

Destination
Marlborough



Annual Business Plan

2016 / 17



Brilliant
EVERYDAY



Only Marlborough

Marlborough

Brilliant
EVERY DAY

NZ'S SUNNIEST PLACE 2015

MarlboroughNZ.com



Introduction

Visitors to Marlborough spent \$372 million to the year-end March 2016 up 7.8% on the previous year. That equates to over \$1 million a day into the Marlborough economy.

International visitor spend is making an impact on seasonal performance. While international visitor spend over the Summer of 2015/16 was up 22% from the previous year, this was closely followed by year on year seasonal increases of 20% for winter, 16% for Autumn and 11% for Spring.

In May 2016 MBIE forecast national visitor spend growth of 5.4% per annum reaching \$16 billion by 2022. All international markets are expected to increase visitor spend at a higher rate than visitor numbers. China is now the second highest source of international visitors to NZ after Australia. Marlborough businesses who sell their products via international travel sellers are already reporting strong forward bookings for Summer 16/17.

43 cruise ships carrying over 112,000 passengers and crew are scheduled to berth in Marlborough during the 2016/17 season. This includes the largest ship to visit NZ, Ovation of the Seas. The Ovation has 6500 passengers and crew aboard and it's first of three visits to Marlborough is Christmas Eve. The schedule for 16/17 also includes a week where the region is hosting ships on 6 consecutive days one of which is Ovation of the Seas.

Marlborough has a clearly defined growth plan for the visitor economy a well- articulated visitor positioning and an engaged visitor industry. Destination Marlborough's activity plan, along with delivering core functions to support the regions Smart and Connected Visitor Economy Growth Plan, has been prioritised for 2016/17 to capitalise on the latest market trends and opportunities that will influence growth potential for Marlborough.

Marlborough District Council has demonstrated confidence in the Marlborough visitor economy through an increased investment in destination marketing specifically to support the attraction of Business Events to Marlborough and i-SITE service delivery.

2016/17 action plan and service levels

CONSUMER MARKETING Ongoing: • Use Marlborough Brilliant Every Day visitor positioning consistently through all marketing channels. • Generate positive media coverage for Marlborough. • Invest in Australia consumer campaigns led by Tourism New Zealand to drive awareness and visitation to Marlborough. • Produce regional collateral and manage online and social communication channels on behalf of the region. • Grow the library of video and photo assets of Marlborough. • Use third party website and social media channels to build online content and conversations to influence trip planning decisions. • Look for opportunities to up-weight the visitor welcome and information presence of Marlborough in key transport terminals with links to Marlborough and within the region. • Continue to use NZ's Sunniest Region status as a promotional tool for as long as it is relevant. New opportunities and initiatives: • Develop a regional domestic spring and autumn campaign platform to share with operators, operator collectives, towns and communities within Marlborough, airline, ferry, train, rental car and motorhome companies to drive visitation. Support with tactical activity through i-SITEs. • Create and deliver regular e-newsletter to build and engage consumer database to drive destination content and encourage repeat visitation. • Develop an initiative to leverage off the release of the movie <i>Light Between Oceans</i> and the new travel series which includes a Marlborough episode. • Target Lions Tour (June 2017) followers to spend time in Marlborough during the event.	Service Levels: • A minimum of 40 media outlets visit the region. • Autumn and spring domestic campaign platform created and distributed via DM owned channels and a minimum of two transport partners. • A minimum of 25% of page views to MarlboroughNZ.com result in a referral to a deal, product or event listing. • Social media engagement grows 10% on previous year. Investment: \$449,392
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TRADE MARKETING Ongoing: • Deliver a trade engagement programme in conjunction with the Trade Marketing Team partners to influence and educate international travel sellers to grow Marlborough content in New Zealand travel itineraries and increase sales capability and confidence. • Work with Australian travel sellers to build Marlborough product representation to support consumer campaign delivery. New opportunities and initiatives: • Lead Marlborough's inclusion in Tourism New Zealand's targeted China market development strategy to target off peak China FIT travellers into Nelson, Marlborough and Wellington. • Target travel sellers in USA and South East Asia to leverage off increased air capacity and new routes.	Service Levels: • Facilitate a visit to Marlborough for a minimum of 100 travel sellers throughout the year. • Train a minimum of 800 wholesale and frontline travel sellers on how to include Marlborough in a NZ travel itinerary. Investment: \$180,321
I-SITE VISITOR INFORMATION CENTRES Ongoing: • Deliver comprehensive visitor information and booking services 364 days a year through the Blenheim and Picton i-SITE Visitor Information Centres. New initiatives and Opportunities • Operate the Havelock i-SITE Visitor Information Centre for nine months from 1 September 2016. • Implement new cruise day process to efficiently handle larger volumes of passengers. • Grow online enquiries and sales.	Service Levels: • Marlborough i-SITES achieve a sales turnover of \$3.1 million. Investment: \$769,246

BUSINESS EVENT MARKETING

Ongoing:

- Manage the operation of Business Events Marlborough (previously referred to as Marlborough Convention Bureau) to influence and educate business event organisers to bring their events to Marlborough.
- Lead regional attendance at MEETINGS and Convene South.
- Distribute leads and enquiries to venues and facilities.
- Develop content and collateral to market Marlborough as a conference destination.
- Compile regional bid documentation to compete for conference business up for tender.
- Maintain and grow a conference lead database and compile and send regular e-newsletter to keep Marlborough top of mind for future conferences.
- Work with CINZ and the Tourism New Zealand's business events team to facilitate international conference and incentive enquiries and bids.

