

Clutha Destination Strategy (2019)

“Managing Growth of Respectful Tourism”

(Draft 19 August 2019)



For

Clutha Development

Prepared by



Destination Planning Ltd

Contents

Clutha Destination Strategy (2019)	1
"Managing Growth of Respectful Tourism"	1
Acronyms.....	6
Summary Destination Strategy	7
SWOT	7
Vision	8
Goals.....	8
Objectives	8
Key Performance Indicators.....	9
Strategic Focus Areas	11
Strategic Action Plan	12
Destination & Experience Development	12
Sustainability and Regenerative Tourism	14
Industry Capability & Capacity Development	14
Destination Marketing.....	15
Destination Management Implementation Arrangements	15
Tourism Infrastructure (Separate Plan)	15
Introduction.....	16
Why does Clutha need a Destination Strategy?	16
Destination Management Planning and Sustainable/Regenerative Tourism	17
Project Approach.....	18
Global Tourism Context and Trends	19
Global Tourism Trends	19
National Tourism Context and Trends.....	20
NZ Inbound Tourism Trends	20
New Zealand-Aotearoa Government Tourism Strategy	22
Social License for Tourism (NZ)	25
National Tourism Data Requirements and Monitoring	27
Funding for Tourism Development including Government Support	27
Clutha Destination Planning Context	30
Tangata Whenua & Maori Tourism Opportunities	30
South Island and Regional Tourism Planning	32
South Island Destination Management Plan.....	32
Southland Murihiku Destination Management Plan.....	33
Lower South Island RTO Collaboration (45 South)	34
Southern Scenic Route	34
Clutha Economic Development Strategy 2015	34
Otago Regional Economic Development Framework	36

Previous and Current Clutha Tourism Strategies	36
2004 Catlins Tourism Strategy	36
Catlins Community Tourism Strategy 2016-2026.....	36
Clutha Visitor Strategy 2014-17	38
Clutha Visitor Information Services Review.....	38
Other Council Statutory Planning	39
Department of Conservation Planning.....	40
Concept of a Catlins National Park	44
Clutha Destination Demand Side	46
Clutha Tourism Metrics	46
Clutha i-SITE and Visitor Information Centre Contacts	47
Clutha Gold Trail Counts.....	49
Clutha Visitor Market Segments	50
International.....	50
Catlins Freedom Camping Ranger Survey	51
Domestic Markets.....	53
Segments that cross domestic and international.....	53
Travel trends and Niches	55
Clutha Destination Supply Side	57
Clutha Tourism Stocktake	57
Access & Transport.....	58
Accommodation.....	61
Qualmarked Operators	63
Attractions, Activities and Facilities	64
Culinary Tourism	65
Education Sector Developments & Study Tourism	65
Comparison Regions	67
Destination Management	70
Local tourism database.....	70
Seasonality – Growth outside peak summer season.....	70
Sustainable Tourism	70
Care Codes and Visitor Education	71
Developing Well-Managed Wildlife Experiences	72
Restoration Projects.....	73
Clutha Communities Views on Tourism Growth (Social License)	73
Accommodation Development.....	74
Visitor Experience Management and Development	76
Iconic Sites.....	76
Top Tier Destinations and Layered Itineraries	76
The Catlins Destination Planning.....	76

Kaka Point and Nugget Point	77
Cathedral Caves.....	78
Owaka & Surrounds	79
Papatowai.....	79
Tahakopa	80
Long Point (Irahuka)	80
Lawrence	80
Gabriel's Gully	82
Tuapeka Mouth and Punt	82
North-Eastern Clutha, Milton & Forgotten Coastal Highway	83
Waihola	83
Milton	84
Kaitangata	85
Balclutha.....	85
Tapanui / West Otago	86
Walking and Biking Trails	87
Clutha Gold Trail Delivery, Promotion and Leverage.....	87
Clutha Trails Strategy.....	87
Catlins Coastal Walk	88
Other Walking Trails	89
Other Biking Trails	89
Heartland Rides	89
Catlins Rail Trail.....	89
Events	90
Staffing.....	90
Freedom (Responsible) Camping	91
Other Infrastructure	96
Toilets	96
Parks, Playgrounds etc.....	96
Waste Management and Recycling	96
Mobile Broadband and Fibre Coverage:.....	97
Visitor Information and Visitor Servicing	97
Visitor Information Centres and i-SITE	97
Wayfinding, Signage and Mapping Systems	97
Industry & Product Development	98
Industry Capability Training	99
Facilitating inward investment into tourism businesses.	100
Destination Marketing	101
Destination Brand, Positioning & Story.....	101
Clutha & The Catlins.....	102

Target Markets	103
Advertising.....	104
Digital	104
Content Development and Management	104
Tour Operators and Travel Trade	107
Customer Journey	108
Strategy Implementation Arrangements	109
Options for Location of Destination Staff.....	109
Increased Digital Marketing and Tourism Industry Coordination Resource.....	109
Destination Manager Role	110
Priority Actions for Clutha Development	110
Funding Tourism Management	110
Appendix 1: Clutha Core Tourism Data Analysis.....	112
The Big Picture.....	112
Monthly Regional Tourism Estimates	113
Data for Destination Clutha	113
AA Traveller Monitor	119
Data for Destination Clutha	119
Domestic overnight holiday market.....	124
Commercial Accommodation Monitor.....	126
Data for Destination Clutha	126
Appendix 2 – Example Existing 3 rd Party Profile Content	131

Acronyms

CC	Catlins Coast
CD	Clutha Development
CDC	Clutha District Council
CMS	Conservation Management Strategy
DOC	Department of Conservation
DPL	Destination Planning Ltd
ED	Enterprise Dunedin
FIT	Free Independent Traveller
GS	Great South (previously Venture Southland)
ORC	Otago Regional Council
PGF	Provincial Growth Fund
RTO	Regional Tourism Organisation
SDC	Southland District Council
TIA	Tourism Industry Aotearoa (Association)
TIF	Tourism Infrastructure Fund
TLCC	Tuapeka Lawrence Community Company
TNZ	Tourism New Zealand
TWO	Tapanui West Otago (Promotions)
YEPT	Yellow Eyed Penguin Trust
UNWTO	United Nations World Tourism Organisation
VFR	Visiting Friends and Relatives

Summary Destination Strategy

Clutha Development has contracted Destination Planning Ltd (DPL) to develop a Destination Strategy for Clutha District which includes the northern part of The Catlins. The Destination Strategy provides a framework for the tourism or visitor economy to:

- leverage maximum visitor economy benefit for the community and local businesses
- manage tourism growth, environmental and social impacts
- improve the destination experience that visitors have
- promote the district.

SWOT

The key issues and opportunities for Clutha's visitor economy are summarised in the following SWOT table.

Strengths	Weaknesses
• Established profile of icon attractions like Nugget Point and Waterfalls • Reputation for Wildlife viewing opportunities • Clutha Gold Trail and its current extension project • Unique heritage assets and stories, especially Gabriel's Gully, Lawrence, Chinese Camp, Tuapeka Punt. • Southern Scenic Touring Route well established • Location between Southland, Southern Lakes, Fiordland, Dunedin with growing visitor flows. • Despite emerging pressure points, still relatively untouched by mass tourism • Legacy of sustainable tourism planning for Catlins and progress to date • 2 seasons of Responsible Camping Ranger programme and intelligence • Community still largely supportive of tourism provided it is well managed. • Authentic rural communities and hospitality. • Character towns • Interesting food and beverage producers • Fishing, Hunting • Accommodation capacity owned by locals	• Poor tourism data for key attractions • Fragmented administrative territories (DOC and Catlins straddling Southland District.) • No mid-scale hotel or 5 star luxury lodge • Lack of quality evening dining options and in some places, lack of breakfast venues • Dual identity, Catlins and the rest of Clutha District • Most attractions weather dependent • Lack of high value paid attractions and activities suitable for travel trade to pre-book • Attraction access roads unsuitable for rental vehicles • Limited funding and human resource for tourism management and promotion • Poor public transport • Marginal commercial sustainability of existing tourism operators • The number of under-resourced community and project interest groups, difficult to achieve large project coordination. • Numerous small volunteer heritage attractions unable to deliver best practice visitor experience.
Opportunities	Threats & Risks
• Tourism growth in surrounding regions. • Auckland-Invercargill flight trial • Growing cycle tourism • Guided town walks, one of the fastest growing activities sectors. • Multi-day coastal walks market • Dunedin/NZ Metro market for weekend rural, village, coastal breaks • Emerging inbound FIT markets exploring more NZ regions (e.g. China, India, Indonesia, South America) • Mid-scale hotel to grow overnight stays • Maori heritage distinct from North Island experience. • Group bus tour stops (dining, shopping) • Niche hobby and recreation interest markets (Photography, Culinary, dark sky, golf, fishing...) • Partnerships with better-resourced neighbours Great South and Enterprise Dunedin.	• Crowding and environmental impacts from unmanaged tourism. • Global crisis, recession, terrorism, pandemics impacting NZ's inbound markets. • Carbon cost of longhaul travel being charged and making NZ more expensive. • NZ's poor recycling and waterways degradation damaging brand perceptions • Tourism, retail and food businesses failing from lack of professional management, capital and skilled staff. • Parochial and competitive approach from local groups.

Vision

Managed growth of a respectful visitor sector has helped Clutha District become a better place to visit, live, work, do business, invest and study. Our visitors are respectful of our destinations, communities, flora and fauna. Our residents are respectful and welcoming of visitors.

Goals

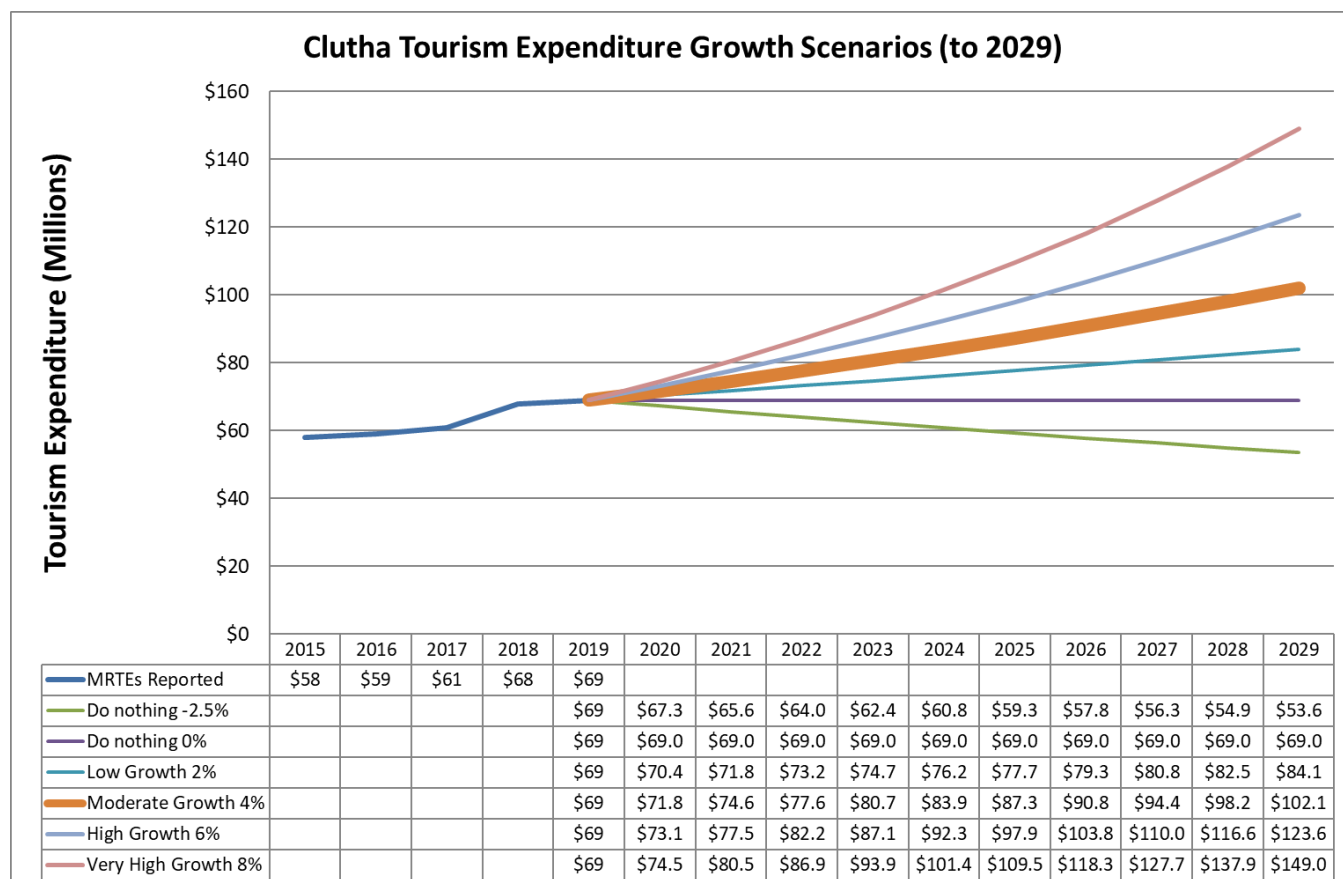
- The community has benefited through increased visitor spend supporting new businesses, jobs, facilities, services and cultural interactions.
- Tourism has been leveraged to enhance restoration efforts for the natural environment, retaining what is special about Clutha and The Catlins.
- Improved visitor facilities, experiences and marketing have resulted in visitor spend growing faster than our moderate growth in visitor numbers.
- Tourism is contributing to *inclusive growth* of the Clutha District Economy (where benefits are widely shared across sectors of the community). *This will involve some new work on measures and KPI reporting in the wider Council and Economic Development planning framework.*

Objectives

A series of growth scenarios has been considered ranging from a "Do nothing" decline of 2.5% per annum through to Very High Growth at 8% per annum. The target scenario based on tourism operator aspirations, council and community economic development strategies and consultation, is Moderate Growth of 4% average per annum.

Grow visitor expenditure by an average 4% per annum from \$69M in YE May 2019 to \$90.8M in 2026.

This represents an additional \$14.9M by Year 5 (2024) and \$33.1M by Year 10 (2029)



Key Performance Indicators

The following draft Key Performance Indicators (KPIs) will be developed and refined to set benchmarks and monitor outcomes and delivery of outputs which represent progress in strategy implementation. These are not KPIs for Clutha Development as the outcomes are dependent on multi-stakeholder team effort and delivery. Clutha Development will produce a business/operational plan to support implementation of this strategy, including KPIs over which it has reasonable influence and can therefore be accountable.

Metric, Outcomes & Outputs	Description and target	Source
Grow visitor expenditure (faster than visitor numbers)	by an average 4% per annum from \$69M in YE May 2019 to \$90.8M in 2026	MBIE MRTEs
Grow tourism's contribution to Clutha's GDP	YEDec 2018, \$28M = 3.5% of total GDP: grow to between 5% - 8%	Infometrics
Increase the number of jobs attributable to tourism and the share of total jobs	YEDec 2018, 411 jobs = 4.6% of total employment: grow to between 8%-12%	Infometrics
Increase the number of tourism-facing businesses.		(Infometrics and CD Database)
Grow visitation and spend outside the peak season	(% of guest nights April-October, adjusted when Easter shifts between March and April)	MRTEs, AA Monitor, New MBIE Accommodation Monitor and Flows Model Visitor counts at key DOC and private attractions (DOC and CD)
Increase average length of stay		(AA Travel Monitor and MBIE Accommodation Monitor)
Increase the presence of Maori Cultural interpretation and experiences in Clutha's tourism sector. (Content be approved by Iwi and Hapu)	Increase in interpretation signage, dual language place names, content in mainstream tour operator delivery and new Maori tourism operators	CD monitoring
Growth in Maori Tourism business	New Maori tourism businesses and elements of Maori culture across more experiences	CD reporting
Increase visitor contributions to ecological restoration projects.		(Monitors of each programme aggregated for the district by CD)
Increase businesses Qualmarked and signed up to the Tourism Sustainability Commitment	To be recorded in Clutha tourism database	TIA and Qualmark reports.
Heritage asset engagement	attractions and stories are brought to life, they offer a better experience, are protected and more accessible for residents and visitors.	Record of investment and development of attractions - CD
Maintain community support for managed tourism growth	New metric	resident/ratepayer survey
Freedom Camping is Managed effectively and the value it creates is monitored and reported.	Complaints about freedom camping and infringements have been minimised. Freedom Camping spend is surveyed and justifies the infrastructure and management cost.	Logged complaints by Council. New spend survey by Responsible Camping Ranger.

Metric, Outcomes & Outputs	Description and target	Source
Tourism costs are equitably funded by beneficiaries of tourism.	Rating system for tourism reviewed. New funding streams in place.	
Maintain or improve visitors' satisfaction and willingness to recommend Clutha and The Catlins.	Domestic NPS for YE March 2019 was 38 within the holiday segment, compared with a national average of 48.	(AA Tourism Monitor and future on-line monitors such as sentiment monitors, TripAdvisor & Google Reviews)
Increase the number of Qualmarked tourism operators	To be established	CD database
Increase the digital capacity of operators	Set target for quality of websites, 3 rd part listings and review management	CD database
Growth in quality accommodation suitable for off-season	3 new or improved operations per year	CD reporting
Progress on Development of Icon Destinations and Trails	2-3 icon destination experience plans established and under-way by 2021-22	CD reporting
Extended dining options	3 new or improved operations per year from 2020-21	CD reporting

Strategic Focus Areas

There are five Strategic Focus Areas for the Destination Strategy. Following is a summary of each focus area with further detail provided later in this plan document.

1. Destination & Experience Development

The strategic management and protection of existing iconic experiences within the Clutha District, in the development of future planning opportunities. The careful planning of destinations to better understand current visitation and future sustainable carrying capacities retaining what is unique about Clutha.

2. Sustainability and Regenerative Tourism

Responsible and Regenerative tourism refers to the way in which visitors, residents, and small businesses interact with a destination. Aim to foster a positive social, economic, and environmental impact on our local communities through generating greater economic benefits and enhancing the overall well-being. The concept of Regenerative tourism means not just limiting impacts but striving to ensure the benefits exceed any negative impacts to create a net positive (improvement) for the community and environment.

3. Industry Capability & Capacity Development

Before expecting to establish or attract significant new tourism operators to the district, the priority is assisting existing businesses to improve their quality and become more profitable. Partnering with neighbouring districts to facilitate access to business development programmes for Clutha operators.

4. Destination Marketing

While the Destination Marketing programme will continue to seek to grow the market, it will focus on: growing visitors outside peak season; influencing visitors with more time and money to spend and who are respectful of the local environment, wildlife, communities and culture. We will also ensure messages in mainstream tourism media are accurate wherever possible; and increase awareness of special interest attractions using low-cost channels to reach defined (niche) audiences. Clutha Development will develop a more detailed marketing plan shaped by this strategy.

5. Tourism Infrastructure (Separate Plan)

The quality of a destination's infrastructure enhances the visitor experience supporting more referral promotion of the area as an attractive and sustainable destination to visit. Not only do improvements to local infrastructure protect the environment and relieve visitor pressure, they also deliver improved services and facilities for locals and communities. Prioritise tourism infrastructure investment by tourism value proposition.

These will be driven forward by the following strategic actions.

Strategic Action Plan

Destination & Experience Development

Top Tier Destinations and Layered Itineraries

The aim of this destination strategy is to shift visitor perceptions of Clutha & The Catlins from a 1-day pass-through destination to a 2-3 day+ stay. The management approach recognises that 3-4 icons are already and will continue to be the main visitor magnets. They need to be planned to include better understanding of current visitation and future sustainable carrying capacities. Development to accommodate continued growth will require supporting investment from multiple funding sources beyond DOC and Clutha District Council including central government, charitable organisations and the private sector.

It will not be affordable to make large scale investments across all of the attractions that Clutha District offers. Concentrating investment and growth at these top-tier sites will help to contain impacts elsewhere. Below these are several secondary and tertiary attractions and experiences which can create longer itineraries and encourage more overnight stays.

The key destinations within Clutha are:

- **The Catlins**
- **Lawrence/Gabriel's Gully** and the **Clutha Gold Trail**.

Balclutha will develop as the main service centre for visitors heading to The Catlins and between Dunedin/Invercargill/Fiordland.

Milton/Waiholā will benefit from the resulting visitor flows.

Owaka will develop as the main service centre for the northern Catlins.

The Catlins Destination Planning

The Catlins has 3-4 **Level 1 Icons**:

- Nugget Point/Roaring Bay
- Cathedral Caves
- Curio Bay (Southland District)

Purakaunui Falls is the possible fourth icon providing back-up when Cathedral Caves is closed.

Florence Hill lookout is an iconic image experienced easily without venturing off the highway.

Level 2: These include examples like Owaka (Museum and Visitor Centre), Surat Bay, Jacks Blowhole, Matai Falls, Papatowai (Lost Gypsy and walks), Tautuku Beach, Lake Wilkie, Maclean Falls

Level 3: e.g. Catlins River/Whisp Trail, Tautuku Estuary Boardwalk, other waterfalls and walks.

Project	Action	Responsible	Priority
Icon Attractions	Establish destination experience management plan for Nugget/Kaka Point,	DOC, CC, CD	High
	Establish destination experience management plan for Cathedral Caves	Trust, DOC, CC, CD,	High
	Establish destination experience management plan for Purakaunui Falls	DOC, CC, CD	Med
	Establish destination experience management plan for Gabriel's Gully/Lawrence	DOC (Dun) TLCC, CD	High
	Develop expert wildlife guide pool and sustainable commercial Wildlife viewing experience		High
Maori Tourism	Work through the local Runanga to facilitate more inclusion of endorsed Maori heritage stories	CD	High-Med

	in site interpretation and tour/activity commentaries.		
	Seek to engage the Ngai Tahu Takiwā Tourism programme to establish Maori owned and operated tourism businesses in Clutha.	CD	Med
Accommodation Development	Encourage Clutha Trust to upgrade its accommodation and hospitality properties.	CD, CDC	High
	Encourage Holiday Parks to “Winterise” their facilities (more built, insulated and well heated units).	CD, CDC, local promo groups	High
	Establish a database and communications programme to better engage the vacation rentals sector in quality enhancement, marketing and efficient booking systems.	CD	High
	Promote the opportunities for a luxury lodge/spa retreat and a mid-scale hotel (Long term) in Clutha	CD, GS, ED	Med-low
Bike and Walking Trails strategy	Ensure successful completion of Clutha Gold Trail and facilitate associated product development and promotion	CGT Trust, CD, DOC, CDC	High
	Progress the Catlins Coastal Walking Trail by first updating the feasibility study.	CD, Catlins Coast, DOC	High
	Investigate pre-feasibility of a Catlins Rail Trail shared bike and walking path.	CD, Catlins Coast, DOC	Med-Low
	Develop a trails strategic framework to prioritise other trail opportunities such as Beaumont-Tuapeka Mouth, Blair Athol extension/enhancement, Taieri Mouth-Waiholā, Owaka-Coast, Kaka Point Hilltop to Wilsher Bay etc)	CDC, DOC, CD	Med
Southern Scenic Route	Engage regional partners to establish a SSR enhancement action plan covering roading, signage, interpretation and potential, NZTA endorsed Tourist Drive Branches (e.g. Crichton-Kaitangata branch and Forgotten Coastal Highway (Taieri Mouth – Toko Mounth - Kaitangata Coastal Route)	CD	Med
Destination Towns	Continue to work with CDC on the Our Place community plans to prioritise town improvements that benefit both visitors and residents including public toilets, wayfinding and distinctive destination playgrounds.	CDC, CD, Local promo groups	Med
	Establish a programme to engage absentee property owners to encourage occupancy and upgrade/restoration of key mainstreet buildings, especially in Lawrence.	CDC, CD, Local promo groups	Med
Event Development	Develop a basic event strategy that addresses seasonality, aligns events to destination positioning, delivers positive exposure and visitor spend.	CD, CDC	Med
	Work with Great South to provide best practice event management resources for local event managers.	CD	Med-low

Sustainability and Regenerative Tourism

Project/Sub-topic	Action	Responsible	Priority
Understanding demand and carrying capacity	Establish robust ongoing visitor counts at key attraction sites and periodic visitor characteristic and behavior surveys.	DOC	High
Responsible Camping	Establish accurate data for existing camping capacity vs demand.	CDC, DOC, CD	High
	Work with neighbouring councils towards a consistent Freedom Camping policy	CDC	High-med
	Increase the Responsible Camping Ranger/Information Officer resource	CDC, DOC, SDC	High
	Implement the series of detailed Responsible Camping recommendations contained in this plan.	CDC	High-med
Care Codes	Update the Catlins Care Codes in alignment with the national responsible tourism initiatives by DOC, TIA and TNZ	Catlins Coast	Med
Tourism Contributions to Environmental programmes	Establish more hands-on ecological restoration visitor experiences	CD, DOC, Wildlife NGOs	Med
Waste and Recycling Management	Educate visitors regarding sites without rubbish receptacles and their need to remove waste	CD, VCs, DOC, CDC	Med
	Ensure adequate geographic spread and funded management of rubbish bins and waste stations	CDC	High
	Engage in national initiatives to broaden the range of recyclable materials and implement recycling stations	CDC	Med
Visitor Information Servicing	Implement the recommendations in the Visitor Information Review, prioritising attraction presentation imagery and streamlining booking systems for local operators		Med
	Encourage operators to engage in sustainable tourism programmes to reduce waste and emissions and demonstrate their sustainability to customers.	CD, local promo groups	Med

Industry Capability & Capacity Development

Project	Action	Responsible	Priority
Partnering with neighbouring RTO/RDAs to deliver targeted upskilling.	Establish a single point of contact for assistance in navigating consent and licencing processes with councils, DOC, NZTA (SH signage).	CD	Med
	Business planning including customer targets, financial management.	CD	High-med
	Simple marketing plans.	CD	
	Digital Capacity – (website, social media, google business, review management, booking and payment systems)	CD	High
	Customer Experience/Service	CD	Med
	Qualmark and Sustainable Tourism Accreditation Programmes.	CD	Med

Destination Marketing

Project	Action	Responsible	Priority
Positioning	Do not undertake a new branding exercise. Assess support for using "Clutha & The Catlins" for regional headlining and develop consistent story, themes, images graphics, look and feel for marketing content.	CD with local promo groups and CDC	High-Med
Content & Digital Channels	Content development (video, photo library, special interest fact sheets, how to visit responsibly, example itineraries)	CD	High
	Facilitate content distribution via key Third Party Digital Channels (advocating accuracy and comprehensiveness), TNZ, TripAdvisor, Expedia, Booking.com, Lonely Planet, Southland, Dunedin ...)	CD	High-med
	Enhance the Clutha Destination website	CD	High
	Focus Social Media activity on Facebook and Instagram, and explore Asian SM channels	CD	Med
	Explore more coordinated digital representation of individual towns/destinations across Clutha District.	CD	Med
	Coordinate promotion of Clutha Gold Trail with the trail trust.	CD	High-med
Printed Collateral	re-assess a more expansive official RTO brochure map for nationwide i-SITE distribution	CD	Med
Media and Trade	Develop story ideas and support TNZ, Great South, Dunedin Visiting Media programmes with hosted itineraries.	CD	Med
	Carry out Trade education and hosting with Enterprise Dunedin, Great South and TNZ.	CD	Med
	Develop a database of NZ based tour operators with potential to extend tours in Clutha, identify product needs and facilitate partnerships with local suppliers.	CD	Med

Destination Management Implementation Arrangements

Project	Action	Responsible	Priority
Funding Destination Management	Socialise this plan with MBIE and the PGF office to seek destination management implementation funding	CD, CDC, DOC, GS	High
	Use the findings of the Productivity Commission LG Review and Queenstown Levy project to inform a review of the local rating model for Destination funding.	CDC, CD	Med-low
	Establish a pan-agency Destination Management working group including CDC, DOC, Iwi, NZTA, ORC, CGT, LENZ.	CD, CDC, DOC	High
	In addition to the existing promotions role, establish a Lead Destination Management role delivered between CD and CDC.	CD, CDC	Med
	Develop an MoU or similar to clarify working relationships between CD and local promotion groups, (TWO, LTCC, Catlins Coast, Owaka Going Forward, Kaitangata Promotions, Milton) engaging 2-4 times per annum.	CD and local groups	Med

Tourism Infrastructure (Separate Plan)

Implement the separate Tourism Infrastructure Plan covering infrastructure and facilities such as Public Toilets, Road Sealing, Car Parking, Signage, Camping.

Introduction

Clutha Development has contracted Destination Planning Ltd (DPL) to develop a Destination Strategy for Clutha District which includes the northern part of The Catlins. The Destination Strategy provides a framework for the tourism or visitor sector to:

- leverage maximum benefit for the community and local businesses
- manage tourism growth, environmental and social impacts
- improve the destination experience that visitors have
- promote the district.

This plan will help to guide Clutha Development, Clutha District Council, DOC and other stakeholders to prioritise a wide range of possible tourism initiatives. It will also help to inform other strategic and statutory plans which will shape visitor industry over the next 5-10 years.

Why does Clutha need a Destination Strategy?

Tourism is a key driver for New Zealand's economy, creating a diverse range of jobs, sustaining new businesses and providing tax income for the government. Tourism is our largest export earner, generating \$16.2 billion or 20% of exports and employed 216,000 people, approximately 8% of the total workforce.

For Clutha District, tourism is currently a much smaller relative contributor with Clutha's share of NZ's total visitor spend stagnating; but it has potential to grow. For small isolated communities, as labour efficiencies put pressure on employment in core sectors such as dairy and agriculture, tourism can support more opportunities for young people to remain in or return to live in the district. Tourism is a driver for protecting and restoring heritage buildings and maintaining local cultural traditions and events. Social interactions through tourism, support greater understanding and acceptance of different cultures, thereby contributing to world peace. Tourism can also support the business case for investment in facilities and infrastructure that would not be feasible based on community demand. Examples are new and improved public toilets, drinking fountains, outdoor beach showers, waste and recycling, supermarkets, cafes, museums and heritage site interpretation, rural road sealing, mobile and fibre comms, swimming pools, trails, parks, playgrounds and other recreation facilities. Another example is public transport for the Catlins. This is never likely to be viable without tourism growth to support a required demand threshold.

A recent private Clutha project which illustrates the pervasive benefit of tourism, is the Port Molyneux School¹ which has been restored as a wedding and events venue with boutique visitor accommodation. Following are some of the sectors that will have benefited from investment through the course of the development and operation of this business.

