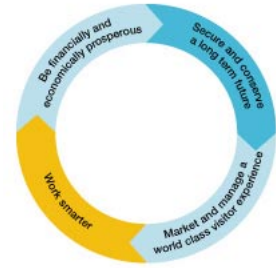
Private sector

Onshore and offshore distributors

Others in the distribution chain such as website content providers, ITOC and operators.

Appendix 6: Working Smarter

Objective 3: Working Smarter



Issues and Opportunities

The sector is faced with a number of issues that need to be addressed by this strategy

The overwhelming majority of New Zealand tourism operators are small family owned businesses. This results in sector and organisational inefficiencies, a lack of shared leading practice models and diseconomies of scale.

Both central and local government play a key role in tourism, through the development of policy and regulations that create the setting for tourism, and also in the planning and development of core and tourism related infrastructure. Local government bodies provide essential support to RTOs and are key in the facilitation and enablement of tourism planning and development. The ongoing commitment of central and local government agencies to tourism is vital.

There are key capability gaps for SMEs in business, people management and administration skills. Although there are numerous industry training programmes available, it is difficult for smaller operators to access these. Obstacles include pressures of seasonality, inability to 'leave the shop', inequity between government funding for pre- and post-employment training, and turnover of tourism sector employees.

The He Matai Tapoi Maori report confirms that there are also significant barriers to Maori participation in tourism.

Technology has not been leveraged for sector advantage. As a result many smaller operators are not able to meet sector and consumer functionality expectations. The low level uptake of technology has also resulted in further operational inefficiencies, and/or prevented the exploitation of technology enabled efficiencies for the sector.

Although quality and authenticity are critical elements to delivering on the promise, quality standards and accreditation frameworks are patchy across the sector and not aligned with international benchmarks.

The New Zealand tourism sector does not operate efficiently, in terms of who does what, how it is done, and who pays for it. There is lack of clarity among major sector participants about their respective responsibilities. There is substantial duplication of effort among tourism operators and little uptake of economy of scale opportunities. Little has been done to develop leading practice models and standard business processes and systems for the sector.

There are weak relationships between some local and regional tourism organisations and Maori. This has worked against effective and equitable Maori involvement and participation, and effective regional tourism planning and development.

There are 25 RTOs in operation. These have been developed with the funding and support of local government, but have developed at different times and to varying levels of effectiveness. There is a considerable degree of duplication and overlap in the RTOs functions, systems and processes. While a strong regional flavour is desirable, there is scope for rationalisation of some aspects of RTO operations, and potential for efficiency gains through information and resource sharing.

There is a myriad of industry associations in the tourism sector. This fragments knowledge and effort, and often means operators have to choose which of many associations to align with. This duplication of organisation structures is consuming an unnecessary amount of scarce sector resource.

Although there is a body of statistical and research information, this has not been easily accessible to the sector in a format that supports its application in business and sector decision making.

These issues and other changes in the international and domestic marketplaces, provide the tourism sector with a number of key opportunities

There is a significant opportunity for improvement in central and local government commitment both in financial/funding terms and also in terms of “taking their rightful place” in the tourism sector. A clear statement of commitment from the public sector will send the right signals to the rest of the sector and eliminate inefficiencies and uncertainty.

There is an opportunity to use technology to ensure tourism is a key contributor to economic growth. Technology offers many opportunities at both the visitor and market end of tourism businesses including building the capability of SMEs in particular.

Working smarter will create opportunities to improve alignment between the promise and product delivery from both a technology and quality perspective. These initiatives can improve the way the sector operates and ensure that the provision of service is aligned with the promise we make.

The strategy provides an opportunity to develop an improved sector structure. The key opportunities are in the establishment of a joint private/public sector approach to destination branding and marketing, and the development of ‘second generation’ RTOs to strengthen regional capability and the links between central, regional and local tourism entities. There is also scope for the development of innovative partnerships in a range of areas including marketing and a ‘whole of government’ approach to tourism policy and issues.

Centralisation of responsibility for the core data set, web-technology, continuous funding and agreement on research methodologies will make available more credible and reliable information on which operators and investors can base business decisions.

Global Emerging Trends

Some of the key findings from a WTO report: “Public-Private Co-operation – Enhancing Tourism Competitiveness” are summarised below.

Traditional roles for the public, private sectors, and local communities are changing. In developed countries, with semi-mature or mature tourism sectors, government tends to take a more facilitative than developmental role. Destination marketing and promotions have traditionally been the main focus of public-private sector co-operation, although there is a trend towards greater involvement and control of this activity by the private sector.

Other areas where public-private co-operation has contributed to tourism growth and competitiveness include:

- Infrastructure and product development
- Education and training
- Financing and investment
- Safety and security
- Environment and culture.

The report suggests following (ranked) areas as the most effective for public-private sector co-operation in future:

- Development of tourism education and training programmes
- Increased visibility/awareness of tourism marketing and promotion initiatives
- Support for industry participation in trade shows
- Participation in joint marketing programmes
- Initial/start up financial support
- Facilitation of local approval processes

New areas for public-private co-operation include:

- Technological innovation
- Policy making and legislative issues
- Tourism satellite accounts
- Hosting of mega-events

Objective 3: Working Smarter

Goal 3.1: To improve the capability of people working in the tourism sector	
Strategy	<p>Building Targeted Capability</p> <p>Providing targeted and collective improvement opportunities for tourism operators to increase capability and strengthen the sectors’ professionalism and delivery</p>
Objectives	<ol style="list-style-type: none"> 1. Increase business competence within the sector, and of SMEs in particular. 2. Increase the capability of RTOs/NewRTOs individually and as a group. 3. Improve the capability of the sector to attract and retain key people.
We will do this by:	<ul style="list-style-type: none"> • Building SME capabilities to a comparable level with the sectors’ larger operators. • Leveraging and utilising innovative and results orientated partnerships between and within the private and public sector to improve the capability of the sector. • Embracing and sharing leading practice, benchmarking and standards. • Ensuring that we attract and retain the employees with the right skill mix to build capability. • Ensuring NewRTOs are equipped with appropriate and consistent tools, methodologies, practices and knowledge.
Key Recommendations	<p>TIA, in conjunction with tourism operators, develops and delivers a range of business tools, methods, templates and resources for use by SMEs by end of 2002.</p> <p>NewRTOs work closely with regional and local government to closely align destination marketing and destination management.</p> <p>A working group of NewRTOs develops detailed options and recommendations for RTO functions, including the reduction of the existing 25 RTOs.</p> <p>A working group of NewRTOs, investigate, model and develop a shared back office business case for common functions most efficiently undertaken on a joint basis. The aim is to achieve an overall reduction in NewRTO’s back office costs by end of 2002.</p>
Supplementary Recommendations	<p>The details related to the SME recommendations are located with the enabling strategy recommendations.</p> <p>Recommendations related to RTO capability are:</p> <ul style="list-style-type: none"> • NewRTOs in conjunction with tourism operators improve the database of existing tourism product on a regional basis and identify infrastructure gaps/needs

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- NewRTOs collectively, in co-ordination with TRCNZ, develop common methodologies for use by NewRTOs. e.g. model for economic impact assessment
 - OTSp, TRCNZ and NewRTOs investigate the opportunities for NewRTOs to make available research, information and education resources to operators, local authorities and local communities
 - NewRTOs co-ordinate with NewTNZ on development and use of domestic marketing tools and methodologies similar to those used in international marketing
 - A working group of NewRTOs identify opportunities to develop technology infrastructure to create efficiencies, including internet/portal options.
 - LGNZ and regional authorities review funding allocations to NewRTOs and as a minimum commit to provide baseline funding for a minimum of three years.
 - NewTNZ and Industry New Zealand support the development of capacity in NewRTOs to facilitate effective tourism planning and development processes with central and local government, Maori and local communities

KPIs

- Technology uptake and use among SMEs
- NewRTOs capability improvement
- Increase in uptake of training opportunities by SMEs and their employees
- Reduction in NewRTO total back office costs

Key Accountabilities

NewRTOs in association with regional councils.
 TIA for development of some SME opportunities
 Operators
 NewTNZ
 LGNZ and regional authorities.
 OTSp

Goal 3.2: To have the public sector responsive, aligned and committed to its role in infrastructure and regional development investment

Strategy	Demonstrated Public Sector Commitment Provide understanding and information to local and central government about their roles in the establishment of the tourism setting and infrastructure. This would include growth in physical, financial, intellectual and technology capital to the appropriate level to support the long term direction of the sector.
Objectives	<ol style="list-style-type: none">1. Develop a whole-of-government policy and legislation approach that proactively assists in stimulating tourism growth.2. Improve planning for regional tourism infrastructure.3. Ensure information is available to enable well informed investment decisions.
We will do this by:	<ul style="list-style-type: none">• Understanding the level and type of investment needed to assist in the delivery of product to meet the promise.• Working innovatively in partnerships to achieve effective investment and regional development results.• Providing the right information upon which to base investment decisions.• Encouraging all participants in regional development to actively participate in investment decisions and actions.• Gaining commitment from the government at central and local levels to demonstrate its long term interest in the sector.
Key Recommendations	By mid 2002, TLAs and central government confirm their long-term commitment to the tourism sector and confirm required infrastructure.
Supplementary Recommendations	<ul style="list-style-type: none">• OTSp continues to develop the message about tourism as a key economic contributor.• OTSp, NewTNZ, and Industry New Zealand establish public-private sector partnerships to support effective investment and the achievement of national social, economic and regional development objectives.• OTSp, LGNZ, TIA and NewRTOs identify opportunities to establish proactive processes among central and local government, NewRTOs, and private sector parties to support more effective tourism planning and development.• OTSp set up “virtual” project-based public agency groups to proactively identify and progress tourism-related issues/initiatives with multi-agency implications. These contacts will also provide a means to rapidly distribute information.• NewRTOs in association with TIA and operators, develop a collective message to local government about respective roles in the tourism sector.

