THE COROMANDEL:

beyond 2025

Continued

THE COROMANDEL

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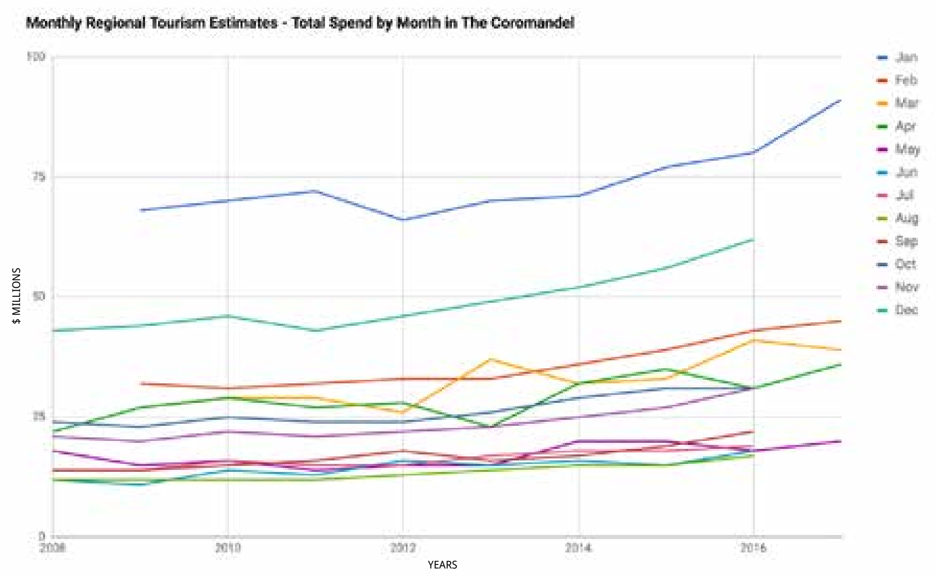
GREAT OPPORTUNITY *for Investment*

There's never been a better time to engage in *The Coromandel* tourism industry, with successive highs being recorded in visitor arrivals, nights and spend data.

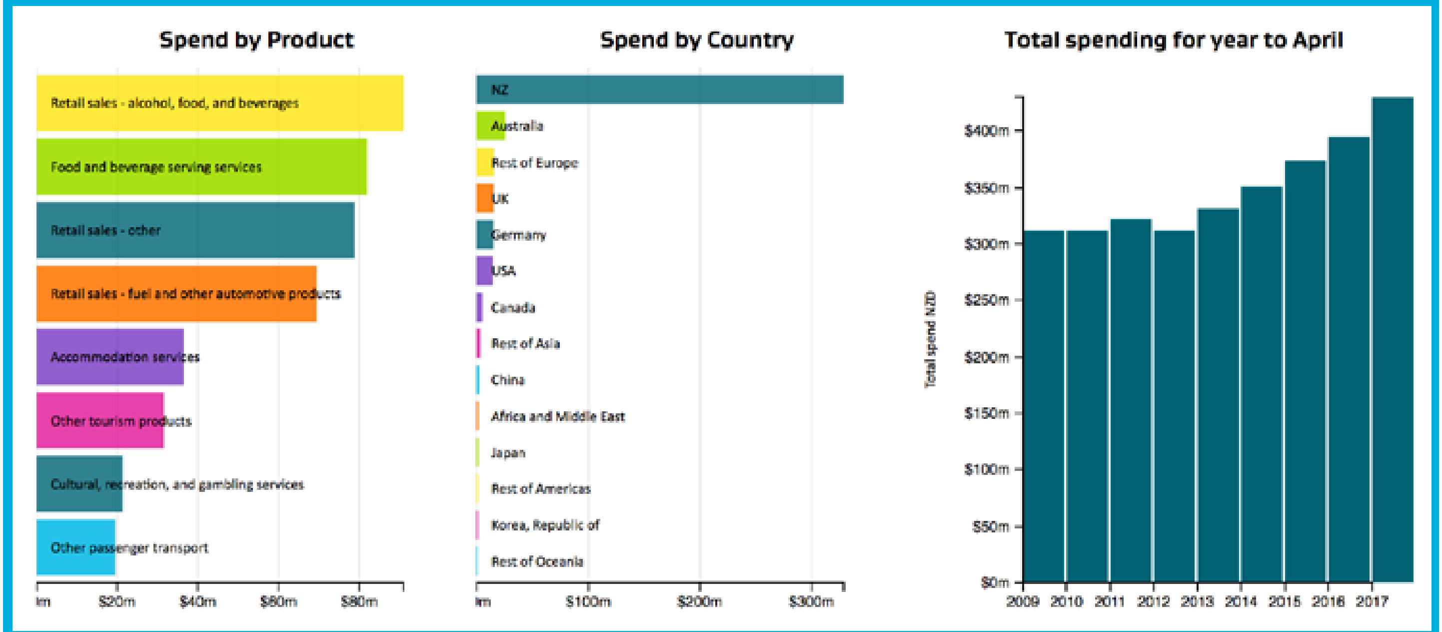
The opportunity to maximise yield during the peak is illustrated by the volume of visitors in the region, while the growing number visiting in the shoulder seasons presents a more sustainable opportunity than what's been available in the past.

To make the most of this opportunity existing businesses need to increase their appeal and value to the visitor market, as do new businesses who need a plan to address dramatic drop off in the low season.

MONTHLY REGIONAL TOURISM ESTIMATES *(Monthly Visitor Spend)* TO THE COROMANDEL



TOTAL VISITOR SPEND TO THE COROMANDEL FOR YEAR TO APRIL 2017



Source: www.mbie.govt.nz

Note: Spend data does not include the booking of holiday homes

The performance of the local tourism sector is crucial to the Thames Coromandel and Hauraki District economies. Visitor spend contributes $349 million and $79 million to these districts respectively (a total of $428m for *The Coromandel**).

