



THE COROMANDEL:

beyond

2025



THE
COROMANDEL
good for your soul



The Coromandel was recently voted New Zealand's number one holiday destination*, which is exactly where we want to be. However if we are to be rated as the country's must visit destination in years to come, in winter and summer, then we've got a fair bit of work to do.

The importance of working together, towards this vision, cannot be understated. The premise to achieve this vision is the mission, simply put - to preserve our heritage.

Prepared for *The Coromandel* visitor industry, this document outlines ambitious economic goals in line with the national tourism strategy - *Towards 2025*. *The Coromandel* is ideally positioned to benefit from a growing national tourism sector - being within 2 hours of 50% of New Zealand's population and the Auckland Airport. That said we'd still have to acquire an additional 215,000 overnight guests (with a current average spend of \$372) over and above what we're currently trending towards, by 2025.

To achieve these goals we've identified three key areas and introduced ideas to challenge the status quo;

- > Product Development
- > Seasonality
- > Quality

We needn't look far for inspiration, there are plenty of examples in our own backyard showcasing reasons to stay longer and spend more. Driving Creek Railway personifies the mission and the '*good for your soul*' proposition we present to the market.

The Hauraki Rail Trail has provided a glimpse of what's possible.

Rail Trail cyclists are oblivious to the challenges posed to the multiple stakeholders involved in this partnership – typical of a project of this scale. Invariably cyclists are happy and communities benefit. The busiest month of April is a welcome boost to surrounding product that continues to improve with increasing consumer demand.

Towns and districts will continue to develop in their own right, however a collegial approach is required to achieve *The Coromandel* vision long-term, leaving a legacy *Beyond 2025*.



VISION:

*The Coromandel is New Zealand's
must-visit destination**

*The Coromandel represents the
Hauraki Plains, Coromandel Peninsula
and Seabird Coast.*

*Destination Coromandel is funded by
Thames Coromandel District Council,
Hauraki District Council and businesses
in the visitor industry to promote
The Coromandel good for your soul*

*Within our key markets. Image: The Pinnacles

The New Zealand Tourism Industry has set an aspirational goal of achieving \$41 billion in total tourism revenue in 2025.

This requires that domestic and international spend grow by 4% and 6% year on year respectively.

Assuming *The Coromandel* achieves the same level of growth by 2025, we will deliver \$506 million in total visitor revenue. This is an 19% increase on the current projections for *The Coromandel* in 2025.

MISSION:

“To continue developing our visitor industry as an economic driver for social prosperity and to lead the preservation of The Coromandel’s unique cultural, historical and natural heritage.”

To achieve this *The Coromandel* needs to target three areas:

- 1 Product Development
- 2 Seasonality
- 3 Quality

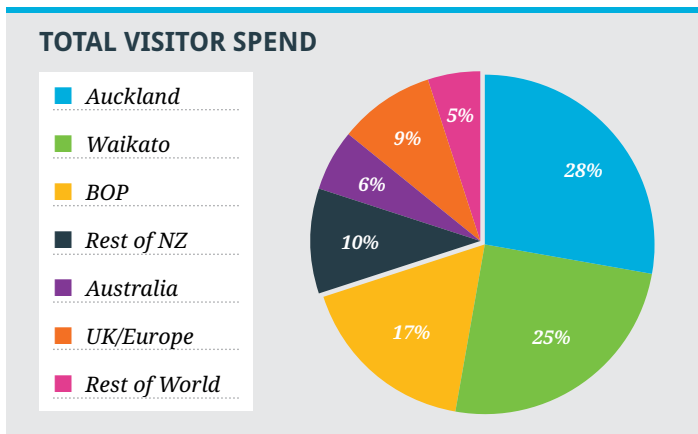
Our mission will inform all strategic actions and accord them intergenerational priority, to ensure the enhancement of the very attributes that attract people to *The Coromandel*.

FOUNDATION : *The Coromandel Today*

Total Visitor Spend*

The domestic market provides 80% of total visitor expenditure (domestic and international combined) to our two districts.

70% of the total visitor spend in *The Coromandel* comes from our drive markets (Auckland, Waikato and Bay of Plenty).



Examples of Destination Coromandel activity to drive overall visitor spend

→ Presenting information encouraging visitors to stay longer and spend more



100,000 Visitor Guides distributed New Zealand wide

→ Producing quality content to reach our key markets.



Sharing content with GoPro's 8.5 million fans

→ Developing a consumer centric platform.

