

FY24  
ANNUAL PLAN

# Visit Hurunui North Canterbury





# Background

This document outlines Hurunui Tourism's activity plans and associated budget for the period July 2023 – June 2024 (referred to as FY24).

Each year, Hurunui Tourism produce a plan that outlines budgets and initiatives for that year. This was previously based on the 5-year marketing strategy, but is now based on the [Destination Management Plan](#), which came into effect in September 2022.

Please note that this plan is based on our best available knowledge at the time of writing. The COVID-19 situation continues to change and continues to challenge us all. COVID-19, and other potential disruptions, are an ongoing risk.

Feels closer  
to nature



## PERFORMANCE REVIEW – FY23

Our objective this financial year was to "help the tourism industry in the Hurunui to recover from COVID-19, and help lead the further development of sustainable tourism in the area." This was measured by the following KPIs:

1. Have regional spend reach and exceed pre-COVID levels (as measured by the best available measure).
2. Have commercial accommodation maintain an average of at least 2 nights per booking.
3. Have total guest nights reach and exceed pre-COVID levels.
4. Increase website visits:
  - a. Increase visitthurunui by 15% compared to the FY2022 year.
  - b. Increase visitthamersprings by 20% compared to the FY2022 year.
5. Continue destination development work to encourage new products and events.
6. Deliver on a Destination Management Plan.
7. Manage the MBIE Investment Spending to budget and maximise its effectiveness.

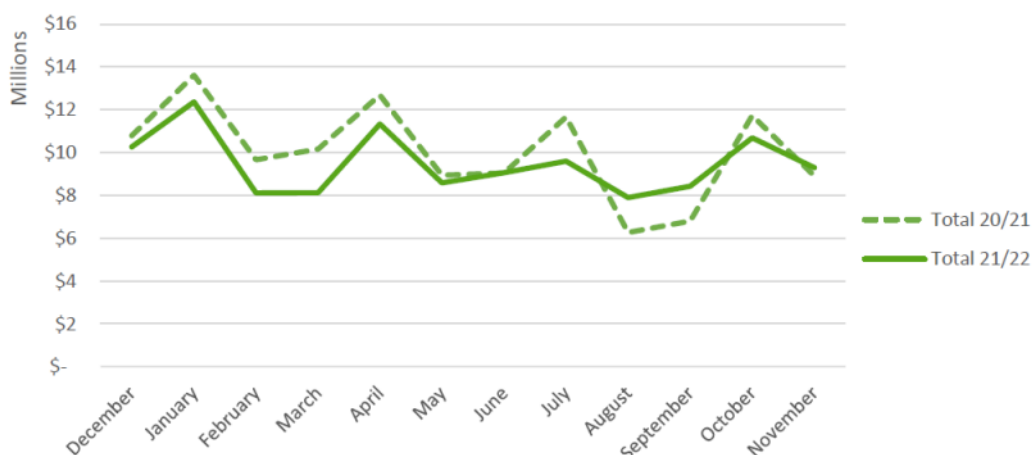
It should be noted that several of these KPIs are measured against "pre-COVID". Unfortunately, FY23 has been punctuated by the effects of COVID; New Zealand remained at alert level orange until 12 September 2022 and there were several lockdowns and higher alert settings during the year.

### Our performance against these measures so far:

1. Have regional spend reach and exceed pre-COVID levels (as measured by the best available measure).
  - The current best measure for tourism spend is electronic spend data through Marketview. As at year-end November 2022:
    - Spend was \$114 million.
    - This was an **increase of 6.5% on pre-COVID levels** (year-end November 2019 = \$107 million). Meaning spend in Hurunui was exceeding pre-COVID levels. **KPI ACHIEVED**
    - This was however a **decrease of 5.0% on the previous year** (year-end November 2021 spend was \$120 million).