- RMA and building planning advice
- Business, legal and financial advice
- Building, electrical and plumbing supplies, construction materials, internal fittings, furniture, bathroom, kitchen etc
- Florist supplies
- Pharmacy, supermarket supplies
- Fuel
- Art for decoration
- Catering, event servicing and cleaning
- Direct local produce food supplies,
- ICT, Digital and advertising services
- Photography, sound, entertainment services

This is spend by the owners and does not account for additional spend by customers as part of their visit. This has created a quality new venue for the local community and provided for product showcases from

¹ www.stuff.co.nz/life-style/homed/houses/113716452/this-stylish-guest-accommodation-used-to-be-a-south-otago-school

businesses like the Catlins Brewery. What could have been another derelict building and source of embarrassment is instead a thriving business and source of community pride.

On the flipside, tourism and indeed residential and commercial development growth can bring change and potential negative impacts. Examples include:

- Loss of sense of isolation and wilderness,
- Increased waste and noise,
- Visual impacts from structural and landscape development,
- Disturbance of wildlife, trampling sensitive terrain and flora and introduction of pest plant species,
- Parking congestion,
- Unsafe driving,
- Unaffordable property prices.

These impacts need to be prevented or mitigated as much as possible through forward planning and proactive management.

Is Doing Nothing and Option?

One scenario is that Clutha District communities and stakeholders decide not to have more tourism and cease to invest in tourism infrastructure, services, promotion and visitor information. However, unless visitor attraction sites are physically shut down, tourism growth would continue to occur and the growth would likely have more negative impacts and less positive impacts. Visitors find out about tourism attractions through channels which cannot be controlled by the local council or tourism authority.

Council's Community and Economic Development Plans, which involve wide community input, set high level objectives for growth in a range of sectors including tourism. The most recent "Our Town" community consultation indicates there is growing concern and divided views about tourism impacts, especially how freedom camping is managed and impacts on wildlife. However, there remains widespread support to grow tourism at a sustainable level.

A further problem is finding a sustainable funding model for tourism services and infrastructure. Councils and DOC can only charge user-pays on some of the assets in which they have to invest and manage. It can be complex designing the right funding models to ensure that the main beneficiaries are paying and that there isn't undue funding pressure on local residents and farmers.

Having a carefully developed Destination Strategy in place for Clutha District will also help to gain government and other stakeholder support for implementation. This includes support for applications to the PGF or any future government programmes which fund tourism.

Destination Management Planning and Sustainable/Regenerative Tourism

Terms such as 'overtourism' or 'tourismphobia' are increasingly making media headlines and in some cases have been over-sensationalised. It is not a new concept as places like the Costa del Sol in Spain went through peak-overload and downturns decades ago and have since reached more of a balance. "Carrying Capacity" has been a focus in lead practice destination management planning in New Zealand since at least the turn of the Millennium. The UNWTO defines tourism's carrying capacity as "the maximum number of people that may visit a tourist destination at the same time, without causing destruction of the physical, economic and sociocultural environment and an unacceptable decrease in the quality of visitors' satisfaction". This is closely aligned with the concept of "Levels of acceptable change" (or impact) where there is acknowledgement that growth will have some undesirable impacts so destination planning seeks to determine what levels of impact will be acceptable to the local community and stakeholders.

Key best-practice destination management strategies include:

- Promoting visitor dispersal towards alternatives away from any high-pressure sites.
- Promote time-based dispersal which may be seasonal, days of the week or times of the day depending on particular destination or site issues.
- Develop new itineraries and attractions.

- Review and adapt regulation, (e.g. freedom camping, parking, rates and taxation)
- Target visitor segments with higher value and less negative impacts
- Engage the local community in tourism through benefit awareness, employment, and more opportunities for locals and visitors to interact if they want to. Start considering visitors as "Temporary Residents" in planning.
- Improve local infrastructure to handle visitors and at the same time deliver improved services/facilities for locals.
- Educate visitors on how to minimise their impacts.
- Set monitoring and response measures (resident attitude and visitor satisfaction surveys).

These strategies are well represented in some existing plans such as The Catlins Tourism Strategy and will continue to be reinforced.

The concept of **Regenerative Tourism** steps up from a position of simply seeking a minimisation of impacts, to ensuring that tourism creates a measured net-positive result for the community, visitors and the environment. That is, it is not sufficient to be reporting growth in spend and employment if ecology is being unacceptably impacted, if the community is losing lifestyle opportunities and if visitors are having an unpleasantly crowded experience and feel exploited.

Project Approach

In researching and developing this plan, the following activities have been carried out:

- Drawn on experience and site visits from conducting a Clutha Visitor Information review in late 2018.
- A series of tourism site visits including riding the Clutha section of the Clutha Gold Trail from Miller's Flat to Lawrence.
- Carried out face to face and phone interviews with a selection of tourism operators, community group representatives, council officers, DOC Murihiku and DOC Eastern South Island, Iwi, Great South (Venture Southland) and Enterprise Dunedin.
- Conducted an online survey of Clutha Development's database of 180 businesses spanning accommodation, shops, activities and some recreation clubs.
- Provided input on tourism related prompts for CDC's Our Place community consultation reviewed the results and applied findings to this plan.
- Provided input to the design of a face-to-face visitor survey run by Clutha Development and reviewed the results.
- Provided input about Clutha District for the Southland Murihiku Destination Management Plan and incorporated the key outtakes for Clutha.
- Provided input to the Clutha Tourism Infrastructure Plan developed by Equip and used the recommendations to inform this plan.
- Liaised with MBIE regarding the guidelines they are developing on regional destination management.
- Sub-contracted FreshInfo to produce Clutha District specific metrics from the core tourism data set and the AA Tourism Monitor.
- Reviewed related statutory and strategic plans such as DOC Conservation Management Strategies, Economic Development Plans, existing and simultaneously drafted destination plans for The Catlins, Clutha, Southland, Dunedin, Central Otago and the South Island.

The next steps to finalise this plan include:

- Initial feedback from CDC, DOC, Iwi and local tourism group representatives
- Alterations as appropriate
- Following the local government elections, workshop the strategy with the incoming council to give them the opportunity to re-shape it.

Global Tourism Context and Trends

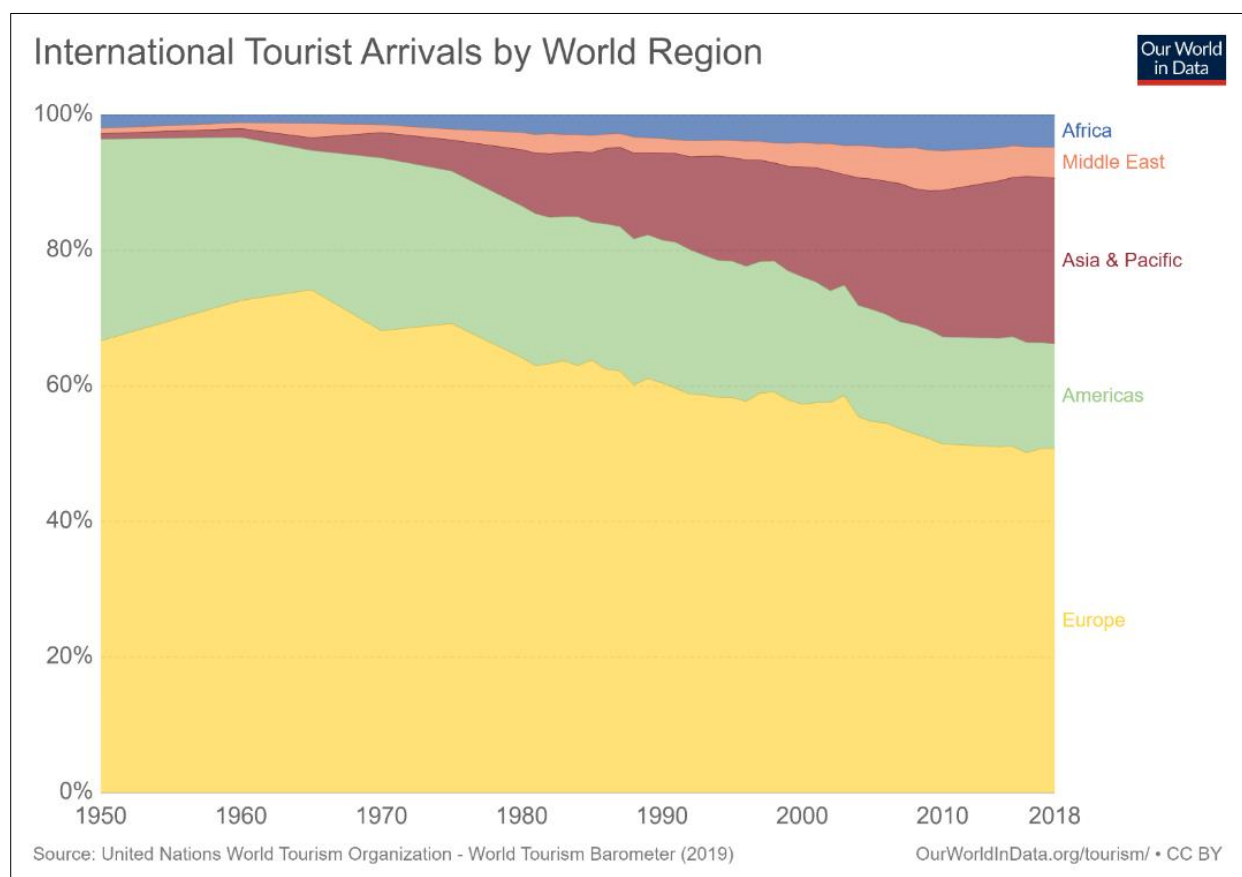
(note: this is pre-Covid data)

Global Tourism Trends

The UNWTO estimates that worldwide international tourist arrivals (overnight visitors) increased 6% to 1.4 billion in 2018, well above the 3.7% growth registered in the wider global economy. UNWTO's long term forecast issued in 2010 indicated the 1.4 billion mark would not be reached until 2020 so this is two years ahead of forecast due to accelerated growth in the last few years. For 2019, UNWTO forecasts a 3-4% increase, in line with the historical growth trend.

In relative terms, the Middle East (+10%), Africa (+7%), Asia and the Pacific and Europe (both at +6%) led growth in 2018. Arrivals to the Americas were below the world average (+3%). As a general backdrop, the stability of fuel prices tends to translate into affordable air travel while air connectivity continues to improve in many destinations, facilitating the diversification of source markets. Trends also show strong outbound travel from emerging markets, especially India and Russia but also from smaller Asian and Arab source markets.

The following graph shows how the Asia & Pacific region has experienced the biggest growth in share of international arrivals. The share of travel is continuing to shift globally from West to East, for which New Zealand is relatively well-positioned.



Pacific Asia Travel Association (PATA) Forecasts

PATA forecasts covering 40 Asia Pacific destination countries suggest an average annual growth rate (AAGR) of around 5.5% between 2018 and 2023. The AAGR annual growth rate for NZ's sub region Oceania, is forecast at 5.9%.

Slowdown

At the same time, the global economic slowdown, the uncertainty related to Brexit, as well as geopolitical and trade tensions may prompt a “wait and see” attitude among investors and travellers. A recession is predicted in 2019-2020, at least for North America. The USA market with increased flight capacity, has been a significant contributor to NZ's recent tourism expenditure growth in the last few years, helping to offset the levelling off of the Chinese market. Any softening in NZ's US market will have significant overall impact.

Iceland's 2019 visitor numbers could drop by 17 per cent, according to forecasts from the Keflavik Airport's operator. Hotel owners reported overnight stays falling an annual 5 per cent to April 2019 and the total number of employees in tourism-related sectors decreased by a similar percentage in May.

More competition for NZ

Over the last 5 years the options for global travellers have evolved immensely. NZ is no longer so far ahead of other destinations in its adventure activities offering. Activities like jet boating, bungee jumping, 4x4 trips, rafting, sea kayaking, whale watching and dolphin experiences are on offer in numerous destinations throughout the world. Destinations like Vietnam, Sri Lanka, Silk Road countries and the Middle East are being discovered with some making enormous investments in unique built destinations. South America, especially Chile and Argentina are also strengthening their positioning as adventure, wilderness and southern ski destinations.

National Tourism Context and Trends

NZ Inbound Tourism Trends

Nationally May 2019 international visitor spend was up 6% on the previous year while the year to May was up 4% to \$29.49bn. Notably, both Queenstown and Lake Wanaka were down 4% for the month of May. (MRTEs, MBIE to May 2019.)

Long Term Trends

(Chris Roberts, TIA, 5 Feb 2019, NZ Herald)

Annual tourism spend by domestic and international visitors has reached \$39.1 billion a year, or \$107 million a day.

216,000 people are directly employed in tourism, with a further 149,000 indirectly employed providing products and services consumed by visitors.

Since 2014:

- Travellers are spending \$10.5b a year more than they were in 2014, (an extra \$29m per day).
- International arrivals increased by 39 per cent but their spend has gone up much faster, by 54 per cent.

Outlooks

The United Nations predicts the global economy will grow around 3 per cent annually in 2019 and 2020, but political, economic and climate risks are clouding prospects. All of those issues affect visitor movements. The outlook for tourism in 2019 and 2020 is soft. New Zealand is not hosting any major international sporting events in the next two years.

Travel from Britain could decline, influenced by what happens with Brexit. China's economy is slowing and may be impacted by the trade stand-off with the Trump government. There are increased air connections with Australia but that is yet to stimulate any significant growth. South America has been a rapidly developing market but is now slowing.

Many of our top markets — Korea, Japan, Germany, Singapore — are increasingly volatile and hard to predict.

TNZ (Stephen England-Hall)

Of New Zealand's top six international visitor markets, four were showing negative growth in holiday arrivals for the **year to November 2018**. These comprise Australia on -1.3%, the UK on -11.3%, Germany on -5.2% and Japan on -2.2%.

However, holiday arrivals from our second and third largest markets, China and the US, were still showing growth coming in at +10.4% and +9.6% respectively.

Analysis of holiday spend in NZ's top six markets presented the inverse, with four markets still showing positive growth. These were Australia on +3.9%, China on +19.6% the US on +6.6% and Germany on +10.6%. Just the UK on -7.5% and Japan on -4% were recorded as contracting in the year September 2018.

TNZ has downgraded its forecast for international visitors now a conservative 2.5% for 2019 down from MBIE's forecast around 4.6% that was released in May 2018

TIA's Chris Roberts has described in July 2019 "a new phase for tourism" noting that visitor arrivals growth was now sitting about 2% p.a. with a prediction it will keep declining and settle at 0% or flatline some time in 2019.

The breakdown of what an international tourist spends in NZ, shows that over time the percentage that is being spent on product has reduced to 15% as the costs of accommodation, transport, food and beverage and retail goes up.

International Visitor Survey (IVS) YE March 2019

Total spend increased 3% but Holiday spend declined 1% and business 10%. Growth was achieved by VFR and Other.

With the exception of Australia (which had no growth in visitors but 2% growth in spend), all of NZ's top markets China, USA, UK, Germany, Japan, South Korea had a decline on spend. Growth was driven by Canada, and Rest of World (excluding Europe).

INFOMETRICS (April 12th)

Even if concerns about the NZ-China relationship do not have a lasting effect on tourism activity, future growth in Chinese visitor numbers is likely to be weaker than in previous years as the country's GDP and spending growth slow.

A softer economic outlook for the US, Europe, and the UK is also likely to limit growth in tourism activity over the next two years.

It is estimated that the government's international visitor levy, which will be in place from October, will knock about 0.5% off tourist arrival numbers compared with a business-as-usual scenario.

Australia

Australia is New Zealand's largest international visitor market, accounting for almost half of all international visitor arrivals. It delivered more than 1.5m visitors in the year to April – up 2.5% on the previous corresponding period. Holiday arrivals over the same period were up 3% to 602,000. This was above TNZ's expectations and they suggest that Australians are taking more frequent holiday and business trips, and NZ is well-placed to get a greater share of Australian domestic and outbound travel and spend.

However, Westpac has warned of a slowdown over the next 6-9 months at least for Australia as its GDP growth has slowed and property prices dropped. Some commentators believe this could be good for NZ with

Chinese Market Trends

Chinese visitors to the USA have declined for the first time in decades, partly due to the deteriorating diplomatic relationship. This could result in growth for NZ. Chinese at the lower end of the market are vacationing closer to home in Hong Kong, Macau or Taiwan. (Chinese Outbound Tourism Research Institute). Those travelling further afield are going to more exotic destinations and for some of this market,

NZ would be considered exotic. Longer term the Chinese market is expected to expand as its middle class continues to grow.

Businesses wanting to attract Chinese custom need to consider investing in the major Super App promotional channels such as WeChat, live translation apps and mobile payment solutions including Alipay and WeChat Pay.

Other Asia Market Growth

Spend by Other Asia countries (excluding China, Korea and Japan) made up a large proportion of this increase, up 15 per cent in the year to \$1.3 billion.

Other Asia countries also continue to be a major source of growth for international visitors. While other Asian countries' visitor numbers remain smaller than our main tourism markets, there has been considerable growth over the year. For example, visitors from India grew 8 per cent to 68,000, Taiwan grew 27 per cent to 48,000, the Philippines grew 10 per cent to 28,000 and Indonesia grew 9 per cent to 26,000.

Korea

Air NZ's new direct service to Seoul in direct competition with Korean Air, is expected to boost Korean visitor numbers. The Korean market tends to travel in the shoulder and winter season more than most other markets and many visit Fiordland. This creates an opportunity for shoulder season growth for Clutha.

India

India is a priority emerging market for New Zealand with holiday arrivals doubling in the past five years. The Indian market's preference to travel in New Zealand's autumn and spring shoulder seasons makes it an important market to help spread tourist visitation across the year, and the Indian visitors' propensity to engage in a high number of activities makes it very valuable. They often travel in extended family groups in vans and people-mover vehicles and increasingly into regional areas.

However, bottlenecks resulting from Immigration NZ's restructure has seen delays in visa processing which TNZ estimates has cost NZ \$35-\$50M in lost revenue from this market. As Immigration NZ gets back up to capacity this market should continue to grow strongly.

Commercial Accommodation Trend

In the 12 months to February 2019, international guests spent 17.5 million nights in commercial accommodation, up 0.4% from the February 2018 year. Over the same period Kiwis spent 22.9 million nights, up 3%.

Infometrics suggests² that the growth in visitor spend alongside minimal growth in commercial accommodation guest nights, indicates that growth is occurring in the informal vacation rental (Air B&B) sector. Queenstown Lakes had a 65% increase in AirB&B listings in 2017.

Hotel and Backpacker accommodation sectors have seen a flattening of demand, especially backpackers. Howarth has warned that if all of the proposed new hotel developments go ahead over the next few years, in the face of a demand slowdown, this will seriously impact occupancy, room rates and profitability.

New Zealand-Aotearoa Government Tourism Strategy

Since the year 2000, NZ's tourism sector has seen a series of national tourism strategies, most of which (2001, 2007 and 2014) were led by the Tourism Industry Association with varying degrees of success in engaging local and central government.

There were no funding streams available direct to tourism industry or Regional Tourism Organisations. The Major Regional Initiatives funding programme through NZ Trade and Enterprise was only available to support Economic Development Agencies (a small minority of which were also RTOs). Several tourism

² <http://www.infometrics.co.nz/recapping-summer-tourism/>

plans and initiatives were MRI funded but often without strong tourism sector engagement and most of the plans saw no implementation funding made available.

There was a Ministry of Tourism which was subsumed into the merged Ministry of Business Innovation and Employment. This coincided with the Prime Minister assuming the Minister of Tourism role which was seen as positive by the industry.

The 2001 and 2007 plans were very strong on sustainability but the Tourism 2025 plan (developed in 2014) had primarily targeted growth with little focus on sustainability. This is partly explained by:

- The GFC from 2008, made the sector focus on reversing eroding visitor spend and a softening market.
- The incoming National Government ignored the 2007 plan which was likely considered a labour party document.
- Tourism 2025 had the strongest involvement of NZ's largest private sector tourism players (airports, airlines etc) and least engagement of local government. Various updates of this plan have tried to integrate more of a focus on sustainability.
- The National Led government put a lot of focus on the initial \$50M cycle trail plan, which came out of a general jobs think-tank rather than a coordinated tourism strategy process.
- Government had a tourism manifesto but there was no strategy developed in partnership with the industry and stakeholders. Government subsequently put in place the Regional Mid-Sized Tourism Facilities Growth Fund and then the Tourism Infrastructure Fund.

A more recent New Zealand-Aotearoa Government Tourism Strategy was released in May 2019.

The benefits and challenges of the tourism sector are articulated as follows:

Tourism creates inclusive growth by distributing economic opportunities and bringing social benefits across our regions, cities and communities. It allows us to celebrate our unique Māori culture. International visitors buy our products and services, which contributes to the success of other export sectors and grows our reputation internationally. Tourism provides a pathway for many to enter the workforce, gaining important skills. We also want people working in tourism to transition into high-value jobs and improve the productivity of the sector.

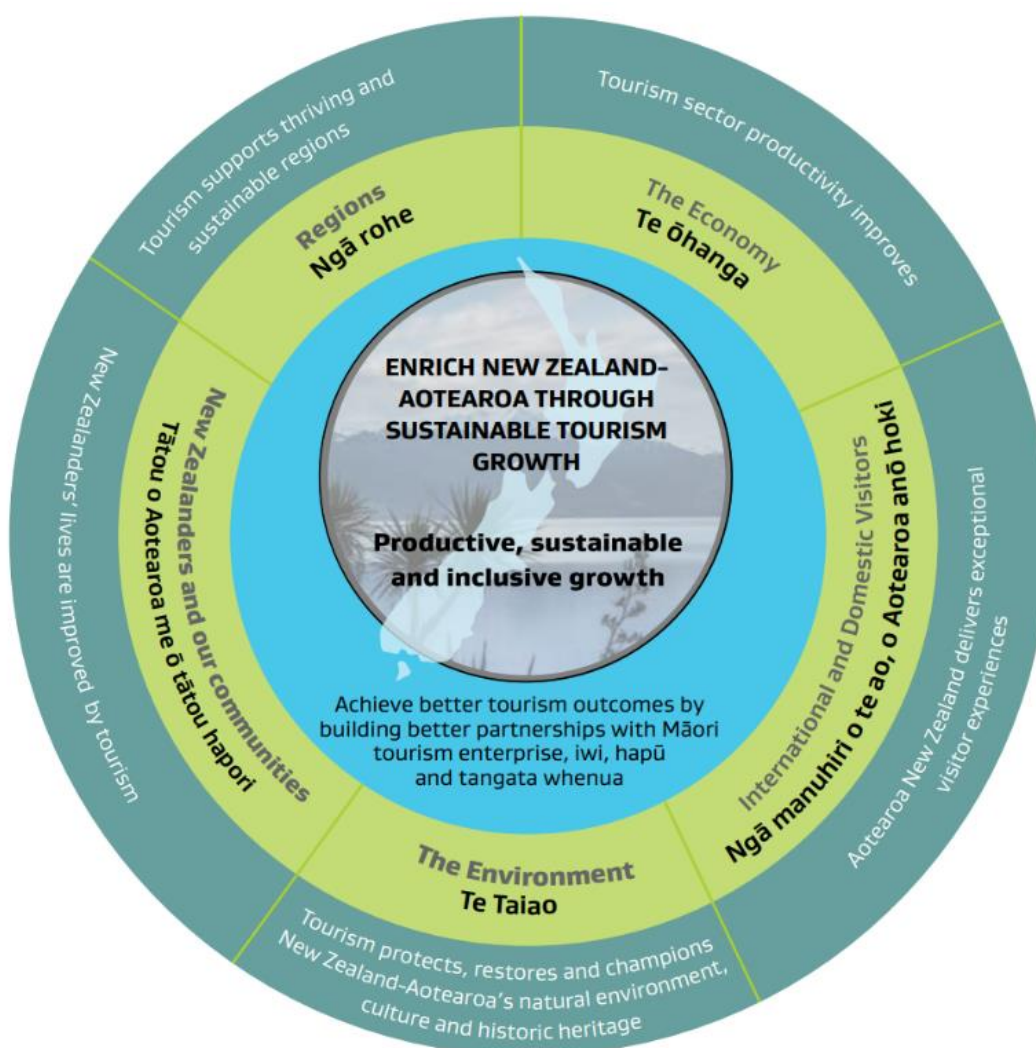
Recent visitor growth has increased the benefits of tourism, but it has also highlighted that the challenges need to be more carefully thought through. The costs and benefits from tourism do not always fall in the same place, which can lead to under-investment in the infrastructure required to support visitors and our communities. So visitor growth can create infrastructure pressures, overcrowding, increased pressure on our roads and environmental impacts.

The recent pace and scale of visitor growth has effectively outstripped the capacity of our system to respond in some areas. This means that the economic and other opportunities afforded by this growth are not being fully realised, and the pressures created are not always adequately managed.

We want our tourism growth to be productive, sustainable and inclusive. This is to help us grow New Zealand-Aotearoa for all, improve the wellbeing of New Zealanders and to protect and restore our natural environment. To make sure of that, we are taking a more active, deliberate and coordinated approach to tourism.

TIKANGA VALUES: As with previous national tourism strategies developed in 2001 and 2007, this Tourism Strategy draws on tikanga values that underpin sustainable tourism growth in New Zealand -Aotearoa. These values should also be taken to underpin the Clutha Destination Strategy. They are:

- ōhanga/whairawa (economic prosperity and wellbeing),
- manaakitanga (shared respect, hospitality, generosity and care for others),
- kaitiakitanga (guardianship/sustainability),
- whanaungatanga (a sense of family and belonging, relationships built on shared experiences and working together).



The strategy adopts an internationally recognised “5 A’s” model for destination management.

Attractions	visitors need things to do and see – this influences how long they stay and how much they spend
Awareness	visitors need to know what's on offer – this will drive visitor numbers and spend across the year
Access	visitors need to be able to get to where they want to visit safely in a timely way for an appropriate cost. This includes air, road, rail, sea, trails and cycleways
Amenities	visitors need accommodation, retail and hospitality, drinking and wastewater and other infrastructure
Attitudes	communities need to want to welcome visitors to their region

Sustainable Tourism Growth Monitor

Auckland Airport recently commissioned research through Sense Partners with a proposed a new framework called the Sustainable Tourism Growth Monitor (STGM). This aims to help the industry to measure the impact of tourism on a range of factors including infrastructure, congestion, the environment and community well-being.



Social License for Tourism (NZ)

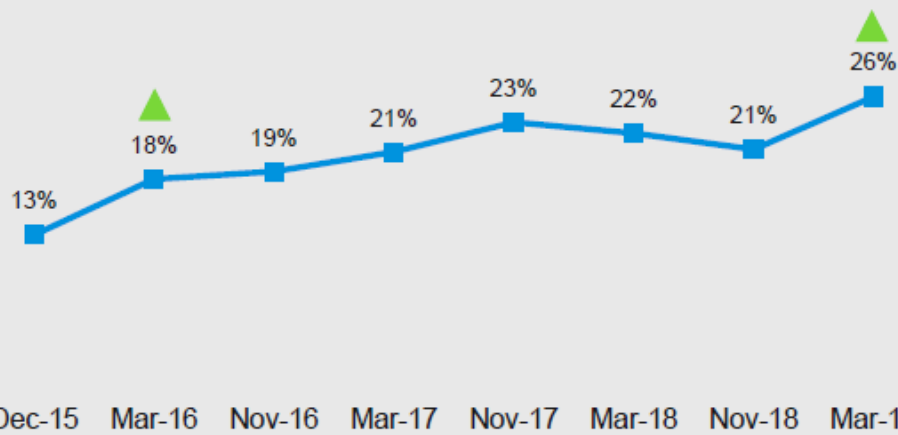
One of the main alarms for tourism in NZ has been the increased concern about tourism growth amongst New Zealanders.

The following excerpt results from the Mood of the Nation monitor (Kantar TNS) indicate that while there is still generally good support for tourism, more negative sentiment and concern is creeping in so unless tourism is better managed the support for government investment will erode. This will also impact on the Manaakitanga or welcome that forms a key part of the visitor experience.

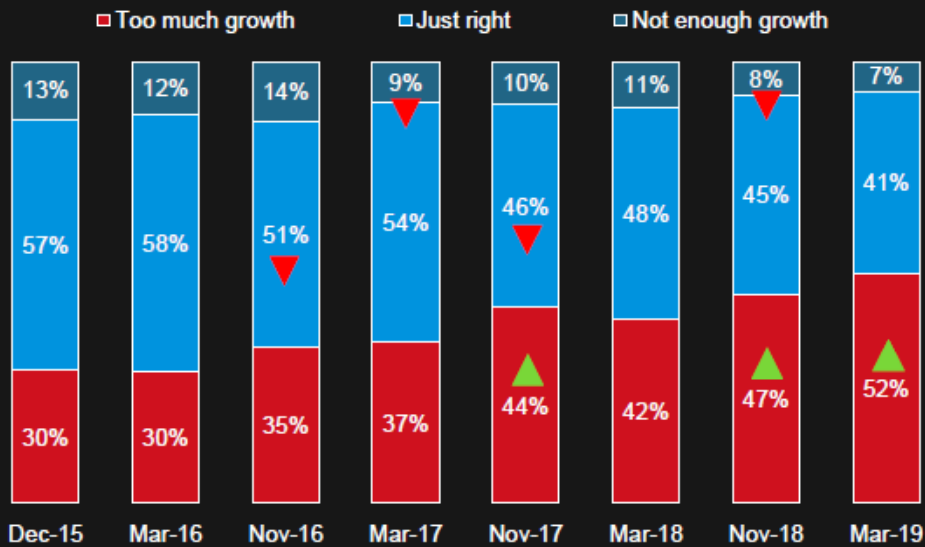
Top line results, March 2019: Perceptions of New Zealanders

- 93% agree or strongly agree international tourism is good for the country
- 91% are proud that New Zealand is an attractive tourist destination
- 86% take pride in welcoming international visitors
- 12% are aware of tourism's value as New Zealand's number one export industry
- 46% agree New Zealand attracts the right number of international visitors
- 26% think the number of tourists is too high
- 43% percent believe tourism puts too much pressure on New Zealand
- 33% agree that the government and industry are taking actions to address the pressures of tourism

PERCEPTIONS THAT CURRENT NUMBER OF VISITORS IS TOO HIGH



PERCEPTIONS OF PREDICTED GROWTH



Top 5 ways tourism applies pressure

- Pressure on infrastructure
- Increased traffic congestion
- Environmental damage
- Accommodation shortage
- Overcrowding

National Tourism Data Requirements and Monitoring

A major issue for the whole country's destination management planning is the ongoing lack of reliability of the core tourism data sets funded by government, including the International Visitor Survey and Commercial Accommodation Monitor. This means that regions like Clutha do not have an accurate view on the number, type, length of stay and flows of tourists. This in turn makes setting objectives and monitoring progress difficult. The Monthly Regional Tourism Estimates (MRTes) is the most robust dataset but it also has limitations when stratified down to the Clutha District level.

