

FY25  
ANNUAL PLAN

# Visit Hurunui North Canterbury





# Background

This document outlines Hurunui Tourism activity plans and associated budget for the period July 2024 – June 2025 (referred to as FY25).

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.



Feels closer  
to nature

## PERFORMANCE REVIEW – FY24

The FY24 plan was framed within the following strategic priorities of the DMP:

### 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 visitthanmersprings 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.

## Reviewing our performance against these objectives:

- **Continue work with the Alpine Pacific Touring Route (APT) and Top of the South (TOTs) collaborative RTO groups.**
  - A new MOU has been signed with the APT group, and work continues – particularly on the signage along the route.
  - A new MOU with the TOTs group is expected soon, outlining activity for the next 6 months and into next financial year.
- **Continue destination development work to encourage new products and events.**
  - The Flyride project is on hold.
  - We have supported a range of events, largely through the Regional Events Fund.
  - We are supporting the redevelopment of the Old Soldiers Block.



- We have supported and are continuing to support several operators in the international trade distribution channel.:
  - Tawanui Farm
  - Kumikos
  - Iron Ridge
  - Matai Peak
  - Island Hills Station
  - Scenic Views Motel
  - Hanmer High Country Views
  - Manuka Skies
- **Increase visits to visithurunui by 10% compared to the FY23 year.**
  - We have actually seen a decrease of 23.4%. In hindsight, we did not fully account for the impact our campaigns had in FY23 (largely funded by the end of the MBIE COVID funding).
- **Increase visits to visithanmerssprings by 15% compared to the FY23 year.**
  - Unfortunately, with website analytics changing over to GA4 (Google Analytics 4), we had a period where we did not capture this data. So we have been unable to measure this fully. Recent comparison data on the Hanmer Springs website is encouraging.
- **Set up a structure to ensure the DMP is implemented.**
  - Work in Progress. Anton Wilke is contracted until November 2024 and has started work on implementing the DMP.
- **Have regional spend increase by more than the national average.**
  - The national data landscape has changed (again!) and we are shifting from the old TECT (Tourism Electronic Card Transaction) data to MRTEs (Monthly Regional Tourism Estimates). We have also had to alter suppliers as our previous arrangement through ChristchurchNZ ended.
  - The latest spend data is expected to be released in February and should provide some indications of success in these measures, and we will include that in the second draft of the plan presented to the board in April.
- **Have total commercial guest nights increase by more than the national average.**
  - For the period July to November 2023:
    - Total New Zealand guest nights have increased by 8.2%.
    - Total Hurunui region guest nights have decreased by 5.2%



# 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

As at 1 February, we are forecasting::

- A deficit of \$80,882 for FY23 (against a budgeted deficit of \$69,960).
- Reserves to be \$72,500 as at 30 June 2024.