KPIs

- Greater local government commitment – measured by increased or longer term commitment to funding.
- Confirmed long term commitment from central government to tourism infrastructure.
- Confirmation of public sector funding levels consistent with the tourism strategy.

**Key
Accountabilities**

TIA, NewRTOs and operators with regards to local government.

OTSp in its policy role to central government.

LGNZ

Industry New Zealand

Goal 3.3: To increase sector efficiency and effectiveness.

Strategy**Efficient and Effective Structures and Systems**

Ensuring that we have efficient and effective structures, systems, relationships and processes to support the strategy, deliver on it and benefit the sector in the longer term.

Objectives

1. Ensure that sector structures are aligned to minimise duplication.
2. Build effective partnerships between the private sector, central and local government.
3. Improve the collection, exchange and dissemination of research and development.

We will do this by:

- Aligning sector structures and roles to provide the best structural fit to deliver the strategy and long term direction.
- Providing clear direction about who is responsible for what activities and functions and developing mechanisms to ensure this clarity remains as the sector changes/adapts.
- Using technology to share information and undertake tasks such as collaborative planning and co-ordination.
- Undertaking and committing to work together where there are shared objectives.
- Reducing the number of tourism organisations regionally, nationally and across the sector.
- Continue to develop a focus on research strategy and funding.

Key Recommendations

By July 2002, a new jointly owned and funded private/public sector organisation is established to lead international branding and marketing. It should be governed by a Board with members appointed by:

- Central government,
- LGNZ on behalf of TLAs and NewRTOs
- TIA on behalf of industry.

In appointing representatives to the Board, consideration should be given to nominating people with industry experience, including Maori.

Adopt a whole-of-government approach to tourism that is led by a Ministry of Tourism. Immediate priority should be given to increasing the resourcing and funding of OTSP to enable it to take on an enhanced policy advice role, prior to the establishment of a Ministry.

TIA continues to lead industry advocacy at both a local and central government level, playing an important role in further developing SMEs' capability. TIA will be involved in key sector initiatives where a collective industry voice is required.

By mid 2002, NewRTOs will be established and take an enhanced role in:

- Destination marketing and management
- Domestic and international marketing
- Regional tourism planning and development, and
- The facilitation of service provision to tourism operators.

Build Maori capability and ensure that Maori equity investment in tourism is increased, to enable greater participation of Maori in tourism at both a regional and national level.

Local government builds stronger links with NewRTOs and increases funding levels and certainty by July 2002. This will support their expanded role in both regional tourism planning and development and also the realisation of local and regional benefits.

OTSp, Maori and TPK facilitate the creation of representative Maori tourism bodies (or structures within existing bodies) at a regional level by mid 2002. In the longer term, they will facilitate the establishment of a National Maori Tourism Organisation.

By mid 2002, TIA in conjunction with industry associations and operators, investigates the feasibility of rationalising the number of industry associations and/or make tourism operators' membership to these associations less cumbersome.

KPIs

- Increased proportion of private sector contribution to marketing
- Level of participation of Maori in region based Maori tourism organisations
- Reduced number of industry associations
- Cost reduction and/or business improvement of some activities.
- Ease of access to information to sector efficiencies.

**Key
Accountabilities**

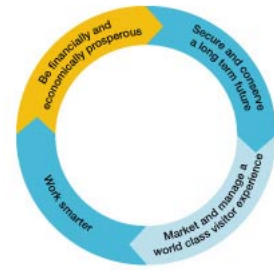
The Minister of Tourism

NewTNZ

NewRTOs for implementation of the Qualmark strategy and possible implementation of the VIN strategy

Appendix 7: Being Financially and Economically Prosperous

Objective 4: Being Financially and Economically Prosperous



Issues and Opportunities

The sector is faced with a number of issues that need to be addressed by this strategy

Greater yield, from both domestic and international visitors, is a key issue. Given the trend for shorter length of stay, visitors will need to spend more per day if the current level of yield per visitor is to be maintained. Increasing the yield per visitor will be an even bigger challenge.

The seasonal nature of international arrivals causes low overall occupancy rates in accommodation and under utilisation of plant and equipment across the tourism sector at particular times of the year. This is one of the major causes of poor returns on investment in the tourism sector. As tourism becomes a more prosperous sector, there is a risk that a rush of new entrants and new facilities will make utilisation issues more acute.

Although data about the profitability of the New Zealand tourism sector is not readily available, a sample of data from the accommodation sector indicates that profitability has been declining. Figures for other parts of the tourism sector indicate a different, but still not altogether ideal pattern. The issue for NZ is how to capture quality earnings.

Figures available show tourism expenditure varies significantly across the regions of New Zealand, both in the ratio of international to domestic expenditure and also the total amount. Some regions have invested in and benefited significantly from tourism development. Others have not had the same return on their investment.

There are overlaps in the structures and organisations within the New Zealand tourism sector. This is of particular importance in relation to organisational structures and overheads at a local level and also among industry associations, and results in excess costs and inefficiencies in the sector.

These issues and other changes in the international and domestic marketplaces, provide the tourism sector with a number of key opportunities

The opportunities relate to two broad areas, reducing costs and increasing revenue.

Economic return and return on investments can be improved by better utilisation of assets. Opportunities for improvement centre around increasing visitor numbers, particularly outside of traditional seasonal peak periods and through increased yield driven by new product development.

The profitability of tourism businesses can be improved by reducing business costs. There are opportunities to achieve this through effective resource and information sharing, technology-enabled efficiencies, and leading practice models. Investing in tourism training and development to build business capability will also contribute to the profitability of the sector, and improve the survival chances of tourism businesses.

The tourism strategy provides an opportunity to support regional economic development and national economic growth through the expansion of tourism activity outside the current 'high traffic' routes. Critical to achieving this will be strengthened regional and local capability, and the development of differentiated regional brands and high value added products, such as regional events.

Global Emerging Trends

Many of these issues and opportunities are not unique to New Zealand. The WTO Business Council identified the following global trends:

- Development of new product groups that focus on particular high yield segments
- Development of innovative marketing activities that encourage high yield visitors to return or to refer other high yield visitors
- Events programmes where events in the programme are selected annually based on their promotional potential and their ability to expand or accommodate additional visitors
- Development of tourism master plans and other strategic policy programmes
- Involvement of all parties (central government, local government, private investors, operators and local communities) in planning for new or regeneration of old infrastructure.

Objective 4: Being Financially and Economically Prosperous

Goal 4.1:	To achieve greater financial contribution and economic growth for the regions and New Zealand as a whole
Strategy	<p>Prosperity, Viability and Sustainability</p> <p>Positioning tourism as a part of New Zealand's economic transformation by ensuring long term economic growth and sustainability for the sector, regions and the country and the ability for individual participants to gain long term financial return.</p>
Objectives	<ol style="list-style-type: none"> 1. Improve the spread of economic benefits from tourism growth amongst the regions of New Zealand. 2. Deliver services in a cost-effective manner. 3. Improve utilisation of current infrastructure. 4. Improve profitability and survival rates of organisations in the tourism sector.
We will do this by:	<ul style="list-style-type: none"> • Improving the utilisation of current infrastructure and ensuring the future development of infrastructure is made in a way that does not in turn dilute this. • Using technology and common processes and practices to reduce the cost of service provision and business management. • Increasing the yield and spread of visitors to improve the distribution of the benefits of tourism. • Being collaborative on matters that would benefit the sector, whilst recognising the competitive nature of the tourism sector. • Foster innovative approaches to service provision and organisational and sector effectiveness. • Enabling regional economic development to catalyse economic growth.
Key Recommendations	<p>TIA leads sector initiatives to research, develop and promote the use of pricing and yield management strategies to improve financial and economic viability.</p> <p>Tourism operators increase their use of pricing strategies to improve yield.</p> <p>Tourism operators explore premium pricing opportunities for quality and authenticity and NewTNZ and NewRTOs leverage this in marketing campaigns.</p> <p>Tourism operators use competitive yield management strategies as a mechanism to improve utilisation of current assets and infrastructure, and improve planning and infrastructure development.</p> <p>Tourism operators, NewTNZ and NewRTOs work with airlines to ensure airline yield and capacity issues are adequately accounted for in targeting visitors and developing products.</p>

KPIs

- Average yield per target market
- Improvement in regional spread
- Increase in proportion of visitors outside seasonal peak periods

**Key
Accountabilities**

Tourism operators
NewRTOs
NewTNZ
Industry New Zealand

Appendix 8: Tourism Activity Modelling

Tourism Activity Modelling: Technical Note

Tourism Activity Model Development

The Tourism Activity Model was developed for the New Zealand Tourism Strategy 2010 to predict likely tourism activity in New Zealand to 2010.

McDermott Fairgray were commissioned by the Tourism Strategy Group to produce forecasts for the following key data inputs:

- Length of stay (days)
- Visitor numbers
- Average daily spend per visitor (\$)

Forecasts for these data inputs were developed by McDermott Fairgray and used as key inputs into the model. The tourism activity model was developed using the Microsoft Excel application.