Visitor spending, Hurunui YE November

source: Marketview



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2. Have commercial accommodation maintain an average of at least 2 nights per booking.
    - According to the MBIE Accommodation Data Programme, Hurunui had an average nights stayed of 2.0 **KPI ACHIEVED**
    - The average for all of New Zealand was 2.2.
  3. Have total guest nights reach and exceed pre-COVID levels.
    - According to the MBIE Accommodation Data Programme, Hurunui had total commercial guest nights of 358,400.
    - Unfortunately, the total guest nights for pre-COVID are not available so we are unable to measure this KPI.
    - We can determine that total guest nights for year-end November 2022 decreased compared to year-end November 2021, which had 392,800 guest nights.
  4. For the 2022 calendar year, website visits have increased by the following amount compared to the 2021 calendar year:
    - **Visit Hurunui: + 7.5%** **KPI NOT ACHIEVED**
    - **Visit Hanmer Springs: - 9.7%** **KPI NOT ACHIEVED**
  5. Destination development  
New products supported:
    - **Flyride in Hanmer Springs** **ON HOLD**New / fledgling events supported:
    - **Alpine Winter Festival** (postponed but intending to be held 2024)
    - **Bandquet**
    - **The North Course**Existing events supported:
    - **North Canterbury Wine & Food Festival**
    - **Hurunui Garden Festival**
    - **Hanmer Springs Fete**
  6. Deliver on a Destination Management Plan. **APPROVED SEPTEMBER 2022**
  7. Manage the MBIE Investment Spending to budget and maximise its effectiveness. **DELIVERED TO BUDGET**



# The Tourism Industry



## THE CURRENT SITUATION

The [Hurunui DMP Appendix](#) provides an excellent overview of the tourism industry, both nationally and for the Hurunui region.

## FINANCIALS

Hurunui Tourism has been fortunate to receive central government funding via MBIE and its tourism recovery programme.

Details are available here - <https://www.mbie.govt.nz/immigration-and-tourism/tourism/tourism-recovery/>

As at 28 March, we are forecasting:

- A deficit of \$51,682 for FY23 (against a budgeted deficit of \$78,969)
- Reserves to be \$138,011 as at 30 June 2023

The forecast reserves is the figure we have used as a starting point for the financials in this plan.





## DOMESTIC TRAVEL

Tourism NZ's Domestic Travel View Report [September 2022](#) has some interesting insights for domestic tourism, some of which would favour Hurunui as a destination, some of which may not:

1. **71% of New Zealanders were planning a domestic holiday in the next 12 months. This indicator has remained relatively high throughout the pandemic, but after a turbulent start to 2022 has increased significantly.**
2. **Financial affordability is now a significant factor in intent to travel. In previous iterations of this research, affordability was not as significant.**
3. **Demand for longer (6+ days) trips is decreasing.**
4. **"Opportunities to relax and refresh" is a significant factor in deciding where to travel to.**

We will include these insights, and future insights from Tourism NZ and other tourism industry bodies, when planning our marketing.

## INTERNATIONAL TRAVEL

International travel is returning, and Tourism NZ research of overseas markets shows healthy demand for New Zealand as a destination, particularly Australia and the US. China's recent decision to open its borders and allow citizens to travel may also lead to a spike in travel. However, New Zealand's airline capacity remains a challenge and a bottleneck – as airlines slowly add planes and routes, New Zealand has to compete with many other highly lucrative possible destinations.

Once again, we will keep an eye on research from international markets, but our key activities for these markets will be largely driven by collaborative opportunities with organisations such as Tourism NZ, Christchurch International Airport, and other RTOs.





# FY24 Plan

This plan is now framed within the four strategic priorities of the DMP:

1. **Become an iconic self-drive destination**
2. **Enhance the visitor experience**
3. **Targeted destination marketing**
4. **Effective destination management**

Note that whilst these four priorities have specific actions listed in the DMP, those actions are not included here as we are yet to determine how the DMP will be resourced and implemented.

We have however used those priorities to set out our objectives and planned expenditure for the year.

## Become an iconic self-drive destination

- Continue work with the Alpine Pacific Touring Route (APT) and Top of the South (TOTs) collaborative RTO groups.

## Enhance the visitor experience

- Continue destination development work to encourage new products and events.

## Targeted destination marketing

- Increasing visits to our website – our key marketing asset.
- Increase visitthurunui by 10% compared to the FY23 year.
- Increase visitthannersprings by 15% compared to the FY23 year.

