

Christchurch & Canterbury Tourism
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7831

16 April 2009

Christchurch City Council

To whom it may concern

Draft LTCCP 2009-19

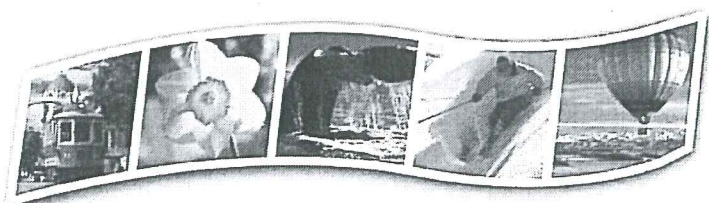
Christchurch & Canterbury Tourism, the organisation responsible for marketing Christchurch & Canterbury, offers its full support to Vbase's proposal to expand the Christchurch Convention Centre and provide urgent maintenance & a refurbishment to the Christchurch Town Hall for Performing Arts, as detailed in the draft LTCCP.

Business tourism has been recognised as a major growth area for both Christchurch & New Zealand and is of great importance for the region. Numerous organisations benefit both directly and indirectly from Conventions & Incentives and a flow on effect is experienced by the community as a whole.

By implementing the proposed initiatives, numerous benefits would be received for the region. The Christchurch Convention Centre is currently at full capacity eight months of the year and is currently unable to meet demand. An expansion would enable demand to be fully met and would allow Vbase and the region to capitalise fully on market opportunities, along with Christchurch & Canterbury Tourism, including the key market of Australia.

Further by providing the much needed maintenance & refurbishment to the Christchurch Town Hall for Performing Arts this would better meet the needs of clients, both now and in the future, and allow the facility to function at a continued high standard.

The regional economic output from these facilities is estimated at \$80M per annum from which the economic value of \$40M per annum is derived.



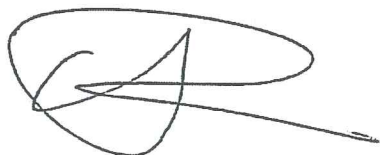
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Christchurch & Canterbury Tourism is a trading name of
Christchurch & Canterbury Marketing Ltd



Christchurch & Canterbury Tourism fully supports Vbase's proposal and would like to appear in person in support of this request.

Yours sincerely

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Christine Prince
CHIEF EXECUTIVE

Draft LTCCP Submission – Christchurch & Canterbury Tourism (CCT)

Submission

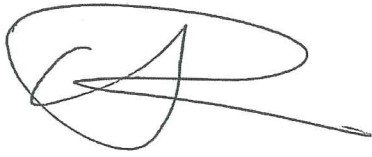
Focus – Australia

- CCT are requesting \$250,000 in additional funding per annum on top of the LTCCP draft plan (from the end of June 2010 when the current \$850,000 in campaign funding terminates).
- The monies are to be invested in the Australian Market, our number one market
 - To drive joint ventures with key airlines: Air New Zealand, Jetstar & Pacific Blue
 - To set up joint promotions with the main trade players: Flight Centre, ANZCRO, Stellar Group, Value Tours etc
 - To drive online bookings through effective online strategies and investment
 - To further build the profile of Christchurch through pro-active PR
 - To keep up the momentum we have as the main leisure hub for Australian arrivals
 - To bring Australians to The Garden City for NZ Cup & Show Week, Ellerslie, RWC2011, Antarctic, Arts & Buskers Festivals as well as other key events – to encourage them to stay longer and spend more
 - To shore up Australian visitors in an uncertain market that is experiencing a decline in longhaul visitor numbers

Support

- Currently the overall CCT funding from CCC will drop by \$700,000 at the end of June 2010 so inevitably investment in our number one market Australia will fall.
- The National Government are currently reviewing a proposal to set aside monies from the recently allocated \$60M fund for tourism to support regional campaigning. The Government would contribute funds to the key gateway RTOs → Christchurch, Auckland & Wellington which would have to be matched with local funds. With the proposed funding for CCT we would not be in a position to take full advantage of this scheme.
- CCT appreciates it is an extremely tough environment but is focussed on sustained investment in our number one market. Since the original proposal to CCC in the LTCCP process, Auckland have had a \$900K increase in Council funding, Queenstown have confirmed \$1M for Australia & Wellington \$2M.
- CCT have actively engaged with Vbase, CIAL, CDC, CCHL as requested by the Council to pool resources, work out plans to work together more closely and avoid any potential duplication – a concern that was raised at the CCT presentation to Councillors.
- CCT also looks forward to having a workshop, as suggested by CCC, to answer questions and have a broader discussion on the role of tourism etc.
- CCT appreciates the significant investment CCC has made in infrastructure revitalisation of the City and the dynamic events programme. CCT do play an integral part in marketing these developments & events and also recognise the huge potential of the RWC2011 (CCT participate in the Steering Group).
- In summary, the activities of CCT are broad reaching but in the current economic situation we need real focus as key international markets are declining by 10-15% or up to 30% in some cases. The reality is in terms of 'expenditure' by visitors we need two Australians for every US or European Visitor. CCT have focussed on Australia and delivered excellent results working alongside Tourism New Zealand, Vbase, CIAL etc. We have asked for the minimum we see as necessary to sustain our performance in this key market.

