

## **Positively Wellington Tourism**

2011/12 – Quarterly Report (January - March 2012)

### **Summary**

*The busy third quarter has seen visitors arriving in Wellington for all sorts of reasons including of course the Hertz Sevens and the International Festival of the Arts. These events and the Unveiled exhibition at Te Papa have sustained domestic visitation to Wellington whilst growth in arrivals direct to Wellington from Australia have delivered a significant increase in the number of international visitors and protected Wellington from decline in visitors seen in most other parts of New Zealand.*

*As I write this summary, Wellington has once again been named number one destination by New Zealanders in research carried out by Colmar Brunton for the Tourism Industry Association.*

*A highlight of increased visitation – that is not included in the available statistical data contained in the KPI's below – is the number of cruise ships that have visited Wellington this summer and the spending they have brought to both our tourism attractions and retailer in Wellington city. The initiative PWT put in place having volunteers in key locations on the streets of Wellington on cruise days has been highly successful and our team of around 60 volunteers are keen to work with us again next summer.*

*A feature of Q3 has also been the considerable number of both travel trade and travel media opportunities that PWT has been able to host from markets across the world. Tourism New Zealand have chosen to invest more in bringing such people to New Zealand and this means Wellington gets more opportunity to impress on the travel trade the reasons for travellers to stay longer in Wellington and to have it's story told across the world's media.*

*PWT's work in Australia has continued unabated and our strong partnerships with Air New Zealand the local tourism sector here in Wellington and our neighbouring regions have meant that through Q3 a variety of different promotional activities have taken place which have each month caused an increase of visitor traffic to Wellington.*

*In late March PWT's Convention Bureau – working with commercial partners – hosted a Mega-familiarisation of potential convention bookers. Fantastically as a result two of the Australian clients hosted have already booked conventions into Wellington together bringing over 500 delegates to the city.*

## Key Performance Indicators

	2011/12	Third Quarter result	Year To Date Result
<b>Organisational</b>	Implement a stakeholder satisfaction programme to monitor the ongoing satisfaction of commercial partners and the programmes of the Trust in which they participate.	PWT undertook a stakeholder satisfaction survey in March 2012. The results of which are available in a separate report.	See third quarter result
	Undertake review of shared services under the umbrella activity being led by Wellington City Council.	PWT is working collaboratively with WCC considering activities that might be better provided in a shared services environment	PWT is working collaboratively with WCC considering activities that might be better provided in a shared services environment
	Maintain Wellington City Council funding at 50% or less of total income.	Council funding is 39.0% of total income. (36.4%) Refer Financial performance commentary	Council funding is 53.7% of total income. (49.6%) Refer Financial performance commentary
	Maintain overhead costs as less than 12% of total activity costs.	Overhead costs are 17.4% of total costs. (11.7%) Refer Financial performance commentary	Overhead costs are 17.4% of total costs. (11.7%) Refer Financial performance commentary
<b>Australia Sales and Marketing</b>	Airline capacity maintained at least at 2010/11 levels and negotiations advanced to grow capacity further.	Trans-Tasman capacity increased by 7.2% for the Jan-Mar quarter to total 262,260 direct airline seats between Wellington & Australia.	Trans-Tasman capacity increased by 14% for the year to date July-Mar to 750 956 direct airline seats between Wellington & Australia.
	Recognition of Wellington as a visitor destination in targeted regions of Australia has risen over levels measured (after one full year of activity) in March 2011.	Research regarding the familiarity of Wellington amongst Australian target markets commenced in March – results available in May 2012.	Research regarding the familiarity of Wellington amongst Australian target markets commenced in March – results available in May 2012.
	Increase Australian visitor arrivals through Wellington International Airport over 2010/11 levels by 7%	Australian visitor arrivals grew by 4,378 visitors to 36,848 for the March quarter compared to last year. This was an increase of 13.5%.	Australian visitor arrivals grew by 18,359 visitors to 110,592 for the year to date July-March compared to last year. This was an increase of 20%.
<b>Convention Bureau Sales and Marketing</b>	Grow Wellington's C&I market share within the New Zealand market by 5%.	Wellington's C&I market share of multi day conferencing increased from 16.6% to 17.4% for the March quarter.	Wellington's C&I market share of multi day conferencing declined to 17% for the year to date July-March 2012, compared to 20.4% for the same period in 2011.
	5% increase in leads/referrals generated to Convention Bureau partners relative to 2010/11.	26% drop in lead and referral activity during the Oct-Dec quarter. This was partially a result of RWC.	3% increase in lead and referral activity during for the year to date July-Dec.
<b>Downtown Marketing</b>	Downtown weekend visitation increased by 2% over 2010/11 levels.	Downtown weekend visitation increased by 3.5% during the March quarter.	Downtown weekend visitation increased by 5.4% during the year to date July-March.
	Increase the audience of KNOW Wellington content (including social media channels) to 50,000.	KNOW audience currently at 69,478, a 3% increase on last quarter; KNOW enews 37,523; Facebook 25,631; Twitter 6,347.	See third quarter result