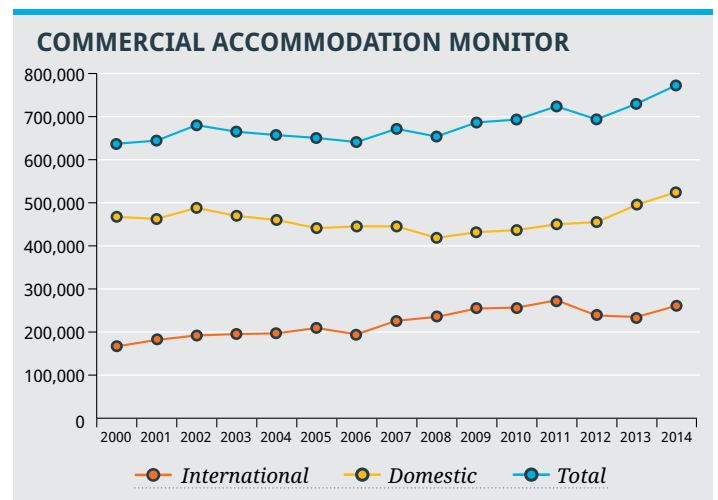


Mobile traffic to www.thecoromandel.com increased 83% in 2014

Commercial Guest Nights

773,396 commercial guest nights in 2014 was the highest ever recorded for *The Coromandel*. The busiest time of the year (December, January and February) is almost five times busier than the quietest months (June, July, August), illustrating the challenge we have with seasonality.

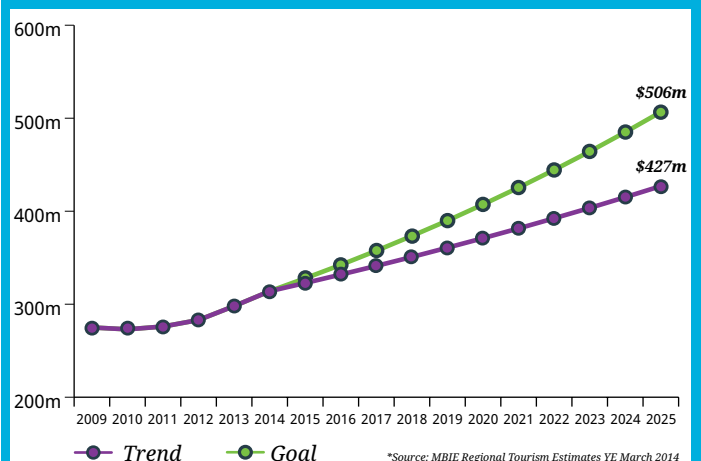
Note: CAM stats, provided by Statistics NZ, do not capture all overnight visitors to *The Coromandel*. Holiday homes, which represent a significant proportion of our visitor market, and hosted accommodation (e.g. bed and breakfasts) are not included in this CAM data.



Total Visitor Spend for The Coromandel in 2025

Assuming visitor spend continue to grow at the same rate *The Coromandel* can expect to reach \$427 million from visitor spend by 2025.

However if **The Coromandel** can stimulate visitor spend in line with the industry target we will achieve \$506 million.



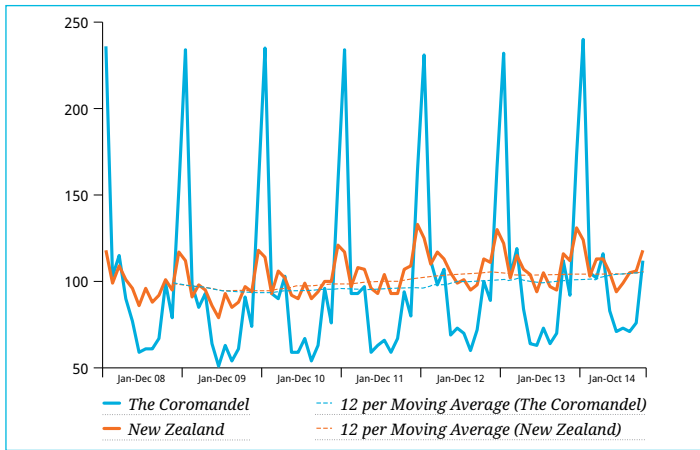
*Statistics supplied by MBIE to provide a trend.

FOUNDATION : *The Coromandel Today*

Domestic Visitor Spend

Domestic visitor expenditure in *The Coromandel* was \$249 million for year end March 2014. This is an increase of \$36 million in 5 years, largely spent on fuel and retail purchases.