Given the timeframe for development there are data limitations that must be considered when reviewing the model outputs.

Key Data Inputs

Length of stay (LOS)

'Length of stay' forecasts were available for international visitor nights, but not for domestic visitors due to a lack of accurate domestic historical data. The model assumes domestic LOS remains constant through to 2010.

Visitor numbers

International 'visitor number' forecasts have been based on visitor arrival data taken from the International Visitors Arrival (IVA) cards. Domestic visitor number forecasts have been based on 'New Zealand Outbound and Domestic Tourism Forecasts' developed by McDermott Fairgray. This data did not split visitor numbers by purpose of visit.

Average daily spend per visitor

The 'average daily spend per visitor' forecasts were undertaken by McDermott Fairgray based on spend data obtained from the TNZ International Visitor Survey. An assumption has been made in the base case scenario that the 'average daily spend per visitor' for both international and domestic visitors remains unchanged to 2010 for the purposes of this model. Therefore, expenditure forecasts may be conservative due to the no-growth assumption in 'average daily spend per visitor' used in the Base Case.

Tourism Activity Model Outputs

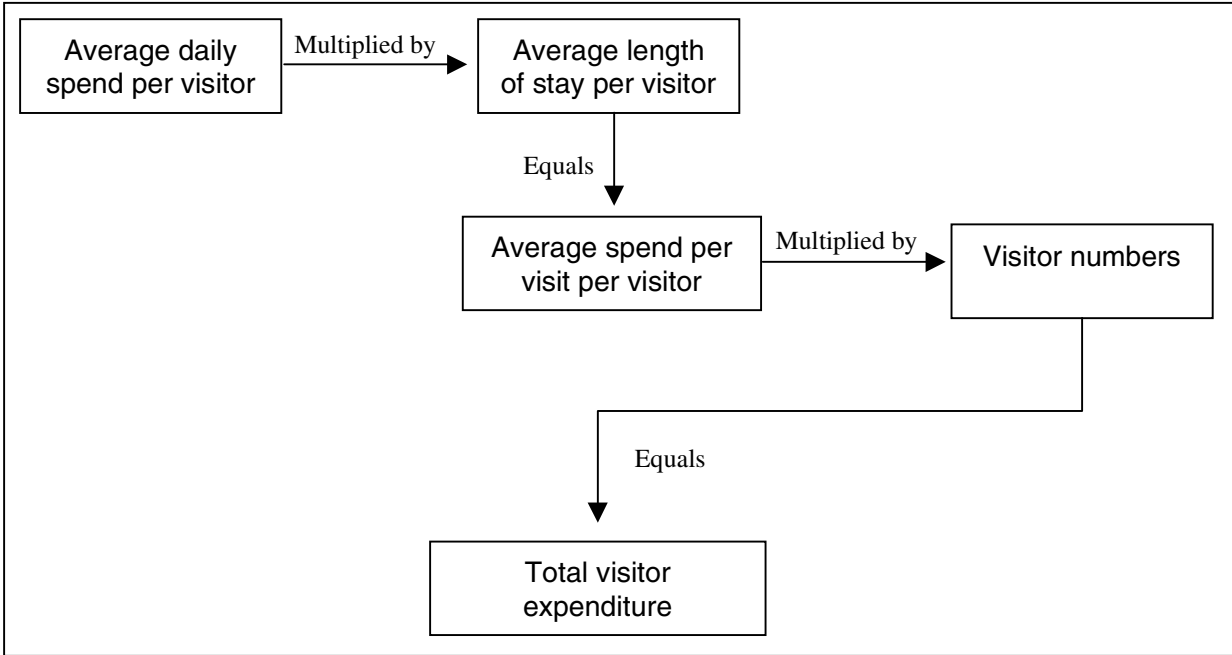
The key outputs of the Tourism Activity Model are:

- Visitor number forecasts
- Visitor expenditure forecasts
- Visitor night forecasts

Each key output listed above was forecast for both the domestic and international markets by purpose of visit to the year 2010. Purpose of visit categories were defined as “Visit Friends and Relatives” (VFR), “Holiday and Leisure”, “Business”, and “Other”.

Calculating Visitor Expenditure

Visitor expenditure is calculated by taking the average length of stay, multiplied by the average daily spend in each year, multiplied by the number of visitors. This is depicted in the diagram below:



Modelling Methodology Issues

Various issues have been raised by the modelling methodology, particularly when compared with other modelling/forecasting processes used by TNZ.

The initial year 2000 spend outputs modelled from the Tourism Activity Model differed from TNZ’s spend data from year end extrapolated actual figures which are based upon the International Visitors Survey (year end Dec 2000). The cause of this discrepancy is the fundamental difference in the methodology of the two different calculation processes:

1. The Tourism Activity Model uses inputs primarily forecast from IVA data and IVS spend information on a \$ per visitor per night basis.
2. The TNZ calculations of extrapolated actual spend are based upon the product of weighted IVS visitor profiles (extrapolated to reconcile to departure card visitor numbers) and average visitor spend per visit (which is based upon IVS data). The weighting relates to international departures which are around 201,000 lower than arrivals.

The discrepancy in 2000 outputs is therefore a consequence of the different base assumptions in the two approaches regarding the number of actual visitors, spend per visitor, spend per visitor per day and nights stay per visitor.

None of these four variables are common inputs to the two different ways of calculating the current actual estimates. In some cases it is possible to derive a common set of inputs for reconciling purposes based upon the two different data sets. To complicate the issue of reconciling by comparing the different input variables the two modelling processes use slightly different market segments and visitor type categories.

The key issue is visitor numbers. This accounts for the greatest proportion of overall expenditure variance between the TNZ figures and the Tourism Activity Model figures for the year 2000.

The statistical significance of both methodologies can be challenged, particularly in light of key input data being based upon extrapolations of information influenced by the sampling method applied to the international visitors sample and the sample size of 5000 visitors annually.

Results presented from the Tourism Activity Model should therefore only be used as a planning tool until more accurate data can be collected and a consistent approach to tourism activity data modelling developed.

Tourism Activity Model Outputs

The results derived from the Tourism Activity Model are discussed in the body of the Tourism Strategy 2010 document. Detailed output sheets follow which present:

- Visitor Days, Spend and Numbers in 2000
- Base Case 2010 Scenario
- Base Case 2000 and 2010 Comparisons
- Visitor Number Growth Scenario
- Spend Growth Scenario
- Combined Visitor Number and Spend Growth Scenario

Year 2000 – Visitor Days, Spend, Numbers

Sum of 2000
Visitor Numbers

MARKETS	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
DOM	6,411,600	6,879,600	2,687,360	1,280,240	17,258,800
Total Domestic Visitors	6,411,600	6,879,600	2,687,360	1,280,240	17,258,800

Visitor Numbers
Overnight

AUS	205,430	208,430	113,940	46,070	573,870
USA	31,740	124,830	20,720	18,500	195,790
UK	84,350	97,630	9,270	9,010	200,260
JAPAN	9,060	127,630	6,390	8,280	151,360
TAIWAN	7,390	29,240	1,120	3,100	40,850
GER	5,510	40,560	2,340	3,040	51,450
STHKOREA	11,370	47,050	2,120	6,050	66,590
SING	3,890	25,220	4,340	2,280	35,730
CAN	10,110	17,350	2,570	3,040	33,070
CHINA	5,650	13,090	8,830	5,930	33,500
EURO - 8	7,320	27,050	4,140	3,560	42,070
STHAME4	1,100	7,290	520	2,360	11,270
HKNG	6,810	19,000	2,580	1,650	30,040
MAL	3,820	13,910	1,550	1,250	20,530
THAI	3,220	18,530	890	4,060	26,700
INDO	1,490	6,000	640	930	9,060
NOR5	4,020	16,390	1,660	2,560	24,630
NETHER	6,290	15,400	960	1,230	23,880
SWITZ	2,760	9,100	520	1,060	13,440
STHAFR	8,370	5,440	1,040	1,350	16,200
REST	56,680	60,120	14,510	55,220	186,530
Total Int Visitors	476,380	929,260	200,650	180,530	1,786,820

GRAND TOTAL VISITORS	6,887,980	7,808,860	2,888,010	1,460,770	19,045,620
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Sum of 2000
Visitor days

MARKETS	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
DOM	18,593,640	26,142,480	6,718,400	3,712,696	55,167,216
Total Dom Days	18,593,640	26,142,480	6,718,400	3,712,696	55,167,216

AUS	3,141,025	2,911,767	843,156	524,277	7,420,224
USA	752,238	1,668,977	327,169	462,685	3,211,069
UK	2,666,304	2,820,531	159,444	346,885	5,993,163
JAPAN	176,308	1,583,888	108,247	462,604	2,331,046
TAIWAN	205,146	317,546	21,134	91,171	634,998
GER	216,984	1,125,134	41,722	140,600	1,524,440
STHKOREA	368,843	458,738	44,054	269,588	1,141,222
SING	80,523	308,188	30,510	48,427	467,649
CAN	297,032	439,302	53,636	79,678	869,648
CHINA	351,939	126,580	163,885	297,330	939,734
EURO - 8	273,475	564,804	92,736	120,898	1,051,913
STHAME4	31,614	87,699	8,861	100,772	228,946
HKNG	152,135	217,360	27,890	44,847	442,232
MAL	114,409	182,499	24,118	53,200	374,226
THAI	95,859	190,118	15,442	186,841	488,260
INDO	41,020	82,020	15,776	41,078	179,894
NOR5	144,760	426,140	25,979	138,189	735,068
NETHER	219,269	496,034	14,275	51,512	781,091
SWITZ	92,653	361,816	9,131	67,352	530,953
STHAFR	382,593	165,594	24,138	45,063	617,388
REST	2,038,213	1,246,288	489,277	1,671,509	5,445,287
Total Int Days	11,842,341	15,781,023	2,540,580	5,244,507	35,408,451