MBIE has partnered with Data Ventures, the commercial arm of Stats NZ in developing a dataset of Tourism Volumes and Flows using cellular phone data from all of the main networks in New Zealand. The aim is to produce a test dataset by September 2019 which will show population density segmented by local, domestic and international visitor down to the Territorial Authority level for entire 2018 year. It will be assessed to determine if it will meet the needs of MBIE and the Sector including determining if tourism flows can be mapped from location to location.

The strategy includes analysis of the existing available core tourism data sets and as new data becomes available this will be used to adjust performance targets, monitor progress and adjust plans.

Funding for Tourism Development including Government Support

This section outlines some of the funding streams and models that are evolving in NZ and overseas, which can be considered for Clutha's tourism management.

Tourism Infrastructure Fund

The Tourism Growth Partnership Funding programme was set up to fund industry-led commercial projects focused on increasing productivity across the tourism sector. Between 2013 and 2017, 40 projects received \$23.4 million in funding.

The Regional Mid-sized Tourism Facilities Grant programme was set up to fund projects in regions experiencing infrastructure pressure (e.g., car parks and toilets) due to an increase in visitors.

The Tourism Growth Partnership Fund and Regional Mid-sized Tourism Facilities Grant Fund closed in 2017. Remaining funds were rolled into the Tourism Infrastructure Fund.

In July 2019, CDC has been granted \$468,500 for destination toilets in Milton and Balclutha, plus \$82,525 for a Dump Station in Balclutha.

Provincial Growth Fund (PGF)

The PGF has \$3 billion over three years to enhance economic development and employment opportunities in regional NZ. The PGF has a broader remit, and includes tourism, but not direct conservation.

Some of the project types that would have fallen under the Tourism Growth Partnership Funding programme and NZ Cycleways programme, are now being supported under the Provincial Growth Fund. This is another avenue for Clutha District to access government funding for destination strategy implementation. It has recently supported the completion of the Clutha Gold Trail and an application by the Lawrence Chinese Camp was declined due to insufficient information on value creation. In other regions the PGF has been used to fund destination management administration office/HR, visitor attraction business case development and facility construction. All projects will need a mix of local funding sources. The concern is that the fund is already around 70% committed after a slow start and the number of applications is growing. There is also no certainty after the initial three-year programme.

International Visitor Conservation and Tourism Levy

The Government has introduced an International Visitor Conservation and Tourism Levy (IVL) from 1 July 2019 to enable our international visitors to contribute directly to the infrastructure they use and help

protect the natural environment they enjoy. The fee of \$35 will be collected through the immigration system, alongside visa or NZeTA (New Zealand Electronic Travel Authority) fees. The IVL is expected to raise over \$450 million over the first five years and will help ensure tourism growth is sustainable and continues to enrich New Zealand and New Zealanders. Australians and many Pacific Nations are exempted.

The IVL will be split between conservation and tourism, with three areas of focus: conservation, infrastructure and systems. To help guide investment decisions, an advisory group, with expertise covering conservation, local government, tourism and Māori perspectives will be set up. They will work with MBIE and the Department of Conservation to form an Investment Plan that will support a range of programmes.

The Ministers of Tourism, Conservation and Finance, will approve the Investment Plan, with MBIE and DOC making the final funding decisions on individual projects in line with the Investment Plan. It's intended that the Investment Plan will be finalised by October 2019. Future IVL investment may complement PGF investment.

Early indications are that around ½ the levy will be applied to conservation projects and there is a lobby to ensure that it is tourism related conservation, as tourists are paying. This suggests some of the development initiatives on DOC sites in this plan could be eligible for this funding. The remaining ½ may include funding for tourism intelligence/data and regional destination management.

The first round of funding from the IVL was approved in early August 2019. It included several endangered species programmes which have nothing to do with tourism. One of the funded projects was for Ruapekapeka Pa in Northland which is already part of the Tohu Whenua programme supported by the Ministry of Culture & Heritage (MCH) <https://mch.govt.nz/tohu-whenua>. Otago is one of the regions involved in this programme but only a few sites and none in Clutha District (<https://tohuwhenua.nz/otago>). There would appear to be a strong case to engage DOC, MCH and MBIE to seek similar support for developing an integrated experience plan for Gabriel's Gully, Lawrence and the Chinese Camp.

Local Government Rating and Proposed Levies. (Productivity Commission Review)

Local government rating has limited flexibility to ensure that the key beneficiaries of tourism spend are paying their fair share. The farming community throughout NZ has expressed concern about over-paying for tourism programmes which provide little direct benefit to their farming businesses. Using differentials to upweight some commercial and industrial land and down-weight rural property can help, as can targeted rates. However, this can be complex, challengeable and inefficient in terms of the money raised.

Local Government funding and financing (including Tourism) is currently under review by the Productivity Commission with conclusions due in November 2019. This is in parallel to the introduction of the new Tourism and Conservation Visitor Levy on international visitors and Queenstown's proposal to implement a local visitor levy through accommodation operators. Draft recommendations from the Productivity Commission³ are to enable councils to impose levies on visitors through accommodation and to develop policy on how some of the new International Visitor Levy will be distributed regionally. The tourism industry, especially the accommodation sector, has voiced opposition to this on the basis that less than 10% of tourism spend in most regions is on accommodation so the policy does not meet the "Equity" test. The Tourism Industry Association has lobbied unsuccessfully for a share of the \$1.7B GST paid by tourists, to be allocated regionally based on regional share of visitor spend. This is based on Tourism being the only export sector that pays GST. Clutha District is best to consider all of these contextual projects before deciding on any changed local funding model for tourism.

³ www.productivity.govt.nz/inquiry-content/3819?stage=3

Local Government Community Wellbeing Bill

Local Government (Community Well-being) Amendment Bill reintroduces the four aspects of community well-being - cultural, social, environmental and economic - into the Local Government Act and includes recognition of the importance of arts and culture to communities.

Creative NZ Funding Policy

Creative New Zealand's Creative Communities Scheme (CCS) supports cultural well-being in communities by funding projects that encourage participation, support diversity and enable young people. To better align CCS with Creative New Zealand's Investment Strategy Te Ara Whakamua 2018-2023, changes are being made to the funding formula for the scheme. The funding pool will increase from approximately \$3.4 million to \$4 million per annum with the increases targeted towards rural and provincial territorial authorities, resulting in more funding for smaller communities outside of the main centres. Some of the programmes funded by the CCS can be part of a visitor experience giving visitors the opportunity to better understand local culture and engage with the local community. Examples include more local art, cultural events and exhibitions.

DOC and local attraction charges for International Visitors

DOC has trialed increased pricing for international visitors on selected great walks, approximately double the fee for NZers. This has resulted in a switch from 70% international majority to 60% domestic majority use. NZers were not as organized at booking ahead and therefore found huts booked out. Director General Lou Sanson believes there has been an increase in North American and Western European markets as some of the Eastern European visitors have shifted to other tracks which don't have the boosted charges. The 2018 season has seen a slight decline in overall users but an increase of \$2.5M in revenue to be re-invested in the trails and facilities.

At a district level, Tauranga Art Gallery is introducing a \$7 tap and go payment system for overseas visitors. In the 2017-18 year, 22 per cent of the total 81,200 visitors to the gallery were from overseas so this could have raised \$125,000.

Overseas Tourism Business Improvement Districts (TBIDs)

The model of a Tourism Business Improvement District (TBID) is being increasingly used in the USA and UK where a levy is paid into a fund that is governed and managed by a legal entity representing those businesses paying it. Even if it is collected by a council or government it cannot be diverted into general government programmes. One advantage is that many of these programmes reach beyond the accommodation sector to include restaurants and attractions, which spreads the burden and covers more tourism spend beneficiaries. Queenstown's argument for levying only accommodation is that this is the one sector that very few locals spend on and they do not want locals having to pay over and above their rates contribution for tourism infrastructure. Queenstown is looking at a flat rate rather than a percentage which is most commonly used for the TBIDs.

Clutha Destination Planning Context

Below the national level, there are several statutory and strategic plans covering the Lower South Island, Southland and Otago which both inform or need to be informed by Clutha's Destination Strategy. There are also major infrastructure and marketing programme developments which will have an impact on Clutha's tourism sector.

Achieving integrated planning for the Clutha District is complicated by the following factors:

- Although most of Clutha District is part of the Otago Regional Council territory it is often just as practical to work with Southland regional programmes and strategies.
- The Catlins, which logically needs its own tourism strategies, straddles Clutha and Southland Districts, each with separate policies and Long Term Plans. It also straddles Southland and Otago Regional Council jurisdictions when it comes to transport planning, catchment management and various RMA issues.
- There are two separate DOC administration and operational offices responsible for Clutha District. The Eastern South Island is managed from the Dunedin office and covers everything north of the Clutha River, notably Gabriel's Gully and significant blocks which the Clutha Gold Trail passes through. Everything south of the Clutha River is managed from Invercargill under the Murihiku/Southland area office, including The Blue Mountains near Tapanui.
- To complicate things further, Clutha District sits under two separate DOC Conservation Management Strategies (CMS) which do not align with the DOC area office boundaries. The Catlins sits within the Otago CMS but is managed by Murihiku/Southland area office.
- The Clutha Gold Trail is in both Central Otago and Clutha Districts. Until now it has primarily been driven by Central Otago stakeholders. This will change with the extension much further into Clutha District. Meanwhile the Otago Gold Heritage Trail brochure traverses Clutha, Central Otago and Queenstown Lakes Districts.

As an example of the implications, instead of having several good websites, the limited available resources could be combined to create one great website for the region. However, The Catlins will always gravitate towards having its own website to cover the area outside Clutha District.

Tangata Whenua & Maori Tourism Opportunities

A key principle of destination management planning is the engagement of Iwi Maori in management decisions and:

- adopting traditional principles including Kaitiakitana (Guardianship) and Manaakitanga (similar to Welcome/Hospitality).
- fostering Maori tourism business ventures and employment
- delivering more authentic stories, cultural and heritage information across a broad range of visitor experiences, noting that only some stories are appropriate for this application and only with permission from Iwi.

Ngai Tahu holds Mana Whenua status over Clutha District and this is manifested through several Runanga which have overlapping Rohe and interests.

- Ararua Runanga, around Invercargill
- Hokonui Runanga, Based in Gore
- Ōtākou Rūnanga, Otago Peninsula

These Runanga are represented through various engagement and partnership structures with the councils and DOC. With high demands for input to various partnerships, hearings and consent processes, these organisations have limited availability to attend more meetings about tourism. All three Runanga were contacted about this destination strategy and they referred to Terry Nicholas of Hokonui for initial engagement. Ongoing socialising of the draft strategy will be necessary and these Runanga will decide how they are to be represented in the Destination Management group or committee which is responsible for overseeing implementation.

Ngai Tahu Tourism is one of several Ngai Tahu entities alongside interests in property, seafood, agriculture, dairy, forestry and other sectors. Investment and operation of tourism ventures in Clutha District by Ngai Tahu Tourism would be a great step forward for Maori tourism and the whole visitor industry but there are few opportunities of sufficient scale and commercial viability at present. This could be a long term goal.

Mahinga kai was identified as one of the “nine tall trees” or nine major grievances Ngai Tahu lodged against the Crown as part of the Ngai Tahu Claim (WAI 27), such was its importance to the tribe. Mahinga kai refers to the custom of gathering food and natural resources, the practises involved, and the places where they are gathered. The associated custom of kai hau kai (exchange of food/resources) was one of the major economic institutions in traditional life, being the means by which food and resources as well as knowledge was traded and exchanged between iwi hapu and whanau.

Along with the whakapapa, which provides the genealogical connection to resources, mahinga kai explains the traditions of use associated with flora, fauna and resources, from which springs matauranga or traditional knowledge relating to these taonga. [sourced from Ngai Tahu website]

There are several sites in Clutha District which are relevant to the concept of Mahinga Kai, some of which are mentioned in the section on the Otago Conservation Management Strategy.

Ngai Tahu Tourism also has the Takiwā Tourism⁴ programme which is a network of three well-established tourism ventures – Māori Tours Kaikōura; Te Ana Māori Rock Art Centre in Timaru; and Ulva's Guided Walks on and around Rakiura. In addition there are three new ventures that have started up in conjunction with Takiwā Tourism – Karitāne Māori Tours, just north of Dunedin; Hīkoi Waewae in Hokitika; and Mana Charters in Bluff. This programme could be a vehicle to develop new Maori tourism ventures in Clutha in future.

The most prominent recent development of a Maori tourism experience has been the presentations and stories in the Tumu Toka Curioscape facility including the making of kelp bags and harvesting Lampreys. These stories are refreshingly distinctive from many of the Maori stories seen in heritage centres throughout NZ. Although Tumu Toka is not in Clutha District the stories relate to most of the Catlins area. The South Catlins Charitable Trust which developed Tumu Toka Curioscape has a permanent iwi representative and the Curio Bay Governance Group also has iwi representation along with council and DOC. Owaka has its symbolic Waka sculpture and there is also some excellent Maori heritage content in the Owaka Museum and on some of the interpretation panels throughout the region (e.g. at Port Molyneux and along the Clutha Gold Trail).

Cathedral Caves is accessed over land owned by Tautuku Block 10, Section 3C Trust, allocated under the South Island Landless Natives Act⁵ (SILNA, 1908). Cathedral Caves is covered in more detail under Visitor Experience Development section of this plan.

Hokonui Runanga organised a Hokonui Hikoi itinerary which was run as a tour for key stakeholders and Runanga members. This was compiled by Bill Dacker based on a series of maps that were created by Herries Beattie from his work with past generations of whānau of Murihiku. The Hikoi starts from Gore heading to Balclutha and back to Tuapeka Mouth, Rongahere and Birch Island to Beaumont before continuing into Central Otago, Wanaka, Queenstown, Te Anau and back to Gore and Mātaura. It includes stories of famous chiefs and travellers, battle sites, Maori gold miners, archaeological finds (such as adzes, parts of Tiki, Moa Cooking Ovens) plus important remnant and regenerating flora and rare fauna. Parts of this itinerary could underpin a contemporary visitor experience in Clutha.

Hokonui Runanga also has a key role in the Maruwai Cultural Precinct project led by the Gore District Council. In April 2019, the museum was granted \$729,000 from the Provincial Growth Fund to build a distillery as part of a \$1.6 million investment. Hokonui Runanga is also involved in a Gentian Violet Horticulture programme and Koura Farming which, although in Gore District, could conceivably extend to other sites in Clutha and could be a unique culinary, cultural and agritourism experience.

⁴ https://ngaitahu.iwi.nz/our_stories/takiwa-tourism-a-land-woven-with-culture-a-land-woven-with-legends-a-land-woven-with-traditions-tk81/

⁵ https://ngaitahu.iwi.nz/our_stories/silna-tk75/

South Island and Regional Tourism Planning

South Island Destination Management Plan

Initiated by the Canterbury Mayoral Forum, the South Island Mayoral Forum has contracted Stafford Group (using Provincial Growth Fund money) to develop a so-called South Island Destination Management Plan. This is being project managed by the Canterbury Regional Economic Development Strategy office (CREDS).

The project Objectives are to:

- quantify and understand current and projected future visitor flows (domestic and international) and analyse markets, visitor itineraries, visitor spend, occupancy rates and the current range of visitor experiences and known gaps
- work with Regional Tourism Organisations (RTOs), District Tourism Organisations (DTOs), the Department of Conservation (DoC), Tourism New Zealand (TNZ) and the Tourism Industry Association (TIA) to review existing destination management plans and establish a set of core principles and objectives for a South Island plan that aligns with the Government's development of a national tourism strategy
- understand visitor experience expectations
- understand resident expectations of visitor activity ('social licence') and environmental limits to tourism growth
- identify and prioritise current and projected future infrastructure needs to support sustainable tourism, in terms of both visitor and resident expectations
- form a strategic partnership with the Provincial Growth Fund for prioritised infrastructure investment by local and central government
- identify other opportunities to work together between regions and with central government to ensure that South Island tourism is socially, economically and environmentally sustainable.

One of the important principles is that the plan is intended to inform and guide, rather than prescribe, tourism development in the South Island. It will neither replace nor over-ride regional and sub-regional strategies and visitor management plans but will encourage alignment of these to achieve coherent tourism management planning across the South Island.

Ultimately, the completed plan is to be leveraged to secure additional central government investment in infrastructure to support sustainable South Island tourism. Enterprise Dunedin and the Southland Mayor are the most local representatives on the Inter-regional steering group for the project. Clutha Development and Great South are being engaged in various progress meetings along the way.

The original timeframe was to have completed the plan and submitted a PGF application for implementation by June 2019. However, as of late June the project had only just reached "Inception Report" stage, which simply reiterated that stakeholders had some interest in and generally understood what destination management was but wondered how it might be implemented. The other findings reported as of May 30 included that:

- Seasonality is a major issue and is actually worsening despite efforts to the contrary.
- Visitor flows have changed very little over 20 years with little regional dispersal and a focus on the icons.
- Affordable offshore trips are limiting domestic travel to the South Island.
- There has been little investment in tourism but there are opportunities in developing new commissionable product.
- Continued growth in peak periods is resulting in community concern about overtourism and Freedom Camping and therefore carrying capacity limits should be discussed now. There is a range of opinions on overtourism amongst the tourism sector with many suggesting it is simply a matter of improved visitor management.

- There is fragmentation with the South Island's 15 RTOs, 24 TLAs and a further group of Economic Development Agencies - often performing differing roles in the tourism sector. A reassessment of tourism structures, roles and responsibilities to achieve an integrated DMP approach is suggested.

There are opportunities for this strategy to deliver better visitor statistics for Clutha and programmes to increase visitor dispersal into Clutha District.

Queenstown Access Developments

Jim Boulton, Mayor of Queenstown and ex CEO of Christchurch International Airport recently suggested Southern Lakes growth can be accommodated by an expanded domestic airport in Wanaka and that a new airport to replace Queenstown in the wider region would not be feasible. He saw greater use of Dunedin and particularly Invercargill airports servicing growing tourism in both Otago and Southland.

Plans to expand Queenstown and Wanaka airport capacity have been put on hold due to vehement community reactions. This bodes well for opportunities to build Clutha into more domestic and international tourism itineraries in future.

Southland Murihiku Destination Management Plan

Venture Southland (now Great South) has led the development of a new Southland Murihiku Destination Management Plan, as a deliverable under its broader Economic Development Strategy. Southland includes the Southern Catlins to just north of Waikawa but Great South has been strongly involved in supporting the destination planning for the whole Catlins into part of Clutha District. Following is an excerpt from the Southland Murihiku DMP on The Catlins.

Tourism is a recognised part of the local economy for The Catlins community. The Catlins Tourism Strategy 2016-2026 provides the framework for tourism planning and development for The Catlins community. The level of growth, how the increasing visitor numbers are managed and having opportunities to encourage visitor spend seem to be the key concerns within the community. Visitors that are likely to be higher spenders rather than lower yielding freedom campers and backpackers are preferred. The community want to see tangible financial benefit from the influx of visitors and to see those visitors ideally spread across the year.

The introduction of a Ranger to patrol freedom camping areas has helped to highlight infrastructure gaps in visitor hot spots such as rubbish bins, dump stations and toilets and the need to manage behaviour to minimise environmental impacts.

Community feedback indicates a stronger desire for more controlled tourism through infrastructure and management and greater care to ensure the ratio of tourists to locals is not too high to retain the feeling of isolation that The Catlins offer. Whether tourism infrastructure is concentrated on the coast or directed inland to minimise impacts on the coastal environment has been debated but no decision made.

Overall, The Catlins community want to retain control over the direction of how the visitor economy is developed. The desire for a community-driven outcome, therefore, is seen as far stronger than most other parts of Southland. The challenge for The Catlins is that to deliver a higher yielding visitor market, necessitates offering amenities and facilities of a standard which can attract greater visitor spend. The more free experiences on offer, the harder it is likely to be to achieve the communities aspirations.

At the draft stage of this plan Destination Planning Ltd and Clutha Development provided input to create better alignment with the Clutha Destination Strategy. This included the need for cluster activity around the development and management of the icon Catlins sites that are hosting the majority of visitors passing through quickly, with secondary and tertiary attractions and experiences to support longer itineraries.

The Southland Murihiku DMP also notes the following issues which are equally relevant to Clutha District:

- A lack of export-ready commissionable tourism experiences that will encourage travel trade to include the region in the itineraries and marketing materials.
- A shortage of five star Luxury lodges

Invercargill Developments

Invercargill is seeing investment in new attractions and facilities. This includes the Bill Richardson Transport World and the Classic Motorcycle Mecca, which is to be promoted under one brand called Event South, and two new hotels planned for Invercargill's central business district.

Air New Zealand is also trialing the first direct flights between Auckland and Invercargill from August 2019. The airline and Great South ran a month-long campaign⁶, *"Find yourself speechless in Southland"*, featuring in press, radio, outdoor advertising and through digital channels. This is mostly focused on Invercargill, Stewart Island and Fiordland but also mentions the Catlins, Heritage and Wildlife in most campaign executions. Campaign response has well surpassed expectations so far.

All of these Southland developments present opportunities to create new itineraries linking Invercargill and Dunedin and looping through Clutha from Invercargill.

Lower South Island RTO Collaboration (45 South)

Eight RTOs from the lower South Island (Otago and Southland Regions), including Destination Clutha, are at the early stage of developing a programme to collaborate on destination initiatives. It is understood that this may involve a joint initiative to develop and promote a range of touring itineraries through the wider region, like Switzerland Tourism's Grand Tour⁷ concept.

Parallel to this, Central Otago District Council has formally approved the concept of an official touring route linking Queenstown and Dunedin on State Highways 87 and 85 through Taieri, Middelmarsh and Ranfurly. It is not clear yet which of these touring concepts will prevail. A new official touring route would have to be approved by NZ Transport Agency also.

Dunedin Airport is also undertaking marketing campaigns in Queensland which provide an opportunity for Clutha to support through prize packages and hosting media and travel agents on familiarisations.

Southern Scenic Route

Initiated in 1985 in Tauatapore, this is one of NZ's longest established official touring routes, recognised with the official NZ Transport Agency signage. It involves Dunedin, Clutha, Southland and more recently Queenstown RTO collaboration although there is minimal ongoing cash investment and no current formal business or strategic plan. This continues to be a logical and easily understandable proposition for visitors and is worthy of continued enhancement to the experiences and facilities along the route. Later in this plan the notion of official branch Tourist Drives are mentioned to take in side-trips in a way that fits within NZTA's strict signage and route marking policies.

Clutha Economic Development Strategy 2015

The overarching outcome for the Clutha Economic Development Strategy is "An economic environment that encourages growth in a way that sustainably supports the community"

This is a typical economic development plan with a particular focus on driving the primary sectors which underpin Clutha's economy. The visitor industry is largely dealt with under the section on Living and Working as below:

Economic Goal: Create a place where people want to come and work (support infrastructure and initiatives that enhance the district as a great place to live, work, play and invest).

Principle 2: Foster the development of events, tourism activities and enterprises that will attract people to the district Actions:

- Facilitate the promotion of events
- Create a coordinated marketing strategy for the district.
- Develop an Events Strategy for the district to focus on the attraction of residents and visitors.
- Explore ways for council to improve its contribution to the tourism product.

⁶ www.stuff.co.nz/partner-content/113592930/take-a-sojourn-in-stunning-southland

⁷ www.myswitzerland.com/en-ch/experiences/experience-tour/car-motorcycle-grand-tour/

- Support and facilitate group initiatives within communities such as cycle trails, wetlands and community facilities.

Other key initiatives relevant to tourism include:

- Having an account management approach to supporting consenting processes.
- Facilitating wider Broadband and WiFi coverage.
- Workforce development
- urban design, main street revitalization, and building on the district's unique identities - transformation strategy to create places of significance.

The plan also highlights the identification of Milton as a key centre for industrial and commercial (as well as residential) development with its strategic location, land availability and proximity to the airport. Balclutha is identified as a key service centre for the district.

Living & Working in The Clutha District Paper (2015)

This plan was developed to support the Economic Development Strategy with detail on retaining and attracting a skilled workforce. It aims to prepare for an ageing workforce and has several references to tourism. Following are some of the relevant initiatives:

Invest in streetscape upgrades in towns around the district:

- Main Street upgrades
- Community beautification projects
- Town entranceways – plantings/features

Review town signage:

- Attractions
- Town parking areas

Investigate opportunities to utilise empty buildings:

- Incentive programmes for property owners
- Vacant shops on main streets – community group window displays

Look at opportunities/things to do outside of normal working hours:

- Opening hours of cafes
- Flexible working hours

Look at opportunities to embrace the transient nature of our community populations:

- Seasonal workers
- Holiday homeowners
- Social networks

Other initiatives in the plan are:

- Developing Recreation facilities
- Preparing young people for work
- Upskilling and work-based training
- Supporting Volunteers.

Tourism is currently a relatively small but still important contributor to Clutha's GDP and employment but it has potential to grow significantly and support many of the programmes and objectives in the Economic Development and Living and Working in Clutha strategies. Success will be contingent upon identifying the programmes and infrastructure investments that the community most values and which simultaneously create a better destination experience. (e.g. toilets in the right locations, sealing strategic roads, a workforce with higher standards of customer service skills, a better choice of hospitality providers opening longer hours, less empty shops).

Otago Regional Economic Development Framework

A recently released regional economic development framework for Otago has identified Tourism as one of the key areas for cooperation. Examples used include growing tourism in Clutha to help take pressure of Queenstown Lakes. Other focus areas are enabling greater connectivity between districts, growing productivity, accessing and retaining talent, providing a better choice and quality of housing and improving the sustainable use of the region's assets.

Each council has contributed \$10,000 and will still retain its own economic development unit and strategy. Two advisers - one covering inland Otago and the other covering coastal Otago - will also be appointed to help implement the plan.

Previous and Current Clutha Tourism Strategies

2004 Catlins Tourism Strategy

In 2003 a Catlins Tourism Strategy Working Party with the support of Venture Southland, the Clutha Economic Development Board and the Community Employment Group contracted the Department of Tourism at the University of Otago to develop the Catlins Tourism Strategy.

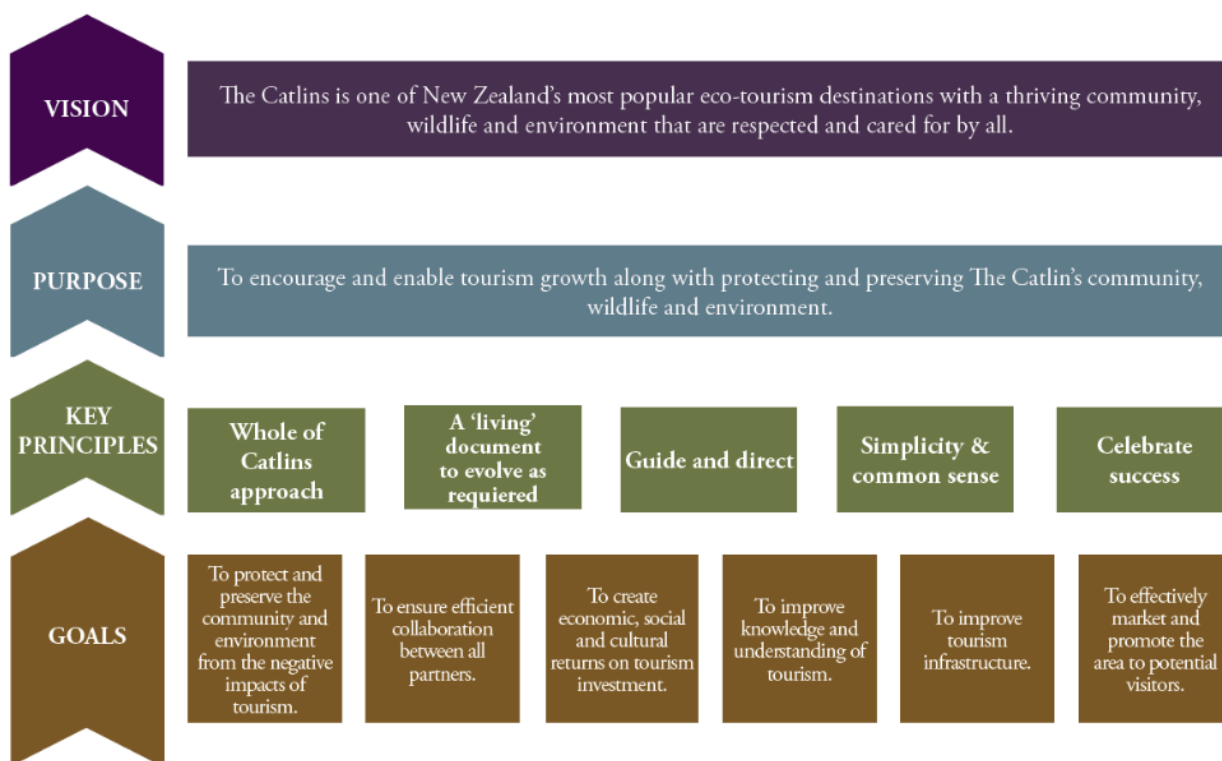
This strategy was quite advanced at the time in the way that it significantly focused on destination management and sustainable tourism, protecting the environment, community way of life and enhancing the visitor experience. It was massively detailed with 91 key recommendations of varying priorities linked to various aspects of development e.g. infrastructure, promotion, community, signage etc. The main issue with this plan was a lack of resource for implementation, coordinated across all of the necessary stakeholders.

Catlins Community Tourism Strategy 2016-2026

When the 2004 plan was reviewed and updated for 2016, it was stated that 80/91 recommendations had been implemented. Some of the main successes were reported as:

- unification of the community (under Tourism Catlins Charitable Trust which later evolved into Catlins Coast Inc.)
- infrastructure improvements with the sealing of the Southern Scenic Route (main highway through the area),
- numerous upgrades to the provision of public toilets and other amenities
- improved cell phone coverage and internet access.