<b>International / Long Haul</b>	Generate 250 Editorial placements as a result of hosting the Society of American Travel Writers Conference within 18 months (June 30, 2013) of hosting the conference.	Fifteen media results were received during Q3 from journalists hosted during SATW.	36 media results have been generated as a result of SATW year to date.
	Create a platform though carrying out the actions described here in the Trust's Statement of Intent and in the accompanying Business Plan that allows Wellington the opportunity to provide credible business propositions to potential Long Haul airline partners.	PWT has worked with WIAL to explain the business case for a Long Haul airline to multiple city, regional, business and community stakeholders. This culminated in WCC supporting the proposal for an incentive fund and the inclusion of such in the WCC Draft Economic Development Strategy	PWT has worked with WIAL to explain the business case for a Long Haul airline to multiple city, regional, business and community stakeholders. This culminated in WCC supporting the proposal for an incentive fund and the inclusion of such in the WCC Draft Economic Development Strategy
	Maintain International Visitor nights in Commercial accommodation relative to 2010/11	International Guest Nights in commercial accommodation declined -4.09% between December 2011 – February 2012 to 213,980 nights.	International Guest Nights in commercial accommodation increased 15.9% over the eight month period between July 2011-February 2012 to 553,335 nights.
	Grow Wellington's Cruise passenger visitors in 2011-12 by 48% relative to 2010-11	Wellington's cruise season began on 7 October. There were 49 ship visits between Jan-Mar 2012, compared to 36 for the same period in 2011, a 36% increase.	There are 83 forecast ship visits for the 2011/12 cruise season. There were 125,000 passengers during the 2011/12 season, an increase of 37% on 2010/11.
<b>New Zealand and Event Marketing</b>	Domestic visitor nights in Wellington city maintained relative to 2010/11	Domestic Guest Nights in commercial accommodation increased 4.3% between December 2011 – February 2012 to 319,305 nights.	Domestic Guest Nights in commercial accommodation increased 3.9% over the eight month period between July 2011-February 2012 to 874,311 nights.
	Weekend rooms sold in partner hotels maintained relative to 2010/11	Weekend rooms sold in partner hotels increased 10.5% in the March 2012 quarter to 51,967 rooms.	Weekend rooms sold in partner hotels increased 14% in the nine months to March 2012 to 152,443 rooms.
<b>Online and IT</b>	10% growth in visitors to WellingtonNZ.com relative to 2010/11	There were 433,255 visits during the Jan-Mar quarter. This was a +3% increase on the previous quarter, and a +9% YOY when compared to the same quarter.	WellingtonNZ.com received 1,284,486 visits for the YTD July-Mar. This was a +6% change from the pervious year.
	Generate \$630K of bookings through WellingtonNZ.com	Online bookings generated \$175,451 during the quarter (Jan-Mar). This was a -2% decrease result compared to the same quarter the pervious year.	The YTD July-Mar result saw \$513,498 generated through bookings. This is a decrease of -3% compared to the pervious year.
<b>i-SITE Visitor Centre</b>	Maintain i-SITE revenue relative to 2010/11	i-SITE revenue in Q3 totalled \$1,187,174 an increase of 4.89% compared to last year	Year to date i-SITE revenue has increased by \$478,163 (19.5%).
	Increase proportion of sales of Wellington product by 5% relative to 2010/11	Sales of Wellington product were 30% of total sales this quarter compared to 31% last year.	Sales of Wellington product YTD were 29.1% of total sales YTD compared to 27.8% for the