GRAND TOTAL VISITOR DAYS	30,435,981	41,923,503	9,258,980	8,957,203	90,575,667
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Sum of 2000

Visitor Spend (LOS * Avg spend per day per visitor * number of visitors)

Spend (\$)	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
MARKETS					
Overnight					
DOM	\$1,140,533,878	\$1,758,866,054	\$1,136,282,992	\$227,105,614	\$4,262,788,538
Total Dom Spend (\$)	\$1,140,533,878	\$1,758,866,054	\$1,136,282,992	\$227,105,614	\$4,262,788,538
AUS	\$206,299,088	\$440,117,879	\$196,476,582	\$37,735,800	\$880,629,349
USA	\$97,914,629	\$440,825,717	\$82,063,032	\$66,819,121	\$687,622,499
UK	\$242,827,945	\$375,847,017	\$28,430,638	\$22,613,090	\$669,718,690
JAPAN	\$60,359,358	\$729,124,718	\$56,006,491	\$42,501,370	\$887,991,938
TAIWAN	\$22,613,714	\$87,068,274	\$5,736,125	\$4,813,851	\$120,231,963
GER	\$25,079,137	\$136,600,637	\$13,494,281	\$14,885,044	\$190,059,099
STHKOREA	\$33,547,257	\$183,923,667	\$27,270,736	\$17,013,713	\$261,755,373
SING	\$7,968,210	\$66,563,013	\$13,730,606	\$3,166,984	\$91,428,813
CAN	\$17,746,330	\$84,571,546	\$5,137,384	\$4,760,430	\$112,215,689
CHINA	\$24,276,957	\$93,464,963	\$47,767,120	\$43,331,070	\$208,840,110
EURO - 8	\$22,675,571	\$76,975,911	\$30,845,714	\$24,657,696	\$155,154,892
STHAME4	\$1,974,799	\$28,469,959	\$4,738,282	\$6,390,197	\$41,573,238
HKNG	\$14,602,942	\$62,787,694	\$9,319,143	\$1,299,534	\$88,009,314
MAL	\$16,998,044	\$17,477,343	\$4,468,300	\$3,571,113	\$42,514,799
THAI	\$11,350,749	\$33,513,991	\$4,000,559	\$11,810,524	\$60,675,824
INDO	\$4,104,538	\$16,278,615	\$5,922,965	\$2,377,907	\$28,684,026
NOR5	\$10,467,265	\$46,019,664	\$10,099,877	\$2,854,886	\$69,441,691
NETHER	\$11,866,497	\$60,400,213	\$4,097,275	\$647,160	\$77,011,145
SWITZ	\$8,693,327	\$46,072,195	\$1,748,467	\$6,319,441	\$62,833,429
STHAFR	\$30,223,590	\$12,338,102	\$11,657,823	\$1,375,390	\$55,594,905
REST	\$153,961,625	\$173,884,937	\$124,790,324	\$185,679,036	\$638,315,922
Total Int Spend (\$)	\$1,025,551,572	\$3,212,326,056	\$687,801,723	\$504,623,355	\$5,430,302,706
GRAND TOTAL SPEND	\$2,166,085,450	\$4,971,192,111	\$1,824,084,715	\$731,728,970	\$9,693,091,245

Base Case 2010 Projections – Visitor Days, Spend, Numbers

Sum of 2010
Visitor Numbers

Visitor Numbers	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
MARKETS					
DOM	9,490,734	10,183,489	3,977,949	1,895,068	25,547,240
Total Domestic Visitors	9,490,734	10,183,489	3,977,949	1,895,068	25,547,240
AUS	315,480	274,960	250,040	65,710	906,190
USA	51,000	248,450	38,740	28,070	366,260
UK	146,670	177,220	11,630	13,090	348,610
JAPAN	16,320	185,870	5,900	11,030	219,120
TAIWAN	12,250	65,040	3,090	8,680	89,060
GER	5,410	45,680	2,950	3,730	57,770
STHKOREA	21,120	167,540	3,400	14,200	206,260
SING	7,120	41,200	10,750	3,230	62,300
CAN	14,460	33,570	4,250	7,130	59,410
CHINA	12,400	31,250	20,870	11,260	75,780
EURO - 8	17,970	60,920	8,890	9,730	97,510
STHAME4	2,650	16,060	1,320	2,950	22,980
HKNG	12,970	38,180	4,730	2,290	58,170
MAL	6,950	25,000	2,680	4,350	38,980
THAI	6,350	65,320	2,130	6,920	80,720
INDO	5,420	6,430	1,110	1,250	14,210
NOR5	8,780	23,630	4,540	3,770	40,720
NETHER	8,180	39,950	1,240	1,440	50,810
SWITZ	2,880	11,030	1,260	1,360	16,530
STHAFR	15,210	12,860	2,400	1,820	32,290
REST	105,710	156,460	34,150	95,960	392,280
Total Int Visitors	795,300	1,726,620	416,070	297,970	3,235,960
GRAND TOTAL VISITORS	10,286,034	11,910,109	4,394,019	2,193,038	28,783,200

Sum of 2010
Visitor days

Visitor Days	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
MARKETS					
DOM	27,523,129	38,697,257	9,944,873	5,495,697	81,660,956
Total Dom Days	27,523,129	38,697,257	9,944,873	5,495,697	81,660,956
AUS	3,728,974	3,027,310	1,712,774	611,103	9,080,160
USA	921,060	3,135,439	690,734	743,294	5,490,527
UK	3,562,614	3,790,736	250,627	357,357	7,961,334
JAPAN	233,376	2,962,768	115,404	612,165	3,923,713
TAIWAN	283,465	839,016	74,222	110,496	1,307,199
GER	144,718	1,304,621	68,204	200,711	1,718,254
STHKOREA	671,827	1,336,969	71,774	666,406	2,746,976
SING	124,814	423,536	70,950	41,086	660,385
CAN	321,590	802,323	108,290	143,099	1,375,303
CHINA	407,836	275,625	513,402	639,005	1,835,868
EURO - 8	506,754	1,292,113	233,896	362,443	2,395,206
STHAME4	67,231	203,801	26,677	172,959	470,668
HKNG	232,033	388,672	58,794	72,822	752,322
MAL	188,693	247,250	39,557	173,739	649,238
THAI	150,622	573,510	40,832	350,844	1,115,808
INDO	135,663	78,382	35,331	59,875	309,251
NOR5	200,447	604,692	95,113	217,755	1,118,007
NETHER	208,672	850,935	17,013	65,189	1,141,808
SWITZ	58,291	418,258	26,258	101,646	604,454
STHAFR	634,865	405,604	67,584	38,766	1,146,820
REST	3,467,288	3,013,420	987,277	2,510,314	9,978,298
Total Int Days	16,250,832	25,974,979	5,304,712	8,251,073	55,781,597
GRAND TOTAL VISITOR DAYS	43,773,962	64,672,235	15,249,586	13,746,770	137,442,553

Sum of 2010

Visitor Spend (LOS * Avg spend per day per visitor * number of visitors)

Spend (\$)	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
MARKETS					
Overnight					
DOM	\$1,688,268,754	\$2,603,551,425	\$1,681,976,405	\$336,171,788	\$6,309,968,372
Total Dom Spend (\$)	\$1,688,268,754	\$2,603,551,425	\$1,681,976,405	\$336,171,788	\$6,309,968,372
AUS	\$244,914,932	\$457,582,298	\$399,119,476	\$43,985,294	\$1,145,602,001
USA	\$119,889,249	\$828,161,240	\$173,255,342	\$107,343,495	\$1,228,649,326
UK	\$324,457,553	\$505,130,735	\$44,689,491	\$23,295,749	\$897,573,528
JAPAN	\$79,896,871	\$1,363,875,999	\$59,709,710	\$56,242,215	\$1,559,724,795
TAIWAN	\$31,246,936	\$230,050,395	\$20,144,669	\$5,834,236	\$287,276,236
GER	\$16,726,548	\$158,391,773	\$22,059,334	\$21,248,909	\$218,426,563
STHKOREA	\$61,104,513	\$536,037,011	\$44,430,644	\$42,056,917	\$683,629,085
SING	\$12,351,017	\$91,475,968	\$31,929,863	\$2,686,867	\$138,443,715
CAN	\$19,213,597	\$154,457,973	\$10,372,293	\$8,549,535	\$192,593,398
CHINA	\$28,132,805	\$203,517,297	\$149,640,082	\$93,124,648	\$474,414,832
EURO - 8	\$42,018,203	\$176,099,303	\$77,798,115	\$73,922,037	\$369,837,659
STHAME4	\$4,199,619	\$66,160,815	\$14,265,541	\$10,967,718	\$95,593,693
HKNG	\$22,272,061	\$112,273,849	\$19,645,490	\$2,110,167	\$156,301,567
MAL	\$28,034,537	\$23,678,312	\$7,328,619	\$11,662,435	\$70,703,904
THAI	\$17,835,210	\$101,098,349	\$10,578,714	\$22,177,398	\$151,689,671
INDO	\$13,574,754	\$15,556,517	\$13,264,837	\$3,466,012	\$45,862,119
NOR5	\$14,493,873	\$65,301,799	\$36,977,157	\$4,498,674	\$121,271,504
NETHER	\$11,292,972	\$103,615,186	\$4,883,023	\$818,979	\$120,610,160
SWITZ	\$5,469,260	\$53,259,241	\$5,028,029	\$9,537,127	\$73,293,657
STHAFR	\$50,152,321	\$30,220,904	\$32,640,205	\$1,183,196	\$114,196,625
REST	\$261,910,481	\$420,439,294	\$251,805,222	\$278,857,307	\$1,213,012,304
Total Int Spend (\$)	\$1,409,187,312	\$5,696,384,259	\$1,429,565,857	\$823,568,915	\$9,358,706,343
GRAND TOTAL SPEND	\$3,097,456,066	\$8,299,935,684	\$3,111,542,262	\$1,159,740,703	\$15,668,674,714