Tourism Catlins/Catlins Coast Inc were also instrumental in developing an "Interpretation Plan" to deliver consistent signage and site interpretation. Sites included upgrades at Nugget Point (DOC), Catlins Lake, Fortrose, Florence Hill and Lake Wilkie (DOC).



Whilst it is fair to report that progress has been made on the above issues, consultation for this 2019 Clutha Destination Strategy shows they all remain on the to-do list.



Clutha Visitor Strategy 2014-17

Developed during 2012-2013, this has been Clutha Development's current plan to direct resource allocation and prioritise projects. It set four key focus areas:

- Develop the Clutha District as a place people want to visit and stay.
- Implement the marketing needed to attract people to visit and stay.
- Identify and plan for infrastructure required to exceed visitor expectations.
- Stakeholder representation and engagement.

The plan does a good job of identifying the main issues and opportunities at the time with numerous suggested initiatives with short and medium-term timeframes. Most of the proposed initiatives are still relevant. However, this plan does not clearly allocate responsibilities and Clutha Development has not had sufficient resources to successfully implement the actions (1 FTE coordinator). There have been some positive steps taken including developing a destination website with good quality imagery, suggested itineraries, hosting travel agents and media to the district and participating in the international TRENZ travel trade show when it was nearby in Dunedin.

The plan had a major focus on destination marketing and while it did include ideas to improve tourism experiences and infrastructure, at the time Freedom Camping did not feature strongly. There does not appear to be much in the way of quantifiable targets against which Destination Clutha reports to council.

Clutha Visitor Information Services Review

In late 2018 Destination Planning Ltd carried out a review of the District's five visitor information centres (one being the Clutha i-SITE in Balclutha). Each centre has a different management and operating model. In particular the Lawrence Information Centre service was at risk due to funding and professional liability issues for the board members of Tuapeka Lawrence Community Company (TLCC). Potential changes to management structure were considered but it was not recommended that Clutha Development take over management of any of the centres. This was because many of the visitor information centres also play a significant role as council service centres which is outside Clutha Development's mandate and Clutha Development is already funding-constrained.

Some of the key recommendations were:

- CDC should continue to operate the Clutha i-SITE, Owaka and Tapanui visitor information centres, continue the funding contract for Milton and if possible continue an adjusted funding contract with TLCC for Lawrence. (an additional \$15,000 was subsequently approved for Lawrence)
- Engage with DOC to seek support for any new display and interpretation (especially for Nugget Point and other Catlins attractions; and Gabriel's Gully.
- CDC and Destination Clutha should work with the local town groups and conduct an audit of collateral to ensure the available resources are used efficiently and achieve the widest possible audience reach, including re-assessing the value of a comprehensive Clutha visitor guide.
- Ensure that all marketing campaigns include full engagement of the i-SITE team and drive customers to the i-SITE for follow-up support.
- Ensure Clutha i-SITEs Visitor Information Centres are accurately and comprehensively portrayed in key 3rd part digital channels (Google Business, TripAdvisor, Facebook, Instagram, TNZ website, TRAVLR etc).
- Improve the portrayal of the distinctive stories of the district in the information centres and other information sites.
- Fully exploit the booking system so that local expert knowledge can be leveraged in creating innovative new package/itinerary options with higher booking margins.
- Grow operator display and advertising revenue by using more efficient screen technology, brochure and poster display systems
- Begin to develop i-SITE presentation, staff and payment systems to accommodate a growing Chinese and other Asian markets market.
- Target the schools market with curriculum-based school excursions, booking and coordinating complete itineraries.

- TLCC and Destination Clutha work closely with all bike hire/tour operators servicing the Clutha Gold Trail to strengthen the role of the visitor information centre in promoting, supporting and potentially booking visitors on the trail.
- In long term community planning for Lawrence, consider the option of a combined Service Centre, Library, Visitor information Centre and Museum on the main street.
- Continue the Service Delivery Agreement with Catlins Historical Society, exploring extended opening hours and full i-SITE membership and accreditation over the next 2-3 years.
- Seek funding to improve the visual showcasing of the Catlins and its attractions.
- Milton - Continue the Service Delivery Agreement with Bruce Museum Trust and consider options for integration of official visitor information services in the proposed new Service Centre/Library development.
- Tapanui - Continue delivery via the service centre and library.
- Establish a new set of target outcomes to be used for future visitor information business planning and performance monitoring. (including Customer satisfaction, Sales of Clutha District travel product, growth in in customer contacts and Average net cost per customer contact).

Other Council Statutory Planning

Our Place Catlins Community Consultation 2018 onwards

Council has been developing community plans throughout the district with 'Our Place Balclutha, Our Place Milton and Our Place Waihola plans completed in 2018. Consultation for 'Our Place Catlins' occurred from December through to March 2019 and included specific prompts for residents about tourism and visitor surveys. Similar plans are due to be developed for the rest of the district including Lawrence-Tuapeka in 2020. The findings relevant to tourism for each town are detailed in the Visitor Experience Management section of this plan.

District Plan Review

Rules in the district plan can be a block to tourism development so any reviews should consider potential to better enable tourism that is acceptable to the community. As the plan is reviewed the tourism industry should be strongly engaged to identify if any changes are worthwhile. The main focus so far has been zone changes around Balclutha, Stirling and Milton. Community planning in The Catlins and this visitor strategy is suggesting limiting development in coastal areas and enabling appropriate development in and around Owaka.

Outstanding Natural Landscapes Review

This project entails a review and update of the 2015 Outstanding Natural Landscapes plan.

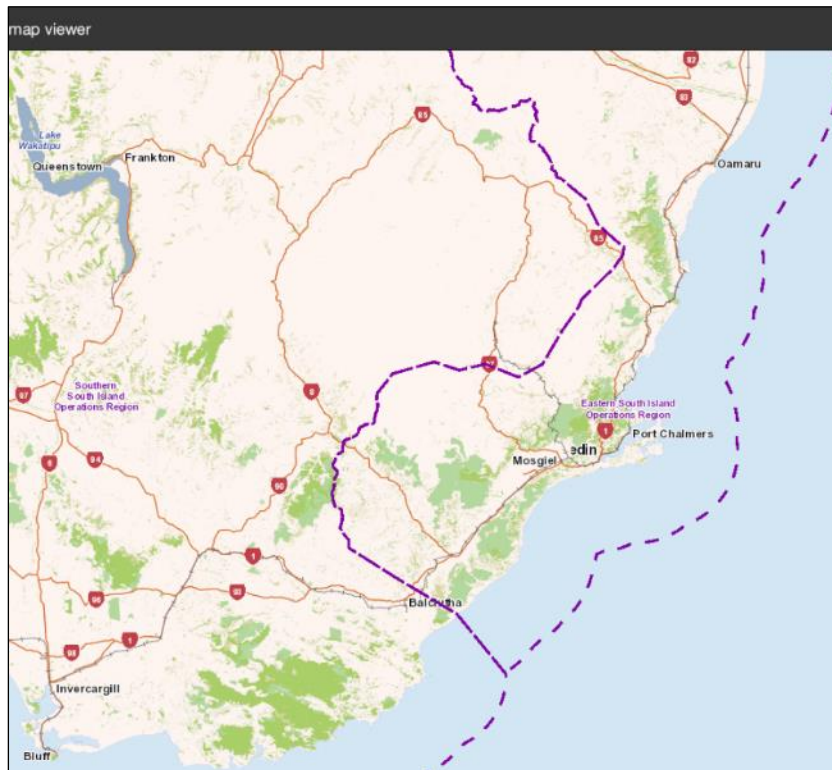
Following is a list of potential threats to the Catlins Area which need to be considered as any new development and management programmes are agreed for tourism:

- Reduction in the natural values of streams, wetlands and estuaries resulting from runoff and poor agricultural or forestry practice.
- Insensitive change arising from subdivision and lifestyle / residential scale development.
- Insensitive siting and / or design of buildings.
- Exotic tree planting including forestry that reduces landform coherence.
- Insensitive change arising through development of large-scale structures e.g. associated with infrastructural, energy or tourism projects.
- Large scale earthworks.
- Insensitive expansion of or redevelopment within, the coastal settlements resulting in a significant change in character.

An identified opportunity was the enhancement of the natural character of the area through the restoration of indigenous vegetation where possible, particularly in riparian and coastal edge areas.

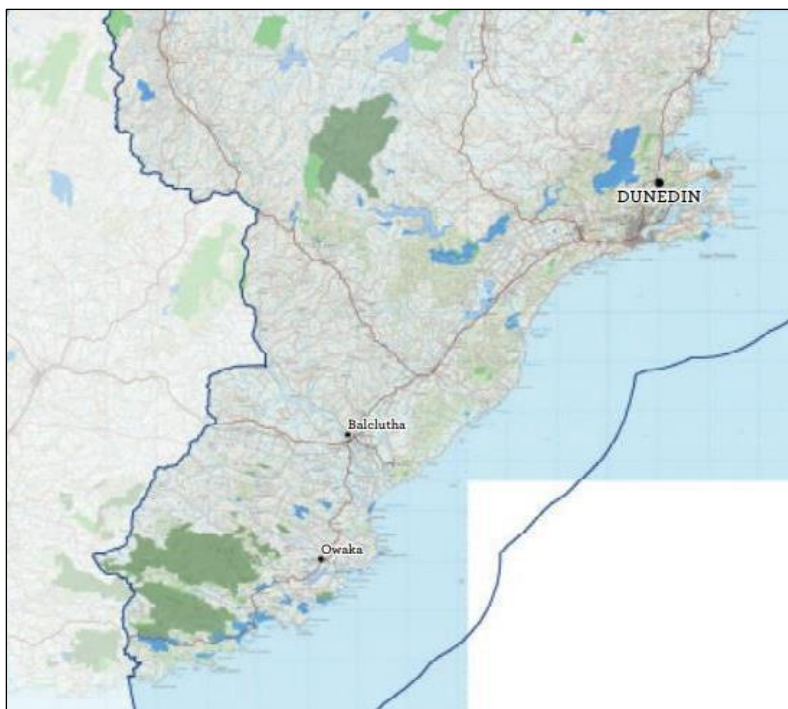
Department of Conservation Planning

The map below shows the boundaries of DOC's Operating Regions splitting Clutha District between Eastern South Island (managed by Dunedin office) and Southern South Island (Managed from Invercargill).



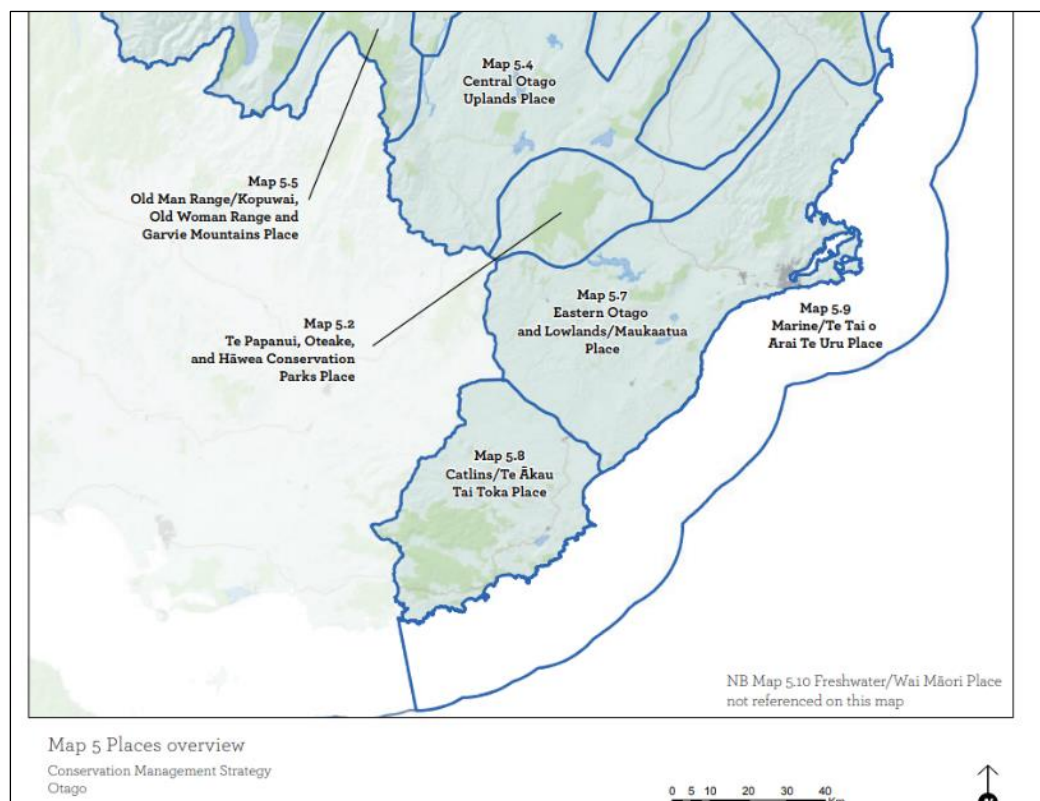
Otago Conservation Management Strategy

The next map shows the southern section of the area covered by the Otago CMS. This covers the majority of Clutha District except for the West Otago area around Tapanui and the Blue Mountains.



The next map shows how the CMS is divided into catchments known as “Places” with Clutha District's territory straddling the following Places:

- Te Papanui, Oteake and Hawea Conservation Parks
- Eastern Otago and Lowlands/Maukaatua
- Catlins/Te Akau Tai Toka
- Marine/Te Tai o Arai Te Uru



Following are some excerpts from the CMS which are most relevant to the Clutha Destination Strategy in highlighting sensitivities that need to be managed and opportunities for tourism which the CMS supports.

Examples of places where the community have signaled an interest in initiating or leading conservation programmes include but are not limited to:

- The Catlins—a multi-day walking track
- Lake Waiholā Waipori Wetlands Society and community groups involved with protection, restoration and education programmes. This and Waipori Falls Conservation Area are part of the Eastern Lowlands surrounding Dunedin.

Potential opportunities are indicated to work with businesses to enhance conservation outcomes, promote public enjoyment of conservation lands and waters and enhance the wellbeing of local communities. Some examples include but are not limited to:

- Nature-based tourism (Otago Peninsula and The Catlins)
- Cycleways networks (Otago Central Rail Trail, Clutha Gold, Queenstown, Roxburgh Gorge and Around the Mountain Trails)
- Conservation park activities (Oteake, Hāwea and Te Papanui)

Following are the CMS OBJECTIVES most relevant to the destination strategy

1.5.5.1 Work with concessionaires and other businesses to enhance the conservation experience of their customers and others, build support for conservation and deliver conservation gains consistent with the purpose for which the lands and waters are held.

1.5.5.2 Work with regional tourism organisations, other promotional groups, Ngāi Tahu and businesses to create and develop opportunities to promote conservation initiatives, products and services.

1.5.5.3 Seek opportunities to work with businesses that are looking for ways to demonstrate their commitment to and engagement with conservation.

Place Descriptions

The Catlins/Te Ākau Tai Toka.

This Place includes a large number of reserves of various classifications, conservation areas, and part of Catlins Conservation Park, which straddles the Otago–Southland boundary. A number of small reserves and conservation areas extend along the coast from Nugget Point/Tokatā in the north to Porpoise Bay in the south. The Catlins Conservation Park, centred on the Tautuku and MacLennan River catchments, comprises one of the largest areas of eastern indigenous lowland forest in the South Island.

- Threatened Clutha flathead galaxiid, the at-risk giant kōkopu and other whitebait species, are present in a number of waterways.
- The Catlins River system is a regionally important trout fishery.
- The threatened hoiho/yellow-eyed penguin breeds at seven colonies along the coastline, the largest being at Falls Creek and Long Point/Irahuka.
- Kekenos/New Zealand fur seals and rāpoka/whakahao/New Zealand sea lions haul out all along the coast and breed at several locations, and ihupuku/southern elephant seals and popoiangore/leopard seals are regular occasional visitors to the area.
- Threatened and at-risk saltmarsh and dune insects are present at Tahakopa Bay and Tautuku and Waipati beaches

Māori journeyed through, settled and gathered food from coastal areas, wetlands, estuaries and forests of The Catlins. Evidence of major settlements has been found in this Place and seasonal hunting camps were plentiful. An ara tawhito extended from Waikawa to Curio Bay. Catlins Lake (Kumamea) was a significant mahinga kai and waka building area. Many archaeological and Ngāi Tahu cultural sites are present and continue to be exposed by wave and wind erosion. The middens at Pounaweia and Papatowai contain abundant artefacts and archaeological information about early Māori settlement and resource use. Other smaller sites occur at regular intervals along the forested sections of The Catlins coast.

Nugget Point/Tokatā is managed as an “Icon destination” under DOC’s legacy Destination Management Framework. It provides a dramatic experience where visitors get immersed in the scenery, experience the elements, and may observe kekenos/New Zealand fur seals, hoiho/yellow-eyed penguins and kōtuku-ngutupapa/royal spoonbills. It has become one of the most visited sites in The Catlins and so provides a valuable opportunity to promote conservation and cultural awareness. Visitor facilities and interpretation are provided to help people enjoy and understand conservation values. Wildlife viewing contributes to regional tourism and also provides an opportunity to raise awareness of conservation issues such as the adverse effects of vehicles and dogs on indigenous species and their habitats. However, increasing numbers of visitors have the potential to increase disturbance of seabirds and marine mammals when they come ashore. Management of visitors, visitor numbers or types of activities may be necessary at some sites to ensure that the values that attract visitors remain in a healthy state. Traditional Kiwi camping opportunities exist at Papatowai Recreation Reserve, managed as a *Gateway* destination, and at campsites at Pūrakaunui Bay Scenic Reserve and Tawanui in Catlins Conservation Park, managed as *Local Treasure* destinations. The Catlins River Track at Tawanui and backcountry facilities such as MacLennan Hut enables use and enjoyment of the inland forest and river environments for activities such as tramping and hunting. Walking tracks provide access through bush reserves to beaches and along the coast; for example, at Local Treasure destinations at Tautuku Bay Nature Walk and Tautuku Estuary Track. Community, tourism and environmental groups have developed a multi-day walk linking the Catlins River Track, forestry roads and informal tracks. There is an opportunity to establish an extended coastal walk. The coast provides many other opportunities for recreation including walking, viewing wildlife, scenery, swimming, surfing, kayaking and canoeing. The Catlins has long been used by school groups as venues for outdoor education programmes. The Tautuku Outdoor Education Centre, operated by the Otago

Youth Adventure Trust, located in William King Scenic Reserve, provides a hub for these programmes. At present, there are limited opportunities for vehicle use on public conservation lands and waters in this Place due to unsuitable soils and the wet climate.

Outcome – Catlins

The naturally scenic land and seascapes of The Catlins are valued. Authorised structures and developments are of a scale and form that blend unobtrusively into the landscape and are not easily visible along the coastline or ridge tops. A range of walking tracks on public conservation lands and waters complements those on private land and provides opportunities to appreciate The Catlins and its coastline, forests, rivers and diverse history. People visiting the coast respect its values, and their activities while viewing wildlife, undertaking mahinga kai and walking through coastal habitats cause minimal adverse effects and disturbance. Unobtrusive nature- and culture-based appreciation and tourism provide economic benefit to The Catlins communities, who, along with other interested parties, actively contribute to the conservation of the natural, historic and cultural treasures of The Catlins. In association with Ngāi Tahu, Nugget Point/Tokatā is managed as an Icon destination and visited by many people. It is a wild, natural and culturally important place where the elements dominate. People of all ages safely observe and enjoy the coastal environment, its plants and animals, cultural and historic values, and impressive seascapes. It is a place where visitors learn about and appreciate these values. A network of Local Treasure destinations providing access and accommodation facilities are maintained by the Department and community organisations in accordance with facility provision priorities, and design requirements. Papatowai is managed as a Gateway destination, with short walks and a campsite providing for a traditional Kiwi camping experience. Interpretive facilities complement the unspoilt, peaceful, natural and undeveloped character of the coastal environment in this area. On public conservation lands and waters, visitors experience occasional encounters with aircraft, except at some coastal locations where encounters are rare and do not adversely affect ecological or cultural values or the experience of ground-based visitors. No aircraft will be encountered at Nugget Point/Tokatā. The Department works with local councils and communities to manage vehicle use to avoid impacts on beaches and dunelands that provide habitat for vulnerable wildlife.

Policies - Catlins

2.8.5 In collaboration with Ngāi Tahu, manage the Nugget Point/Tokatā Icon destination site to cater for high numbers of short-stay visitors, while protecting its natural, historic and cultural values, by:

- a) retaining its wild, natural character;
- b) avoiding disturbance to and adverse effects on marine mammals, hoiho/yelloweyed penguins and seabirds; and
- c) focusing interpretation and visitor information on natural, historic and cultural values of the site, and an appreciation and awareness of marine mammals, hoiho/yellow-eyed penguins and seabirds.

2.8.6 May consider development of new recreational tracks on public conservation lands and waters in the Catlins/Te Ākau Tai Toka Place (including community-led initiatives for new public walking tracks) where adverse impacts on natural, cultural and historic values can be avoided, remedied or mitigated. When considering proposals, give preference to potential track developments that:

- a) link with opportunities on adjacent private land; and
- b) protect and enhance priority ecosystems or threatened species.

2.8.11 Work closely with and monitor concessionaires and permit holders operating in the coastal and marine environment, to ensure that a high standard of education and interpretation is provided, and that they operate in a way that does not disturb or cause adverse effects to marine mammals, seabirds and other wildlife and their habitats.

Te Papanui Place

Te Papanui is the Ngāi Tahu name for the Lammerlaw Range which is an outstanding natural landscape and source of Dunedin Water Supply. It includes a system of water races that once fed Gabriel's Gully and the Lake Mahinerangi areas. Threatened Grand and Otago skinks are present on the Hawkdun, St Marys and Lammerlaw ranges. The area provides a variety of backcountry recreation opportunities, including tramping and fishing. Apart from one four-wheel drive road, this area has no formed tracks or huts. It provides challenging day trips given the lack of prominent physical features and changeable weather. Red deer and pigs are present and a degree of control is achieved through recreational hunting.

Te Papanui Conservation park, is of national importance as a biogeographical centre with over 500 species of native insects recorded, including nationally rare species and several endemic to this area. With outstanding landscape qualities, the park provides a home for a wide variety of native plants and animals. Parallel streams dissect the slopes, while there are small patches of silver beech/tawhai forest in some gullies. The broad expanses of tussock grassland are relieved intermittently by bogs and tarns and there is a strong sense of remoteness.

Marine/Te Tai o Arai te Uru Place

Marine mammals are protected under the Marine Mammals Protection Act 1978 and the Marine Mammals Protection Regulations 1992. Commercial activities involving marine mammals must be authorised by the Director-General of Conservation. In Otago, marine mammal viewing permits have been issued to permit holders, mostly for shore-based viewing of kekeno/New Zealand fur seals and rāpoka/whakahao/New Zealand sea lions. The potential benefits of well-run marine viewing operations may be considerable through increased public awareness and appreciation of marine mammals. However, a precautionary approach is taken to granting of marine mammal viewing permits to protect the well-being of marine mammals, consistent with the requirements of the Marine Mammals Protection Regulations 1992. At some sites, such as Nugget Point/Tokatā, people can view marine mammals from afar, which avoids disturbance to these animals and their habitats, and does not require authorisation.

Policies

2.9.4 Take a precautionary approach to authorising marine mammal and other wildlife viewing. Ensure that any adverse effects on marine mammals, other protected wildlife, and their habitats can be avoided or are minimised, including by having regard to the number and effect of existing commercial operations in accordance with Policies 3.12.1–3.12.3 in Part Three.

3.12.1 Support research into and require monitoring of the impacts of human interactions with marine mammals.

3.12.2 Take a precautionary approach to the number of commercial operators involved in marine mammal operations in the area, including seeking a moratorium on the issuing of new permits, or suspending, revoking or amending existing permits if research and monitoring indicate that such steps are required.

3.12.3 Should not grant permits for marine mammal viewing at marine mammal nursery and crèche sites during seasons when these behaviours occur.

Concept of a Catlins National Park

The concept of establishing a national park for the Catlins has been raised in various Clutha strategy and consultation projects and was more recently put forward by the National Party. In discussing this with DOC and reviewing the statutory plans, DPL does not consider this is a priority project for the Clutha Destination Strategy because:

- There is already a high level of protection of the values, landscapes, flora and fauna through the existing plans.
- The Catlins is made up of several disconnected parks and blocks of land. Any new National Park needs to be contiguous land.

- Any assumption that having National Park status will increase visitor numbers any more than other initiatives in this strategy is difficult to prove. National Park popularity varies hugely depending on access and landscapes reputation.

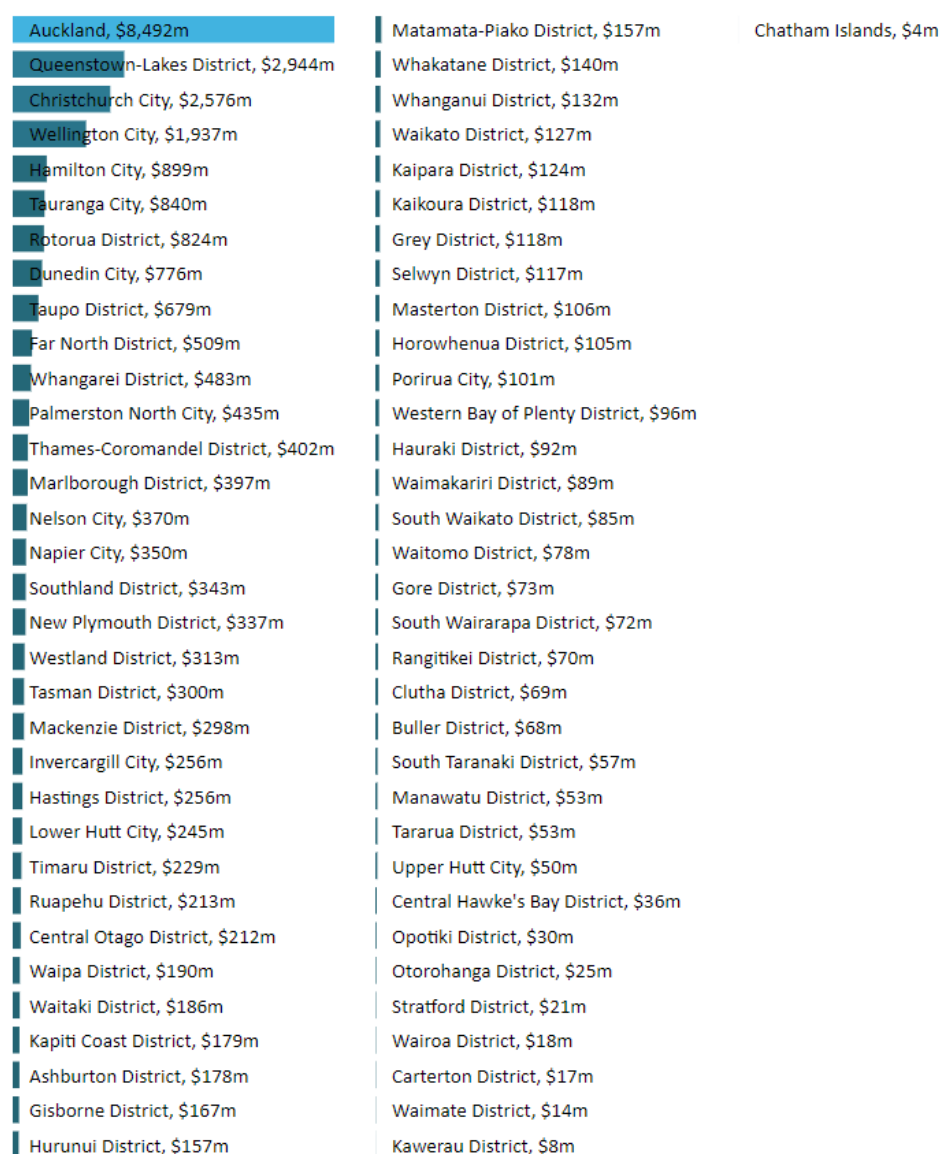
Clutha Destination Demand Side

Clutha Tourism Metrics

FreshInfo was contracted to produce Clutha RTO level analysis of tourism expenditure, commercial accommodation and AA tourism monitor domestic visitors. Full detail is provided in [Appendix 1](#).

The following chart shows the estimated tourism expenditure for each council (Territorial Authority). Despite being designated as an official Regional Tourism Organisation (RTO) Clutha's visitor spend is less than many districts which do not have their own RTO such as Gore and Waimakariri Districts and represents less than half of the spend of Hurunui and Whakatane Districts.

Annual spend grouped by TA



Key findings from the Fresh Info data were:

- Visitors to Destination Clutha spent \$69 million in the local economy in the year ending May 2019, up from \$67 million in the year ending May 2018.
- Destination Clutha's share of national tourism expenditure has declined steadily in recent years to its current level of 0.2%. This has been driven mainly by a fall in domestic market share and the modest growth in international spend has not been sufficient to offset it.
- Seasonality is a major problem in Destination Clutha:
 - Investment in new tourism infrastructure is difficult to attract when there is such a large disparity between peak and off-peak demand.
 - Destination Clutha operates at close to capacity during peak periods, so the ability to grow the visitor economy during these periods is severely constrained.
 - Sustained growth and investment in the visitor economy must be led by higher levels of demand during shoulder and off-peak periods.
- Domestic visitors currently account for 78% of annual tourism expenditure, and up to 90% during off-peak periods. A strong focus on domestic demand is therefore required to materially lift demand outside peak periods.
- International visitors also offer a good potential for growth but this is off a small existing base so the percentage growth would have to be much bigger than for domestic to make real impact

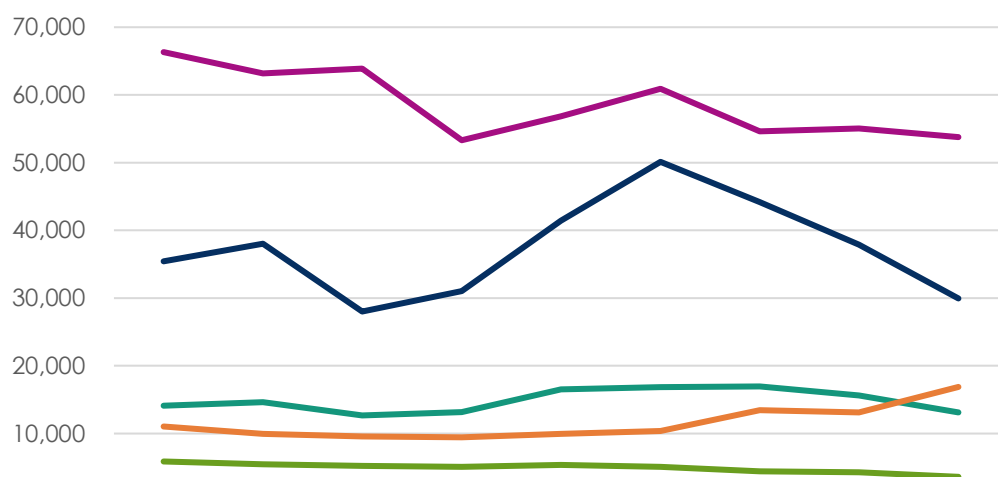
The Net Promoter Score in the AA Tourism Monitor for Destination Clutha across all domestic overnight visitor segments was 12 in the year ending March 2019, compared with a national average of 28. The net promoter score increased to 38 within the holiday segment, compared with a national average of 48.