The Christchurch & Canterbury Tourism Board would like to request speaking rights to support this submission at the hearings in May.

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Christine Prince
CHIEF EXECUTIVE

LTCCP 2009/19 Submission: Tourism Marketing Funding

This submission is in support of further investment in the marketing of Christchurch as a tourist destination. Vbase believes the promotion of Christchurch as a tourist destination is a substantial matter that requires a long term strategic approach and significantly greater funding than is currently provided. We are therefore supportive in principal for the CCT's desire for greater funding.

Destination marketing plays a critical role in support of attracting lucrative business tourists to a city. The primary consideration of a company or organisation looking at where to hold a conference is what city to hold it in, either internationally, or within a particular region (eg Australasia). Other factors such as the conference venue are important, and while venue size, quality of products and services, and availability can affect the final decision, those factors usually only come into play once the destination has been chosen or short listed.

The marketing of Christchurch is therefore important to Vbase in securing international and national business events. The regional economic output from the convention facilities operated by Vbase is estimated at \$80m per annum from which economic value added of \$40m per annum is derived. This does not take account of the large numbers of business visitors who later return to Christchurch as leisure tourists.

To build on the contribution of business events to Christchurch the city must compete not only with the infrastructure other cities offer, but also with the cities themselves, many of which are successful in securing conference business on the back of reputations built from powerful, and expensive, marketing.

The business of conferencing is growing and that has been the catalyst for large-scale investment in conference facilities across Australia. Christchurch has responded by supporting through the draft 2009/19 LTCCP the expansion of the Christchurch Convention Centre. The redevelopment of Christchurch International Airport and the development of new hotels in the city will also play an important role in positioning Christchurch to play a larger role in this growing market. By way of supporting infrastructure the city is well placed.

However, if Christchurch is to remain competitive in attracting business events it must invest in PROMOTING Christchurch as a destination. It must compete with well-funded and clever marketing campaigns being undertaken by other cities. Unfortunately, in our experience as a company selling Christchurch as a conference destination in the international marketplace, Christchurch has a low profile and some negative perceptions exist.

Sufficient funding needs to be available to market the city throughout the year, targeting both the business and leisure markets. The seasonality of the two markets are complementary: the majority of leisure tourists visit Christchurch in the summer while business events are held primarily from April to November. Also, the role of business events in growing leisure tourism should be considered. The South Island is an attractive destination for pre- and post-conference touring while Australian studies show up to a third of delegates attending international conferences will return as leisure tourists.

The funding of marketing Christchurch as a destination must support a long-term strategic marketing/promotion framework that can be "bought into" by key stakeholders. In our view critical starting point is the establishment of a consistent, compelling, positioning message for the city that provides a marketing umbrella for a wide range of businesses and organisations. These include the Convention Bureau, Christchurch International Airport, tourism operators, hotels, Canterbury Development Corporation, Vbase and others.



Alan Garner
General Manager, Business Development
Vbase

Draft Long-Term Council Community Plan (LTCCP) 2009-19

This is a submission from the Canterbury Employers' Chamber of Commerce to the Christchurch City Council Draft Long-Term Council Community Plan (LTCCP) 2009-19.

The Canterbury Employers' Chamber of Commerce wishes to make a submission in support of Christchurch Canterbury Tourism (CCT) in their quest to obtain an additional \$250,000.00 to spend specifically on the Australian market.

The Employers' Chamber of Commerce is very conscious of the fact that tourism is a key economic driver in the city, a major employer and a significant direct contributor to the regions' economy through transport, hotels and hospitality.

We know from our direct interaction with Chamber members that the Christchurch tourism sector is currently experiencing negative consequences of the world wide economic downturn. Without a continued and focused investment in tourism promotion there will be more difficulties within the sector including bankruptcies and redundancies.

It is really important that the tourism sector remains in the healthiest possible condition because of its current contribution, its contribution in the short term and as a pre-requisite for maximising opportunities associated in particular with the Rugby World Cup in 2011.

Accordingly the Employers' Chamber of Commerce supports CCT in its submission for \$250,000.00 which will be spent specifically on the Australian market, targeted towards marketing and promotion both on-line and with joint ventures with airlines and other participants.

We understand the specific objective will be to drive increased visitor numbers from Australia.

We thank the Council for the opportunity to make the submission and would like to appear in person in support of this request.

Yours sincerely



Peter R. Townsend
CHIEF EXECUTIVE

Cultural Precinct

General input for Submission to LTCCP in support of CCT

- While the purchase of city-wide events is important to the Cultural Precinct partners, it is the consistent, focused promotion of Christchurch to the world and Australia in particular that supports the Cultural Precinct partnership, particularly in the off-season.
- Recent surveying in the off-season showed that 24% of visitors to the Cultural Precinct come from Australia and the Americas
- Cultural Precinct work together to showcase Christchurch as a viable short-break destination for the Australian and rest of New Zealand market
- The investment of \$250K to be spent in the Australian market has the Cultural Precinct full support. The Cultural Precinct partners see this as an integral part of destination marketing for Christchurch

Christchurch Cathedral Draft LTCCP Submission in support of Christchurch & Canterbury Tourism

'Christchurch Cathedral is a principal icon of Christchurch. We delight in being able, thanks to a great extent to the City Council's grant, to be able to be open 365 days a year offering a quality experience for the 700,000+ people who come through our doors and to be a focus for significant city and civic events.