The New Zealand tourism industry has identified productivity as a route to improved profit. Reducing seasonality is central to this national outcome. The challenge is far greater for *The Coromandel* as illustrated by the peaks and troughs (summer v winter) in the graph below.



What is DC doing to stimulate domestic growth right now?

→ Increasing targeted spend to our drive market



NZ Herald, 'Meals on wheels' by Nadia Lim

→ Domestic shoulder season campaign



Auckland Airport to Queen Street bus Advertising

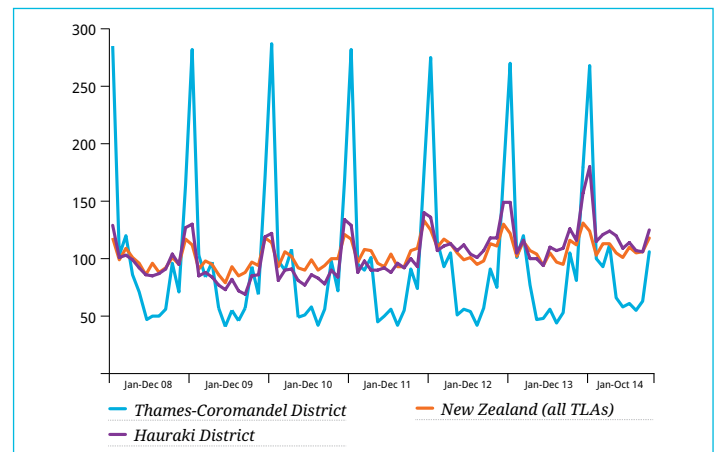
→ Connecting product with niche audiences



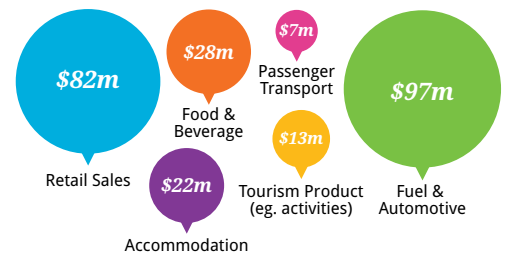
Over 40 wedding suppliers are featured in print, digital and trade show promotions

Domestic visitor expenditure in the **Thames Coromandel district** has increased by \$10 million in the last five years. This rate of growth is slower than the national measure. The **Thames Coromandel district** in particular has the challenge of seasonality.

Domestic visitor expenditure in the **Hauraki District** has increased \$26 million in the last five years, of which \$18 million is from the last two years. Most notable is the increased spend in fuel. The Hauraki Rail Trail was opened in May 2012.

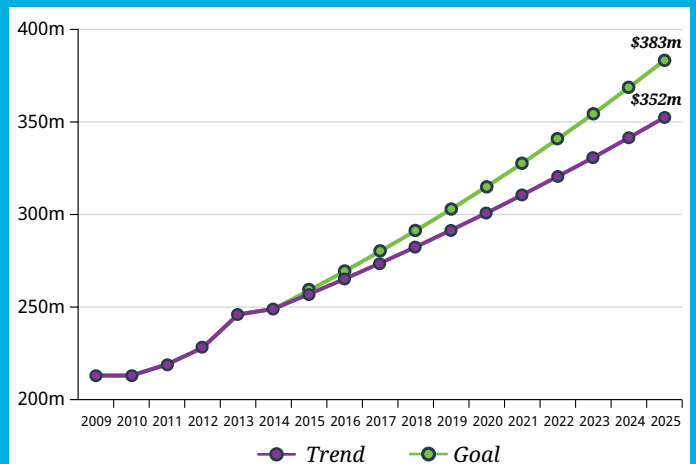


What are visitors spending their money on?



Domestic Visitor Spend for The Coromandel in 2025

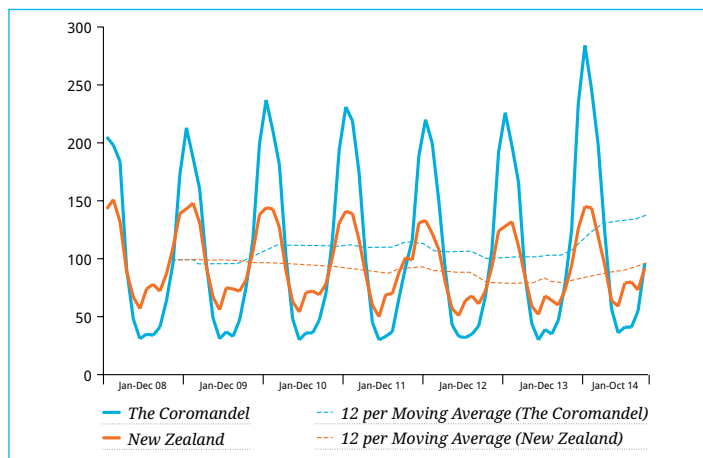
Toward 2025 is targeting 4% growth year on year from domestic tourism. At this rate The Coromandel would reach \$383 million from domestic spend, \$31 million more than the region is trending towards.