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

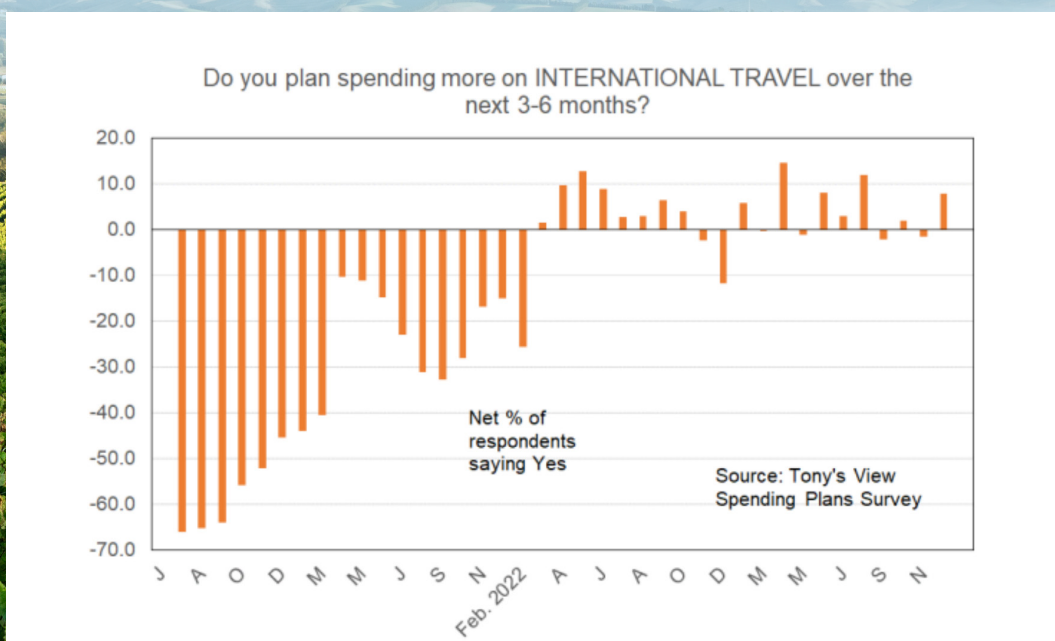
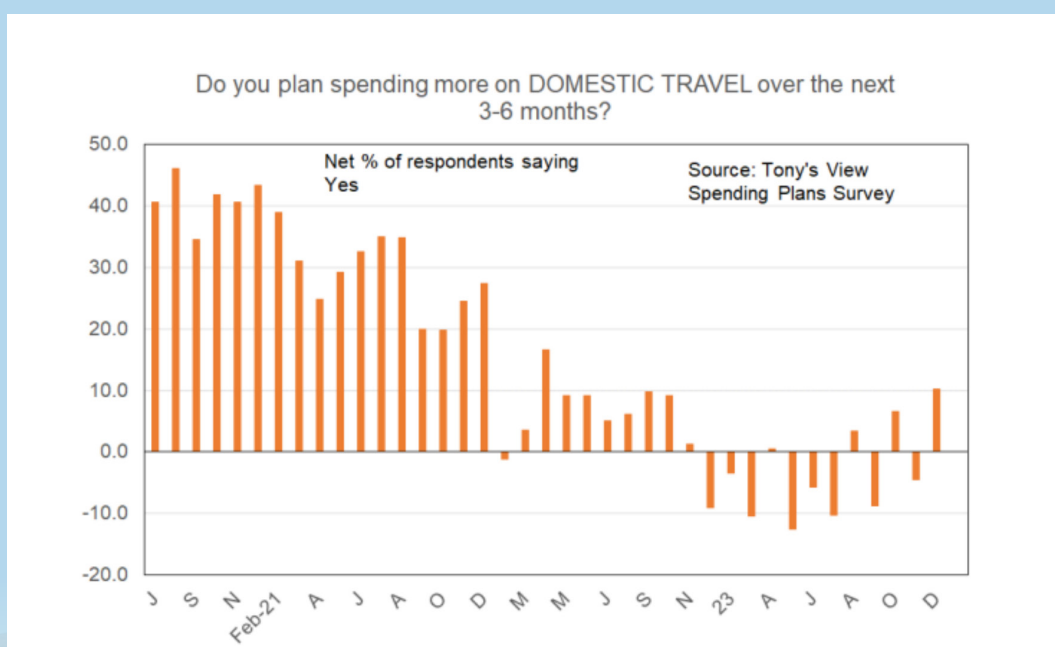


## DOMESTIC TRAVEL

The economist Tony Alexander regularly surveys New Zealanders, asking them about their spending intentions. In the December 2023 survey there were the following insights regarding the tourism industry:

- **10.3% of New Zealanders planned to increase spending on domestic travel in the next 3-6 months.** This is a positive result, after a year of mostly negative results. But note the volatility in this measure in recent months (see first graph below).
- **7.8% of New Zealanders are planning to spend more on international travel.** Many were planning to spend more on international travel, and less on domestic travel. This remains a threat to domestic travel (see second graph below).