Base Case Projections 2000 and 2010 Comparisons

Base Case - 2000								
Market	Total expenditure (\$millions)	Proportion of total spend	Visitor numbers	Proportion of visitor numbers	Spend per visit (\$)	Visitor nights	Length of stay	Spend per person per day (\$)
Domestic Overnight Trips	\$4,262,788,538	100%	17,258,800	100%	\$247	55,167,216	3.2	\$77
Total Domestic	\$4,262,788,538	100%	17,258,800	100%	\$247	55,167,216	3.2	\$77
Australia	\$880,629,349	16%	573,870	32%	\$1,535	7,420,224	12.9	\$119
UK	\$669,718,680	12%	200,280	11%	\$3,344	5,993,163	29.9	\$112
USA	\$687,622,499	13%	195,730	11%	\$3,512	3,211,069	16.4	\$214
Japan	\$887,991,938	16%	151,360	8%	\$5,867	2,331,046	15.4	\$381
South Korea	\$261,755,373	5%	66,590	4%	\$3,931	1,141,222	17.1	\$229
Germany	\$190,059,098	3%	51,450	3%	\$3,694	1,524,440	29.6	\$125
Taiwan	\$120,231,963	2%	40,860	2%	\$2,943	634,998	15.5	\$189
Singapore	\$91,428,813	2%	35,730	2%	\$2,559	467,649	13.1	\$196
Canada	\$112,215,669	2%	33,070	2%	\$3,393	869,648	26.3	\$129
Hong Kong	\$88,009,314	2%	30,040	2%	\$2,930	442,232	14.7	\$199
Thailand	\$60,675,824	1%	26,700	1%	\$2,273	488,260	18.3	\$124
Nordic	\$69,441,691	1%	24,630	1%	\$2,819	735,068	29.8	\$94
Netherlands	\$77,011,145	1%	23,880	1%	\$3,225	781,091	32.7	\$99
Malaysia	\$42,514,799	1%	20,530	1%	\$2,071	374,226	18.2	\$114
Switzerland	\$62,833,429	1%	13,440	1%	\$4,675	530,953	39.5	\$118
Other Countries	\$1,128,163,093	21%	298,630	17%	\$3,778	8,463,160.60	28.3	\$133
Total International	\$5,430,302,706	100%	1,786,820	100%	\$3,039	35,408,451	19.8	\$153
TOTAL	\$9,693,091,245		19,045,620			90,575,667		

Base Case - 2010								
Market	Total expenditure (\$millions)	Proportion of total spend	Visitor numbers	Proportion of visitor numbers	Spend per visit (\$)	Visitor nights	Length of stay	Spend per person per day (\$)
Domestic Overnight Trips	\$6,309,968,372	100%	25,547,240	100%	\$247	81,660,956	3.2	\$77
Total Domestic	\$6,309,968,372	100%	25,547,240	100%	\$247	81,660,956	3.2	\$77
Australia	\$1,145,602,001	12%	906,190	28%	\$1,264	9,080,160	10.0	\$126
UK	\$897,573,528	10%	348,610	11%	\$2,575	7,961,334	22.8	\$113
USA	\$1,228,649,326	13%	366,260	11%	\$3,355	5,490,527	15.0	\$224
Japan	\$1,559,724,795	17%	219,120	7%	\$7,118	3,923,713	17.9	\$398
South Korea	\$683,629,085	7%	206,260	6%	\$3,314	2,746,976	13.3	\$249
Germany	\$218,426,563	2%	57,770	2%	\$3,781	1,718,254	29.7	\$127
Taiwan	\$287,276,236	3%	89,060	3%	\$3,226	1,307,199	14.7	\$220
Singapore	\$138,443,715	1%	62,300	2%	\$2,222	660,385	10.6	\$210
Canada	\$192,593,368	2%	59,410	2%	\$3,242	1,375,303	23.1	\$140
Hong Kong	\$156,301,567	2%	58,170	2%	\$2,687	752,322	12.9	\$208
Thailand	\$151,689,671	2%	80,720	2%	\$1,879	1,115,808	13.8	\$136
Nordic	\$121,271,504	1%	40,720	1%	\$2,978	1,118,007	27.5	\$108
Netherlands	\$120,610,160	1%	50,810	2%	\$2,374	1,141,808	22.5	\$106
Malaysia	\$70,703,904	1%	38,980	1%	\$1,814	649,238	16.7	\$109
Switzerland	\$73,293,657	1%	16,530	1%	\$4,434	604,454	36.6	\$121
Other Countries	\$2,312,917,232	25%	635,050	20%	\$3,642	16,136,109.30	25.4	\$143
Total International	\$9,358,706,343	100%	3,235,960	100%	\$2,892	55,781,597	17.2	\$168
TOTAL	\$15,668,674,714		28,783,200			137,442,553		

Four Percent Spend Growth Projections 2010

Sum of 2010
Visitor Numbers

4% spend growth
Visitor Numbers
Overnight

MARKETS	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
DOM	9,490,734	10,183,489	3,977,949	1,895,068	25,547,240
Total Domestic Visitors	9,490,734	10,183,489	3,977,949	1,895,068	25,547,240
AUS	315,480	274,960	250,040	65,710	906,190
USA	51,000	248,450	38,740	28,070	366,260
UK	146,670	177,220	11,630	13,090	348,610
JAPAN	16,320	185,870	5,900	11,030	219,120
TAIWAN	12,250	65,040	3,090	8,680	89,060
GER	5,410	45,680	2,950	3,730	57,770
STHKOREA	21,120	167,540	3,400	14,200	206,260
SING	7,120	41,200	10,750	3,230	62,300
CAN	14,460	33,570	4,250	7,130	59,410
CHINA	12,400	31,250	20,870	11,260	75,780
EURO - 8	17,970	60,920	8,890	9,730	97,510
STHAME4	2,650	16,060	1,320	2,950	22,980
HKNG	12,970	38,180	4,730	2,290	58,170
MAL	6,950	25,000	2,680	4,350	38,980
THAI	6,350	65,320	2,130	6,920	80,720
INDO	5,420	6,430	1,110	1,250	14,210
NOR5	8,780	23,630	4,540	3,770	40,720
NETHER	8,180	39,950	1,240	1,440	50,810
SWITZ	2,880	11,030	1,260	1,360	16,530
STHAFR	15,210	12,860	2,400	1,820	32,290
REST	105,710	156,460	34,150	95,960	392,280
Total Int Visitors	795,300	1,726,620	416,070	297,970	3,235,960
GRAND TOTAL VISITORS	10,286,034	11,910,109	4,394,019	2,193,038	28,783,200

Sum of 2010
Visitor days

4% spend growth
Visitor Days

MARKETS	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
DOM	27,523,129	38,697,257	9,944,873	5,495,697	81,660,956
Total Dom Days	27,523,129	38,697,257	9,944,873	5,495,697	81,660,956
AUS	3,728,974	3,027,310	1,712,774	611,103	9,080,160
USA	921,060	3,135,439	690,734	743,294	5,490,527
UK	3,562,614	3,790,736	250,627	357,357	7,961,334
JAPAN	233,376	2,962,768	115,404	612,165	3,923,713
TAIWAN	283,465	839,016	74,222	110,496	1,307,199
GER	144,718	1,304,621	68,204	200,711	1,718,254
STHKOREA	671,827	1,336,969	71,774	666,406	2,746,976
SING	124,814	423,536	70,950	41,086	660,385
CAN	321,590	802,323	108,290	143,099	1,375,303
CHINA	407,836	275,625	513,402	639,005	1,835,868
EURO - 8	506,754	1,292,113	233,896	362,443	2,395,206
STHAME4	67,231	203,801	26,677	172,959	470,668
HKNG	232,033	388,672	58,794	72,822	752,322
MAL	188,693	247,250	39,557	173,739	649,238
THAI	150,622	573,510	40,832	350,844	1,115,808
INDO	135,663	78,382	35,331	59,875	309,251
NOR5	200,447	604,692	95,113	217,755	1,118,007
NETHER	208,672	850,935	17,013	65,189	1,141,808
SWITZ	58,291	418,258	26,258	101,646	604,454
STHAFR	634,865	405,604	67,584	38,766	1,146,820
REST	3,467,288	3,013,420	987,277	2,510,314	9,978,298
Total Int Days	16,250,832	25,974,979	5,304,712	8,251,073	55,781,597
GRAND TOTAL VISITOR DAYS	43,773,962	64,672,235	15,249,586	13,746,770	137,442,553

