

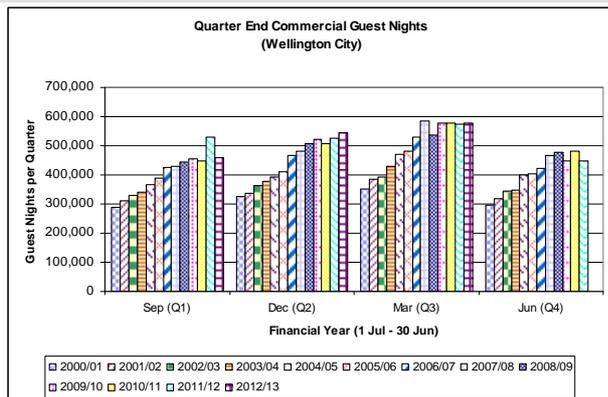
Quarterly Review – Positively Wellington Tourism

Positively Wellington Tourism has presented its report for the quarter ended 31 March 2013 for review. A summary of key findings is presented below and the full report is attached.

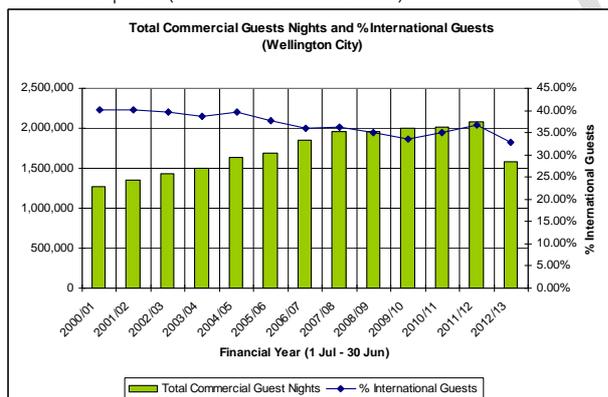
Highlights / Summary

- 90 cruise ships visited Wellington during the season and 63 ships visited in Q3 (the peak period for visitation). On 13 March over 6000 passengers from 3 ships were in port.
- In convention bureau sales and marketing, PWT is working on a prospecting list of events worth over \$9m (domestic) and \$15m from the Australian market.
- Research on visitors to the top of the cable car and precinct began in March, the results will be available in Q4. This will inform the development of the marketing plan which will begin in Q4.

Performance



Since the year ended 2008/09, commercial (i.e. paid) guest nights in the city appear to have reached a plateau (excl. the visible RWC 2011 effect).



Note:- 2012/13 figures up to Q3 only (31 March 2013).

Paid guest nights by international visitors to the city now represent an average of 33.2% of total commercial guest nights, having steadily declined from 40.8% in 2000/01. This is balanced by the steady growth in domestic visitors, albeit slowing markedly since 2008/09.

Macro Key Performance Indicators

The following KPIs have been reported by the Trust.

Measure	Annual Target*	Q1 %	Q2 %	Q3 %
Australian arrivals to Wellington	7% growth above 2011/12	+4.3	-11.5	+5.3
Downtown weekend visitation**	Maintain figures relative to 2011/12	-3.0	-0.6	-2.9
Paid Visitor Nights – International	Maintain figures relative to 2011/12	-31.5	-17.8	+0.5
Paid Visitor Nights – Domestic	2% increase relative to 2011/12	-12	+26	+4.3
Weekend rooms sold in partner hotels	2% increase relative to 2011/12	-10.6	-0.5	-1.5

* Annual KPI, measured on the same period in the previous year.

** A measure of credit card transactions made with a set of specific businesses. New Regional Tourism Indicators are expected to improve these measures in future.

Paid visitor nights in Q3 for both international and domestic visitors have met the KPI. Australian visitor arrivals are improved, although continue below the KPI measure.

Activities during the quarter

Destination Wellington: Much of PWT's work this quarter has centred on the Destination Wellington work programme.

- 3 streams of research commissioned in Q2 have been completed,
- the Wellington 'story' has been brought together, and
- work towards a creative solution to take that story the world is also close to completion.

Australian Marketing: PWT delivered phase 2 of its Australian marketing campaign, partnered with Air New Zealand and Tourism New Zealand and other regional and local partners. The JV campaign with TNZ launched 11 March – 07 April, saw a strong tactical focus on driving autumn and winter visitation in partnership again with Flight Centre – Australia's largest retail travel agency, offering compelling package deals into the Wellington region.

New Zealand Marketing: The Game Masters leveraging campaign in partnership with Te Papa continued through Q3 to drive summer visitation with around 30k clicks, visits and page views for the campaign. A new approach was taken for the WOW ticketing booklet this year, with PWT owning design and print of a magazine style piece that focused completely on the show and the Wellington experience. Ticket sales launched in February. The brochure, distributed to all ticket-purchasers, features bold Wellington imagery and editorial about Wellington's retail, hospitality and sights and activities.