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





## INTERNATIONAL TRAVEL

International arrivals to New Zealand continues to grow steadily, with recent data indicating that arrivals into New Zealand are at around 85% of pre-COVID levels. Tourism NZ research of overseas markets shows healthy demand for New Zealand as a destination, particularly from Australia and the US.

For the Hurunui region, it is encouraging to see new international flight capacity through the Christchurch International airport:

- China Southern Airlines is operating a seasonal service (November to February), flying from Guangzhou to Christchurch three times per week.
- United Airlines San Francisco to Christchurch flight commenced in December, with three flights per week.

We will continue to 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.





# FY25 Plan

This plan is 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

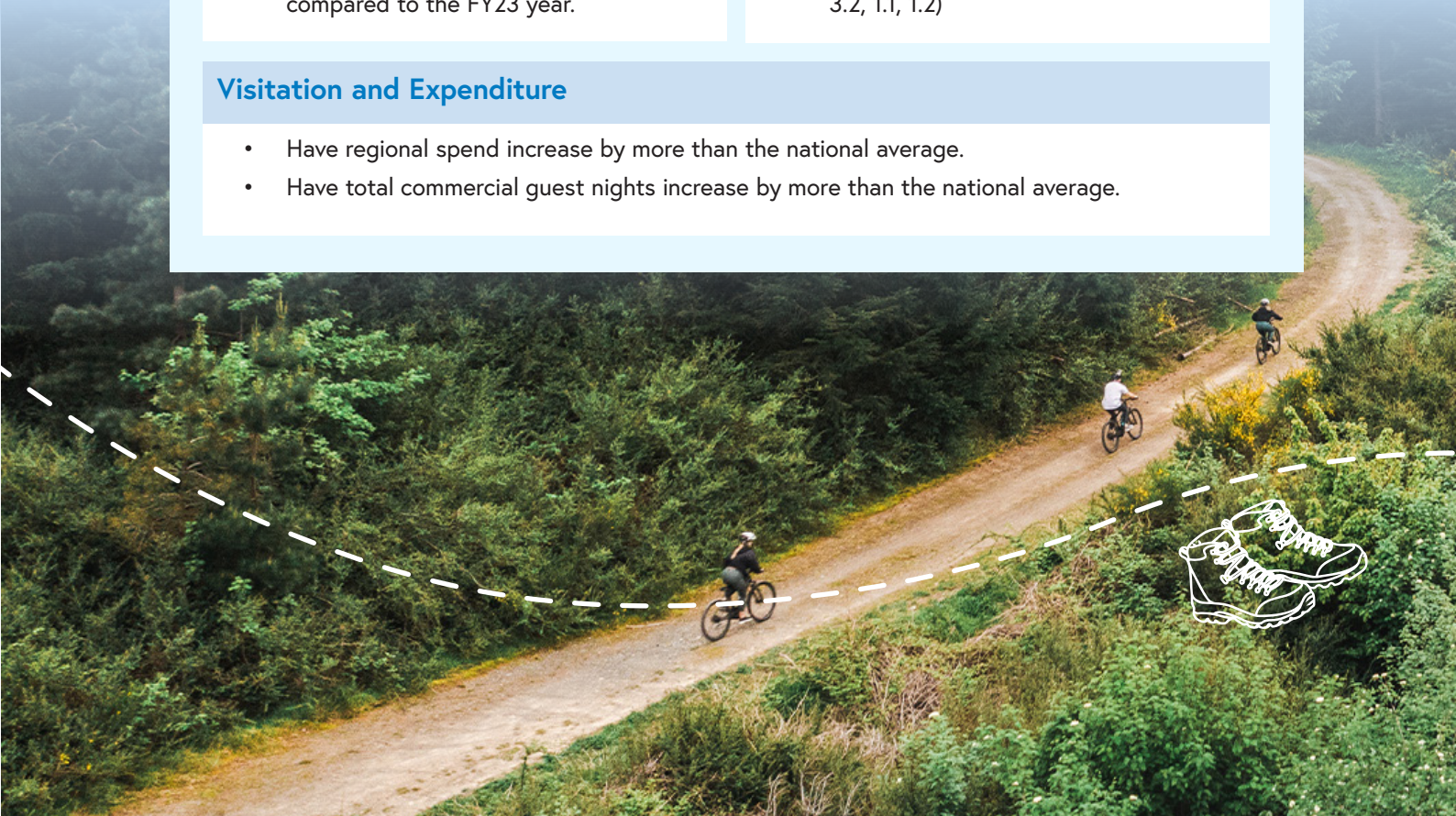
- Increasing visits to our website – our key marketing asset:
- Increase visitthurunui by 8% compared to the FY23 year.
- Increase visitthansprings by 8% compared to the FY23 year.