FOUNDATION : *The Coromandel Today*

International Visitor Spend

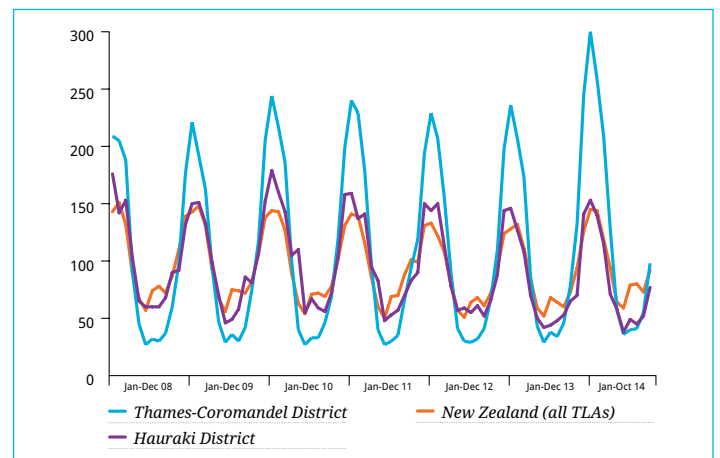
International visitor expenditure in *The Coromandel* was \$64 million for the year end March 2014. More than 30% of total international expenditure comes from Australia (\$21m). China, despite being the second largest source of international visitors to NZ, have not yet registered enough spend (minimum \$2m) to feature in the regions spend data. International visitor expenditure for *The Coromandel* has only just recovered after 4 years of declining spend. Despite this *The Coromandel* has continued to trend above the national measure.



International visitor expenditure in the **Thames Coromandel district** has increased by \$13 million in the last five years.

International Visitor Expenditure in the **Hauraki District** has been consistently low, demonstrating no growth in the last 3 years.

Note: Visitor spend for total, domestic and international is a Regional Tourism Estimate provided by MBIE. Estimates and projections are based off the current MBIE information available at the time of this document's production.



What is DC doing to stimulate international growth right now?

→ Trade and consumer activity in Australia



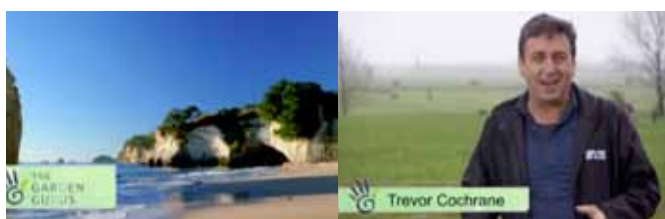
Australian Partnership Campaign; investment - \$22,430 v Advertising Value \$98,118.75

→ Promoting export ready product to international travel sellers



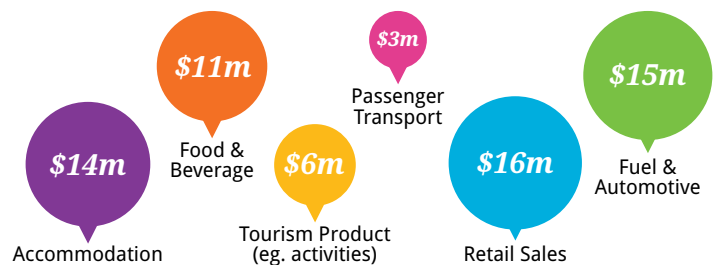
Attending New Zealand's biggest travel trade show, TRENZ