	Visitors to the i-SITE maintained at 2010/11 levels	Jan-Mar visitor numbers were 118,226. This is an decrease of 5.5% for the same quarter last year.	same period last year, a 1.3% increase. YTD visitor numbers were 301,218. An increase of 2.9% compared to the same period in 2010.
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## Highlights of our Activity

### Downtown Marketing

#### **KNOW Template**

The KNOW eNews is our main form of communication to Wellingtonians, and therefore forms an essential part of our Downtown strategy. During February and March, three months' worth of KNOWs were analysed and a revised template implemented based on the findings. The aim of the revision was to increase the click through rate and increase the viral reach through increasing the number of forwards, 'refer to friends', and 'share to socials'. Results are to be analysed during April and May. [View revised KNOW eNews.](#)

#### **Facebook Timeline**

To coincide with Facebook's forced Timeline changes on March 31st, the [Absolutely Positively Wellington](#) Facebook page launched a [new Welcome Page](#). A key aim of this was to increase the 'visit to like' conversion rate through having one specific call to action (to like us) when a user visits this page. This is done by having a semi-transparent overlay over the content, prompting users to like us before the content was available.

Other aims include capturing data through an email sign up widget, providing engaging video content via a YouTube feed, and increasing the promotion of key Wellington events.

#### **Social Media Statistics**

- Facebook fans grew by 15% on last quarter, increasing our global fan base to 25,631. Of note, Wellingtonian fans grew by a significant 55%.
- The Facebook post with the greatest fan engagement was a [photo](#) showing office workers during their lunch break, with the caption "Love how you can just rock out of the office and hover your feet over the water!" In addition to the 290 likes and 36 comments, 52 fans shared this post with their friends, resulting in 7,536 impressions to their friends who are not PWT fans.
- Twitter followers increased by 3% on last quarter, bringing our total followers to 6,347.

### New Zealand Marketing

#### **Unveiled at Te Papa**

- Our Facebook "What's your style" application promoting Te Papa's Unveiled exhibition proved to be a very successful campaign. From 9 Dec - 31 Jan the app received: 13,356 visits, 12,733 Unique visitors, total plays 13,828, unique plays 7,825, shares 970, competition entries 5,671.



### Brancott Estate WOW

- The WOW ticketing campaign began on March 15th. This involved TV and online activity. Part of the online campaign includes a Facebook Application called 'What's Your WOW Factor?' Ticket sales are currently tracking well ahead of 2011.

### Hertz Sevens

- We ran the city excitement and Cheerleader Competition for the Hertz Sevens. This year's event was another huge success.

## PR / Media Activity / Media Results

### Capital of Absolutely Positively Everything

The [Capital of Absolutely Positively Everything April Fools news spoof](#) was very well received, with numerous supporting comments on Facebook and Twitter, and from media contacts.

The results were:

- Over 5000 views and 36 likes on youtube.
- Over 5200 web page views.
- 1564 Facebook ad clicks, 33 comments, 203 likes and, importantly, 67 shares.
- 76 mentions and retweets on Twitter, including by the likes of [@JustinFlitter](#) (over 32,000 followers) and [@GreerMcDonald](#) (almost 6500 followers).
- Media mentions in the likes of Capital Day, Breakfast, [dannews.co.nz](#) and [StopPress.co.nz](#).



### Destination Media Profile

Positively Wellington Tourism hosted six domestic media for the 2012 New Zealand International Arts Festival. The hosted media were: **Metro** magazine, **Sunday Star Times**, **The Press**, **NZ Herald Online**, **Nelson Mail** and **Hawke's Bay Today**. The resulting stories had a cumulative circulation of 451,310 and advertising value of \$57,232.