## Effective destination management

- Set up a structure to ensure the DMP is implemented.

## Visitation and Expenditure

- Have regional spend increase by more than the national average.
- Have total commercial guest nights increase by more than the national average.



# The Budget

Below is an outline of the budget for FY24.

One area that has not yet been included is research; rather than putting a potentially arbitrary amount against research, we would like to fully scope that work and potentially use reserves to fund that research.

	DRAFT BUDGET FY24	BUDGET FY23	FORECAST FY23 YTD
<b>OPERATING REVENUE:</b>			
Targeted Tourism Rate	282,809	271,932	265,500
Contribution from HSTPS	68,428	65,796	65,796
Third-party revenue	6,000	6,000	6,000
	<b>357,237</b>	<b>343,728</b>	<b>337,296</b>
<b>LESS FIXED COSTS:</b>			
Wages & Salaries	4,800	4,000	5,073
Marketing Consultancy Costs	82,000	82,000	82,000
Other Board Costs	1,000	1,000	500
	<b>87,000</b>	<b>87,000</b>	<b>87,573</b>
<b>LESS OPERATING COSTS:</b>			
<b>Become an iconic self-drive destination</b>			
Touring Route Development	10,000	–	–
<b>Enhance the visitor experience</b>			
Tourism Growth Package	50,000	50,000	50,000
Visitor Information Boards	10,000	10,000	10,000
Collateral	45,000	45,000	45,000
<b>Targeted destination marketing</b>			
Website/Digital	40,000	36,000	36,000
Trade / TRENZ	15,000	8,000	16,000
Advertising	50,000	62,000	62,000
Communications	27,400	27,400	27,400
In-Market	4,000	8,000	4,000
Conferences and Meetings	4,000	8,000	2,000
<b>Effective destination management</b>			
DMP Implementation	30,000	–	–
Promotion Groups Fund	8,000	8,000	8,000
Data	15,000	15,000	15,000
Collaboration	21,005	31,005	26,005
Contingency Budget	10,000	27,292	–
	<b>329,405</b>	<b>335,697</b>	<b>301,405</b>
<b>NET SURPLUS / DEFICIT</b>	<b>- 59,968</b>	<b>- 78,969</b>	<b>- 51,682</b>
<b>CAPITAL STATEMENT</b>			
Opening Balance	138,011	189,693	189,693
Surplus/(Deficit) for period	- 59,968	- 78,969	- 51,682
<b>CLOSING BALANCE</b>	<b>78,043</b>	<b>110,724</b>	<b>138,011</b>



(... continued)

#### Explanations on budget items from previous page:

**Tourism Growth Package** is our support of Product and Events Development in the region, e.g. working to facilitate investment in new tourism products or events.

**Collaboration** is our participation in initiatives with other organisations; e.g. the Alpine Pacific Touring Route, support of Christchurch Airport activities, and our membership fees with RTNZ and TIA.

**Website / Digital** is our website development and social media programme.

**Visitor Information Boards** is revamping one of the several large info boards around the district.

**Collateral** is printing of the official visitors guide, maps, and also a photo / video budget.

**Trade / TRENZ** is work with the trade channel and attending TRENZ, the large industry event for linking with travel buyers.

**Advertising** is as it suggests, our advertising – billboards, online, radio, magazines, etc.

**In-market** is if we attend any consumer shows or similar, e.g. the NZ Bike Expo, Motorhome & Caravan Shows.

**Conferences & Meetings** is work we do to attract these events to the region.

**Communications** is the media and PR work we do. It also includes how we communicate with tourism operators, which will include at least one networking function for all business associations and promotional groups.

**Data** is a fee we pay to get monthly reports on the performance of the region – it includes tourism spend, accommodation info, visitor flow around the region, and AirBnB data.

**Promotion Groups Fund** is a fund available to promotion groups, up to \$2,000 per group, for their activities.

**Contingency Budget** is there to be used in a significant event, e.g. responding to another lockdown or if the borders open.

Feels  
like home