→ Hosting International Trade and Media

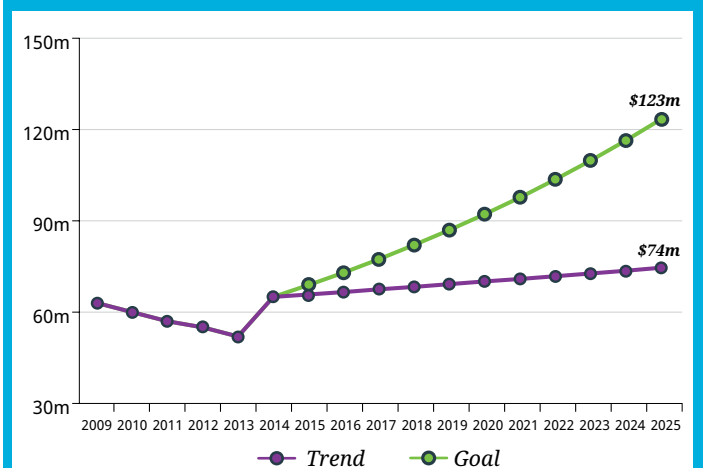


Garden Gurus Australian TV Series estimated advertising value - NZD \$1.2m

What are international visitors spending their money on?



International Visitor Spend for The Coromandel in 2025



FOUNDATION : *The Coromandel Today* [at a Glance]

Product Development

World class attractions and infrastructure that enhance the surrounding environment



Driving Creek Railway

- After a 25 year labour of love Driving Creek Railway took it's first paying passengers
- In December 2011 it received it's one millionth passenger
- One of *The Coromandel's* most successful private attractions
- Includes a wildlife sanctuary and art gallery



Bularangi Motorbike Tours

- Dominating a niche market
- Nationwide business, based in Waihi, with depots in Auckland, Wellington, Christchurch and Queenstown
- Establishing Waihi Bullion visitor experience, building on the gold story



Hauraki Rail Trail

- The mean spend per cyclist is about \$105 (University of Waikato, 2013)
- 78% of visitors from outside of the region
- Spend via electronic card transaction in the Hauraki District increased by \$18 million between 2012 and March 2014 (MBIE Regional Tourism Estimates)

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

Seasonality



The Lost Spring

- The Lost Spring officially opened in December 2008
- It has grown to include a café, Day Spa & private Info Centre
- A year round attraction, experiencing 12% year on year growth



Beach Hop

- 100,000+ attendees
- 5 day shoulder season event
- Worldwide media coverage e.g. Discovery Network - potential audience 45 million
- Based in Whangamata with events in neighbouring towns



Scallop Festival

- Attracts 4500 visitors during September
- \$3.7 million economic benefit in 2014
- 43% of attendees spend time throughout *The Coromandel*



Gold Discovery Centre

- This anchor product broadens the appeal of Waihi and the wider region
- Provides a year round wet weather option
- Heart of *The Coromandel* gold experience

Quality

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



Kiwi Dundee Adventures

"I think that by educating people you are making a huge impact on the world. Thank you very much!"

Heather Flint, USA
Testimonial



Manawa Ridge Eco Retreat

"We have stayed at Manawa Ridge 3 times now... look forward to our next stay"
SilverFern, Rotorua



Falls Retreat

"A hidden culinary gem!"
"...service is fantastic as well. Don't miss it!"
Haifa, Israel



Cathedral Cove Kayaks

"...His knowledge of the history and culture of the area was amazing."

The Sporn Family, Australia



FORWARD: *to 2025*

Should visitor spend continue to grow at the same rate *The Coromandel* can expect to reach \$427 million by 2025. However if *The Coromandel* can match national industry targets the region will achieve \$506 million by 2025.

It is imperative *The Coromandel* delivers on the key performance indicator established by Destination Coromandel. Where the region tracks in relation to the trend and goal will provide a barometer for success beyond the KPI.

It is Destination Coromandel's intention to stimulate growth in visitor spend by addressing 3 key areas, together with key stakeholders and *The Coromandel* Visitor Industry, within the next 10 years.

KEY PERFORMANCE INDICATOR

To deliver to our region annual visitor spend equal to or greater than the equivalent national measure.



BEYOND 2025 : *Thought Starters*

Product Development: Developing world-class attractions and infrastructure that enhances the surrounding environment. Dispersing visitors region wide is important in taking pressure of natural assets.

Concept: _____ Timeline: _____ Lead: _____

Summary: _____

Concept: _____ Timeline: _____ Lead: _____

Summary: _____

Concept: _____ Timeline: _____ Lead: _____

Summary: _____

Seasonality: Making The Coromandel a year round destination with 8 months of solid visitor activity. Summer is already at capacity, growing the shoulder and off seasons is a priority.