In support of the inaugural Wellington Fashion Week and to showcase the city's fashion and retail sectors, fashion editors from **Sunday** magazine and **NZ Herald Viva** were hosted. Results are pending. Our pitching also saw TVNZ's Close Up run a [story on the event](#).

Media hosting for Visa Wellington On a Plate 2012 has begun, with long lead publicity previews underway. **Sunday Star Times'** deputy editor and beer columnist Michael Donaldson for a craft beer capital experience, with Beervana as the planned called to action.

***“One of the best things about not living in Wellington is that it’s such a good place to visit – especially when the arts festival is on.”***

***- Simon Wilson, editor, Metro.***

*The following destination releases were also shared with media lists:*

- :: [The Mother of All Weekends](#)
- :: [Treat Yourself in Wellington This Winter](#)
- :: [Capital Times at NZ International Arts Festival](#)
- :: [5 Ways to Treat the Coolest Little Valentine in the World](#)

### **Industry Media Profile**

A number of stories profiling the positive contribution of tourism to the Wellington economy ran in The Dominion Post across the quarter, including stories on the ever growing cruise sector, increases in sales through Positively Wellington Tourism-run i-SITEs and the continued strong performance of the Australian market. PWT initiatives such as the Welly Cable Chase and Capital of Absolutely Positive Everything news spoof were reported in the likes of The Dominion Post's Capital Day section and the National Business Review.

*The following tourism statistic and project releases were distributed in the quarter:*

- :: [PWT Cuts to the Chase with New Game](#)
- :: [Wellington Unveiled as Capital of Absolutely Positively Everything](#)
- :: [Conference Industry Puts Wellington 'In the Spotlight'](#)
- :: [Wellington Stars in Campaign Aiming to Convert Australian Sceptics](#)
- :: [Australian Arrivals into Wellington up 16% in 2011](#)
- :: [Absolutely Positive Additions to Wellington Tourism Team](#)
- :: [Revenue Boom for Wellington Visitor Centres](#)

### **Wellington City Council Draft Long-Term Plan**

A series of posts analysing what the Wellington City Council Draft Long-Term Plan means for tourism have been posted on our blog, [positivelyinformed.com](http://positivelyinformed.com). We encourage industry partners to have a read and submit your views. The consultation period closes on May 18.

- [A Long Term View: Draft Long-Term Plan Out for Consultation](#)
- [A Long Term View Part 2: What the Draft Long-Term Plan Means for PWT](#)
- [A Long Term View Part 3: Tourism Activities & Infrastructure](#)
- [A Long Term View Part 4: Events](#)

## Australia Marketing

Australian visitor arrivals grew by 4,378 visitors to 36,848 for the March quarter compared to last year. This was an increase of 13.5%. The capacity spike in seats available (an increase of 7.2% or an extra 16 750 direct seats available in this quarter), and in turn lower fare prices has helped stimulate demand, as did key events like the New Zealand International Festival of the Arts, and Q3 typically being the peak performing quarter of the year.. The largest spike in capacity this quarter came out of Melbourne, up 12.5% or close to 7200 extra seats.

A lot of focus on Q3 was around planning both for Q4 work – with three online travel agent campaigns planned, along a considerable display related online media buy starting April 1, an insertion piece in the Sydney Morning Herald for the 2<sup>nd</sup> week of April and a regional campaign undertaken in partnership with Air NZ for May, and the 12/13 financial year.

### • **Online Activity:**

- Paid Search Feb and March.
- Australian web traffic totalled over 42 000 visits for the Jan – Mar quarter, up 1% on the same period in 2011.
- Media buy and creative signed off for activity running from April 1 – June 30, where possible a tactical call to action will be in place. Where possible work will leverage a deal (three for 2, Expedia sales, domestic add on work with Air NZ). Examples below.



- Hawke's Bay video uploaded onto WellingtonNZ.com Australia home page.
- Search terms turned on and engaged for HawkesBayNZ.com in March (10% of Australian search spend, in addition to wellingtonNZ.com (80% of spend) and lovemarlborough.co.nz (10% of spend)).

