



HURUNUI TOURISM
FY22 MARKETING PLAN

Visit
Hurunui
North Canterbury

△ Photo by Brook Sabin

Background

This document outlines Hurunui Tourism activity plans and associated budget for the period July 2021 – June 2022.

Each year, Hurunui Tourism produce a marketing plan that outlines budgets and initiatives for that year. This is usually based on the 5-year strategy, which was approved and endorsed by the Hurunui District Council (HDC) in May 2017.

Last year was an exception, in that the FY21 marketing plan was a COVID-19 recovery plan signed off by HDC in April 2020, as the Hurunui Tourism Board's (HTB's) delegations were held by HDC at that point.

Please note that this plan is based on our best available knowledge at the time of writing. We have included scenarios based on potential border openings to provide some flexibility. However, should the situation significantly change – for example if New Zealand were to go into lockdown for a period – we would need to reconsider the plan.



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to nature



Current Situation

PERFORMANCE

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 three KPIs:

1. Have the Regional Tourism Estimate of spending (RTE) reach 80% of where it was at pre COVID-19 by June 2021.
2. Increase website visits to visithurunui and visithanmersprings by 20% compared to the 2019 calendar year.
3. Continue destination development work to encourage new products and events.

Our performance against these measures so far:

1. RTEs were at **95.1% of pre-COVID levels** as at October 2020 (measured by year-end October 2020 vs year-end October 2019).
2. Website visits have increased by (2020 calendar year compared to 2019)
 - Visit **Hurunui: + 10.4%**
 - Visit **Hanmer Springs: + 58.8%**
3. Destination development
 - New products supported: Flyride in Hanmer Springs
 - New events supported: Hanmer Springs carnival, Bandquet
 - Existing events supported: Hurunui Garden Festival, Hanmer Springs Fete, North Canterbury Wine & Food Festival, Hanmer Springs Half Marathon

FINANCIALS

Hurunui Tourism was fortunate to receive central government funding through the STAPP programme in FY21. At this stage there are no indications from government of any further funding being made available.

As at 13 April, we are forecasting:

- A deficit of \$59,251 for FY21
- Reserves to be \$147,593 as at 30 June.

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

This is based on the forecast presented on page 6.

The Tourism Industry



The COVID-19 situation has decimated the tourism industry around the world. It will take many years for the industry to recover. However in New Zealand, domestic tourism has increased significantly and in some regions that has been enough to see tourism return to near pre-COVID levels or even lead to growth in tourism.

It does seem that we are limited to domestic tourism for the foreseeable future. The prospect of a trans-Tasman border is encouraging but will depend on many factors. International visitors from further afield than Australia would appear to be some time away.

That is why this plan is based on domestic tourism only, but it does present alternative scenarios for if borders do open. We will continue to focus on domestic tourism while monitoring the international situation, and being ready to respond.



(The Tourism Industry)

Tourism NZ and Tourism Industry Aotearoa recently released an updated version of the domestic tourism tool, DGIT. Data from DGIT is presented below.

Domestic market potential

	Total NZ	Hurunui	Percentage
Total potential trips	44,441,622	314,633	0.7%
Total potential overnight trips	19,001,093	245,705	1.3%

Not surprisingly, 85% of visits would be road trips only, suggesting the South Island should remain our primary target market. However, we have been receiving much more interest from the North Island, in particular Auckland, as the following data indicates.

Demographics of those interested in visiting Hurunui

The demographics indicated below will be taken into account when targeting our media. The percentages are shown, along with estimated numbers of trips based on the potential trips indicated earlier. Note that these are trips, not visitors. So overall numbers would be higher depending on the make-up of the family or group.

Demographic	Percentage	Estimated potential trips
Adults only	72.0%	226,557
Canterbury	66.7%	209,880
Auckland	10.8%	33,984
Dunedin	4.1%	12,901
Marlborough & Nelson-Tasman	4.9%	15,418



The Objective

Our objective continues to be 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.

Specifically:

1. Have regional spend **reach 95%** of where it was at pre-COVID by June 2022 (as measured by the best available measure)
2. Increase website visits:
 - Increase visithurunui by **12% compared to the FY2021 year.**
 - Increase visithanmerssprings by **20% compared to the FY2021 year.**
3. **Continue destination development work** to encourage new products and events.