New opportunities and initiatives

- Recruit a Business Development Manager to deliver the Business Events Marlborough activity plan.
- Leverage growth in Marlborough's conferencing capability and credibility with ASB Theatre in operation, hotel capacity growing and Omaka Aviation Heritage Centre function facilities opening this year to build profile for the region.
- Upgrade to CINZ gold membership to be eligible to participate in CINZ led Australia market initiatives and attract leads through CINZ.
- With the increased staff resource in place, develop a targeted lead generation approach and support with a plan of sales calls to proactively pitch Marlborough as a conference destination.
- Develop and pitch suggested incentive itineraries, pre and post conference and partner programmes.
- Establish annual measure benchmarks.

Service Levels:

- Facilitate a visit to Marlborough for a minimum 45 business event planners throughout the year.
- Generate a minimum of 150 business event leads or referrals.
- A minimum of five regional conference bids compiled and submitted.

Investment: \$170,381

DESTINATION MANAGEMENT Ongoing: • Maintain momentum with the S&O Steering Group on achieving progress and results in line with the Visitor Economy Growth Plan. • Gather and share results, achievements and performance of the Marlborough Visitor Economy with stakeholders. • Develop industry partnerships that will support and extend the reach of promotional activity. New initiatives and opportunities • Off the back of considerable growth, contribute to the regional response to build Marlborough's cruise day capability and delivery to ensure passengers disembarking in Picton have a seamless visitor experience. • Commit to MBIE led domestic research programme to gather insights on domestic travellers to influence future marketing decisions.	Service Levels: • MDC investment in destination marketing activity is matched with partner contributions at a minimum 2:1 ratio. Investment: \$64,181
ORGANISATION PERFORMANCE: Ongoing: • Maintain effective management of Destination Marlborough activity and people.	Service Levels: • Destination Marlborough achieves an unqualified audit opinion on the 2015/16 financial statements presented to the Board. Investment: \$37,499

DESTINATION MARLBOROUGH TRUST INC

Budget by activity year ending 30 June 2017

	2016/17 BUDGET	NOTES
	\$	
MDC - destination marketing grant	678,475	
MDC - tourism targeted rate	185,000	
Bank interest	4,800	
Marlborough i-SITES		
Display Advertising revenue	169,000	
Commission on sales	327,000	
Net merchandise sales & event ticket booking fees	121,500	
Administration fee revenue	22,000	
Havelock i-SITE operational grant	23,000	1
DOC Services	10,000	
TOTAL i-SITE revenue	672,500	
Marlborough i-SITES - expenditure	769,246	
Marlborough i-SITES - net investment	-96,746	
 International Trade Marketing - advertising and partnerships	75,775	
International Trade Marketing expenditure	180,321	
International Trade Marketing - net investment	-104,546	
 Consumer marketing - advertising and partnerships	72,900	
Consumer marketing expenditure	449,392	
Consumer marketing - net investment	-376,492	
 Conference marketing - advertising and partnerships	14,500	
Conference Marketing expenditure	170,381	
Conference Marketing - net investment	-155,881	
 Destination management & stakeholder expenditure	-64,181	
Administration expenditure	-37,499	
 Surplus/(Deficit) before non-Cash Items	32,930	
 less Depreciation		
Total Depreciation Marketing Admin and i-SITE	25,600	2
 TOTAL SURPLUS/DEFICIT	7,330	

NOTES

1. Havelock Community Association

2. Depreciation impacted by the decision to retrospectively capitalise the Blenheim building fitout.

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DESTINATION MARLBOROUGH TRUST INC
STATEMENT OF FINANCIAL POSITION AT:

	Budget
Assets	June 17
Cash	152,545
Accounts Receivable (net)	25,000
Prepayments & Unbilled Income	3,700
Inventory	30,000
Total Current Assets	211,245
Fixed Assets	140,244
Total Non Current Assets	140,244
Total Assets	351,489
Liabilities	
Creditors	90,000
Provisions and Accruals	65,000
Fees/Funding in Advance	90,000
Total Current Liabilities	245,000
Total Liabilities	245,000
Net Assets	106,489
Shareholder Funds	
Retained Earnings	99,159
Current Year Earnings	7,330
	106,489

Marlborough Visitor Economy targets y/e June 2017

1. Marlborough will exceed, or as a minimum match, national visitor spend to year end March 2017.
(Source: MBIE Regional Tourism Estimates)
2. Visitor spend change in Marlborough across Spring (September October, November 2016) and Autumn (March, April, May 2017) outstrips summer.
(Source: MBIE Monthly Regional Tourism Estimates).
3. Increase total number of delegate days from June 2016 year end level (40,453).
(Source: MBIE Convention Activity Survey)
4. Increase total value of single, multi-day and incentive activity from June 2016 year end level (\$4,550,701)
(Source: MBIE Convention Activity Survey and Convention Delegate Survey)