Sum of 2010

Visitor Spend (LOS * Avg spend per day per visitor * number of visitors)

Spend (\$)	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
MARKETS					
DOM	\$2,599,012,182	\$4,008,047,802	\$2,589,325,399	\$517,521,022	\$9,713,906,405
Total Dom Spend (\$)	\$2,599,012,182	\$4,008,047,802	\$2,589,325,399	\$517,521,022	\$9,713,906,405
AUS	\$377,035,286	\$704,426,925	\$614,426,097	\$67,713,339	\$1,763,601,647
USA	\$184,563,990	\$1,274,916,181	\$266,718,640	\$165,250,378	\$1,891,449,189
UK	\$499,487,497	\$777,625,558	\$68,797,419	\$35,862,736	\$1,381,773,209
JAPAN	\$122,997,562	\$2,099,624,439	\$91,920,355	\$86,582,307	\$2,401,124,663
TAIWAN	\$48,103,222	\$354,152,014	\$31,011,792	\$8,981,539	\$442,248,567
GER	\$25,749,752	\$243,836,857	\$33,959,331	\$32,711,719	\$336,257,658
STHKOREA	\$94,067,590	\$825,204,350	\$68,398,936	\$64,744,692	\$1,052,415,568
SING	\$19,013,823	\$140,823,050	\$49,154,557	\$4,136,308	\$213,127,738
CAN	\$29,578,450	\$237,780,953	\$15,967,669	\$13,161,617	\$296,488,688
CHINA	\$43,309,161	\$313,305,528	\$230,364,031	\$143,361,116	\$730,339,837
EURO - 8	\$64,685,093	\$271,096,787	\$119,766,623	\$113,799,580	\$569,348,084
STHAME4	\$6,465,120	\$101,851,535	\$21,961,146	\$16,884,298	\$147,162,099
HKNG	\$34,286,815	\$172,840,432	\$30,243,329	\$3,248,505	\$240,619,081
MAL	\$43,157,882	\$36,451,674	\$11,282,073	\$17,953,783	\$108,845,412
THAI	\$27,456,487	\$155,636,264	\$16,285,445	\$34,141,085	\$233,519,280
INDO	\$20,897,709	\$23,948,543	\$20,420,607	\$5,335,766	\$70,602,625
NOR5	\$22,312,652	\$100,529,120	\$56,924,635	\$6,925,502	\$186,691,908
NETHER	\$17,385,012	\$159,510,819	\$7,517,189	\$1,260,781	\$185,673,801
SWITZ	\$8,419,674	\$81,990,155	\$7,740,419	\$14,681,969	\$112,832,217
STHAER	\$77,207,194	\$46,523,694	\$50,248,095	\$1,821,476	\$175,800,458
REST	\$403,199,153	\$647,246,976	\$387,642,571	\$429,288,012	\$1,867,376,712
Total Int Spend (\$)	\$2,169,379,123	\$8,769,321,854	\$2,200,750,957	\$1,267,846,507	\$14,407,298,441
GRAND TOTAL SPEND	\$4,768,391,305	\$12,777,369,656	\$4,790,076,356	\$1,785,367,529	\$24,121,204,846

Four Percent Number Growth in Target Markets, Two Percent Number Growth in Other Markets Projections 2010

Sum of 2010
Visitor Numbers

MARKETS	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
DOM	11,703,011	12,557,245	4,905,203	2,336,806	31,502,265
Total Domestic Visitors	11,703,011	12,557,245	4,905,203	2,336,806	31,502,265
AUS	328,099	285,958	260,042	68,338	942,438
USA	53,040	258,388	40,290	29,193	380,910
UK	152,537	184,309	12,095	13,614	362,554
JAPAN	16,973	193,305	6,136	11,471	227,885
TAIWAN	12,495	66,341	3,152	8,854	90,841
GER	5,518	46,594	3,009	3,805	58,925
STHKOREA	21,542	170,891	3,468	14,484	210,385
SING	7,262	42,024	10,965	3,295	63,546
CAN	14,749	34,241	4,335	7,273	60,598
CHINA	12,648	31,875	21,287	11,485	77,296
EURO - 8	18,329	62,138	9,068	9,925	99,460
STHAME4	2,703	16,381	1,346	3,009	23,440
HKNG	13,229	38,944	4,825	2,336	59,333
MAL	7,089	25,500	2,734	4,437	39,760
THAI	6,477	66,626	2,173	7,058	82,334
INDO	5,528	6,559	1,132	1,275	14,494
NOR5	8,956	24,103	4,631	3,845	41,534
NETHER	8,344	40,749	1,265	1,469	51,826
SWITZ	2,938	11,251	1,285	1,387	16,861
STHAFR	15,514	13,117	2,448	1,856	32,936
REST	107,824	159,589	34,833	97,879	400,126
Total Int Visitors	821,795	1,778,882	430,518	306,287	3,337,483
GRAND TOTAL VISITORS	12,524,806	14,336,127	5,335,721	2,643,093	34,839,747

Sum of 2010
Visitor days

MARKETS	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
DOM	33,938,731	47,717,531	12,263,009	6,776,736	100,696,006
Total Dom Days	33,938,731	47,717,531	12,263,009	6,776,736	100,696,006
AUS	3,878,133	3,148,402	1,781,285	635,547	9,443,367
USA	957,902	3,260,857	718,364	773,025	5,710,148
UK	3,705,119	3,942,365	260,652	371,651	8,279,787
JAPAN	242,711	3,081,279	120,020	636,652	4,080,661
TAIWAN	289,134	855,796	75,706	112,706	1,333,343
GER	147,612	1,330,713	69,568	204,726	1,752,619
STHKOREA	685,264	1,363,709	73,209	679,734	2,801,916
SING	127,310	432,007	72,369	41,907	673,593
CAN	328,022	818,369	110,456	145,961	1,402,809
CHINA	415,933	281,138	523,670	651,785	1,872,585
EURO - 8	516,889	1,317,955	238,574	369,691	2,443,110
STHAME4	68,575	207,877	27,211	176,418	480,081
HKNG	236,674	396,446	59,970	74,278	767,368
MAL	192,466	252,195	40,348	177,214	662,223
THAI	153,634	584,980	41,649	357,861	1,138,124
INDO	138,376	79,949	36,038	61,073	315,436
NOR5	204,456	616,786	97,015	222,110	1,140,367
NETHER	212,845	867,954	17,353	66,493	1,164,645
SWITZ	59,457	426,623	26,784	103,679	616,543
STHAFR	647,563	413,716	68,936	39,541	1,169,756
REST	3,536,634	3,073,688	1,007,022	2,560,520	10,177,864
Total Int Days	16,744,769	26,752,803	5,466,197	8,462,573	57,426,343
GRAND TOTAL VISITOR DAYS	50,683,500	74,470,334	17,729,206	15,239,309	158,122,349

Sum of 2010

Visitor Spend (LOS * Avg spend per day per visitor * number of visitors)

Spend (\$)

MARKETS	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
DOM	\$2,081,801,746	\$3,210,435,476	\$2,074,042,659	\$414,532,943	\$7,780,812,824
Total Dom Spend (\$)	\$2,081,801,746	\$3,210,435,476	\$2,074,042,659	\$414,532,943	\$7,780,812,824
AUS	\$254,711,529	\$475,885,590	\$415,084,256	\$45,744,706	\$1,191,426,081
USA	\$124,684,818	\$861,287,690	\$180,185,556	\$111,637,235	\$1,277,795,299
UK	\$337,435,855	\$525,335,964	\$46,477,071	\$24,227,579	\$933,476,469
JAPAN	\$83,092,746	\$1,418,431,039	\$62,098,098	\$58,491,904	\$1,622,113,787
TAIWAN	\$31,871,874	\$234,651,403	\$20,547,562	\$5,950,921	\$293,021,761
GER	\$17,061,079	\$161,559,608	\$22,500,520	\$21,673,887	\$222,795,094
STHKOREA	\$62,326,603	\$546,757,751	\$45,319,257	\$42,898,056	\$697,301,667
SING	\$12,598,037	\$93,305,487	\$32,568,460	\$2,740,604	\$141,212,589
CAN	\$19,597,869	\$157,547,132	\$10,579,739	\$8,720,526	\$196,445,266
CHINA	\$28,695,461	\$207,587,643	\$152,632,884	\$94,987,141	\$483,903,128
EURO - 8	\$42,858,567	\$179,621,290	\$79,354,077	\$75,400,478	\$377,234,412
STHAME4	\$4,283,611	\$67,484,032	\$14,550,852	\$11,187,072	\$97,505,567
HKNG	\$22,717,502	\$114,519,326	\$20,038,400	\$2,152,370	\$159,427,598
MAL	\$28,595,228	\$24,151,878	\$7,475,192	\$11,895,684	\$72,117,982
THAI	\$18,191,914	\$103,120,316	\$10,790,289	\$22,620,946	\$154,723,465
INDO	\$13,846,249	\$15,867,647	\$13,530,134	\$3,535,332	\$46,779,362
NOR5	\$14,783,750	\$66,607,835	\$37,716,700	\$4,588,647	\$123,696,934
NETHER	\$11,518,832	\$105,687,490	\$4,980,683	\$835,359	\$123,022,364
SWITZ	\$5,578,645	\$54,324,426	\$5,128,589	\$9,727,870	\$74,759,530
STHAFR	\$51,155,367	\$30,825,322	\$33,293,009	\$1,206,860	\$116,480,558
REST	\$267,148,691	\$428,848,079	\$256,841,327	\$284,434,453	\$1,237,272,550
Total Int Spend (\$)	\$1,452,754,230	\$5,873,406,950	\$1,471,692,654	\$844,657,629	\$9,642,511,463
GRAND TOTAL SPEND	\$3,534,555,976	\$9,083,842,426	\$3,545,735,314	\$1,259,190,571	\$17,423,324,286