Financial Commentary

- Q3 revenue (\$3.9m) was above budget (\$3.3m), led by higher than budgeted grant funding in the quarter.
- Expenditure in the quarter was slightly above budget, but YTD operating expenditure (\$8.0m) is still tracking well below budget (\$9.1m). This is due to the delayed sign-up of the Destination Wellington initiative (Sep instead of Jun 12) but is expected to return to normal at year end.
- The upshot - PWT held \$3.4m cash on hand at 31 March 2013 (versus \$2.6m cash on hand at the budget).
- As noted, the situation is expected to normalise by year end, with investment in the Destination Wellington single digital platform plus new domestic visitor brand campaign development and launch (informed – and therefore delayed) by the Destination Wellington research activities which have now concluded. Cash on hand is expected to return to its budgeted level of \$1.0m.

Statement of Financial Performance

For the quarter ended 31 March 2013

\$000	Q3 Actual	Q3 Budget	YTD Actual	YTD Budget	2012/13 FY Budget
Income	3,893	3,338	9,385	9,906	11,560
Expenditure	3,022	2,988	7,975	9,136	11,558
Operating Surplus	871	350	1,410	-40	2
Operating Margin %	22.4%	10.5%	15.0%	-0.4%	0.0%

Statement of Financial Position

As at 31 March 2013

\$000	YTD Actual	2012/13 FY Budget	2011/12 FY Actual
Current Assets	4,761	891	1,412
Non-current Assets	136	168	272
Current Liabilities	2,986	567	1,182
Non-current Liabilities	0	0	0
Equity	1,912	492	502
Current Ratio*	1.59	1.57	1.20
Equity Ratio**	39.0%	46.5%	29.8%

* Current Assets/Current Liabilities ** Equity/Total Assets

For the period ended 31 March 2013

\$000	YTD Actual	2012/13 FY Budget	2011/12 FY Actual
Operating Cash Flow	2,845	76	82
Investment Cash Flow	-6	-49	-89
Financing Cash Flow	0	0	0
Net Cash Flow	2,839	27	-7
Opening Cash	1,021	1,021	1,028
Closing Cash Balance	3,860	1,048	1,021

Contact officer

Warwick Hayes

Profile - Positively Wellington Tourism

Positively Wellington Tourism is Wellington's official tourism organisation, funded by [Wellington City Council](#).



Positively Wellington Tourism markets Wellington as New Zealand's ultimate urban visitor destination. Finding creative ways of telling New Zealanders and people from further afield about all the things that make Wellington special means there is a focus on the arts, culture, sports, retail, and hospitality offerings found in the city as well as the amazing environment in which the city is located. The Destination Wellington programme initiated in 2012-13 develops the telling of that story to attract skilled migrants, investment, businesses and students.

Positively Wellington Tourism's Convention Bureau targets bringing business events to Wellington City.

The Wellington Visitor Information Centre helps ensure that visitors who have chosen the city as a place to visit, do more, spend more and stay longer in the city going away with great experiences to share with others.

As well as working with Wellington City Council, the Trust has around 250 partnerships with Wellington businesses that contribute financially to delivering the economic and social benefits that a strong and vibrant visitor sector delivers.

Entity Data													
Established	1997												
Board	<table border="0"> <tr> <td>Sarah Gibbs</td> <td>31 Dec 15</td> </tr> <tr> <td>Cr Jo Coughlan</td> <td>Oct 13</td> </tr> <tr> <td>Mike O'Donnell (Chair)</td> <td>31 Dec 13</td> </tr> <tr> <td>Howard Grieve</td> <td>31 Dec 14</td> </tr> <tr> <td>Chris Wilkinson</td> <td>31 Dec 15</td> </tr> <tr> <td>Ed Sims</td> <td>31 Dec 15</td> </tr> </table>	Sarah Gibbs	31 Dec 15	Cr Jo Coughlan	Oct 13	Mike O'Donnell (Chair)	31 Dec 13	Howard Grieve	31 Dec 14	Chris Wilkinson	31 Dec 15	Ed Sims	31 Dec 15
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Chris Wilkinson	31 Dec 15												
Ed Sims	31 Dec 15												
CEO	David Perks												
Balance date	30 June												
Number of FTE staff	27.5												
Website	www.wellingtonnz.com												
Type of entity	Council-settled Trust												
LGA designation	CCO												
By reason of	Board control: all trustees appointed by Council												
Council interest	\$5.8m												
Type of interest	Operating Grant												