Clutha i-SITE and Visitor Information Centre Contacts

With the exception of Owaka Information Centre, i-SITE and visitor information centre enquiries have been trending down in Clutha over the last 3-4 years.

The softening demand in information centres is in alignment with the average national trend. However, despite an increase in digital information and wayfinding, there is still demand for quality visitor information centre services in the right location. It is expected that Lawrence will see an increase with the Clutha Gold Trail extension and Owaka has been trending up as it handles growth in the Catlins where there is poor mobile coverage and scattered accommodation offerings.

Clutha District Visitor Information Centre Demand

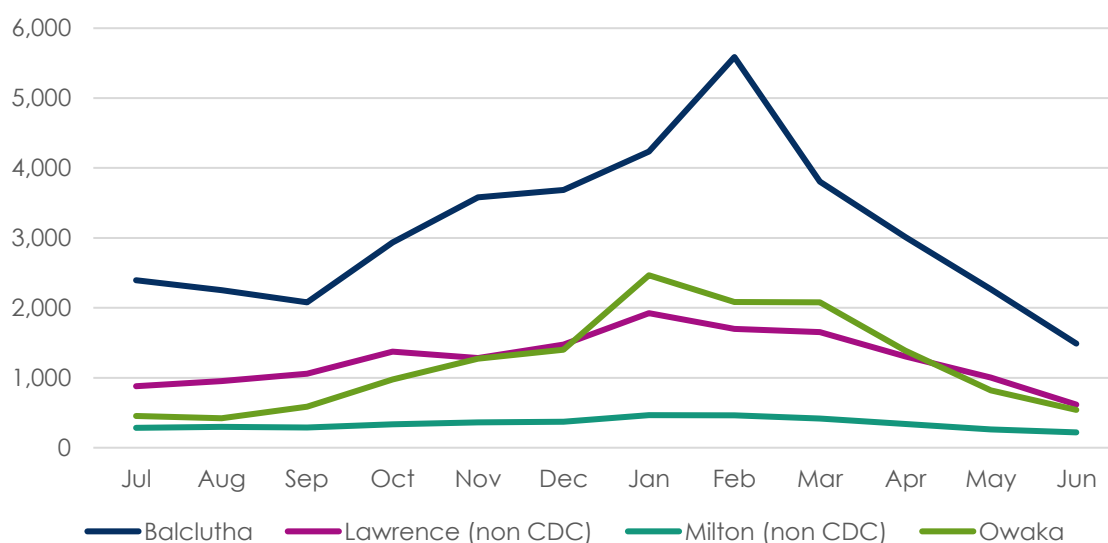


	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Balclutha Vis Info	35,446	38,016	28,017	31,055	41,420	50,122	44,178	37,866	29,958
Balclutha Door Count	66,323	63,183	63,883	53,312	56,842	60,909	54,626	55,030	53,760
Lawrence (non CDC)	14,111	14,621	12,672	13,174	16,536	16,837	16,957	15,618	13,116
Milton (non CDC)	5,876	5,448	5,208	5,105	5,369	5,069	4,435	4,276	3,610
Owaka	11,054	9,962	9,571	9,444	9,965	10,369	13,463	13,118	16,879

Note the Balclutha Door Count is higher than Balclutha Vis Info as it also includes a council service centre customers.

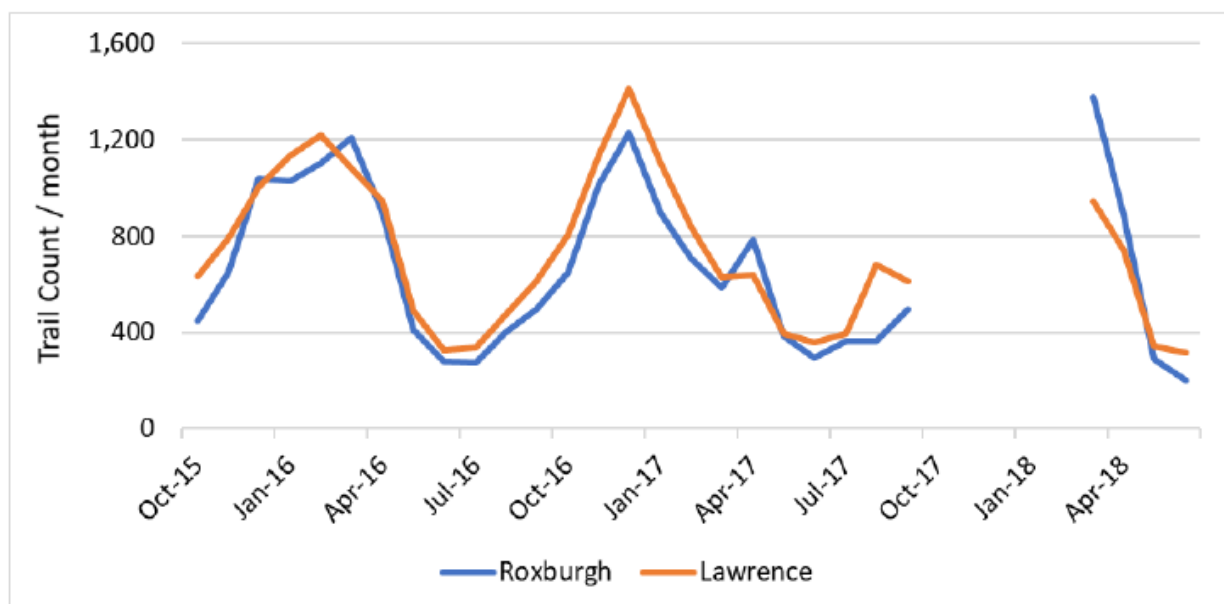
The next graph highlights the seasonality issue for Clutha with a defined summer peak. However, Lawrence has a less pronounced drop off in the shoulder which reflects the higher traffic volumes year-round and the ski market travelling to and from Queenstown/Wanaka. This highlights Lawrence's opportunity to build more shoulder season business.

Seasonality of Clutha District VC Enquiries (Avg 2015-2018)



Clutha Gold Trail Counts

Clutha Gold Trail counters also show the marked peak but extended activity to Easter. It is positive that the counts are similar for Lawrence and Roxburgh. Anecdotally most of these riders do not stay over in Lawrence but that should change when the trail is extended.



Trail Users

The number of visitors using the Clutha Gold Trail is expected to more than double by 2031, and visitor growth for multi-day visitors is expected to increase by 9% each year, due to the creation of a loop that encourages longer multi-day visits (Figure 11). Visitor growth is anticipated to be highest for international multi-day users (13.6% each year), due to the links the trail will create with nearby international airports, and the large number of international users who already use the Otago Central Rail Trail.

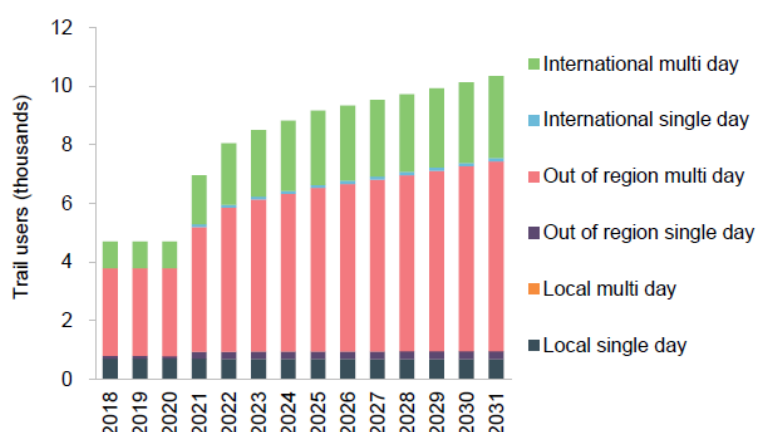


Figure 11. Growth in trail user numbers between 2018 and 2031 (source: MartinJenkins)

Clutha Visitor Market Segments

As part of the research for the 2016 Catlins Tourism Strategy, the following visitor characteristics were identified:

Demographics

- A larger proportion of visitors in 2012 were female (72.3% Domestic and 58.8% International)
- Domestic visitors tended to be older (50+) compared to international visitors who were mainly under 34 years old.
- As in 2004, the majority of international visitors came from Germany, United Kingdom and Australia.

Travel Characteristics (based on both domestic and international visitors)

- The quality of the roads was a notable 'Least Liked' aspects for both groups.
- International visitors had a significantly greater interest in wildlife viewing compared with domestic visitors.
- Word of mouth was still one of the main sources of information for both visitors (increasingly through Social Media now)

Travel to The Catlins

- Visitors tended to travel with their partners. Domestic visitors tended to be family groups, while international visitors often were travelling with friends.
- Visitors tended to travel to The Catlins in small groups, normally of two, and mainly less than four.
- Both visitors were inclined to stay overnight, rather than making a day trip. While it could not be proven, it appeared that visitors' length of stay was longer than results found in 2004 which may have been reflecting more accommodation or more visitors.
- Domestic visitors preferred camping grounds, self-contained motorhomes, and motels; while international visitors prefer camping grounds, and self-contained motorhomes. A higher percentage of international visitors used backpacker accommodation and referred to themselves as 'freedom campers'. This was similar to findings from 2004.

Drawing from this information and current feedback from stakeholders and the tourism operator survey, following are some of the key visitor segments.

International

The Clutha tourism operator survey indicated that Otago/Southland was the most important source of visitors followed by UK/Europe and the Rest of the South Island. Behind this is Australians, North Island and North America. It's notable that China had over 10% of operators saying it was a major source market for them. Other Asia is featuring at the low-end of the scale, similar to China. These Asian markets are featuring more in the northern part of the region, Kaka Point to Lawrence and less in the Catlins. Clutha can expect a to see more Asian and South American visitors in alignment with the NZ forecasts. If Carbon cost on longhaul becomes a reality this will exacerbate the shift from Western to astern markets as a source of NZ tourism, due to proximity.

Self-drive Independent and Semi Independent Travellers

This is the primary inbound market for Clutha and can be divided into three main groups.

- Those which hire rental cars and primarily use built commercial accommodation. This market has traditionally been Western but increasing numbers of South-East Asians and Chinese are travelling this way, often as extended family groups in vans or multiple people-movers. Local accommodation operators have had increasing bookings from these markets through Booking.com and perhaps surprisingly, from Chinese visitors through Air B&B.
- Campervanners who primarily use commercial camping grounds. (Skewed to older age groups 40-70 but also including some younger travellers.)
- Those who mainly seek to freedom camp but every 2-5 nights may also choose to use commercial accommodation including campgrounds, motels and B&Bs to have a nice shower and catch up on laundry. Skewed to 18-35 but increasing older people also. Again, traditionally Western markets but increasing occurrence of South American and Asian. This sector further splits

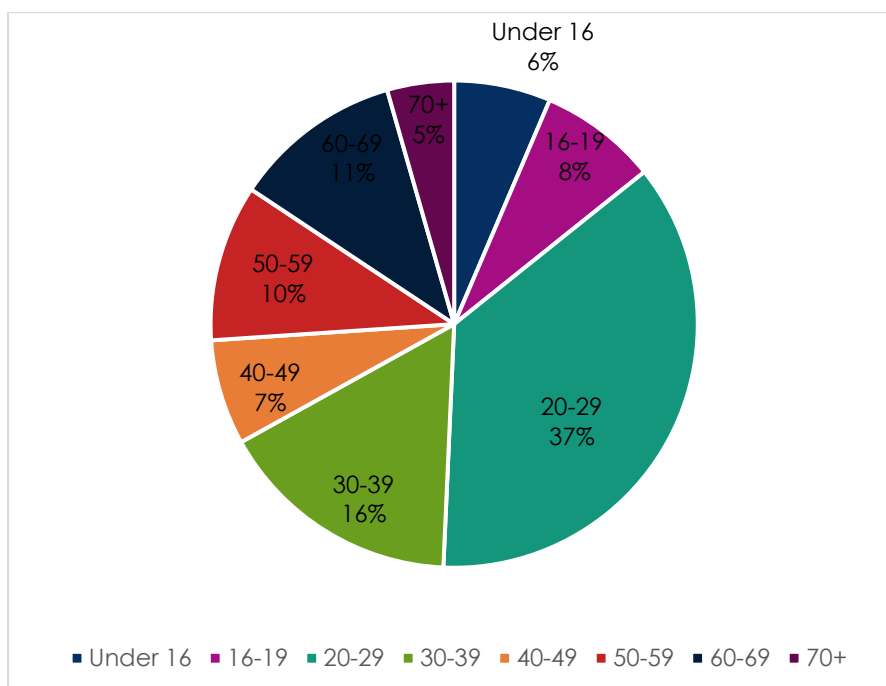
between those who are renting good quality campervans from the likes of Maui and Britz and "VanPackers" who often buy and re-sell cheap secondhand vans or people-mover cars and receive questionable Self-Contained certification to enable Freedom Camping site access. Although many of these visitors do still spend reasonable amounts on activities, a lot of them focus on free activities and attractions and extreme-budget their food with the odd restaurant meal treat.

Catlins Freedom Camping Ranger Survey

The following pie chart shows the breakdown by age group from the 1059 surveys that the Responsible Camping Ranger carried out in the Catlins during the 2018/19 summer season.

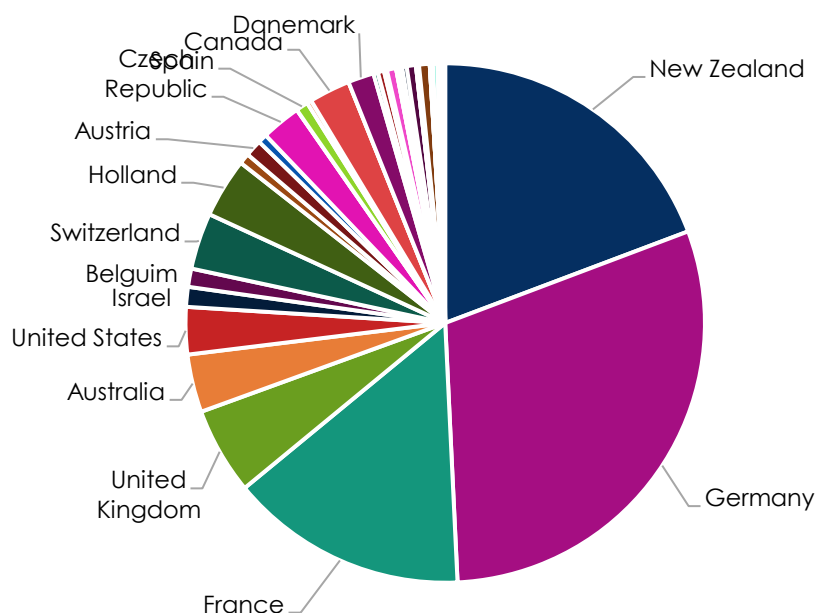
Age of Catlins Freedom Campers 2018/19

Compared with the previous season, although the largest group are 29 and under (37%), the share of people 40+ has increased from the previous season.



The next chart shows the breakdown of nationalities. Asian markets in Clutha's Freedom camping sector here are still minimal.

Nationality of Campers/Travelers Through the Catlins Region 2018/2019



Backpackers on organized Transport (Hop on Hop off)

This is the typical 18-35 age group but they also have older independent travelers. The Bottom Bus operated by Headfirst Travel is the only service through the Catlins and is covered in more detail under Access and Transport. Kiwi Experience includes The Bottom Bus service through contract.

Headfirst Travel have noticed a trend in this market where customers are willing to pay more than the typical \$30 for "budget" accommodation if there is some sense of experience or package included. Examples include the Mahinapua Pub on the West Coast at \$50-\$55, bed + basic dinner and breakfast (<https://mahinapuahotel.co.nz/>) and in Rotorua where they have moved from a typical hostel to an overnight Tamaki Marae experience for \$150.

Inbound Coach Tours

None of the mainstream large coach series come through The Catlins at this stage. Some are going through the Lawrence route between Dunedin and Queenstown and some are returning from Fiordland/Southland through Balclutha. Some of these tours were stopping at the Peggydayle tourist shop at the southern entrance to Balclutha but this has now closed, leaving an opportunity to develop shopping, dining and heritage experiences for this market. Initially experiences for this market will need to be very short to fit into a pressed itinerary but longer term, there is potential to get some to stay longer for a compelling experience.

Cruise passengers from Dunedin (Bluff)

The cruise market has seen a broadening age range and mix including families, no longer just retired folk. Cruise group tours from Dunedin have historically ventured as far as Beaumont and Kaka Point. They do not have time to go much further unless they are overnighing off the ship. Some of the tours from Bluff go into the southern Catlins.

Domestic Markets

Domestic Holiday – Primarily Otago Southland but room to grow the rest of NZ

The traditional holiday break market for the Catlins has been lower South Island families in the holidays and retirees in summer. There is a huge market of kiwis across multi demographics who have never been to the district, have some awareness of The Catlins and can be triggered to visit.

Domestic Shortbreak – Primarily Dunedin

Dunedin is the closest large urban market for Clutha, within a daytrip and weekend/shortbreak range. Some have holiday cribs. This market will be mostly 30+ with sufficient income to be spending on some indulgence for short trips. It will include families which are more relevant for farmstays, beach spots and wildlife in The Catlins. Couples and the older age brackets would also be interested in re-charge, food, arts, cycling and heritage breaks in Lawrence. As Queenstown's population increases and becomes more urbanized there is potential to entice them to the Catlins due to the contrasting coastal scenery.

Those centres with convenient direct flights to Dunedin and Invercargill can also be targeted for this proposition. Christchurch and Auckland for both airports and Wellington has direct flights to Dunedin airport.

Schools Market

This market revolves around traditional activity camp trips and as part of a curriculum based trip which may include history, geography or an Outdoors Ed programme. Tautuku Lodge and Camp Berwick already host a lot of these groups. They often involve parent helpers and can result in return family trips. These groups are easier for activity operators to cater for than independent travellers as they are pre-planned and over an economically viable group size, even if prices per person need to be modest. Targeting is done through the programme managers in the schools.

Segments that cross domestic and international

NZ Motor Caravan Association Members (NZMCA)

This market is growing very quickly. It took the NZMCA 40 years to reach 10,000 members while the leap from 50,000 to 60,000 has taken just two years. Most members are retired but there are more younger members and overseas visitors joining up to access the facilities and benefits.

The average member spends 75 nights away from home per year and \$78.00 a day whilst travelling in their motor caravan, over and above any camp site fees. Money is spent on food, fuel, medicines, vehicle repairs/maintenance, tourist attractions and activities (based on 2007 NZMCA membership survey and rally reports so this spend is likely to have increased).

Boutique Coach Tours

MoaTrek is one of the few coach tour companies overnighing in Clutha with small buses of 18 passengers and driver. Their customers are mostly 40+ with many senior citizens including up to 90 with mobility issues. They have a tour series for Kiwis including special interest tours, plus inbound tours targeted at internationals. Their overnight stays in Kaka Point and Lawrence require a range of accommodation to make up capacity. Short-stop inclusions are often the decision of the driver. This company has recently included guided heritage tours around Lawrence, a farm lunch out of Waitahuna and they are seeking a guide to help with sustainable penguin viewing in the north Catlins.

Cycling and MTB

Rail Trail Riders

This is the Clutha Gold Trail Market, Grade 1 and 2 Cycle Trails using mostly Comfort Bikes with more upright stance, softer seats and smoother tyres than proper Mountain Bikes. E-bikes have recently transformed this market enabling older and less-fit people to accomplish significant rides and hill-climbs. They ride at cruise speed and the boutique accommodation, attractions, food and beverage are key satisfiers as much if not more than the trail riding. The largest group is 55+ but there are also more youthful riders starting out; and families.

Real MTBers

This segment normally seek out Grade 3-5 trails and are not interested in easy rail trails unless they are riding with less experienced friends or family; or part of a bigger adventure. The traditional two disciplines of Cross Country (with lots of climbing) and Downhill have also hybridized into All Mountain and Enduro riding with equal climbing and descent. Clutha does not currently offer significant singletrack MTB trail areas sought by this market but there is potential.

Cycle Tourers

People who take a long holiday touring large parts of New Zealand and are increasingly linking through the Great Rides. This market is small but growing. They tend to be highly self-sufficient campers with large panniers for equipment and therefore have low spend per day, although they do take a break in commercial accommodation from time to time. This has originated with road riding but has more recently involved venturing off-road and onto grade 2-3 singletrack routes. Several tour companies operate for this market in NZ and globally where the luggage is carried in a chase van and customers can choose which sections to ride and when to take a break in the van. These organized tours spend more, using commercial accommodation and cafes. Some are already coming through The Catlins.

BikePackers

Bikepacking is described as the synthesis of mountain biking and minimalist camping, combining the freedom of multi-day backcountry hiking, with the range and thrill of riding a mountain bike. Like other cycling trends, NZ has followed North America on this with a roughly 5 year lag. Roads are only used when absolutely necessary to get to the next section of off-road trail. Only essential lightweight gear is carried in small clip-on bags. The set-up usually excludes traditional panniers on the sides of the bike which helps on narrow paths and negotiating pinch gates, styles or fences. BikePacking often involves much shorter trips than Cycle Touring. This market spans a wide age range from 18-60.

The diversity across all of the above cycling segments is illustrated in this Timber Trail Lodge (Central North Island) newsletter excerpt covering the types of customers they had hosted in their first month of operation.

- Kiwi families, with kids as young as 10.
- Groups of women, getting away from it all with their friends.
- Groups of mountain biker blokes
- A group of older people (some who didn't bike) who based themselves at the lodge, did a bit of biking, a bit of walking and lots of tea drinking.
- Overseas visitors touring NZ by bike, or adding cycling to their itineraries
- Aussies spending 10 days in the central North Island doing various mountain bike rides
- Couples enjoying quality time together
- Diverse groups of friends
- Business groups (eg a group of 23 work colleagues ages 30s-60s)

International Cycle/MTB Market

The key geographic cycling markets for NZ are Australia, UK, USA and then Germany. Australia (particularly the Eastern States) is the primary international market opportunity with growing awareness of New Zealand's offering, relatively easy access and market scale compared with other nationalities. This is the focus of Tourism New Zealand's cycling and MTB marketing efforts with Leisure Cycling the primary target (1.9m potential audience) and Mountain Biking the secondary target (1.1M potential audience).

Travel trends and Niches

Following is a summary of some of the trends and tourism niches which are relevant to Clutha District. Target Market segments are outlined later in this plan.

Information and Booking Systems

The shift from traditional guidebooks and other printed travel media towards digital is continuing at a blistering pace. This is seeing Lonely Planet Guides follow from print to digital media. Younger generations are highly reliant on social media and review recommendations from friends, peers and “influencers” in deciding on their travel destinations and activities in-destination. Emerging markets like India and Africa are almost totally reliant on mobile devices so content that only works well on desktop will not reach them.

Following the shift of flights and rental cars into easily accessible on-line booking platforms, accommodation has followed suit, even for small 1-room operators through the likes of Air B&B.

The Activities and Tours sector is now in the middle of a similar shift although this is taking longer due to the complex nature, variation of product attributes and fragmentation in the sector. Successful activity and tour operators must keep abreast of new booking systems that will enable them to optimise distribution of their product through multiple channels and ensure a balance of commission costs with marketing exposure that each channel provides. Those products with engaging video sell much better than those without. Over 70% are booked in-destination and over 80% are booked within 48 hours of the trip with this growing by more than 260% in the last year (PhocusRight and Expedia Research). Products will also sell much better if there is live inventory, short notice bookings and frictionless payment systems.

Experiential Travel to Transformative Travel

Following a period of increasing experiential travel where people value travel experiences over ticking boxes of sightseeing icons and resorts, there is a shift to “transformative travel”. This is where the travel experience is so moving, it changes the traveller and opens them to new ways of seeing their lives and understanding the world.

TRA describes this under one of 12 Cultural Currents⁸ that is terms “Beyond”:

People are shifting away from materialism and consumerism as a means to satiate their existential needs. While the last decade has promoted meaningful and purposeful experiences as an alternative to wasteful or meaningless consumption, people now expect more from their experiences – those that offer some sort of transformation or self-evolution.

The term “Slow Tourism” aligns to this trend. It evolved from Slow Food and essentially means people spending more time in destinations and at individual sites to allow for self-rediscovery.

Clutha and the Catlins is well placed to provide part of a travel experience which delivers on the above, by leveraging the isolation, simplicity of lifestyle, ecological and heritage sites and cultural interactions with local hosts.

Changes in the “Backpacker” Markets

The Youth/Backpacker market for NZ has shown decline over 2018 as manifested in underperformance of operators such as Stray Travel and Kiwi Experience. Many regions in NZ are experiencing a decline in the traditional backpacker market from UK and Europe. However, there has been growth in the numbers of young couples from these countries staying for shorter periods but spending more on experiences and accommodation. There are also more young, independent travellers from China and South East Asia.

Adventure Travel

Adventure travel is continuing to grow and evolve quickly. Intrepid Group (Melbourne based), which claims to be “the world’s largest provider of adventure travel experiences,” has had a 17 percent increase in revenue in 2018 globally and 29 percent growth in North America.

⁸ <https://mainframe.tra.co.nz/culture-hub/cultural-currents#>

More people are prepared to stay away from traditional resorts. People are looking for more ways to disconnect and be offline. Older people are healthier and fitter and looking for adventurous activities. Two other big trends in adventure travel are women traveling solo and multi-generational family adventure trips.

Wellness Tourism

Wellness tourism is expected to grow 7.5% on average per year according to the "2018 Global Wellness Institute Report". Health Spa Resorts are central to this sector but inclusion of Wellness elements across all accommodation types is increasing. It is also integrated with adventure activities and culinary tourism. For example, many surf holidays include yoga sessions.

Babymoos

As expecting parents prepare for their new arrival, many hope to work in one last "babymoon" vacation. The vibe must be relaxing, romantic, and allow for a couple's seclusion. There needs to be good non-alcoholic drink and healthy food selections, yoga, massage and other wellness treatments but suited to pre-natal.

Photography Tours

Several companies specialise in photography courses and group tours while many enthusiasts will follow their own itinerary if they are helped with information on good sites. Clutha's heritage buildings, wildlife, coastal wilderness, forest, waterfalls and rural scenes are perfect for this market. These visitors are more likely to stay longer and respect the destination and care codes than mainstream Instagrammers.

Dark Sky Tourism

There is increasing appreciation of DarkSky areas (with minimal light pollution). It is an opportunity to tell a different southern hemisphere story and Clutha's low level of development is an advantage. In addition to major facilities such as the development at Tekapo, other regions are developing content and working with specialists. e.g. www.hawkesbaynz.com/see-and-do/great-outdoors/the-great-outdoors-guide/a-beginners-guide-to-astrophotography-in-hawkes-bay

Bleisure Tourism

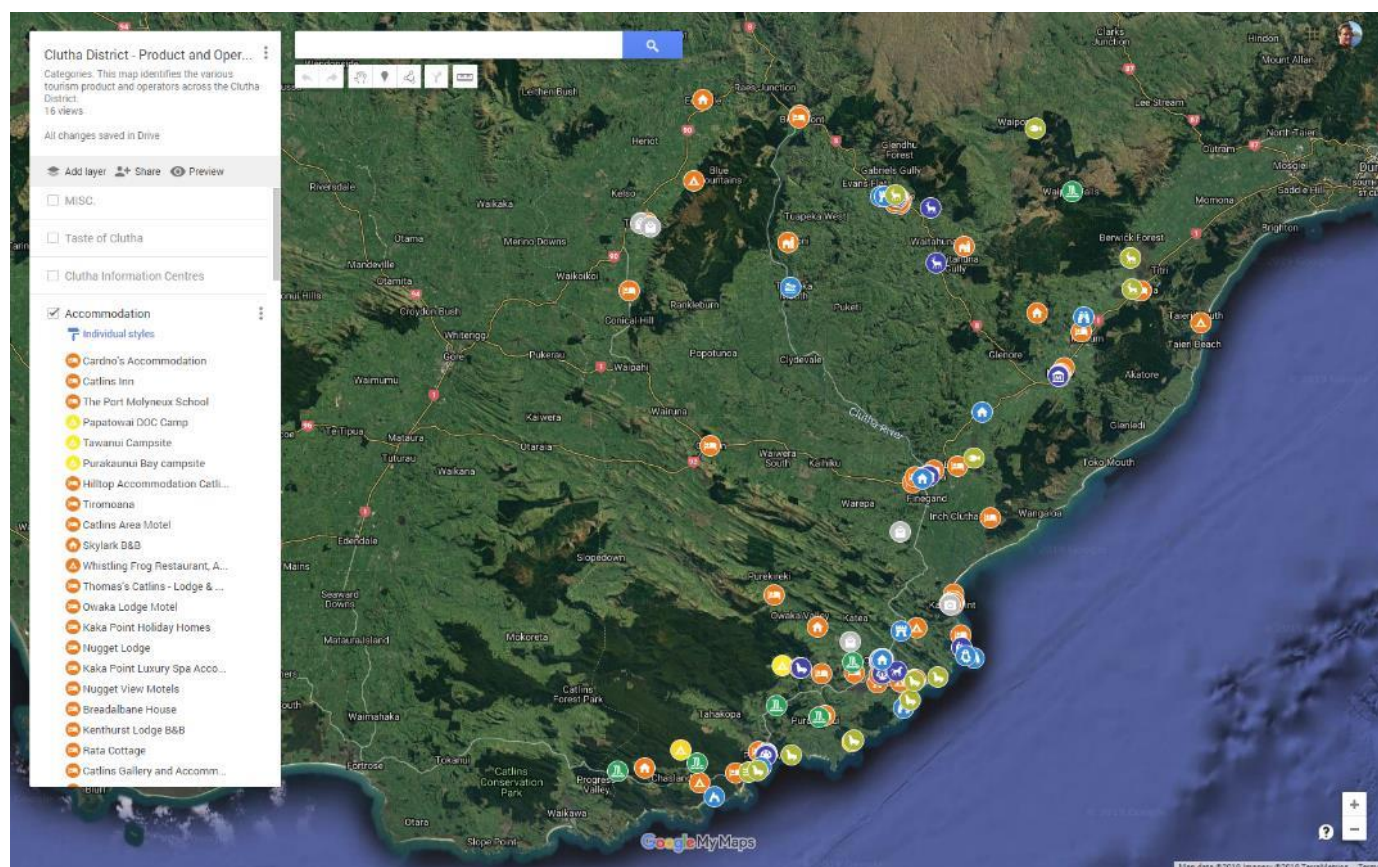
This is where business and conference visitors add on a leisure component to their trip whether it is doing an activity mid itinerary or adding on a few days with or without their partner. The Dunedin and Invercargill conference and business traveller markets offer a good opportunity for Clutha.