Four Percent Number Combined Numbers and Growth Projections 2010

Sum of 2010
Visitor Numbers

Visitor Numbers	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
MARKETS					
DOM	11,703,011	12,557,245	4,905,203	2,336,806	31,502,265
Total Domestic Visitors	11,703,011	12,557,245	4,905,203	2,336,806	31,502,265
AUS	328,099	285,958	260,042	68,338	942,438
USA	53,040	258,388	40,290	29,193	380,910
UK	152,537	184,309	12,095	13,614	362,554
JAPAN	16,973	193,305	6,136	11,471	227,885
TAIWAN	12,495	66,341	3,152	8,854	90,841
GER	5,518	46,594	3,009	3,805	58,925
STHKOREA	21,542	170,891	3,468	14,484	210,385
SING	7,262	42,024	10,965	3,295	63,546
CAN	14,749	34,241	4,335	7,273	60,598
CHINA	12,648	31,875	21,287	11,485	77,296
EURO - 8	18,329	62,138	9,068	9,925	99,460
STHAME4	2,703	16,381	1,346	3,009	23,440
HKNG	13,229	38,944	4,825	2,336	59,333
MAL	7,089	25,500	2,734	4,437	39,760
THAI	6,477	66,626	2,173	7,058	82,334
INDO	5,528	6,559	1,132	1,275	14,494
NOR5	8,956	24,103	4,631	3,845	41,534
NETHER	8,344	40,749	1,265	1,469	51,826
SWITZ	2,938	11,251	1,285	1,387	16,861
STHAFR	15,514	13,117	2,448	1,856	32,936
REST	107,824	159,589	34,833	97,879	400,126
Total Int Visitors	821,795	1,778,882	430,518	306,287	3,337,483
GRAND TOTAL VISITORS	12,524,806	14,336,127	5,335,721	2,643,093	34,839,747

Sum of 2010
Visitor days

Visitor Days	Purpose				Grand Total
	VFR	HOLIDAY	BUSINESS	OTHER	
MARKETS					
DOM	33,938,731	47,717,531	12,263,009	6,776,736	100,696,006
Total Dom Days	33,938,731	47,717,531	12,263,009	6,776,736	100,696,006
AUS	3,878,133	3,148,402	1,781,285	635,547	9,443,367
USA	957,902	3,260,857	718,364	773,025	5,710,148
UK	3,705,119	3,942,365	260,652	371,651	8,279,787
JAPAN	242,711	3,081,279	120,020	636,652	4,080,661
TAIWAN	289,134	855,796	75,706	112,706	1,333,343
GER	147,612	1,330,713	69,568	204,726	1,752,619
STHKOREA	685,264	1,363,709	73,209	679,734	2,801,916
SING	127,310	432,007	72,369	41,907	673,593
CAN	328,022	818,369	110,456	145,961	1,402,809
CHINA	415,993	281,138	523,670	651,785	1,872,585
EURO - 8	516,889	1,317,955	238,574	369,691	2,443,110
STHAME4	68,575	207,877	27,211	176,418	480,081
HKNG	236,674	396,446	59,970	74,278	767,368
MAL	192,466	252,195	40,348	177,214	662,223
THAI	153,634	584,980	41,649	357,861	1,138,124
INDO	138,376	79,949	36,038	61,073	315,436
NOR5	204,456	616,786	97,015	222,110	1,140,367
NETHER	212,845	867,954	17,353	66,493	1,164,645
SWITZ	59,457	426,623	26,784	103,679	616,543
STHAFR	647,563	413,716	68,936	39,541	1,169,756
REST	3,536,634	3,073,688	1,007,022	2,560,520	10,177,864
Total Int Days	16,744,769	26,752,803	5,466,197	8,462,573	57,426,343
GRAND TOTAL VISITOR	50,683,500	74,470,334	17,729,206	15,239,309	158,122,349

Sum of 2010
 Visitor Spend (LOS * Avg spend per day per visitor * number of visitors)

4% spend and numbers growth Spend (\$)		Purpose				Grand Total
		MARKETS	VFR	HOLIDAY	BUSINESS	
Overnight	DOM	\$3,204,838,142	\$4,942,317,917	\$3,192,893,385	\$638,154,420	\$11,978,203,863
	Total Dom Spend	\$3,204,838,142	\$4,942,317,917	\$3,192,893,385	\$638,154,420	\$11,978,203,863
	AUS	\$392,116,697	\$732,604,002	\$639,003,141	\$70,421,873	\$1,834,145,713
	USA	\$191,946,550	\$1,325,912,828	\$277,387,385	\$171,860,393	\$1,967,107,157
	UK	\$519,466,996	\$808,730,581	\$71,549,315	\$37,297,245	\$1,437,044,137
	JAPAN	\$127,917,465	\$2,183,609,416	\$95,597,170	\$90,045,599	\$2,497,169,649
	TAIWAN	\$49,065,286	\$361,235,054	\$31,632,028	\$9,161,169	\$451,093,538
	GER	\$26,264,747	\$248,713,594	\$34,638,517	\$33,365,953	\$342,982,812
	STHKOREA	\$95,948,942	\$841,708,437	\$69,766,914	\$66,039,586	\$1,073,463,880
	SING	\$19,394,099	\$143,639,511	\$50,137,648	\$4,219,035	\$217,390,293
	CAN	\$30,170,019	\$242,536,572	\$16,287,022	\$13,424,849	\$302,418,461
	CHINA	\$44,175,344	\$319,571,639	\$234,971,312	\$146,228,339	\$744,946,634
	EURO - 8	\$65,978,795	\$276,518,723	\$122,161,956	\$116,075,572	\$580,735,046
	STHAME4	\$6,594,422	\$103,888,566	\$22,400,368	\$17,221,984	\$150,105,341
	HKNG	\$34,972,551	\$176,297,241	\$30,848,196	\$3,313,475	\$245,431,462
	MAL	\$44,021,040	\$37,180,707	\$11,507,714	\$18,312,859	\$111,022,320
	THAI	\$28,005,616	\$158,748,989	\$16,611,154	\$34,823,907	\$238,189,666
	INDO	\$21,315,664	\$24,427,514	\$20,829,019	\$5,442,481	\$72,014,678
	NOR5	\$22,758,905	\$102,539,702	\$58,063,128	\$7,064,012	\$190,425,746
	NETHER	\$17,732,713	\$162,701,035	\$7,667,533	\$1,285,996	\$189,387,277
	SWITZ	\$8,588,068	\$83,629,958	\$7,895,228	\$14,975,608	\$115,088,862
	STHAFR	\$78,751,338	\$47,454,167	\$51,253,057	\$1,857,905	\$179,316,467
	REST	\$411,263,136	\$660,191,916	\$395,395,422	\$437,873,772	\$1,904,724,246
	Total Int Spend (\$	\$2,236,448,392	\$9,041,840,153	\$2,265,603,227	\$1,300,311,612	\$14,844,203,384
	GRAND TOTAL S	\$5,441,286,534	\$13,984,158,070	\$5,458,496,611	\$1,938,466,032	\$26,822,407,247

Appendix 9: Funding Implications

Funding Implications

Introduction

The key TSG recommendations have implications in terms of funding. The Table overleaf provides a summary of key data for each new initiative. Five indicative funding levels have been used:

- Up to \$100,000
- \$100,001 – \$500,000
- \$500,001 – \$1,000,000
- \$1,000,001 – \$2,500,000
- Over \$2,500,000

Assumptions

The assessment of resource requirements for the tourism strategy is based on the following assumptions:

1. One off funding requirements relate to establishment, development or change costs.
2. Ongoing funding requirements relate to additional baseline funding.
3. An integrated funding bid will be prepared for the out years.
4. Some resources for implementation will come from public funding sources that are not directly defined as tourism, for example FoRST Research Funding, Industry NZ, Ministry of Education.
5. Where funding will be sourced via a re-allocation of existing funding this has not been identified as additional ongoing resource requirement.
6. Where a source for funding is identified this relates to future additional one off or ongoing funding, not the source of current funding.
7. Tourism will be a key industry for developmental initiatives funded by Industry NZ.
8. All figures are expressed inclusive of GST.
9. Figures are expressed in New Zealand dollars.