This is based on the current situation in that New Zealand's borders are currently closed. Those borders may open during this year, and so we have created two further scenarios:

Scenario 2 – trans-Tasman border reopens

Scenario 3 – long-haul borders reopen

Should those scenarios eventuate, we will reconsider objectives based on the specific situation.



The Plan

Below are the key changes we will make to Hurunui Tourism marketing, and if that will require increased or reduced spend in those areas.

	Increase spend	Reduce spend	Comments
Tourism Growth Package	✓		Due to COVID, we reduced the amount spent on this during FY21. It is vital that we invest more in this area in FY22.
Collaboration			
Website/Digital	✓		For continued website development and social media boosting.
Collateral		✓	Spending less on the distribution of the visitors guide.
Visitor Information Boards	✓		Updating two information boards.
Trade			
Advertising		✓	In FY21 we supported a larger than usual advertising campaign.
In-Market	✓		Visiting NZ travel operators and attending domestic travel shows.
Conferences and Meetings			
Communications	✓		More budget to create media coverage in a cluttered market.
TRENZ			
Data	✓		New budget item – for data through Marketview and other sources, via ChristchurchNZ
Promotion Groups Fund	✓		New budget item – for promotion groups activities



(The Plan)

SCENARIO 2

Should the Australian borders open, it is vital that we are able to leverage opportunities and also rebuild relationships we have there; particularly Tourism NZ and trade contacts.

Therefore we have budgeted extra for:

- **Sales trips to Australia**
- **Support of Christchurch NZ's potential consumer campaign in Australia**
- **Enhance the distribution of our visitors guide**

Note: the trans-Tasman border is due to open on 19 April – so at the time of writing, we will operate under scenario 2. However, all three scenarios remain valid depending on changes with COVID and borders.

SCENARIO 3

Should other borders open, for example Singapore and China, we will need to have the budget to support initiatives into those countries:

- **More activity with NZ Inbound Tourism Operators**
- **Supporting potential Tourism NZ and Christchurch Airport long-haul initiatives**



The Budget

	FY21 EOY Forecast	FY22 Draft Budget
OPERATING REVENUE:		
Targeted Tourism Rate	251,908	261,468
Allocation from Hanmer Springs Thermal Pools & Spa	60,837	63,270
Hanmer Trails Contribution	2,000	0
Visitor Guide	(8,700)	0
Third-party Revenue	63,551	0
Total Operating Income	369,596	324,739
Less Operating Expenditure		
FIXED COSTS:		
Wages & Salaries	2,912	4,000
Marketing Consultancy Costs (HSTP&S)	82,000	82,000
Other Board Costs	600	1,000
	85,512	87,000
MARKETING COSTS:		
Tourism Growth Package	20,000	50,000
Collaboration	25,000	36,505
Website/Digital	30,000	29,300
Visitor Information Boards	0	20,000
Collateral	38,000	30,000
Trade / TRENZ	23,335	10,000
Advertising	170,000	77,000
In-Market	10,000	10,000
Conferences and Meetings	10,000	10,000
Communications	12,000	22,400
TRENZ	5,000	0
Data	0	15,000
Promotion Group Fund	0	8,000
	343,335	318,205
Total Operating Expenditure	428,847	405,205
Net Surplus/(Deficit) for period	(59,251)	(80,466)
CAPITAL STATEMENT		
Opening Balance	206,845	147,593
Surplus/(Deficit) for period	(59,251)	(80,466)
Closing Balance	147,593	67,127

(The Budget)

Below is budgeted spend for FY22, alongside forecast spend this year. Notes that the reason for the reduced budgeted revenue is that Hurunui Tourism received \$30,000 from both Hanmer Springs Thermal Pools & Spa and Hanmer Springs Community Board in FY21.

Scenario 2 (Australian borders open):

Budgeted closing balance	\$67,127
Extra expenditure	\$30,000
– Australia sales trips	
– Support Australia consumer campaigns	
– Enhanced visitor guide distribution	
Scenario 2 budgeted closing balance	\$37,127

Scenario 3 (long haul borders open):

Scenario 2 budgeted closing balance	\$37,127
Extra expenditure	\$12,000
– Support trade initiatives in long-haul markets	
– Enhanced visitor guide distribution	
Scenario 3 budgeted closing balance	\$25,127

Feels like home 