Clutha Destination Supply Side

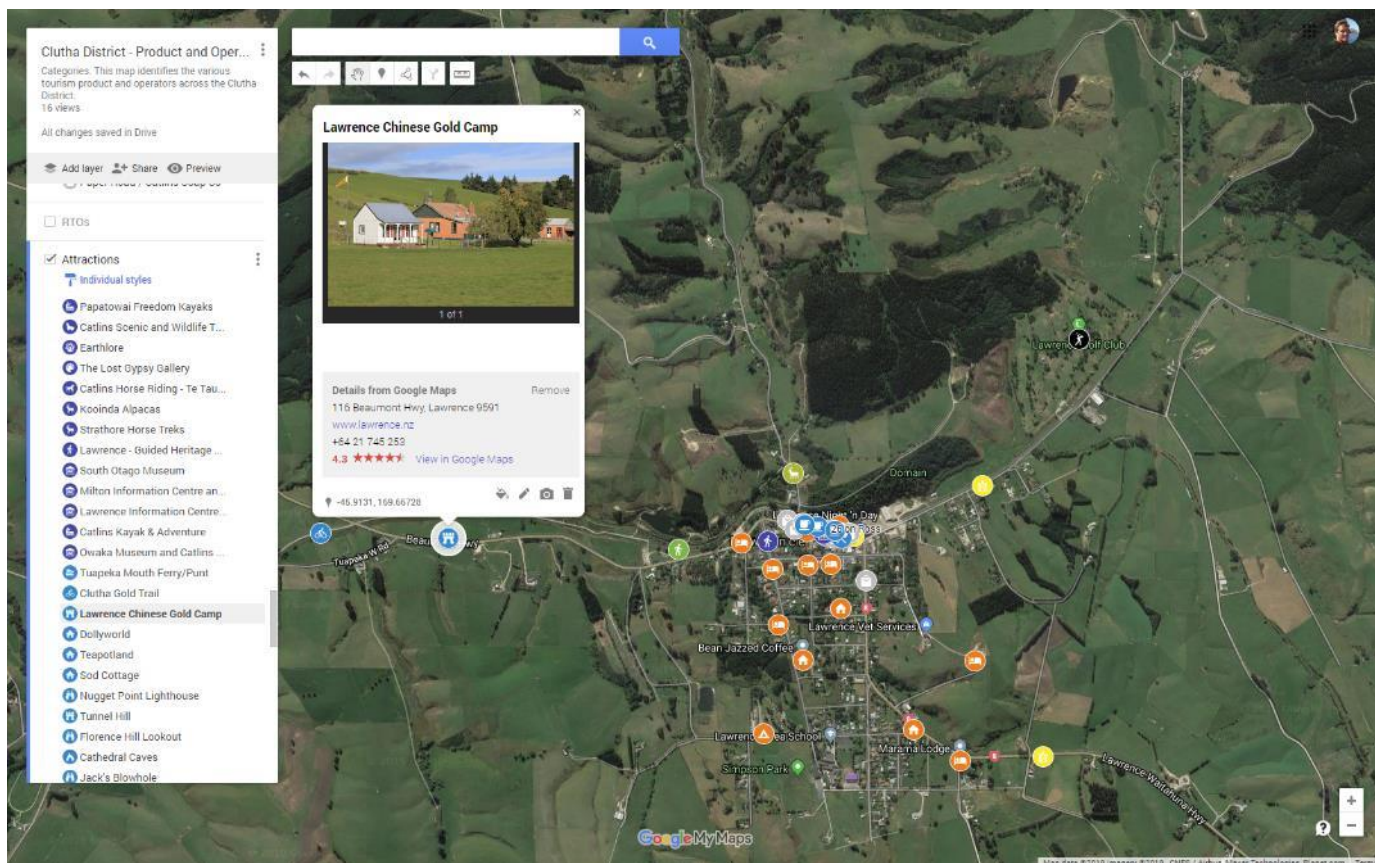
Clutha Tourism Stocktake

One of the findings of this review is that between the council, Clutha Development and the information centres, none of the tourism operator databases were comprehensive and up-to-date. This limits the ability to assess supply and communicate effectively with the industry. DPL worked with Clutha Development to update their tourism business database including with room numbers and sleeping capacity of accommodation by scanning local promotions group sites, plus Holiday Houses, Bookabach and Air B&B. The retail, dining and recreational assets such as golf clubs and walks were also updated.

Clutha Development has then plotted the tourism product database on Google MyMaps. This can form the basis of a wide range of content and promotions initiatives. At regional level zoom this shows a good distribution of offerings through The Catlins and along the main State Highways with the concentrations in Balclutha, Owaka and Lawrence clustered on top of each other.



Below is a zoom-in on Lawrence with the Chinese Camp listing blown-up.



Access & Transport

Clutha is primarily a self-drive destination. Although it is off the most prominent "Blue Ribbon" tourism route between Christchurch and Queenstown it benefits from increasing tourism developing between Dunedin, Queenstown/Wanaka, Fiordland and Invercargill.

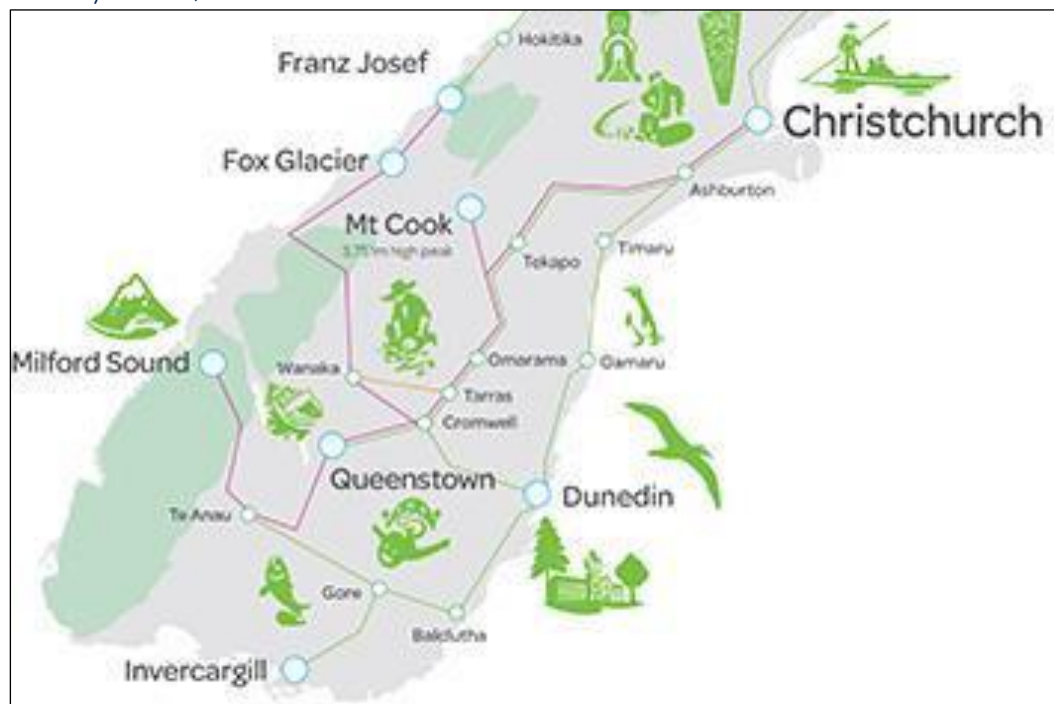
The local tourism business survey indicated their customers' direction of travel was fairly even with no clear dominance of North-South or East-West Flow. Most were only travelling from within the Otago or Southland Regions on the day before or after their visit.

Dunedin Airport is under an hour from Balclutha and well connected domestically, plus having direct Australian flights and a good selection of rental car operators. Continued expansion of capacity through Wanaka and Queenstown airports could reduce the numbers of visitors arriving via Dunedin and passing through Clutha District to or from Southern Lakes area.

Invercargill is well connected to Christchurch and is about to welcome direct Auckland flights. These two gateways open up the opportunity to promote shortbreak domestic fly-drive visits from Wellington, Auckland and Christchurch markets.

There are Intercity coach services between Dunedin and Queenstown passing through Milton and Lawrence, and between Dunedin and Invercargill passing through Milton, Balclutha and Gore.

Intercity Routes, Southern South Island



There are still organised coach tours passing through the district including those returning north east from Fiordland, with potential to develop stop-off visitor experiences with dining and shopping.

The only scheduled transport through The Catlins is the Bottom Bus, using 24 seaters, operated by Headfirst Travel in Dunedin. <http://headfirsttravel.com/local-legends/bottom-bus/> These operators used to run more regular services south to north as the Catlins Coastal Link and Catlins Coaster; and stay overnight in Curio Bay when they had a lease on the Dolphin Lodge and camping ground. The current day trip from Dunedin through the Catlins leaves at 8am, arriving around 6PM at a backpackers in Invercargill. This runs three times per week and is part of a wider circuit including Queenstown, Fiordland and Stewart Island in some of the tour options. Currently they stop at Nugget Point, Owaka, Purakaunui Falls, Papatowai, Lake Wilkie and a lunch stop in Curio Bay. Their main sea lion viewing is done at Waipapa as it has a sealed road not far off the main route. The Bottom Bus trip between Queenstown and Dunedin often stops in Lawrence for a 40-45 minute break.

Headfirst Travel management are keen to be included in tourism development plans for Clutha and would like to grow the frequency and capacity of their services again based on sustainable demand. They would also consider overnighiting again with the right property.

Kiwi Experience includes The Bottom Bus service through contract in its Deep South itinerary which passes through the Catlins. <https://www.kiwiexperience.com/new-zealand-destinations/south-island#southland>

Kiwi Experience Deep South Itinerary



The other main provider Stray Travel only link up Queenstown, Invercargill and Fiordland in the south with no itineraries through Clutha or Dunedin. Haka Tours would be another potential operator coming through The Catlins but they don't offer anything at present.

Roading

Roading is dealt with in more detail in the separate Clutha Tourism Infrastructure Plan.

Several improvements have been made to roading in the Catlins over the last ten years including the road to Nugget Point and the Southern Scenic Route connection from Willsher Bay to Owaka on Karoro Creek Road and the inland section of Ahuriri Flat Road.

Improving road sealing, controlling speed and improving safety for cyclists featured strongly in council's community consultation. The community is also somewhat divided on roading with some feeling that sealing roads will just create unwanted extra traffic, increased speed, dust and congestion.

In visitor surveys, it also features as one of the preferred destination improvements. The main roads stay mostly inland so reaching the key attractions on the coast requires multiple return side-trips on narrow, unsealed, winding roads.

Roading is hugely expensive so careful prioritisation of affordable projects will have to continue. Deliberately not sealing some roads can be a management tool to direct visitors more towards the attractions which have adequate infrastructure.

- The Owaka Valley Road had the strongest support for upgrade in the Our Place Catlins consultation. Although it is not part of the Southern Scenic Route it is used by visitors travelling directly across from Fiordland and some visitors coming from Invercargill.
- Purakanui Falls will also be important as it is in the top tier of attractions and becomes even more important when Cathedral Caves is closed. The route from the Falls out to the Main Highway to access Matai Falls (Waikoato Valley Rd). Sealing the road all the way out to Purakaunui Bay could be delayed as it is likely to just drive overload of the camping ground.
- Jacks Bay, Hina Hina and Newhaven Roads were also highlighted by the community for upgrades (although there is division amongst Jack's Bay locals).
- The Maclean Falls road also has a very steep section which gets corrugated very quickly. Sealing it could reduce ongoing maintenance costs and reduce dust.
- Owaka Valley Road was the most commonly mentioned road to seal followed by Purakaunui Falls Road,

Getting the whole road up to a high cycling safety standard is unlikely to be affordable but there should be an ongoing programme to gradually improve safety for both cyclists and motorists. An alternative off-road cycle route is only likely to be feasible for some sections of the district.

Developing safe cycling options for both the local community and visitors connecting Owaka to Newhaven, Pounaweia and Jack's Bay should also be investigated.

Other roads which have potential to form part of a good visitor experience and therefore could be considered for upgrades over the long-term include:

- The Forgotten Coastal Route, Taeri Mouth, Toko Mount-Kaitangatya.
- Route between Lawrence/Waitahuna and Tuapeka Mouth/Punt. (Creating a driving loop with Rongahere Rd to Beaumont)
- Connecting the main highways in Clutha with Lake Mahinerangi through to Middelmarsh.

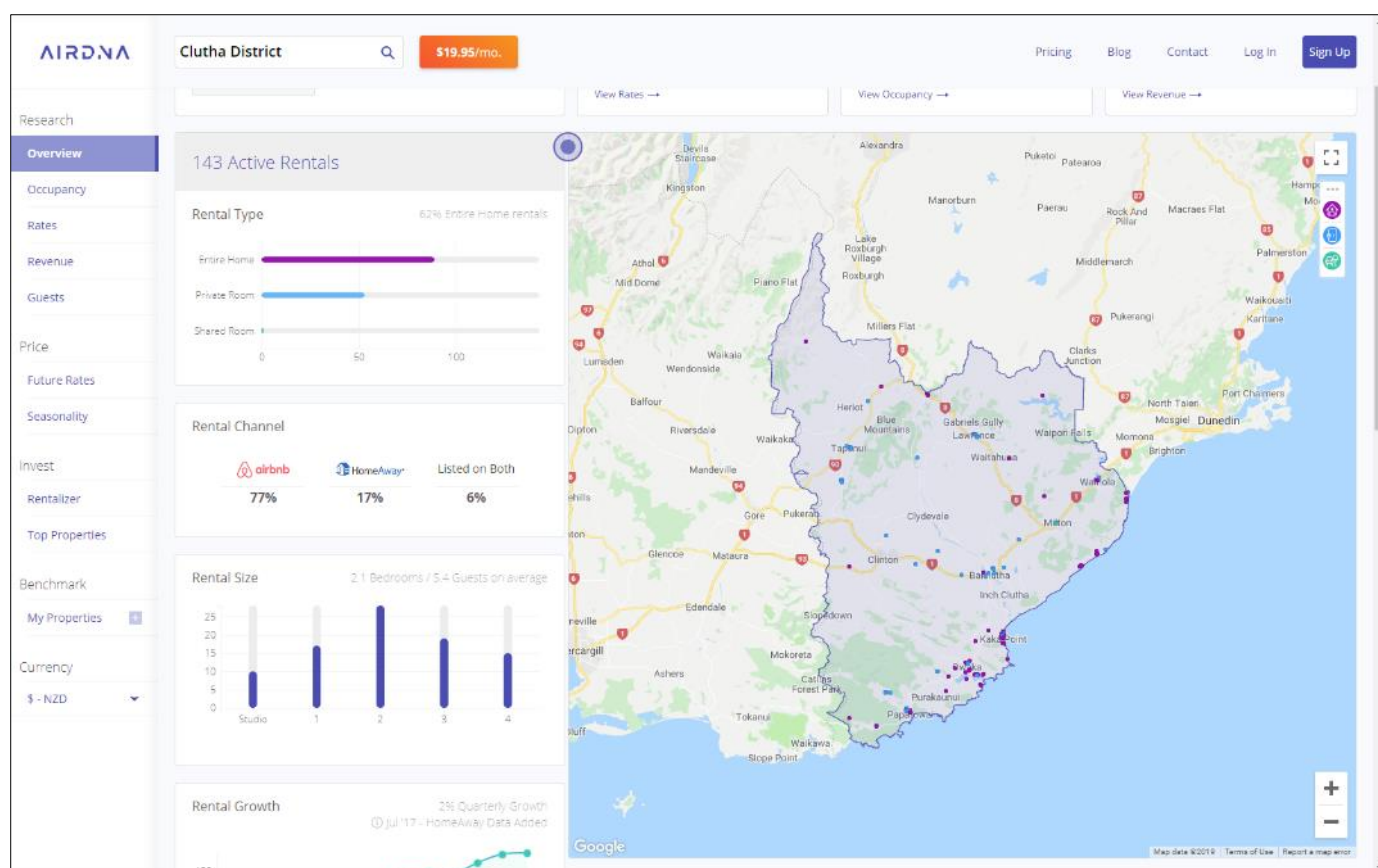
Accommodation

There were 250 accommodation listings in total although some of these are the same business with different advertised names across some of their units. Taking out these duplicates there would be around 220-230 accommodation operators in the database.

There are 17 Motels spread through the district plus the Rosebank Motor Lodge which is really motel standard plus a restaurant and bar. Some of the other traditional pub/hotels (e.g Forrest Lodge in Tapanui) provide motel-like units and pub food but many of them have very tired country-pub rooms without ensuite. There are no mid-upper scale hotels of sufficient capacity to host large coach groups.

By far the biggest number of accommodation operators is represented by Holiday Homes, Baches, Cabins, B&Bs and Farmstays. The AirDNA site provides information on Air B&B and Homeaway (Bookabach) listings only. It therefore excludes properties in the Holiday Houses website which is still quite popular in NZ.

AirDNA suggests there are 143 active rentals, 77% Air B&B, 17% Homeaway/Bookabach and 6% listed on both. 62% are entire homes and 37% are private rooms. The map indicates the biggest concentration is at Kaka Point, followed by Owaka and surrounds. Note that many of these listings are the same operator using different names for various accommodation units, e.g. Hilltop Catlins has several Air B&B listings.



The largest share of commercial accommodation capacity is provided by holiday parks and backpackers.

There is a small selection of reasonably upscale eco-lodges, heritage B&Bs, farm lodges and retreats, but no true five-star luxury lodges that would compare with the likes of Huka Lodge or Blanket Bay. In the case of Catlins Mohua Eco Lodge, they are well established with international travel wholesalers and inbound operators and the majority of their market is international.

The following table summarises accommodation and camping capacity across the district.

Holiday Park/Campground Accommodation Type	Total Units	Description
Built Units	512	A separate bookable room or unit in a hotel or motel. A separate holiday house, apartment or B&B which may have multiple rooms. IN Holiday parks this includes cabins, motel units, apartments but excludes camper sites.
Powered Camping Sites	257	
Non-Powered Camping Sites	351	
Maximum Sleeping Capacity Built Units	2320	(Excluding powered and non-powered camp sites)
Camping Site Capacity	600	Based on average 2 persons per site.

This data shows how much accommodation capacity is not captured in the Statistics NZ Commercial Accommodation Monitor (CAM). It also shows that if the occupancy and average achieved room rate (ARR) for existing accommodation can be improved, there is significant accommodation capacity to support growth in overnight visitors and expenditure even before new accommodation is added.

Qualmarked Operators

Qualmark is the official quality endorsement programme for the NZ industry which includes sustainable tourism benchmarks and criteria and is backed by Tourism NZ. As at June 2019, Clutha District had only five Qualmarked operators.

Name	Location	Segment	Sustainable Tourism Business Award	Grade
Cascade Creek Retreat	Milton	Holiday Home	Gold	5 Star
Catlins Mohua Park Eco Accommodation	Owaka	Holiday Home	Silver	4 Star
Clutha i-SITE Visitor Centre	Balclutha	i-SITE Visitor Information Centre		Endorsed
Rosebank Lodge	Balclutha	Motel	Bronze	3 Star Plus
Tiromoana Catlins Ocean View Accommodation	Owaka	Holiday Home	Bronze	4 Star Plus

It should be noted that Catlins Kayak and Adventures at Kaka Point does have the Adventure Mark safety audit certification. This is more of a Health & Safety necessity for activity operators and doesn't cover broader business management, customer service or environmental criteria.

There are always issues with cost of participation and recognising operator strengths which may not sit squarely within the categories used. Operators are increasingly relying on review ratings but there is still a place for Qualmark as a structured quality programme for operators going beyond hobby status.

These Qualmarked operators should be supported through profiling in websites, publications and information centres. Increasing the number of Qualmarked operators is one indicator of Clutha's maturity as a visitor destination.

Meetings, Functions & Weddings Venues

In addition to the halls listed in the stocktake above, the following two venues have built a strong reputation in the meetings, functions and weddings market.

River Ridge Retreat

This boutique venue in the Catlins River Valley caters to up to 130 at a meeting event and can sleep up to 80 people including family units sleeping up to 10, Modern Cabins and Glamping. It also specialises in:

- Weddings, conferences, team building, health & fitness and festivals.
- Experience packages include Adventure, Farm, Indulgence and Combinations.

Port Molyneux School

- Indoor space for 120 people for weddings and functions.
- School Master's House boutique accommodation for wedding party.

Several other boutique accommodations are suitable for honeymoon retreats. The Telford campus can also provide a wedding and meetings venue outside term time.

This is another visitor sector for which specific fact sheets and online content can be developed and distributed to target audiences.

Attractions, Activities and Facilities

Category	Total	Explanation
Trails/Walks	20	The main walks. Some are grouped together e.g. Catlins River/Whisp are counted as 1, as is Clutha Gold Trail.
Waterfalls	6	
Other attraction and activities	26	This includes museums/heritage centres in Milton, Balclutha, Lawrence, Owaka, Tapanui and the Chinese Camp. There are only a handful of adventure operators including Jet Boating (mostly operating in Roxburgh), sea kayaking, horse trekking, a small group tour operator in the Catlins and a fledgling heritage guide for walks or bus tours in Lawrence/Tuapeka. Other examples are Gardens, Alpaca Farm Visits, Lost Gypsy Gallery and quirky home-based collections such as Dolly world and Teapot World.
Shops and Galleries	18	This is limited to the more unique gift, souvenir, collectible, craft and art galleries. This is a key part of the offering in Lawrence. It doesn't include standard retail shops that tourists may still use.
Lakes	4	Waiholo, Mahinerangi, Catlins (tidal), Wilkie
Libraries	5	Some of these are combined with information and council service centres. They play a role with visitors who seek out free WiFi in libraries.
Golf Clubs	9	These are not promoted in the destination web site but can easily be included and information targeted at golfers.
Eateries	55	Most of the towns now have 1-3 cafes serving quality espresso and a combination of cabinet and A-la-carte food. The main gap is in quality evening dining and early breakfast options. Papatowai has nothing other than the Camp store which closes early, then Whistling Frog Resort 15-20 minutes' drive south. This figure includes takeaways and some dairies which in some cases are an important part of the food offering for visitors to Clutha.
Community Halls	36	Some of these are suitable as event and meeting venues and can be better promoted as such, combined with supporting services such as catering and AV
Playgrounds	24	In districts like Clutha, especially for families, a good playground can change visitors' itineraries and create memorable experiences which support resident attraction and repeat tourist visitation. Some of these (nominally one in each town) can be developed as more compelling destination playgrounds. The Kaitangata skate park is an excellent example of a community driven initiative that has drawn national media attention. Moore Park in Milton, Owaka's new playground and the plans for Balclutha's memorial park will also enhance the visitor experience. There is an opportunity to look at unique features in each town rather than duplicating them. This not only encourages visitors but will encourage Clutha residents to try different playgrounds throughout the district.
Swimming Pools (CDC owned)	3	The indoor pools become important as bad weather options in what is primarily an outdoors destination. Balclutha and Milton are the two sites that will be most viable from a local demand perspective but Balclutha is more accessible for visitors in the north Catlins. There are an additional 13 Community-owned pools throughout the district.

Culinary Tourism

Culinary tourism has been around for millennia but it has now a fast-growing component of experiential tourism. Part of being a sustainable destination includes reducing food miles and enabling visitors to connect with the local community and culture through culinary experiences.

Clutha District has a growing array of interesting culinary food and beverage providers which help to build reputation for the district, but also create direct visitor experiences. Catlins Brewery in Kaka Point produces award winning beers with back-stories that reflect their origin in the Catlins area, such as the Yellow-Eyed Pilsner, the Port Molyneux IPA and the Nuggety Black Stout. The owners have applied for an Off-license to allow sale of craft bottled beer from the site. This will mean investment in improved reception area so visitors can tour the small brewery. They are already involved in successful tastings at events at nearby Port Molyneux School. Other boutique Clutha produce includes elderflower cordial, a range of butcheries and on-line gate to plate meat sales, milk, eggs including unique smoked eggs and liquid smoke, chocolate, fruit, berries, nuts, Waiholo fish from the Taieri Mouth fleet, preserves and honey.

Visitors would appreciate knowing that meat served at their local restaurant or accommodation has come from local farms including through Silver Fern Finegrain, employing the local community. Some local suppliers have problems with local outlets taking on their products. For example, Catlins Brewery has struggled to have its beer available in Clutha Trust's pubs due to their commercial arrangements with major breweries. Foodstuffs' bulk distribution policy sees southern produce transported to Christchurch before being re-distributed back to local retail outlets.

Clutha Development has already developed an excellent "Taste of Clutha" trail web page and integrated it into Google MyMaps. www.cluthanz.com/visit/taste-of-clutha/ Keeping this information up to date is critical, especially seasonal opening hours. There are opportunities to use this with tour operators to develop their own tours and as a hook for media visits and blogger articles. Pre-arranged groups are much easier to deal with for the suppliers than drive-up FIT visits.

Clutha Development can advance this work by establishing a programme to bring the key culinary tourism stakeholders together (producer, distributor, retailer, hospitality) to seek innovative solutions to feature more local produce on menus and within other visitor experiences.

Education Sector Developments & Study Tourism

Clutha operators already receive international visitors who are studying or working at places like Dunedin Hospital and University. This market is a low-cost and low-risk way for local operators to ease into dealing with international visitors and there is more potential to target this market.

Otago Polytechnic Proposed UN centre of expertise for sustainability

Otago Polytechnic is leading a proposal to establish a United Nations' regional centre of expertise for sustainability in Otago. There are 166 such centres around the world and each focus on a selection of the 17 UN sustainable development goals. A decision should be made by December 2019.

The centre would address issues important to Otago such as high-quality learning, waste production and management, disaster management, water management, sustainable horticulture, tourism and agriculture. It would focus the UN's goals on quality education, water sustainability, sustainable tourism, sustainable cities and towns, partnerships and collaboration.

All the region's mayors agreed to take part in the proposal, as has the University of Otago, Ngai Tahu, the Otago Regional Council, other businesses and non-profit organisations. If it is successful, Clutha District already offers and has the potential to offer more practical sustainable tourism case study and field visit examples.

SIT and Telford

The Southland Murihiku DM Plan has identified the potential to attract international study tours to SIT and the region long term. Southern Institute of Technology (SIT) has an international student program that attracts increasing numbers of students and creates a visitor market for Clutha and The Catlins.

Establishing a successful agritourism sector with industry-leading operations, coupled with opportunities for wilderness tourism and iconic visitor attractions, would offer a point of difference relative to competitor regions. Currently, Otago and Lincoln universities deliver competitive courses in biodiversity and agriculture for international students but not in agritourism.

In Clutha District, Telford's owner Taratahi, went into receivership in 2018. SIT has taken over management and received the \$4.7million in government funding over two years. Opportunities for Telford include:

- Becoming a centre for innovation or lead practice training in sustainable farming/dairying
- Attracting more international students
- Hosting conferences out of term
- NZ School visits from out of the district

Comparison Regions

The following table provides a comparison of Clutha against some the smaller RTO regions in the Mid-Lower South Island.