The benefits are not just limited to Accommodation, Activities and Transport; these tourism categories are secondary to Food & Beverage and Retail Sales (including fuel), which are the biggest recipients of visitor expenditure in *The Coromandel.*

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**Monthly Regional Tourism Estimates supplied by MBIE*

The Coromandel visitor industry is enjoying the fruits of a prosperous sector, with new highs recorded almost every month. Despite these record results, Destination Coromandel, the Regional Tourism Organisation charged with marketing the region, believes there is greater opportunity to improve the productivity of the sector in the region.

New data has indicated that *The Coromandel* receives sufficient visitor arrivals (albeit over a concentrated period) yet insufficient spend when compared to other regions in New Zealand.

SNAPSHOT: Comparison of arrival and spend data by destination and visitor origin

DESTINATION *(Total annual spend)*		ORIGIN OF VISITOR									
		AKL	**WAI**	**BOP**	**WLG**	**CAN**	**AUS**	**ROE***	**UK**	**USA**	**GER**
CORO	Overnight Trips/month	117,551	53,434	23,556	4,425	2,924	11,781	13,940	7,963	2,830	10,625
($428m)	Day Trips/month	58,785	34,956	21,002	1,950	1,598	14,095	23,319	5,966	7,108	7,899
	Total Annual Spend	$122m	$102m	$61m	$13m	$6m	$26m	$15m	$15m	$14m	$15m
	Ave Spend/Trip	*$58*	*$96*	*$114*	*$170*	*$111*	*$84*	*$34*	*$90*	*$117*	*$67*
NTHLD	Overnight Trips/month	82,029	7,583	3,635	2,809	2,034	10,769	10,043	5,414	2,428	6,872
($1074m)	Day Trips/month	38,371	2,561	1,192	1,030	854	12,234	11,325	3,418	5,051	4,318
	Total Annual Spend	$285m	$41m	$30m	$45m	$28m	$74m	$39m	$42m	$45m	$38m
	Ave Spend/Trip	*$197*	*$337*	*$518*	*$977*	*$808*	*$268*	*$152*	*$396*	*$501*	*$283*
BOP	Overnight Trips/month	48,859	34,394		5,732	2,969	7,820	7,039	3,569	4,997	2,855
($814m)	Day Trips/month	20,414	29,893		2,222	1,324	11,737	11,258	3,460	8,054	2,740
	Total Annual Spend	$141m	$195m		$42m	$28m	$57m	$17m	$27m	$23m	$13m
	Ave Spend/Trip	*$170*	*$253*		*$440*	*$544*	*$243*	*$77*	*$320*	*$147*	*$194*
ROTO	Overnight Trips/month	32,048	15,454	13,006	4,228	1,902	8,781	11,578	6,224	3,190	6,074
($785m)	Day Trips/month	13,828	19,928	20,318	2,138	1,020	8,613	18,042	4,258	3,236	3,422
	Total Annual Spend	$120m	$91m	$87m	$36m	$18m	$73m	$43m	$31m	$50m	$27m
	Ave Spend/Trip	*$218*	*$214*	*$218*	*$471*	*$513*	*$350*	*$121*	*$246*	*$648*	*$237*
TAU	Overnight Trips/month	24,617	15,288	9,664	10,074	1,644	6,784	7,703	4,291	1,807	5,094
($603m)	Day Trips/month	11,130	14,526	10,289	3,775	922	6,353	13,234	3,022	2,028	3,549
	Total Annual Spend	$86m	$50m	$55m	$75m	$10m	$52m	$26m	$27m	$36m	$20m
	Ave Spend/Trip	*$200*	*$140*	*$230*	*$451*	*$325*	*$330*	*$103*	*$308*	*$782*	*$193*

KEY ■ Highest trips/month ■ Highest total spend by origin ■ Highest spend/trip ☐ ROE* = Rest of Europe

Note: The average spend per trip data has been compiled by Destination Coromandel utilising YE April MBIE Spend data and monthly Qrious (cellular) arrival data. This data is provided as a guide to provide a better understanding of our visitor markets.

The impact of *The Coromandel's* absentee holiday home owners (plus their visiting friends and family) must be considered. These frequent visitors need not purchase accommodation, what's more, holiday home and shared accommodation bookings are not captured in the accommodation spend data (once guests arrive all other spend is captured). If these bookings were included the accommodation category would return greater spend results.

That said, Northland have an even higher stock of holiday homes and don't appear to have the same challenge with obtaining spend as illustrated. What's more, all visitors, including those from our drive market (Auckland, Bay of Plenty, Waikato) and offshore markets, record low visitor spend in *The Coromandel* compared to other regions. This suggests that spend on booking holiday homes is not the primary reason for the relatively low average spend.

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CHALLENGE : *Increasing Yield*

These new insights support the need to address 3 key areas previously identified in Beyond 2025. This strategic document was prepared for *The Coromandel* tourism industry and detailed what was needed to improve its current situation and the sustainability of the industry long-term:

Product Development

World class attractions and infrastructure that enhance the surrounding environment

Seasonality

Progressing The Coromandel towards a year round destination with 8 months of solid visitor activity region wide

Quality

Positioning The Coromandel as a 'must visit' destination, exceeding expectations so visitors return and tell others

Recent data identifying total numbers and average daily spend has increased the necessity to progress these three areas and deliver more value to the local economy. Quality product, developed to encourage spend and year-round travel, will also address seasonality.

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