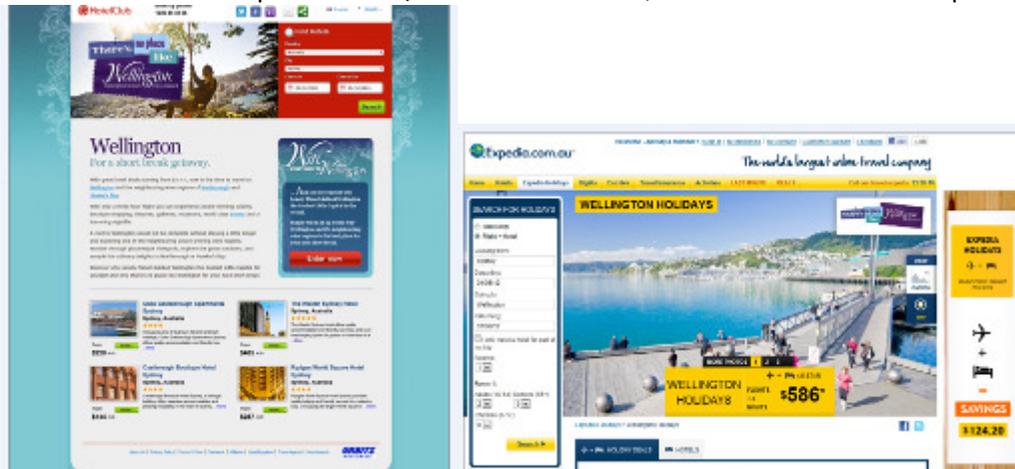
### • **Airline Activity:**

- **Air New Zealand:** Partnership in Kiwi Sceptics work – initial results are positive – Hipster viewed over 120 000 times, Air NZ are happy with bookings off the back of it – using cookies to see who is and is not booking. In market supporting their work around The Hipster right now in left field sites. Working with Air NZ to secure MOU for 2012/13, to be in place ideally by end of April. Spent approximately \$60 000 leveraging / supporting Hipster this activity.
- Finalising free domestic add on work for May period, which has a twelve day sale period – May 2 – 14.

- **Qantas:** Met with Qantas's regional rep, and also the GM for NZ – outcome has been more opportunities in the PR space – sent material to Qantas for their feedback. Have put them in contact with our agency re a media hit list and their support
- **Virgin** – limited contact – declined a brief from them, as no clear ROI for Wellington region, TNZ ran a national campaign, but to a small scale and no results fed back.
- Met with **ACT Govt officials** regarding WLG – CBR direct jet services, CBR looking at three potential direct ports for international services – though Wellington is the third choice, conversations about opportunities have commenced.

- **Online Travel Agents:**

- **HotelClub** promotion – contextual targeting used to target consumers specifically searching Auckland, Melbourne and Sydney – started late Feb 2012. Hotels contacted from all regions.
- **Expedia.com.au** – pushing wider Wellington region with a 4 week blitz – starts April 1. Work will also run through NZ channels.
- **Wotif.com** – planning phases – one week blitz including radio and print plus their online channels – April 30 – May 6. Work will also run through NZ channels in the form of eDM's and a Wotif.com site push.
- Campaigns more tactical and reliant on strong deals over need period, not data acquisition which has been more around prize draws as a hook.
- In total OTA spend for Q3 / Q4 will be around \$125 000 NZD. Base examples from Q3 below



- **Media/PR:**

- Arts Festival hosting – The Australia, Melbourne Age
- Hosting of media from the pop up restaurant (Paul Best, Australian Associated Press)
- Wine trail hosting – Jeni Port – Melbourne Age / plus blog
- Some of the better results this quarter include: The Australian and Grazia, results sent previously – also in printed appendices.
- PR agency hosted to Wellington and Marlborough
- Media pitching for Sunday Magazine, MindFood, Delicious, plus selection of other media for April and May.