## Effective destination management

- Set up a structure to ensure the DMP is implemented
- Begin delivery of the DMP, particularly the key action points identified in the scoping document (4.4, 4.6, 3.1, 3.3, 2.1, 3.2, 1.1, 1.2)

## 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 FY25.

## Points to Note

1. An assumption is made that both the Targeted Tourism rate revenue and Contribution from HSTPS increase by 4%, as per the HDC LTP budget.
2. An assumption is made that the membership fees that Hurunui Tourism pays through the Collaboration budget item (for example, RTNZ, and TEC fees) do not increase significantly.
3. With increasing demand in key areas like the website and implementing the DMP, balancing this budget has been challenging. And all funding from MBIE, which helped facilitate some key projects between 2020 and 2023, is now fully depleted. The draft budget does show us using up further reserves and being left with \$19,950 at the end of the financial year.



	BUDGET FY24	FORECAST FY24 YTD	DRAFT BUDGET FY25	
<b>OPERATING REVENUE:</b>				
Targeted Tourism Rate	282,809	277,866	284,403	
Contribution from HSTPS	68,436	68,436	71,171	
Third-party revenue	6,000	6,000	6,000	
	<b>357,245</b>	<b>352,302</b>	<b>361,574</b>	
<b>LESS FIXED COSTS:</b>				
Wages & Salaries	4,800	4400	4,437	
Marketing Consultancy Costs	82,000	82,000	82,000	
Other Board Costs	1,000	500	500	
	<b>87,800</b>	<b>86,900</b>	<b>86,937</b>	
<b>LESS OPERATING COSTS:</b>				
<b>Become an iconic self-drive destination</b>				
Touring Route Development	10,000	10,000	10,000	APT Route and Top of the South group
<b>Enhance the visitor experience</b>				
Tourism Growth Package	50,000	50,000	52,500	Product and event development
Visitor Information Boards	10,000	10,000	12,000	
Collateral	45,000	45,000	45,000	Visitor guide, maps, photos, video
<b>Targeted destination marketing</b>				
Website/Digital	40,000	40,000	48,282	
Trade / TRENZ	15,000	15,000	22,500	
Advertising	50,000	50,000	40,000	
Communications	27,400	27,400	21,900	PR, media relations, business comms
In-Market	4,000	4,478	3,000	Expos or consumer shows
Conferences and Meetings	4,000	2,000	1,000	
<b>Effective destination management</b>				
DMP Implementation	30,000	38,000	45,000	Implementing projects from the DMP
Promotion Groups Fund	8,000	8,000	8,000	Helping promo groups and business associations
Data	15,000	15,000	15,000	Contract with Vistr for monthly reports
Collaboration	21,005	21,005	13,005	Membership fees for RTNZ, TIA, SOUTH, etc
Contingency Budget	10,000	10,000	–	
	<b>339,405</b>	<b>345,883</b>	<b>337,187</b>	
<b>NET SURPLUS / DEFICIT</b>	<b>- 69,960</b>	<b>- 80,482</b>	<b>- 62,550</b>	
<b>CAPITAL STATEMENT</b>				
Opening Balance	152,981	152,981	72,500	
Surplus/(Deficit) for period	- 69,960	- 80,482	- 52,550	
<b>CLOSING BALANCE</b>	<b>83,021</b>	<b>72,500</b>	<b>9,950</b>	