	Clutha	Waitaki	Central Otago	Mackenzie	Timaru
Brand/Logo					
Regional Positioning	Council's "Clutha Country" Brand with Hand symbol. Catlins/Nugget Point and Gold	Whitestone, Penguins, Steampunk, A2O Presented as 3 areas, Waitaki Valley, Oamaru and Coastal Otago.	<i>A World of Difference</i> Gold Mining Heritage, Pinot Noir, Stonefruit, OCRT cycling	Mackenzie Region, New Zealand.	In transition, Aoraki Tourism, South Canterbury and Timaru? Gateway to Mackenzie/Alps Rangitata Gorge, Rafting Little Blue Penguins (kororā) at Timaru Maori Rock Art
Regional Expenditure YE Feb 2019	\$69M	\$185M	\$207M	\$295M	\$225M
Tourism Expenditure as % of GDP (2017)	1.55%	4.53%	3.56%	65.19%	1.54%
Natural Assets, Wildlife	Catlins, geological features and wildlife. Clutha River distinctive sections	Commercial Penguin Colony Attraction. Geopark, Hydro Lakes, Moeraki Boulders Elephant Rocks, Clay Cliffs, Alpine ranges	Lakes, Curling, Tussockland Mnt Ranges eg St Bathans, Old Man	Mt Cook, Glacier Lake Trips Lakes Pukaki & Tekapo icon images DarkSky Heritage Area	Little Blue Penguins (kororā)
Built Assets Recreation & Trails	Lighthouse, Clutha Gold Trail extension Trout & Salmon Fishing	A2O Trail Hydro Schemes, Canals, dams, lakes Ohau Ski	Highlands Motorsport Park, OCRT, Clutha Gold, Dunstan Trails, Alexandra & Naseby MTB Trails, Curling	Hydro Schemes, Ruataniwha Rowing Canals, dams, lakes Roundhill, Dobson Ski. Hot Pools/Ice Rink/Slide Salmon Farms	Salmon Fishing

	Clutha	Waitaki	Central Otago	Mackenzie	Timaru
Heritage / Arts Positioning	Gabriels Gully/Lawrence started Otago Gold Rush. Tuapeka Ferry/Punt Art inspired by Catlins. No modern interactive heritage attractions.	Whitestone Geopark, Fossils, Rock art Steampunk	Mining relics, Museums, Graham Sydney images	Church of the Good Shepherd. Hillary Centre, Mountaineering	Te Ana Maori Rock Art, Richard Pearse Memorial, Rose Festival Temuka Pottery
Culinary Tourism	Fledgling reputation – Smoked Eggs, Catlins Brewery. Potential around seafood Taeri Mouth, Beef & Lamb production, Pickled Walnut	Whitestone Cheese Fleur's Place	Stonefruit, Pipfruit, Pinot Noir, Olivers	Salmon Farms	Barkers Geraldine Beef & Lamb? Venison
Drive-time Domestic	Dunedin, Invercargill, day and weekend-trip. CHC long weekend trip	Dunedin day/weekend trip CHC long weekend trip Omarama on main tourism route	Weekend trip from Dunedin Isolated from main metro centres. Growing Queenstown Pop.	CHC long weekend trip On main route CHC-Queenstown	CHC day/weekend trip. Only Geraldine is on main tourism route.
Air Access	DUD Invercargill 1.5hrs. ZQN 2.5-3 hrs.	DUD 2 hours	ZQN 1 hour DUD 2 hours	Mt Cook/Glentanner was domestic airport. Charters. Tekapo and Twizel sightseeing.	Domestic AirNZ Timaru CHC or DUD 2-3 hours
Meetings and Functions Venues	No large venues. Small medium meeting venues. Weddings and Corporate events e.g. Kaka Point and River Ridge, Catlins	Brydone Hotel	Golden Gate, Highlands Various wineries Northburn	Hermitage, Peppers Bluewater Resort Lakestone Lodge	Grovsner Landing Service Conference Centre
Accommodation	Rosebank Lodge 18 studio Units RiverRidge sleeps 80 med-small motels and pubs. Whistling Frog mixed accomm and camping Small selection of boutique. Holiday Houses/B&B, Farmstays	Brydone Hotel Oamaru and Countrytime Omarama (50 rooms) Mix of motels Luxury Lodges Lindis and Pen-y-Bryn and several boutique lodges, farmstays, B&Bs, Backpackers	Golden Gate Cromwell. Motels & Pubs Strong boutique accomm,	Hermitage Peppers Bluewater Resort Mackenzie Lodge. Ohau and Lakestone Lodges	Grovsner 44 rooms Various motels, camping grounds, Hosted accom

	Clutha	Waitaki	Central Otago	Mackenzie	Timaru
Information Centres	One in every town. District i-SITE in Balclutha. Mix of Museum and Council operated Service centre information centres.	Oamaru i-SITE run by RTO.	4 i-SITES all managed by council. Cromwell, Alexandra, Ranfurly, Roxburgh	No i-SITES. Council info centre Twizel. 2 private info centres Tekapo, 1 community centre Fairlie and major DOC Visitor Centre Mt Cook. Used to have 2 i-SITES until ~2014	No i-SITES, Te Ana Rock Art Info Centre and private or council info Geraldine, Waimate, Temuka. Used to have 2 i-SITES until 2013.
Seasonality	Catlins, pronounced summer seasonality. Balclutha/Lawrence less so from corporate and ski traffic	Some ski market inland Omarama, Twizel otherwise typical summer peak and A2O cyclists into shoulder	Closer to Queenstown/Wanaka winter ski markets. OCRT strong in Autumn and Spring	Summer strongest but Significant winter ski and ice markets	Summer peak but corporate, sports business through year.
RTO Status	1 person within Clutha Development	Tourism Waitaki Trust	Separate Advisory Board, run within CODC	Contract with Christchurch NZ which employs coordinator	Recently taken back from Aoraki Development to within TDC.

Looking at these comparison regions, Clutha has by far the smallest tourism economy and Hotel/Motor Lodge proposition.

It has the strongest variety of wildlife offering while Waitaki and potentially Timaru, offer a more accessible/touristy Penguin experience.

The Catlins Coast and Rainforest is the most distinctive Landscapes attribute for Clutha.

The north and west of the district has significant overlap with Central Otago's gold heritage positioning so effective communication on what is special about Gabriel's Gully and Lawrence will be critical.

Destination Management

(Managing the experience when visitors get here, both for visitors and residents)

Local tourism database

As part of this strategy development a comprehensive tourism product database has been established. This becomes an ongoing tool for assessing product supply and gaps; and for maintaining communication with the industry. It can also be used as tourism levy and rating models are considered by council.

Seasonality – Growth outside peak summer season

Growing visitation outside the peak season is the main strategy which would help Clutha's visitor industry to become economically sustainable. It can also help to relieve pressure on environmental impacts such as wildlife disturbance. Major tourism assets and core infrastructure such as wastewater treatment plants have to be built to cope with peak season loading, so the capital cost and much of the maintenance cost does not reduce with reduced demand. Seasonality also makes it hard to deliver a quality workforce as employers are not prepared to invest significantly in staff training when their tenure is only likely to be 3-4 months. This also makes it difficult for local residents to find a permanent job in tourism, hence why many roles are filled by working vacation tourists.

Tourism seasonality in New Zealand is extremely difficult to change and many attempts in national strategies over the last two decades have made little difference. Key source markets such as the UK and Europe naturally want to escape their own winter and enjoy New Zealand's summer and airline capacity is set up around these demands and public holiday periods. Even a small shift could help the tourism sector though.

Supporting seasonal spread of visitors therefore has to be a fundamental criterion for prioritising tourism investment. This can involve events, targeting markets which travel off-season and developing accommodation, activities and attractions that are not dependent on summer weather.

Sustainable Tourism

Environmental sustainability has been at the forefront of both of the previous Catlins Tourism Plans and will continue to underpin this plan. Although there are a few existing negative tourism impacts in parts of Clutha, the issues are nowhere near as pronounced as other parts of NZ and overseas which are making headlines. Even if no more marketing was done for the district, visitor numbers will continue to grow but as Clutha is still relatively undiscovered and national tourism growth is cooling in the short-term, Clutha has time to pre-empt Overtourism by set a framework to actively manage tourism from now on.

Measuring and Forecasting Visitor Numbers and Carrying Capacity

Currently there is no robust data on visitor numbers at the key visitor attractions or monitors of visitor satisfaction to identify any deterioration. Once that information is in place, forecasts and carrying capacity for key sites can be estimated. It is then possible to more confidently invest in infrastructure, facilities and services manage visitor impacts and ensure a positive experience (toilets, walkways, viewing platforms, boardwalks, carparks, waste management). Actions will need to include:

- Establish visitor counter systems at key attractions.
- Implement snapshot surveys of customer characteristics, behaviours and satisfaction.

The following comment from a visitor survey nicely articulates the value many visitors see in the destination.

"Limit development so the pristine environment is protected. What you have is very special. We felt we were entering the world of birds and sea lions, instead of them entering our human world. Please protect this."

The following excerpts from community planning submissions from the Yellow Eyed Penguin Trust provide a local NGO perspective:

"It is not sufficient to maintain these [recreational, cultural, landscape and ecological] values as many of them, especially ecological and landscape values are still being lost. Rather it is the case that there needs to be investment in reversing the decline. ... the ecosystems and landscapes of the Catlins are increasingly valued by locals and visitors alike. They are what make the Catlins special and also provide a sense of pride and attachment as well as the basis for a developing tourism industry. "

Care Codes and Visitor Education

The Catlins Care Code illustrates how the community has been well-advanced in its efforts to manage tourism impacts.

Iceland is a high-profile example of recent dis-respectful behaviours⁹ by Instagrammers including off-roading in sensitive areas and trampling moss. Visit Iceland has launched several initiatives attempting to promote responsible behaviour by tourists including videos and website info plus a pledge for tourists to sign at the airport where they can promise to leave places as they found them and stop urinating in the countryside. Jackson Hole and many other US destinations are using a #nogeotag campaign asking people to tag responsibly and avoid Geotagging their Instagram posts with exact locations, rather using a more general regional tag.

Between DOC, the NZ Mountain Safety Council, TIA and TNZ, several visitor education campaigns have been implemented including:

- Safe driving (with practical driver training programmes being planned with rental companies)
- Outdoors safety and intentions registering.
- Tiaki Promise campaign



⁹ www.bbc.com/news/world-europe-48703462

DOC has also run a “Visit The Kiwi Way” campaign.



The Catlins Care Code is an excellent initiative predating these national campaign but the issue now is that most visitors are only in the Catlins for 1-3 days. They don't have time to digest several different codes of conduct as they travel through NZ. Much of the Catlins Care Code content is similar to what is needed in other parts of the South Island where there are seal and penguin viewing issues. It may be more effective to develop consistent content across the local and national care code initiatives, thereby reaching more people with the necessary messages. A couple of examples of other adjustments to consider for the Catlins Care Code are:

- Where it says road rules apply to vehicles on beaches, the speed limits should be noted (30kmph used by most councils).
- How to deal with toilet waste if caught out in isolated location.

Action: work closely with DOC, TIA, TNZ and other wildlife viewing regions to align care codes to achieve wider exposure before people arrive.

Future options to manage visitors and their impacts include:

- Park and Ride Shuttles at key sites and other public transport.
- Managing booked spaces (timeslots) through a reservations system.
- Joint communications programme targeting visitors and locals about how to enjoy The Catlins including visualising appropriate minimum distances from various wildlife species.
- Video series that showcases uncrowded experiences that can be enjoyed in the off-season.
- Improving water reticulation facilities as with Waikawau Bay in Coromandel. Encourage visitors to use the drinking water on site rather than bringing in plastic bottles of water which then end up in local waste stations.
- There are options for local operators to integrate a carbon-offset payment in their booking systems (e.g. TEM and Tomahawk). This funding would preferably go into a local restoration project.

Developing Well-Managed Wildlife Experiences

There is much concern about visitors at Curio Bay impacting the penguins and ensuring better management in other areas. Further research is needed as experts believe water temperature, sedimentation from floods and fishing are possible causes of disruption to feeding and breeding patterns and the population downturns are happening equally in areas without visitors.

In the meantime, there is an opportunity to develop a pool of specially trained wildlife tour experts to provide a sustainable commercial wildlife viewing experience. There are already tour companies such as Moa Trek which is looking for this service to add to their itineraries through Clutha. The service would also be targeted at independent travellers.

Restoration Projects

Clutha is well positioned to develop more hands-on tourism conservation programmes which deliver real conservation work through paid and/or volunteer programmes.

A good example project outside the district is Blue Penguins Pukekura. This penguin conservation project at Takiharuru-Pilots Beach on the Otago Peninsula, has launched a new experience in which small groups of up to four visitors will team up with a penguin scientist to help care for the endangered penguins and their environment. Depending on the time of year, visitors might be helping check a bird's RFID (radio frequency identification) transponder, assisting with weighing and microchipping an unmarked bird. Other experiences will include hands-on habitat work in the regenerating reserve which could involve planting new trees and grasses, protecting vegetation from rabbits, nest box repairs and beach clean-ups. [Sourced from Tourism Ticker]

In the Faroe Islands, "Closed for Maintenance" days are offered where Voluntourists come and work on a maintenance or restoration project. www.theguardian.com/travel/2019/may/08/faroe-islands-closed-maintenance-voluntourists-conservation

In Clutha, YEPT and Forest & Bird are logical partners along with Iwi and DOC. Long Point and Tautuku Forest restoration projects are two local examples which could be appropriate.

Management of Vehicle/Helicopter/Planes/Drones Access to Beaches

As residential and visitor growth increases there is potential for more inappropriate vehicle use on beaches, applications for plane and helicopter sightseeing and landings and there are already issues around drone use. These are managed through Civil Aviation regulations and the policies of DOC and council for concession/licence applications.

Clutha Communities Views on Tourism Growth (Social License)

Clutha District Council has been working through "Our Place" consultation for the various local communities to help determine the projects and priorities in each area and help put Council's Living and Working Strategy and Economic Development Strategy into action. The ideas centre on what Council can do with key facilities and how it can work with the community to make things happen.

Milton, Waiholo and Balclutha all had Our Place Plans agreed by council in 2018. For the Catlins, an extensive consultation process was held in Summer 2018-19 and the feedback gained from locals, crib owners and visitors about the things that matter most to them. As part of this Clutha Destination Strategy project we crafted specific consultation prompts about tourism and had a visitor survey implemented by Clutha Development. The Our Place Catlins plan is now under development with a comprehensive Feedback report¹⁰ compiled by council.

In summary, there is overall support for growing tourism provided:

- it is well managed,
- the cost of tourism is not borne primarily by ratepayers
- it does not unduly change the nature and way of life in the district
- visitors are respectful of wildlife and other environmental impacts

It is fair to say the community is quite divided on some issues. As with most areas in NZ there are local residents who have moved to quiet areas and do not want to see any change from now on. Most of the

¹⁰ www.cluthadc.govt.nz/your-district/Our%20Place%20Catlins%20Community%20Plan/Pages/default.aspx

people who voiced opposition to issues like freedom camping seemed to base this position on the cost to the ratepayer and real or perceived impacts such as littering, unsafe driving and parking. Many of the respondents do seem to understand the potential benefits from tourism and are very supportive of well managed growth to create business and employment opportunities.

Accommodation Development

Clutha District has a limited range of accommodation as illustrated by the supply stocktake in this plan. There are no medium to large hotels and these are not likely to become viable in the short term.

Whilst Clutha has some excellent boutique accommodation such as Catlins Mohua Eco Resort, Marama Lodge, Lady of Lawrence B&B and Mainholm Country Lodge (Tapanui) there are no five-star luxury lodges in the league of Huka Lodge (Taupo) or Blanket Bay (Glenorchy). Luxury Lodge development has been set as an objective in the Southland Murihiku Destination Management Plan and there is a gap for one in The Catlins including a Health & Wellness retreat.

It is positive that most of the Clutha accommodation is locally owned which retains spend in the local economy. The downside is that the district does not benefit from the networks and marketing voice of accommodation chains.

Many of the Pub/Hotels including those operated by the Clutha Trust, are in desperate need of refurbishment and many of the motels are also somewhat dated.

Engaging the Vacation Rentals and Informal Accommodation Sector

There is a relatively strong and growing "vacation rental" supply through Holiday Houses, Bookabach, Booking.com and Air B&B. Some of these are genuine Farmstays which fit well with Clutha's reputation as a farming region and there is potential to grow this further.

It is critical that more of these operators are engaged in programmes that provide better data on tourism supply and demand, improve the experience for visitors (quality) and deliver better financial viability for the operators themselves. Examples include:

- A monitor of accommodation use, through on-line booking systems.
- Understanding any negative impacts on housing availability and affordability caused by short-term rental.
- Potential contribution to tourism funding from these businesses where they are currently only paying residential rates. This could make them official members or partners in Clutha Development marketing programmes.

Many traditional bach owners will want to continue operating under the radar.

Several councils such as Kaikoura, Wellington and Queenstown already capture many of the small accommodation operators in their rating system. Local Government NZ has recently passed a remit to advocate for enabling legislation that would allow councils to require all guest accommodation providers to register with the council and provide an efficient approach to ensuring compliance.

Care needs to be taken to strike a balance between managing a seemingly out-of-control sector; and unnecessarily shutting down low-scale holiday and bach rentals that have long been a valued part of NZ culture and are delivering a quality visitor experience. The potential negative issues to manage are:

- Removal of housing stock from the long-term rental market needed for new resident and business attraction.
- Un-sustainably driving up house prices.
- Increased absentee owners which undermines the viability of schools and other community services which need permanent residents.
- Unfair competition with fully consented commercial operators who have had to pay significant compliance costs. These operators justifiably seek a level playing field.

- Visitor safety and property being put at risk through lack of health and safety systems (sanitary systems, fire alarms, escapes).

Some of the benefits of the growth in vacation rentals and Air B&B are:

- Introduction of new, quality accommodation without the need for capital and debt.
- Spreading visitors further throughout the region.
- Providing a closer connection for visitors to local scenic attractions and the Clutha communities' way of life.
- Supplementing the income of local residents, most of whom spend some of the income earned on new supplies and services such as home improvement and trade services.

Evolution of Backpackers

There has been an evolution towards "flashpackers" or the "poshtels" seen in Britain and Europe. Hostels are much more social, putting in bars, eateries, live music, art installations and co-working areas. Some of these facilities will not have sufficient demand to be viable in Clutha but elements can be introduced on a modest scale. Because many backpackers are travelling in pairs, they prefer to book an ensuite rather than stay in a dorm. These facilities are attracting older customers with higher income, who remember their youth in backpackers and enjoy the social vibe, yet they are prepared to pay not to have to stay in a dorm room. The Split Level BBH property in Owaka offers some of these room types. Thomas's in Owaka currently closes through winter so if it can continue its upgrades to heating and insulation and make its offering more contemporary this will help to make year-round operation viable and encourage longer stays in Owaka.

Winterising Holiday Parks

The commercial holiday parks have been mostly designed around summer season trade and therefore do not have strong offerings in build, well-insulated and well heated units (motel, apartment, cabin, dorms) that can attract more off-season custom.

Growth in Glamping – Outdoor Accommodation

Glamping is growing as a sector and allows relatively modest start-up costs for small operators to deliver a high-quality experience. However, it is mostly suited to the summer season whereas Clutha needs to develop more facilities to attract off-season visitation. Glamping could be a good option to provide accommodation on some of the mooted walkways and cycleways.

Accommodation Entertainment Systems

For parts of the region, a total disconnect from technology and going "off-grid" is a positive part of the experience. However, where some form of entertainment is still desired, Travellers increasingly bring their own entertainment in the form of Smartphones and other portable devices and expect to be able to connect these to screens and fast broadband WiFi. This will eventually mean accommodation operators have less need to spend on expensive subscription services but need to plan for smart TVs to enable easy connection and where possible, fast WiFi.

In summary:

- long term there is an objective to encourage new mid-scale hotels and lodges to round-out the accommodation offering, attract higher-spending visitors and support larger groups.
- In the immediate term the priority is to improve the profitability of existing accommodation stock by winterising it, improving facilities, marketing and online distribution systems.

Visitor Experience Management and Development

Maori tourism development opportunities have been outlined in an earlier section of this strategy.

Iconic Sites

A number of attraction sites in the Catlins (e.g. Nugget Point and Cathedral Caves) are already coming under pressure resulting in potential deterioration of the visitor experience and environment, where proactive management responses are needed. Others (such as Gabriel's Gully) have low visitor numbers and could become much more compelling attractions for the district.

Curio Bay is in Southland District but provides a valuable case study on recent ~\$5M investment in new and improved visitor infrastructure in the camping ground, Tumu Toka CURIOSCAPE, Café, access structures and interpreted walks. The South Catlins Charitable Trust engages several agencies and stakeholders through a formal MoU and worked over a more than a decade to develop the plan and raise the funding. This has been a great success for many aspects of the visitor experience, reaching 5-year visitor targets in the first 6 months. However, it has created issues including unintended facility use by freedom campers and visitor management around wildlife. Expert visitor projections turned out to be too conservative and some aspects of the Masterplan have yet to be completed. Follow through from some of the responsible agencies in an integrated manner, is now urgently needed.

Top Tier Destinations and Layered Itineraries

The aim of this destination strategy is to shift visitor perceptions of Clutha & The Catlins from a 1-day pass-through destination to a 2-3 day+ stay. The management approach recognises that 3-4 icons are already and will continue to be the main visitor magnets. They need to be planned to include better understanding current visitation and future sustainable carrying capacities. Development to accommodate continued growth will require supporting investment from multiple funding sources beyond DOC and Clutha District Council.

It will not be affordable to make large scale investments across all of the attractions that Clutha District offers. Concentrating investment and growth at these top-tier sites will help to contain impacts elsewhere. Below these are several secondary and tertiary attractions and experiences which can create longer itineraries and encourage more overnight stays. This is consistent with the "Destination Management" framework that DOC has been using for several years but may require some policy adjustment and re-classification of some of the sites.

The key destinations within Clutha are:

- **The Catlins**
- **Lawrence, Gabriel's Gully** and the **Clutha Gold Trail**.

Milton/Waiholo will benefit from the resulting visitor flows.

Balclutha will develop as the main service centre for visitors heading to The Catlins and between Dunedin/Invercargill/Fiordland.

Owaka will develop as the main service centre for the northern Catlins.

The Catlins Destination Planning

The Catlins has 3-4 Level 1 Icons:

- Nugget Point/Roaring Bay
- Cathedral Caves
- Curio Bay

Purakaunui Falls is the possible fourth icon providing back-up when Cathedral Caves is closed. Florence Hill lookout is an iconic image experienced easily without venturing off the highway.

Level 2: These include the likes of Owaka (Museum and Visitor Centre), Surat Bay, Jacks Blowhole, Matai Falls, Papatowai (Lost Gypsy and walks), Tautuku Beach, Lake Wilkie, Maclean Falls

Level 3: Catlins River/Whisp Trail, Tautuku Estuary Boardwalk, other waterfalls and walks.

Owaka township will grow to become a more compelling destination as more shops, galleries, eateries and services evolve off the visitor flows to the icons. It is the logical centre for commercial and residential development for the Northern Catlins. The Papatowai community does not want major growth and is constrained by land availability. Kaka Point has potential to become more of a beach/nature destination village but the road in particular will also constrain capacity.

In Southland District /Southern Catlins, other sites such as Slope Point are receiving increased visitor numbers and will need a management response in alignment with this plan but under a separate updated Plans for Catlins Coast, Southland District Council and Great South.

Kaka Point and Nugget Point

Nugget Point is the most recognised site in Clutha District and commonly appears in Tourism NZ and other NZ Icon image libraries. There have been recent upgrades to the access road, car and coach parking, toilets and the walkway out to the lighthouse. This has helped the site accommodate visitor growth but it is already reaching overload at peak times. Access to Roaring Bay beach has also been restricted to viewing hides partway down the pathway to prevent penguin disturbance. Guestimates for visitor numbers at Nugget Point are between 100,000-150,000 per annum and expected visitor growth will exacerbate the following issues.

- The newly sealed road is still very narrow and windy in places causing problems for larger campervans and coach passing.
- The viewing platform areas on the outer side of the lighthouse are quite small so with larger groups heading out it will become difficult to take uninterrupted photos and linger comfortably.
- Despite warning signs, visitors are scrambling up a rocky ridge from the trail to get more spectacular photos with serious risk of falls. (Options include more preventative measures or building safe access to this site)
- The car parks will reach capacity resulting in people trying to park along the side of the road or having to turn back. There is little room to extend the parking and paid parking could be considered to help fund management.
- There is some good interpretation signage but more can be done to guide people and impart information including use of Apps.

There has been some discussion of a built Nugget Point Visitor Experience centre at Willsher Bay as the northern welcome gateway to The Catlins, similar the Curioscape – Tumu toka. The location is within an easy ½ to 1-day trip from Dunedin including the cruise market and can be easily added into a Dunedin-Queenstown itinerary. Potential components of the facility could include:

- Serving as the Welcome Centre or 'Gateway to The Nuggets' covering cultural, geological biodiversity/conservation stories.
- Park & Ride. extensive parking and shuttle services up to the Lighthouse similar to that used at Hahei/Cathedral Cove in Coromandel.
- Restaurant/café with potential to celebrate local kai moana.
- Potential co-location/base for agencies such as the Department of Conservation, Ministry of Fisheries, University of Otago marine studies, iwi/runanga, YEPT.
- Local hub for tours and experience booking e.g. horse trekking, kayaking, conservation tours.
- Campervan, rubbish and dump station facilities.

Based on other facilities, such a centre could be anywhere between \$4M and \$10M so it would need a very strong business case. It would have to be carefully planned to provide interpretation that complements and aligns with, rather than overlaps and competes with Curioscape and the Owaka Museum. It is too early to designate this facility concept as a top priority. It needs to be considered within

a detailed management plan for the whole of Kaka Point and Nugget Point to see if it still fits. If so, it would go to feasibility investigation stage.

Kaka Point

Kaka point is evolving from a quiet beachside escape spot, mainly for Otago residents, to being a gateway destination for the Catlins which also offers surfing and wildlife. It has a growing array of accommodation but nothing of scale. The pub restaurant struggles with staffing to stay open late or do early breakfasts. The main road has limited room for expansion with risk of increasing traffic congestion and parking shortages.

In the recent community consultation, some of the supported items which also align with future tourism planning were:

- strong support to “Enable business/tourism”
- a desire for upgrades to beachside user facilities, (showers, changing, shelters) and playgrounds.
- Safe pull-off areas, beach access and beach/coastal walking
- Developing a longer, better quality walking path from the existing one which starts at the campground, to continue through the forest up to ridgeline views and along to Willsher Bay (noting this would be dependent on land access including some Maori-owned land).

Opportunities around the Catlins Brewery and Molyneux House are covered in the Culinary Tourism and Function Venues sections in this plan.

Cathedral Caves

Cathedral Caves¹¹ is one of the most iconic attractions in the Catlins along with Nugget Point and Curio Bay. It involves a relatively steep 20-minute walk down through native bush to Waipati Beach and a low-tide-dependent beach walk north towards a series of cliffs and sea-formed passages. Access is managed and charged at a modest \$5 from a small booth in the unsealed carpark. Access is closed outside the low tide window and through winter.

It is mostly a fantastic experience which is widely shared by visitors. Its growing icon status means the reputation of The Catlins, Clutha and NZ will be impacted if increased visitation is allowed unmanaged. Issues with the experience include:

- The basic long-drop toilets are extremely unpleasant experience.
- The road is narrow and winding, with safety issues for large campervans or coaches meeting each other.
- The gate, about 50m in from the highway remains locked outside tidal operating hours. As visitors arrive slightly early they end up park in a row backed up until they are partly on the highway with no room for other vehicles to turn around safely.
- Access is closed from the end of May until spring when heavier wave conditions result in dangerous holes in the sand bottom approach into the caves.

The owner, Tautuku Block 10, Section 3C Trust, employs staff to man the carpark and collect the \$5 access fee. Trustees prime concern is visitor safety but also security and vandalism if the area was left as open access. This land was allocated under the South Island Landless Natives Act and as such was based on there being land no-one else wanted rather than it having strong cultural value to the recipients. The purpose of the land is to provide income and support for its owners but it is not economically viable as it is and the trust does not have a strong capital base or a high- risk investment profile conducive to developing Cathedral Caves. The scale of this visitor experience opportunity is much smaller than the typical tourism investment that Ngai Tahu have entered into. The trust is awaiting a decision on a potential purchase of the land by Nature Heritage Fund which would mean it became Public Conservation Land. There are several management options as outcomes, that could involve council, DOC or some a hybrid model. Early discussion about infrastructure investment suggest \$3M may be required.

¹¹ www.cathedralcaves.co.nz

The logical next step pending decisions on ownership, is to develop a comprehensive Cathedral Caves destination development and visitor experience plan which could consider:

- Guided tours limited to small groups to avoid crowding in the caves
- Improving the road, carpark and toilets.
- Park and Ride access from a nearby point such as the Whistling Frog.
- Accommodation, various types ranging from Camping/Motorhome to a mid-priced Eco Lodge to a five-star luxury lodge.
- Guided tours when the caves are inaccessible, interpreting the bush and Waipati Beach and potentially combining with Maclean Falls and other nearby attractions.

However, this plays out there are Maori tourism opportunities whether it be through ownership, operation or employment. Should the Trust retain management it could be assisted to access charitable or government funding to do the feasibility/planning work.

Purakaunui Falls

The three main waterfall attractions, Purakaunui, Matai and Maclean all offer some back-up for visitors when Cathedral Caves access is closed. The visitor experience at Purakaunui Falls is already coming under pressure with limited space on the viewing platform (views blocked by Instagrammers) and the in-and-out pathway. Opportunities to be assessed include creating more viewing capacity developing a loop-return track with more interpretation.

Owaka & Surrounds

Owaka is the logical centre for residential and commercial development for the northern Catlins. Positive impacts of tourism can already be seen in the increase of cafes and investment in the Museum and information centre. Planning should focus on facilities which the local residents want, which also improve the visitor experience. This includes:

- Attracting an ATM machine to Owaka
- Upgrading the Visitor Centre service levels to become part of national i-SITE network, including being more proactive in booking accommodation for customers and extending open hours to help people with accommodation and directions late in the day.
- Upgrade and better promote existing accommodation, e.g. Thomas's, and Holiday Parks in Newhaven, Pounawea.
- Safe cycle access to Newhaven and Pounawea would create a good visitor experience and bike hire opportunities in Owaka
- Pounawea – Jetty upgrade, Pontoon for swimming, Street lighting
- Investigate with the community and nearby commercial operators, becoming an NZMCA Motorhome Friendly Town with facilities close enough to walk/bike to the shops and cafes.

Jack's Bay and Blowhole

DOC has recently upgraded the Jack's Blowhole trail and is installing more picnic tables. Reviews indicate this attraction may have been over-sold in promotional media and doesn't match expectations of a "Blowhole" which people will have seen spectacular examples of in places like Samoa and Tonga. It may be better to describe it as a "Surgepool" in a collapsed cave, clarifying that it may perform like a blowhole on a big swell at high tide.

There will definitely be an increase in visitor vehicles which will exacerbate the dust if it is not sealed. More sustainable traffic calming treatment should be implemented. The community is still divided about sealing the road so there is a need to facilitate a process to achieve more consensus on the best solution.

Papatowai

Papatowai has made national news several times for hosting one of the biggest rideable surfing waves in NZ. It is also a good base for many coastal walks, nearby waterfalls and Cathedral Caves. There are some motels, the DOC campground and several Air B&B style operators and Papatowai Freedom Kayaks has been operating for one full season.

The local store at the campground has limited supplies, cabinet food and coffee and a pop-up espresso provider operates seasonally. There are no evening dining options other than driving 15-20 minutes south to Whistling Frog Resort.

Community feedback indicates that many residents in Papatowai are not motivated by significant growth. This even extends to the owner of one of the key attractions, The Lost Gypsy, feeling that tourism has already grown enough. For some of these people the winter downturn in tourism is important for respite and escape as part of their lifestyle.

Papatowai is already constrained by carparking in peak season. Residents want traffic calming measures, improved footpath access to the beach and upgraded playground enhancement.

Extension of the store to a full café/dining operation with extended hours would improve the visitor experience and benefit locals. It would also support more accommodation businesses.