Many of the people who visit the Cathedral are tourists and with other visitor attractions [of which we are one of the biggest in terms of numbers] in the city, we are concerned that all sectors of the community, including of course the City Council, do all that we can to promote tourism both nationally and internationally.

The value of the CCC community grants in assisting all of us in offering the very best we can to as many visitors as we can encourage to come to our city, cannot be underestimated. In the economic downturn that we are going through, more attention is being paid to encouraging domestic and Australian visitors.

We are very supportive and appreciative of the work of Christchurch and Canterbury Tourism and wish to encourage the City Council to be sympathetic to CCT's submission for funding to support the promotion of our city and province in Australia and here in New Zealand.'

16 April 2009

Christchurch City Council

To whom it may concern

LTCCP – Christchurch & Canterbury Tourism

On behalf of Christchurch International Airport Limited (CIAL) I'd like to show our support for an additional \$250,000 of funding for Christchurch & Canterbury Tourism (CCT) to spend within the Australian market.

As New Zealand's 2nd largest airport that receives the highest proportion of leisure passengers, we strategically rely on the efforts of CCT to drive tourists through our gateway and into this region. As an active organisation in tourism marketing we can not stress highly enough the importance to have a tourism office that is effectively funded to meet and execute the tourism marketing strategy, that is so significant to Canterbury's GDP. Unless CCT receives their required budget then we can not expect to grow as a tourism destination, affecting many industries and employees.

We believe that effective marketing of the destination of Christchurch is critical to the ongoing success & development of CIAL and the City of Christchurch as an attractive visitor destination. About 85% of our international passengers come through our airport for leisure related purposes. This destination drive must be consistent and continual as we compete nationally and internationally all targeting the same tourist dollars.

The core marketing purpose of CIAL is essentially to focus on retaining and growing flights and passenger volumes in and out of Christchurch Airport. This is done through a strategic plan that includes route development strategies, sales and conference participation and tourism marketing partnerships with organisations such as CCT. While The Airport does directly promote this region as a destination, as part of the marketing process, the core focus is on route development and aviation development. Our destination marketing needs are heavily dependant on CCT's strategy and plans.

Through mutual understand CCT focuses on promoting the Christchurch & Canterbury region in a broader sense. For example, they are building awareness and preference to travel to the destination in the key markets including; Australia, United Kingdom, USA, Japan, China, as well as the domestic market. Approximately 50% of these visitors to the

region arrive through our airport; the remainder arrive via the road (Cruise is in addition to this).


CIAL and CCT work in partnership together on many joint ventures and initiatives to promote this region overseas. These include deals and joint ventures with; Airlines, Tourism New Zealand, Trade Development and joint overseas trips. Both organisations have acknowledged the need for CIAL & CCT to work even more closely in the future and this is underway and ongoing. However, there is still a need to have sufficient investment focussed on the destination especially in key markets therefore CIAL support the CCT submission requesting \$250K to be spent in the Australian market.

We note that the funds Tourism **Auckland receive from their Council is \$2.97m**, recently increased by \$900,000. Their total marketing funds are now around \$5.37m. **Wellington receives \$4.9m from their Council** resulting in over \$6m funds for destinational marketing (a further \$2m for the Australian market has been requested and is being reviewed by their Council). **Queenstown has recently increased their funds to around \$3m**, \$1m specifically for the Australian market.

This is at a time when **Christchurch is being asked to reduce their destinational funds to \$2.1m from the Council**, resulting in a total of \$3.8m. This is 41% less than what Auckland is spending and 57% less than Wellington. In comparison to guest nights monitored; Canterbury owns 15.5%, Auckland 17.5%, Wellington 8% and Queenstown 10% of bed nights. With reduced funds CCT could lose market share to other regions that are more resourced to market their region.

In 2007 CIAL generated \$1.7b in regional GDP and created employment for 21,000 Full-Time Equivalent employees (FTEs)¹. This is 7.2 percent of annual GDP in the Canterbury Region and 8.8 percent of employment. As a key employer and contributor to this region's GDP we implore you to grant the funds requested to CCT to ensure Tourism within this area is strong and able to grow in a highly competitive, yet rewarding industry. On average \$5.5m is spent on tourism related activities everyday in Christchurch and Canterbury – this is over \$2b a year. Reducing our destinational marketing resources will reduce the tourist demand for this region, and subsequently reduce over 20% of this regions' GDP. Can we afford not take action?

Yours sincerely



Jim Boulton
Acting Chief Executive

¹ Source: BERL - Economic Impact of Christchurch Airport - EIS Report – 22 Dec 2008