Funding Implications of Recommendations

Recommendations	Current Funding	Additional One-off	Additional Ongoing	Scale (000s)	Source of Additional Funds
<p>By July 2002, a new jointly owned and funded private/public sector organisation is established to lead international branding and marketing. It should be governed by a Board with members appointed by:</p> <ul style="list-style-type: none"> • Central government, • LGNZ on behalf of TLAs and NewRTOs • TIA on behalf of industry. <p>In appointing representatives to the Board, consideration should be given to nominating people with industry experience, including Maori.</p>	✓	✓	✗	\$100 – \$500	Central government Vote: Tourism
<p>Adopt a whole-of-government approach to tourism that is led by a Ministry of Tourism. Immediate priority should be given to increasing the resourcing and funding of OTSp to enable it to take on an enhanced policy advise role, prior to the establishment of the Ministry.</p>	✓	✗	✓	\$500 – \$1,000	Central government Vote: Tourism
<p>TIA continues to lead industry advocacy at both a local and central government level, playing an important role in further developing SMEs' capability. TIA will be involved in key sector initiatives where a collective industry voice is required.</p>	✓	✗	✓	\$100 – \$500	TIA Industry Operators
<p>By mid 2002, NewRTOs will be established and take an enhanced role in:</p> <ul style="list-style-type: none"> • Destination marketing and management • Domestic and international marketing • Regional tourism planning and development, and • The facilitation of service provision to tourism operators. 	✓	✓	✓	Over \$2,500	Central government Local government Industry Operators
<p>Local government builds stronger links with NewRTOs and increases funding levels and certainty by July 2002. This will support their expanded role in both regional tourism planning and development and also the realisation of local and regional benefits.</p>	✓	✗	✓	Over \$2,500	Local government

Recommendations	Current Funding	Additional One-off	Additional Ongoing	Scale (000s)	Source of Additional Funds
Build Maori capability and ensure that Maori equity investment in tourism is increased, to enable greater participation of Maori in tourism at both a regional and national level.	✓	✗	✗	N/A	Industry Operators, Investors, Maori
OTSp, Maori and TPK facilitate the creation of representative Maori tourism bodies (or structures within existing bodies) at a regional level by mid 2002. In the longer term, they will facilitate the establishment of a National Maori Tourism Organisation.	✗	✓	✓	\$100 – \$500	1-off Central government Ongoing Central government Maori
MFE, OTSp and TIA, on behalf of private sector operators, develop and promote resource use efficiency initiatives and environmental management systems to achieve agreed international benchmarks (including carbon neutrality) by 2010.	✓	✓	✓	\$100 – \$500 one off and ongoing	1-off Central government Ongoing Central government TIA Industry Operators
Department of Conservation monitors visitor impacts on the protected environment and promptly intervenes to manage these impacts using tools such as booking systems and one-way routes.	✓	✗	✓	\$500 – \$1,000	Central government
Department of Conservation invests in maintaining existing, and developing new recreational services and facilities on conservation lands to support increased visitor growth without damaging the environment	✓	✗	✓	Over \$2,500	Central government
Adoption of a whole of sector model to reduce complexity and improve efficiency in tourism planning and development by 2004. This will be led by LGNZ with local operators, investors, local government, Maori, NewRTOs, NewTNZ and central government agencies.	✓	✓	✗	Up to \$100	Central government
By 2002, Maori partner with NewRTOs and agree roles and accountabilities on: <ul style="list-style-type: none"> Regional tourism planning and development Regional destination marketing and regional destination management 	✗	✗	✓	Up to \$100	Central government, Local government Maori, Industry Operators
By mid 2002, NewRTOs, Maori, the arts, cultural and heritage sector and the Ministry of Culture and Heritage provide guidance to the tourism sector on incorporating cultural heritage thinking into decision making.	✓	✗	✗	N/A	

Recommendations	Current Funding	Additional One-off	Additional Ongoing	Scale (000s)	Source of Additional Funds
Tourism operators, Maori, NewTNZ and NewRTOs in conjunction with the arts and cultural sector, investigate opportunities to develop cultural tourism products in a manner and timeframe that will differentiate New Zealand in the global marketplace. This will assist in tourism growth, so that by 2003 these products account for an increased proportion of the product range.	✓	✗	✗	N/A	
By late 2002, TIA and NewTNZ undertake a range of initiatives to increase understanding and build support for tourism among stakeholders.	✓	✗	✗	N/A	
NewTNZ continues to encourage widespread adoption of a common brand architecture and accelerates and widens the adoption of the New Zealand fern mark. This should be done by developing strategic alliances with the public and private sector so that by 2010, awareness and understanding of the New Zealand tourism brand reaches agreed targets.	✓	✗	✗	N/A	
Improve the use and quality of authentic and contemporary Maori experiences through a mechanism such as a Maori mark of authenticity.	✓	✓	✗	\$100 – \$500	Central government
Tourism operators, NewRTOs and NewTNZ continue to plan, develop and implement joint initiatives for all elements of the marketing mix to achieve private/public sector spend mix targets by 2003.	✓	✗	✓	*1	TIA Industry Operators Central government
Tourism operators, NewRTOs, NewTNZ and inbound operators increase the development and packaging of year round, regionally differentiated and high yield products. The aim is that by 2003, these products will account for an increased proportion of the product range.	✓	✗	✓	\$100 – \$500	Central government Industry Operators

¹ It is expected that marketing spend will increase as visitors numbers grow. It is not possible at this time to estimate the marketing budget needs of newTNZ in 2003 or 2010. However, the likely need for substantial additional funds is flagged here to ensure this is explicitly understood.

Recommendations	Current Funding	Additional One-off	Additional Ongoing	Scale (000s)	Source of Additional Funds
Tourism operators, event management operators and NewRTOs develop events at a regional level so that by 2003, these products will account for an increased proportion of the product range. OTSp undertakes national policy advice and co-ordination and NewTNZ will assist with national marketing aspects of events.	✓	✗	✗	N/A	
By 2002, NewTNZ, tourism operators and offshore distributors develop a tourism distribution channel strategy so New Zealand tourism operators have an increased level of influence in the distribution channel.	✗	✓	✗	\$100 - \$500	Central government
Consider adopting the VIN strategy, to provide objective information and travel services to the independently minded traveller.	✓	✓	✓	\$500 - \$1,000	Central government Local government Industry Operators
TIA, in conjunction with tourism operators, develops and delivers a range of business tools, methods, templates and resources for use by SMEs by end of 2002.	✓	✓	✗	\$100 – \$500	TIA Central government Industry Operators
NewRTOs work closely with regional and local government to closely align destination marketing and destination management.	✓	✗	✗	N/A	
A working group of NewRTOs investigate, model and develop a shared back office business case for common functions most efficiently undertaken on a joint basis. The aim is to achieve an overall reduction in NewRTO's back office costs by end of 2002.	✗	✓	✗	Up to \$100	Central government Local government
A working group of NewRTOs develops detailed options and recommendations for RTO functions, including the reduction of the existing 25 RTOs.	✗	✓	✗	Up to \$100	Central government Local government
By mid 2002, TLAs and central government confirm their long-term commitment to the tourism sector and confirm required infrastructure.	✓	✗	✗	N/A	
By mid 2002, TIA in conjunction with industry associations and operators, investigates the feasibility of rationalising the number of industry associations and/or makes tourism operators' membership to these associations less cumbersome.	✓	✗	✗	N/A	

Recommendations	Current Funding	Additional One-off	Additional Ongoing	Scale (000s)	Source of Additional Funds
TIA leads sector initiatives to research, develop and promote the use of pricing and yield management strategies to improve financial and economic viability.	✓	✗	✗	N/A	
Tourism operators increase their use of pricing strategies to improve yield.	✓	✗	✗	N/A	
Tourism operators explore premium pricing opportunities for quality and authenticity and NewTNZ and NewRTOs leverage this in marketing campaigns.	✓	✗	✗	N/A	
Tourism operators use competitive yield management strategies as a mechanism to improve utilisation of current assets and infrastructure, and improve planning and infrastructure development.	✓	✗	✗	N/A	
Tourism operators, NewTNZ and NewRTOs work with airlines to ensure airline yield and capacity issues are adequately accounted for in targeting visitors and developing products.	✓	✗	✗	N/A	
By 2002, TIA and NewTNZ facilitate the development and implementation of a sector wide technology strategy to support sustainable growth in New Zealand's tourism sector.	✗	✓	✓	\$500 – \$1,000	1-off Central government Ongoing TIA Industry Operators
SFRITO, ATTTO and HIS, in conjunction with tourism operators refocus the delivery of training to better meet the needs of SMEs.	✓	✗	✗	N/A	
Ensure efforts are made in conjunction with the TEAC to reduce the number of providers of tourism training.	✓	✗	✗	N/A	
TIA works with SkillNZ to obtain a larger proportion of industry training funding.	✓	✗	✗	N/A	
By July 2002, OTSp in conjunction with the TRCNZ establish commitment for continuation of funding for the core tourism data set for at least the next five years. The accountability for commissioning the core tourism data set and developing the R&D programme should be within one organisation.	✗	✗	✓	\$500 – \$1,000	Central government

Recommendations	Current Funding	Additional One-off	Additional Ongoing	Scale (000s)	Source of Additional Funds
OTSp in conjunction with the TRCNZ work to improve the level of public research funding applied to tourism research. The funding level should be comparable to other sectors making a similar economic contribution.	✓	✗	✗	N/A	
Central and local government and the private sector develop a model and agree on roles and responsibilities in relation to tourism infrastructure needs. This should be facilitated by OTSp, LGNZ and TIA.	✓	✗	✗	N/A	
Qualmark in conjunction with operators, investigates, develops and implements: <ul style="list-style-type: none"> • a quality brand • sector standards and • an effective national accreditation framework for tourism. 	✓	✓	✓	\$1,000 – \$2,500	Central government Industry Operators
Implementation					
A joint Tourism Strategy implementation group is to be established to oversee the development of the Implementation Plan and monitor progress against this plan. A substantive review of the Tourism Strategy should be undertaken in 2005..	✓	✓	✗	Up to \$100	Central government
A year-by-year analysis of additional funding requirements should be developed as part of detailed implementation planning for the Tourism Strategy and integrated into the appropriate budget rounds for the out years.			✓		

Appendix 10: Bibliography

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