Concept: _____ Timeline: _____ Lead: _____

Summary: _____

Concept: _____ Timeline: _____ Lead: _____

Summary: _____

Concept: _____ Timeline: _____ Lead: _____

Summary: _____

Quality: Retaining a consumer centric focus, providing a quality experience that will encourage increased visitor spend, return visits, positive word of mouth and reputation

Concept: _____ Timeline: _____ Lead: _____

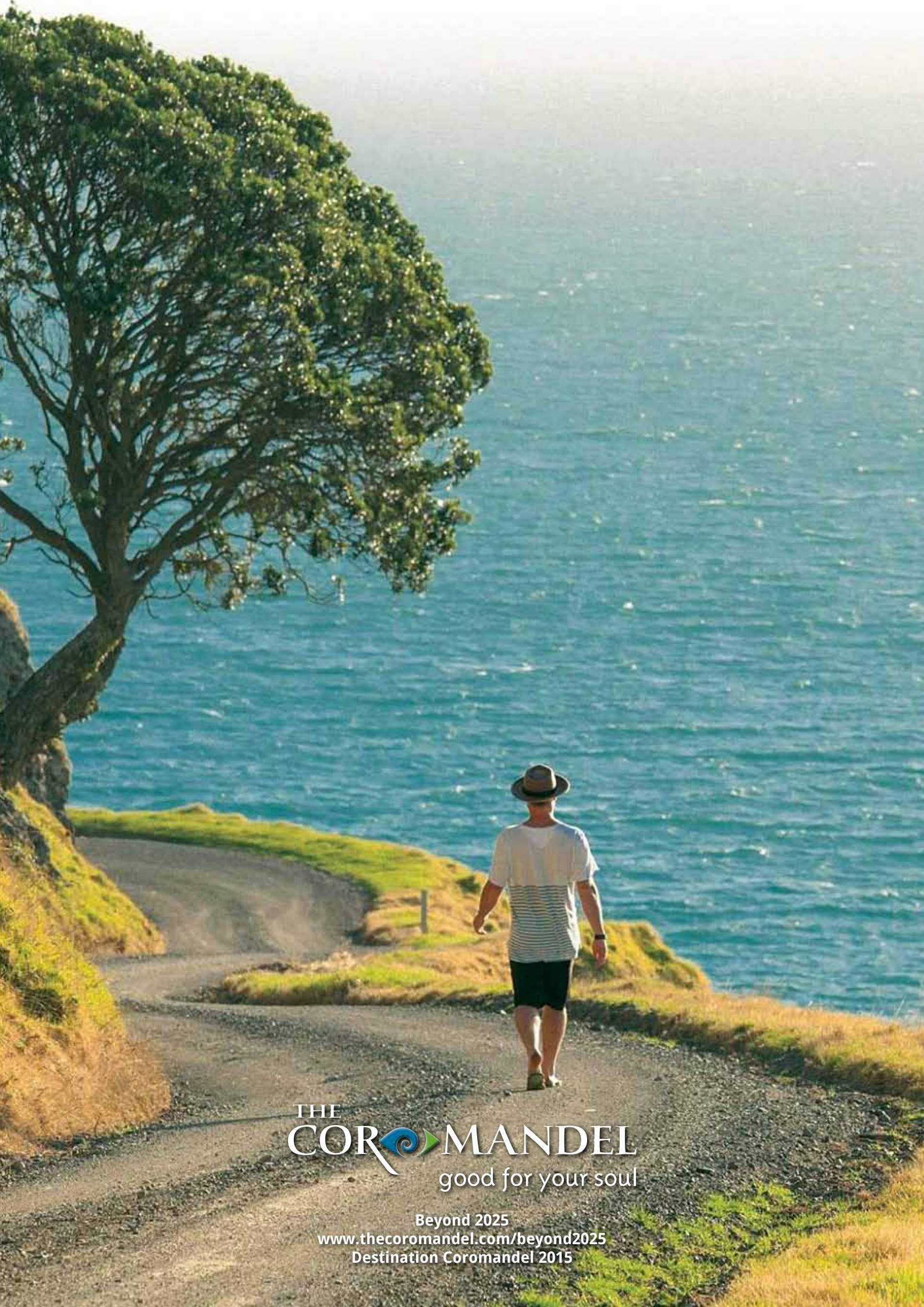
Summary: _____

Concept: _____ Timeline: _____ Lead: _____

Summary: _____

Concept: _____ Timeline: _____ Lead: _____

Summary: _____



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Beyond 2025
www.thecoromandel.com/beyond2025
Destination Coromandel 2015