- **Trade**

- Two travel agent famil groups through – 16 agents, Flight Centre and Newman’s led, two more on the way in mid / late April
- Trade activity sales calls to Queensland to ANZCRO and some smaller wholesalers in March.
- Supporting development of new coach offshoot of Grand Pacific Tours – small scale, but with series travel arriving and departing direct into Wellington, there is rationale to support.
- Results through from work with ANZCRO have been solid, but not spectacular– unfortunately their business has been hit hard, as have all NZ specific wholesalers in Australia, which is part of the reason for the recent merger between ANZCRO and Kirra. ANZCRO figures in terms of nights sold to Wellington from Dec, Jan and Feb have been down 4, 16 and 19% respectively. This is better than most destinations are faring, but not remarkable.
- Attendance at the TNZ Insights RTO days in Sydney in March, face to face meetings with 25 trade and product managers – general trend – coach is being decimated, aggregation sites have taken a big chunk of market share.

## Digital Marketing

Throughout Q3, an A/B Test of WellingtonNZ.com's homepage commenced, with the aim of increasing our visit to 'booker' conversion rate and also to increase revenue per user. This was done by running two versions of the homepage simultaneously and spitting the traffic 50/50 based on IP address. The sole difference between the two homepages was to bring the accommodation booking widget above the fold, next to the homepage hero imagery.

While this test is still being run, the interim results are very promising; the visit to booking conversion rate for Homepage B (new homepage) is 11 percentage points higher than A (original homepage).

Homepage A:

Wellington - New Zealand's Capital of Cool



Homepage B:

Wellington - New Zealand's Capital of Cool



Book online

The image shows the 'Book online' widget on the new homepage (Homepage B). It has two tabs: 'Accommodation' (selected) and 'Activities'. The 'Accommodation' tab contains a form with the following fields: 'From' (26 April 2012), 'for' (1 nights), and 'type' (All types). There is a 'Go' button at the bottom right. The widget is powered by 'bookw'.

## International Marketing

Media results from hosting the Society of American Travel Writers convention in November 2011 continue to arrive including stories on Efil Doog garden, Zest Food Tours and the art of the Museum Hotel. Other media hosting highlights during the quarter include a French camera crew, Indian blogger Miss Malini and UK Daily Telegraph.

PWT represented the Wellington & Wairarapa Marketing Alliance at Greater China Mission held in Shenzhen in March. The event was organised by Tourism New Zealand with over 90 decision makers from China, Hong Kong and Taiwan attending one on one meetings with 25 New Zealand companies. Over 150 frontline agents and decision makers were trained on Wellington tourism product at events in Singapore and Thailand.

A French travel company specialising in international sporting events was hosted at Hertz Rugby Sevens in February. Buoyed by their success selling RWC2011 packages, Groupe Couleur is seeking other NZ events to sell through their global website.



Statistics – The most recent Convention Research Programme Statistics (till 31 March 2012) show Wellington has increased multi day event activity by 19% , multi day delegate numbers by 35% and multi day delegate days by 15% compared to last years quarter. It must be noted the nation suffered a serious drop in overall conference and meetings activity post the Christchurch quake. Wellington appears to be the biggest winner in the bounce back nationally.

### **i-Site Visitor Centre**

1. Management – A new i-SITE Manager was recruited to cover the current manager’s 12 month maternity leave period. Selena Murray is the former manager of the Nelson region i-SITE’s. She commenced the position with PWT on 24 January 2012.
2. Cruise Ships – Wellington hosted 49 cruise ships in this quarter, an increase of 36% on the same quarter last year.
3. Footcount – Wellington i-SITE Visitor Centre footcount was up 10% this quarter compared to last year.
4. Wellington City Ambassador Programme – The volunteers were hosted at ZEALANDIA for a morning tea and guided tour of the sanctuary. They continue to enjoy their roles and we have received very positive feedback on their service from both locals and importantly cruise ship visitors.



### **Financial performance**

The budget and related KPI’s presumed that Joint Venture Activity in Australia would result in cash flow through PWT. However working with Air New Zealand in this financial year rather than Tourism New Zealand has meant that our campaign structure changes with each organisation paying accounts up to \$1m. Thus whilst the work is being carried out in market the Joint Venture partners cash is not passing through PWT. If it were Overheads would represent 11.7% of revenue and WCC derived income would be 49.6% of total income year to date.