Motels will need continual upgrading and the camping ground could step up facilities and various pricing options. If the campground hits capacity for extended periods then a low-cost responsible camping facility could be added.

If the Catlins Coastal Walkway is developed, Papatowai will see an increase in visitors and accommodation use as one of the trail hubs.

Tahakopa

The Our Town community consultation for Tahakopa saw some of the strongest sentiment against tourism growth. This may be mostly related to freedom camping as there are several AirB&B hosts listed in the area who would probably like to see more customers. There was a suggestion of renovating the old Railway Station which could be a logical terminus for a Catlins Rail Trail if it were ever developed.

While Tahakopa could be a site for paid responsible camping facilities to absorb overflow from Papatowai, this is not recommended at this stage. Further work needs to occur with residents around any aspirations they have for tourism.

Long Point (Irahuka)

Long Point, between Papatowai and Purakaunui Bay has strong potential as a visitor attraction but over the next few years it is recommended to maintain it as “under the radar” in terms of visitor promotion. It has not really been discovered by visitors and the road is of low standard.

Long Point is a significant site for Iwi and an important base for the Yellow Eyed Penguin Trust (YEPT), which purchased land in 2009 for a conservation reserve. There used to be 50 penguin pairs, now down to less than 20, with a risk that in 10-20 years the breeding population could be lost. Intensive management of Hoiho is now being undertaken at the site. A key risk is visitors walking through sensitive penguin areas and uncontrolled dogs. YEPT is planning a \$200k project to establish a volunteer warden work base sleeping 4 with a septic system.

Long Point has a reputation as a quality surfbreak and the few surfers already using area, are generally respectful of the sensitive areas. There is potential for visitor experiences to be developed based on volunteer conservation activity (reliant on the work base) and possibly aligned with Tautuku Forest Project to ensure a constant stream of work.

This would be a key site on a Catlins Coastal Walkway. YEPT are open to the walkway passing through the area provided they are fully engaged in the planning, design, mitigations and messaging to users.

Lawrence

Outside the Catlins, Lawrence currently has the most potential in Clutha District to develop as a key destination. The two key projects which will transform Lawrence's destination profile are:

1. The extension of the Clutha Gold Trail making Lawrence more of an overnight stop.
2. Development of the heritage and recreation visitor experience around Gabriels Gully, Blue Spur and the Chinese Camp.

Town development has ebbed and flowed, driven by remarkable efforts from local community groups such as Tuapeka Lawrence Community Company and various heritage groups. This includes being the first NZ town with free main street WiFi, building restoration, signage and sculptures.

The visitor proposition hinges around the visual appeal of a concentration of interesting heritage buildings and boutique art and craft gallery, retail and café businesses, backed by the story of Gabriel's Gully as the site where Otago's Gold Rush was initiated. The Chinese Camp just out of town is another unique heritage site linked to the gold story. Lawrence was recently described as like "Arrowtown without the tourist hordes". The Chinese Camp has the only original restored Jos House and differs from other Chinese mining settlements in that the residents had freehold land rather than being considered squatters. It is an important part of the NZ gold mining story which has not yet been recognised or presented as a significant visitor experience. It is located right adjacent to the Clutha Gold Trail and is in easy walk/ride distance of the Bellview Wetlands which in turn links up with Lawrence town centre.

Lawrence Chinese Camp put in an expression of interest to the PGF for \$850k as part of a \$2m development project which would include re-aligning vehicle access and parking; and establishing a visitor reception facility and café. It also applied to the Lotteries Commission to fund feasibility work. Both were rejected. It is understood the trust board is reconsidering its future plans.

For significant development to proceed and attract government funding, the first step is to secure initial funding to procure specialist consultancy work on a more robust facility and experience concept description along with a business case covering market demand, employment creation and economic impact assessments.

Lawrence is in a good strategic location on the main route between Dunedin and Queenstown, where more awareness at the pre-arrival planning stage could see more visitors plan a stop or night in Lawrence. It is harder to change their itineraries where travellers have already planned to get to Queenstown the same day.

One of the key issues (as with most small NZ rural towns) is stalled development or restoration of key buildings. Having empty shops with run down facades creates a negative visitor impression and impacts community pride. Absentee owners may sit on property as a capital gains investment with little interest maintenance or the bigger picture of town revitalisation. Even making contact with owners can be difficult, let alone engaging them in new programmes. It is critical that such effort is stepped up by council and community groups. This is hopefully starting to move again with recent sales of St Patrick's Hall and the former Lawrence Town Hall to new owners who have expressed interest in progressive restoration and business/tenant attraction.

Lawrence has very few evening dining options which limits the appeal for visitors to stay more than a night. Understandably the existing operators struggle to sustain the cost of staying open based on current fickle demand. This is one of the business opportunities which can be socialised and promoted so that the town is ready for growth around the Clutha Gold Trail extension and Gabriel's Gully enhancement.

Lawrence has two museums, one of which is the main place to learn more detail on Gabriel's gully. This is also the visitor information centre. An additional \$15k has been included in the 2019-20 Clutha District Council annual plan to help Tuapeka Lawrence Community Company to sustain the information centre service and operate the reception for the museum. Both museums have some amazing exhibits but typical of volunteer-based organisations, the presentation in old buildings can become somewhat cluttered and dusty-feeling.

Supporting multiple facilities means fragmenting the scarce funding and people resources. If it were possible to combine the resources of Lawrence's heritage organisations in partnership with council to develop a multi-purpose facility this would present a better visitor and resident experience. It could include heritage/museum, gallery, community centre, library, council service centre and visitor information. Although this sort of multi-million dollar facility will seem out of reach for a town the size of Lawrence, if the long-term savings and benefits are considered along with a multi-source funding effort, it could be realisable.

Many of the heritage sites such as Weatherstons and those in Waitahuna do not offer much for the visitor unless there is an event on (such as the daffodil season activity) or a guided tour. A local couple has set up a tour option that can be used by organised coach tours or small independent groups.

Waitahuna also has opportunities on the Clutha Gold Trail route:

- the old railway station including a café
- better showcasing and interpretation at the heritage sites,
- existing and new boutique accommodation,
- activities including horse riding, alpacas and other farm experiences.

Likewise, Beaumont will see increased riders on the trail and is already seeing new accommodation developed. The various day ride and branch ride options around the Lawrence, Beaumont, Tuapeka Mouth and Waitahuna area can increase length of stay and repeat visits.

This area lends itself to targeted marketing to Dunedin Couples, groups of friends and families to spend weekends in the area combining the food, recreation and heritage experiences.

Gabriel's Gully

Gabriel's Gully is managed by DOC from the Dunedin office. It has a freedom camping area, some interpretation panels and signposted trails, some of which are relatively steep. Other than this the visitor experience doesn't really reflect on the importance of the site within the story of the Otago Gold Rush and New Zealand's mining heritage.

DOC is at the early stages of considering how Gabriel's Gully could be enhanced and this process will also involve the heritage group in DOC's National Office. Opportunities include more interpretation, paid guided tours and use of Augmented Reality with mobile devices to project historical images over real-life sites. The camping service level could also be lifted to a paid facility.

Developing an off-road shared use trail linking Lawrence town centre with Gabriel's Gully would help to integrate the experiences. There is apparently a farm track which was affected by flooding which could be suitable but there have been no formal discussions with the landowner/s. If Gabriel's Gully could also link to Weatherstons there would be a loop past the golf course back to town. This would also complement the Gymkhana Club's plans to develop Freedom Camping at its grounds between the Golf Club and Weatherstons.

There was an anecdotal report of some community interest in developing a singletrack MTB trail network in behind Gabriel's Gully which would increase community and visitor use.

The next step is to work with DOC and affected landowners to explore a visitor experience development plan for Gabriel's Gully, tying in seamlessly with connections to town and the Chinese Camp.

Tuapeka Mouth and Punt

Tuapeka Mouth no longer has any shops but has some interesting heritage buildings and sites which form part of the Lawrence Tuapeka gold rush story. Nearby is a site where Maori were involved in Gold Mining providing a different angle to most of the gold mining experiences in NZ.

The Tuapeka Punt is the only one of its kind in NZ and can be ridden by foot passengers and vehicles. It is operated by Clutha District Council and closes sometimes due to river and wind conditions. The availability of closure information has been intermittent, through a Facebook Page. This needs to be more rigorously managed so visitors have reliable information for their trip planning as it is a long way to drive to find it closed.

The Tuapeka Mouth community has been proactive in offering facilities for freedom campers at a local church grounds. There are also opportunities at the old school site for community and visitor facilities/park, play features.

Beaumont-Tuapeka Trail

In 2017 a volunteer group started investigating a Beaumont-Tuapeka Mouth shared use trail alongside the true-left of the Clutha River. As with the Catlins Rail Trail idea, there were some issues with landowner access and some concerns expressed by recreational hunters regarding DOC land on the proposed route. The project has stalled due to lack of time and resource from the project group volunteers most of whom are retired. The Rongahere Road on the opposite side of the river offers nice scenery and is already used by some cycle-touring companies. This could be paired up with a new off-road trail to create a loop ride incorporating the punt crossing to distinguish it from other trails. Around 1/3 of the way from Beaumont, Birch Island is a good heritage and ecological feature with remnant bush. This used to be included in Beaumont Jet tours and requires a boat to access. One of the most endearing features of the Clutha Gold Trail is riding beside the fast-flowing Clutha River so this experience would also be on offer on this Tuapeka Mouth route. Raising money for a new trail will be difficult while the Clutha Gold Trail is still being completed. However, notwithstanding undetermined cost and landowner issues, this trail is worthy of further investigation. It could form part of a network of day rides to encourage more visits and longer stays in Lawrence, Beaumont, Waitahuna and surrounding properties. The route could also form part of an eventual connection along the river to Balclutha.

Te Papanui Conservation Park

Te Papanui Conservation park, to the north of Beaumont is of national importance as a biogeographical centre and is described in the section on Department of Conservation planning. As tourism grows in the Lawrence area 4WD eco-tours could be offered into this conservation park, subject to usual concession and consent processes.

North-Eastern Clutha, Milton & Forgotten Coastal Highway

The road from Blackhead to Taieri Mouth (most of which is outside Clutha District) is some of the best coastal driving on the Southern Scenic Route.

From Taieri Mouth the route pulls away from the coast back to the state highway and Waiholā. The alternative "Forgotten Coastal Highway" continues along mostly unsealed winding and narrow rural roads to Kaitangata. Much of this route is set a long way back from the coast except for the branches off to Bull Creek and Crystals Beach and the section from Toko Mouth down to Wangaloa which has breath-taking views and places to stop to access the beach.

Taieri Mouth

The seaside village has a small fishing fleet, beach houses, stunning beaches, some walking trails and a very small holiday park. The freedom camping site near the bridge is relatively popular. The Taieri Mouth Amenities Society is a key local community group driving improvement. The walking trails are in need of upgrade, which is currently scheduled with DOC. They get very slippery in the wet. The trail from Taieri Mouth up-river to the state highway could become a destination experience and link well with the Clutha Gold Trail.

Despite growth, there is no café/refreshment option at Taieri Mouth and TMAS is keen to encourage a mobile café at Knarston Park. Tourism is not causing any major concerns. There are safety issues with visitors trying to walk the tidal sandbar causeway to Moturata/Taieri Island in ignorance of risk with incoming tides. It can be accessed for about 90 minutes either side of Low Tide. Recreational boating safety on the entrance sandbars is also an issue. The holiday park is very under-developed with potential for some investment to grown overnight stays.

Waiholā

While Waiholā is a much smaller settlement than Milton a bit further south, the lake and reserve makes it more of a scenic and recreation visitor proposition than Milton. It caters to boating, kayaking, yachting, kitesurfing, fishing and nature walks although none of these are available as paid visitor activities. The bar, café and fish'n'chip shop attract increasing stops from the busy highway.

The Our Place Waihola Plan notes mixed support for growth in development of Waihola. Potential enhancements include signage and wayfinding, trails connecting the Clutha Gold Trail to the lake foreshore and upgrading the toilets, although this is not yet funded in the council plan. The local Campground operator who is currently contracted to maintain the lakeside greenspace would like to re-organise the car parking in some areas.

Waihola can be a base for some of the nearby walks such as the Milburn Whale and Dolphin Fossils lookout. The **Sinclair Wetlands** on the inland side from Waihola settlement is a significant ecological asset that has potential to be developed as more of a revenue-driving visitor experience. It already offers low-cost camper parking. The building previously used as a permanent visitor centre is now Ranger accommodation and only opened up for organised group briefings. Sinclair Wetlands can be better promoted to the birding market and kayak or SUP tours could be considered with the right Iwi and ecological interpretation.

Milton

Milton is predicted to have the strongest growth in residential and commercial/industrial development for the district. This will support growth in hospitality and retail. Despite not having major attractions, tourism business will grow due to its location on both the Queenstown route and the highway to Invercargill, Fiordland and The Catlins. The new Lawrence-Waihola section of the Clutha Gold Trail is likely to be the main catalyst to increase visitor spend and opportunities for local businesses.

In April 2019 Clutha District Council approved \$290,000 funding for initial planning for the \$5.8million proposal for a new swimming pool and service centre, to be located on the site of the current council service centre between Union and Ajax Sts in central Milton. The new service centre and library could integrate i-SITE or local visitor information services but this would need to be consulted with the Bruce Heritage Society which runs the current information centre in the museum.

The Our Place Milton Plan includes concepts for improved cycling and pathway linkages, enhancements to Moore Park as a destination park and Taylor Park which entails consideration of future camping and freedom camping for the town. Town centre improvements include three pedestrian crossings, undergrounding the power lines, upgrading the Stewart Reserve and the southern town entrance. Council recently received a Tourism Infrastructure Fund grant for new destination toilets.

Modest improvements to wayfinding signage and town maps would also help encourage visitors to spend more time in Milton. This includes ensuring clear wayfinding to key facilities, accommodation and cafes from the Clutha Gold Trail.

Milton is a good base for exploring walks such as the McNally Walkway and the scenic coastal spots of Toko Mouth, Chrystalls Beach and Bull Creek. Milton also has some interesting heritage buildings including The Toll House north of town, Sod Cottage south of town, the Presbyterian Church, Coronation Hall and the information centre/museum in the old Art Deco Post and Telegraph building. Many of these sites can be built into a branch-off heritage ride from the Clutha Gold Trail.

The Bruce Woollen Mill (1897) is one of Milton's most important heritage buildings. It was reopened with a Mill Factory Shop producing high quality wool and wool blend yarns for knitting and weaving, creating re-employment for 30 staff. Unfortunately, the business went into receivership in late 2015.

Clutha Development could use this Destination Strategy to initiate discussions with owners and community stakeholder groups to see if they are interested in taking a fresh approach at a visitor and retail business in this building. In the 2019 context of increased tourism, residential and commercial development and the Clutha Gold Trail extension, this sort of attraction does have potential to succeed if the visitor experience is properly designed including consideration of the following:

- The heritage story of the building and business
- learning about the farming and possum story
- shearing and possum trapping
- fibre processing
- garment manufacturing

- a high-quality shop and café experience
- ensuring the experience is also designed to cater for Chinese and other Asian markets (food style, shop management, interpretation).

Kaitangata

Kaitangata has frequently made national headlines through its home/relocation promotion and a strong local community promotion group has driven several other projects including the skatepark, new Community Hall and library. Other recent developments include:

- The local hotel is under new ownership and is developing budget camper facilities adjacent.
- A new petrol company established in town.
- The pool is now operated by a local committee rather than council and received good visitor feedback.
- The BMX track has a new start gate bringing it to national standard to host more events and the skatepark is being extended.

Projects which the community wants to drive forward are listed below. These will all enhance the experience for visitors and residents.

- The boat club is working with Otago Regional Council to upgrade a flood-damaged boat ramp and seeks to build a boardwalk with extended mowed areas and picnic tables to better connect the town and waterfront.
- The committee wants to see Kaitangata included in the Southern Scenic Route and formal Kaitangata amenities signage on the state highway. This is discussed under Access and Transport but an official branch "Tourist Drive" may be the best option within NZTA's signage policy, rather than trying to re-align the State Highway Touring Route.
- Developing more information kiosks and maps portraying the coal heritage and river trade. This should include use of mobile apps.

Kaitangata also has an opportunity through being on the Forgotten Coastal Highway which could be upgraded in future to provide more coastal scenery for touring visitors. This could also be an official branch Tourist Drive.

Balclutha

Balclutha is a rural service town with a current limited visitor proposition. However, it will have an evolving role as the gateway town to the Catlins and a stop off between Fiordland/Southland and Dunedin. This destination strategy does not try to propose a major new high-risk investment tourism attraction to transform Balclutha. The most viable approach is to develop new facilities and activities that are primarily targeted at the local community, but will also be attractive to visitors and improve their experience.

The Our Place Balclutha plan was completed in April 2018. Key projects are Naish and Centennial Park and the War Memorial Hall Community Facility Developments. The plan also includes improvement of walking and cycling trails with stage one being improving links within the town between key facilities and schools. Stage 2 considers Inter-town connections and links to key feature destinations (Kaka Point, Kaitangata, Stirling, Finegand, Lake Tuakitoto, The Sod Cottage, Blair Athol Extension, Tuapeka Mouth).

Enhancements to the experience on the Blair Athol Pathway could include heritage signage, feature plantings and sculptures.

Enhancement of the appearance of the town's most iconic feature, the Bridge is also planned. This may include bridge lighting and improvements to the appearance/structures at each end including fences and plantings. External funding is sought for this.

The Balclutha Bridge Playground is in a good location for visibility to State Highway Traffic especially southbound travellers and it is close to the New World supermarket which will increasingly be used by visitors en route to The Catlins. This has potential to become more of a Destination Playground with an area for a coffee/ food cart, toilets / lighting / seating / BBQ area, upgrading the park footpath and cycleway connections and improvements to existing skate park facility.

In July 2019, CDC was granted \$468,500 of government Tourism Infrastructure Funding for two destination toilets in Balclutha and Milton and \$82,525 for a Balclutha Dump Station. Plans for a new BP garage development on the main street also includes a campervan waste station. This will help to attract campervan visitors as they use apps locate dump stations.

The Balclutha swimming pool is also planned for enhancement and is one of the most expensive facilities to operate so improved revenue would be beneficial. Improvements to the overall customer experience could include features like a water slide, a café, a playground, or an outdoor BBQ / picnic area. This would create a back-up activity for people on beach holidays at the coastal settlements to give them a bad weather activity option, especially for families, thereby attracting more expenditure in the CBD as well.

War Memorial Hall Community Facility

The Balclutha War Memorial Hall is to be redeveloped. The objective is to rejuvenate this facility as a multipurpose community and visitor hub with meeting/function rooms, the Clutha i-SITE as the central occupier (possibly tenant); and other potential community facilities such as the South Otago Museum and the Balclutha Library. This type of facility is becoming more common with examples in Levin, Foxton, Hawera and Kaitia. This can increase community use of the i-SITE and equally, facilitate more visitor engagement with the local community experience by bringing them into a community facility.

Seeking a better connection from the town to the river should also be considered within this project. An example would be a café raised on the flood-bank overlooking the river and bridge. Blenheim's Saveur¹² Café, Bistro & Patisserie is a good example.

Naish and Centennial Park Development

Proposed features for Centennial Park included a fenced dog park, a pump track and bike area for cyclists, a playground and a half-court basketball area. Potential highlights of Naish Park could be a heritage orchard, a "rejuvenated" pond area, and garden rooms. Seating, tables, walkways, sheltered barbecues, drinking fountains and picnic areas would feature across both parks.

\$45,000 was allocated in March 2019 from the council's Parks and Reserves Depreciation Fund. \$250,000 of upgrade seed funding has been included in the 2019-20 Annual Plan for the first 3 stages of the development. This can become part of an improved biking and walking trail experience associated with upgrading and extending the Blair Athol Pathway.

Peggydale, café and shop on southern entrance to Balclutha is closed. It used to get several tour buses so there remains an opportunity for a new venture to target this coach business.

Clutha Trust Accommodation

As outlined in the accommodation section of this strategy, Clutha Trust's Rosebank Motor Lodge and the Hotel South Otago could benefit from growing tourism demand if they receive appropriate investment in rooms, facilities, dining services and customer service. The Hotel South Otago is in a prime location at the start of the main shopping street and opposite the Memorial Hall, i-SITE and planned new Countdown supermarket. A major upgrade of the Hotel South Otago's accommodation, bar and restaurant would be a critical part of the CBD revitalisation.

There may be opportunities for some form of heritage boat operation similar to those at Whanganui. There used to be Paddle Steamers operating and these could connect Balclutha and Kaitangata in a river cruise.

Tapanui / West Otago

Tapanui West Otago (TWO) Promotions consider that as a Not For Profit Organisation with Charitable Status it does not have capacity to actively promote tourism or business activity. They do promote

¹² <http://www.saveur.co.nz/>

community pride and well-being engaging in projects such as the maintenance of Tapanui's town gardens with council funding.

In a December 2016, discussion with Clutha Development the group concluded that Tapanui is more a stopover place and emphasis should be on making the town attractive to campervan travellers. Discussions with some of the campervanners coming through suggests many began their trip in Christchurch, came down the West Coast, to Queenstown and Te Anau; then came through West Otago before heading back to Christchurch via the McKenzie Country [so missing most of the Clutha District]. Apart from the natural beauty of the rural area TWO promotions does not see that they have anything specific to make Tapanui a tourist destination.

TWO Promotions runs a basic website and Clutha Development has included Tapanui and some of its attractions including heritage buildings which make good photography subjects, galleries, gardens, picnic, fishing, hunting camping spots and the various trails in the Blue Mountains area including MTBing on forestry trails. Whitechapel gifts has a couple of bikes for hire. Being the location for filming much of Pete's Dragon is also used in town profiling. The Top Nosh Café using old cinema seats and a build-your-own breakfast menu has also been a great addition to the town experience. In addition to the pub with motel/style units there is a camping ground and some character accommodation such as the Mainholm Country Lodge.

There are opportunities to increase visitors by including this area in more suggested itineraries which illustrate how to include Tapanui in trips taking in the other Southland/Otago destinations. For visitors who really want to get off the beaten track but not total isolation, and experience a small rural town community, Tapanui can be a worthwhile proposition.

Walking and Biking Trails

Clutha Gold Trail Delivery, Promotion and Leverage

Funding has recently been approved to extend the CGT to Waihola which will enable much more value to be derived for the local communities than has been the case with the current trail terminating in Lawrence. An extensive business case has been completed for this trail in order to receive the funding. Ensuring this project is well delivered, managed and marketed is now a priority within this destination strategy. This includes:

- Destination Clutha working closely with the CGT Trust to coordinate stakeholder communications as it is built plus ongoing website management and promotion
- Ongoing work with local communities and businesses to help them design and promote value add services and experiences around the trail.

Clutha Trails Strategy

Clutha has several other existing trails requiring upgrades and proposed new trails ranging from rural, town, coastal, river and forest terrain which combined with the scenic and wildlife features, make up the majority of Clutha and The Catlins visitor attraction experience. A clear strategic framework will be required to prioritise projects so they best meet both community and visitor needs; and to optimise the outcomes from the investment in construction and ongoing maintenance.

The trails can be grouped as follows:

- A multi-day coastal walk (this is the other key trail priority in the strategy)
- walking trails
- Cycling/Shared use trails
- Singletrack mountainbiking trails or hubs

Examples of criteria that could be used in the framework to determine trail priority include:

- Raised in community consultation
- Use for commuting

- Resident recreation use
- Links up important facilities, services and attractions
- Scenic value
- Helps address key existing safety issue (e.g. removing kids on bikes from the road)
- Strengthens wider trail network connections.
- Cost/Affordability
- Land access, and terrain difficulty
- Likely environmental impacts
- Eligibility for non-council funding sources
- Reduced traffic and carbon emissions

Catlins Coastal Walk

The concept of a multi-day coastal walk has been mooted for the Catlins for decades. It came up again strongly in recent community consultation. The ideal amongst most proponents is a complete coastal pathway from Nugget Point to Fortrose but it is likely to be more achievable in stages. This plan focuses on the Clutha section.

The Catlins Coastal Walk Charitable Trust procured a 143 page feasibility study in 2002, by Paul McGahan (Contours). DPL has briefly reviewed this study and summarises as follows:

- A 3 day/2 night (2 huts) walking track (shared use bike access was not considered)
- 37km from Papatowai to Nugget Point and promoted as best to do in south-north direction.
- Heavily informed by Hump Ridge Track trust's experience but more comparable to Banks Peninsula
- Proposed as a value-added eco-tourism experience and price-point (not budget)
- Limit 20 walkers per hut/day
- Year 1, 760 walkers; Year 5 2590 (The Hump Ridge Track had 3200 visitors in 2018, while the Queen Charlotte Track had 12,000-15,000)
- 3-4 months construction with \$1.36M startup costs
- 2 full time + 3 part time staff to operate
- a \$300k deficit in Year 1, targeting a surplus by Year 3
- Cost \$388 independent walkers, \$670 guided (High) 40% discount for the off-season
- Locals free; and several day-walk section options
- \$4M total revenue and \$4M additional benefits over 5 years
- The route was scouted and discussions held with landowners with a detailed proposed route description. The Main route uncertainty was the section from Hinahina Cove to Catlins River, likely inland leg, therefore missing Jacks Blowhole.
- Various hut options were considered, Purakaunui Bay and next to Hinahina Recreation Reserve were recommended as the best options
- Proposed Boat or Sea Kayak element across Catlins River with optional tours
- It would be Closed 3 months for lambing (which limits the opportunity to boost non-peak season visitors).

Expanding the scope to become a shared use bike/walk trail would likely impact feasibility due to increased construction costs and environmental impacts. However, this hasn't been tested and there has been a vast increase in experience and intelligence for shared use trail building since 2002.

To move this project forward an updated feasibility study and business case is required. Communications need to be managed very carefully to ensure that landowners are assured there are no assumptions made about access to their land. All of the landowner access issues will need to be re-visited considering changes of ownership, management and attitudes of support or otherwise. Iwi, the Yellow Eyed Penguin Trust and other conservation stakeholders will need to be closely engaged from the start of the project.

The estimated construction costs will need complete updating as costs have gone up and most trail projects have tended to be significantly underestimated, even in the last 10 years.

Based on other recent trail projects, the economic impacts and other community benefits will be much higher than suggested in the 2002 study.

Other Walking Trails

Many of the available trails are listed on the Destination Clutha website, www.cluthanz.com/visit/hidden-tracks-and-trails/. Some of the trails that have been suggested include:

- Improving the Catlins River-Wisp loop including cycle access and potential overnight options
- A quality off-road trail from Kaka Point to Nugget Point.
- Trail around The Catlins Lake introducing interpretation and boardwalks where possible.
- Old Coach Road, Possumers Track, Pillan's Head Walking Track Upgrade (north of Papootowai) - (These would likely be part of a longer coastal trail in any case but could be progressed in the short term)
- An off-road trail from Owaka to one or more of the beaches or a decent length round trip (5km+)
- Trail and facility enhancement at newer, less known attractions such as Korupuku Falls, (a 40 minute "rugged" trail built by two volunteers.)

Other Biking Trails

- Taieri River Track and Millenium Track, could this be a complete cycle/shared pathway linking to Waiholo and Clutha Gold Trail?
- Beaumont to Tuapeka Mouth shared use trail (see Tuapeka Mouth section).
- Government Track (between Waiholo and Mahinerangi), Classed as a Grade 3 Intermediate – assess if this is worth upgrading?
- A MTB trail network behind Gabriels Gully – careful development, could be similar to Naseby in Central Otago
- Blue Mountains, Tapanui. Existing basic 4WD trails. Potential for singletrack with more altitude?
- MTB trails in the hills behind Kaitangata. Some of the other local walking trails could also be enhanced and developed as bike/shared use including those at Taukitoto Wetlands.

Heartland Rides

The Southern Scenic route is now used increasingly by cyclists, many of whom stay longer and spend more than many of the motor vehicle travellers. These visitors can be encouraged by improving the safety of road for cyclists. Some cycle tour companies are already including this route but likely only riding safer sections (e.g. Adventure South - Southern Coast Road Cycle, Fiordland, Invercargill, Catlins, Dunedin)

This could be developed as a formal "Heartland Ride" under the NZ Cycle Trail programme. These are scenic hinterland road rides which link up some of the Great Rides and attract the cycle touring and bikepacking markets.

Catlins Rail Trail

The concept of a rail/cycle trail from Balclutha or Kaka Point to Papatowai/Tahakopa was raised by a few submitters in the community consultation. Not much information was available on this but apparently an individual or group did start investigations several years ago and this caused major upset amongst some of the landowners, whereby the project stalled.

DPL has viewed sections of the old rail alignment where it's visible from the road and on Google Maps satellite view. It is nearly all on private land where much of the alignment has been re-purposed as farm tracks. Therefore, gaining easements would be a massive challenge but not necessarily insurmountable. Concerns may be allayed by taking local landowners on a field-trip to other trails where there was initial vehement opposition and landowners have moved on to be supportive. There are often options to bypass opposing landowners as well.

The route would probably flow users through Owaka, Tawanui Campsite, Mohua Eco Lodge, River Ridge Retreat. It might terminate at Tahakopa, at the old RW station. The downside is that it doesn't take in coastal scenery apart from skirting the Catlins Lake but it could easily be connected by local trails to Newhaven and Pounaweia. Gaining government and other major funder support is likely to be difficult until Clutha Gold Trail is completed and well-proven.

Like the coastal walk, any progress on this project needs to start with a very careful communication plan to avoid landowners feeling unnecessarily threatened. Some seed funding could be used to do a pre-feasibility assessment to determine high-level costs and roadblocks and decide if it is worth going to business-case or full feasibility level.

Events

Clutha has a range of events that are successful at a community level with some attracting modest visitor numbers. Examples include the Big River Raft Day, Bridge to Beach bike race from Balclutha to Kaka Point, Papatowai Challenge fun run and walk, Catlins Canter Horse Trek, Chinese New Year Celebrations at Lawrence Chinese Camp and Lantern Festival. There are no major events that gain national profile for the region.

As an example of other region events with relevance, the Rakiura Challenge in October, is limited to 250, and serves as a lead-in to the Kepler Challenge. In the running community there are many middle-aged people who like doing marathons and travelling. Other opportunities include a multi-day walking festival, car and motorbike rallies, fishing, cycling, agricultural, music, food and beverage, river events and mining/heritage.

The region is unlikely to sustain a major events fund to procure big events or allow for a publicly funded events delivery team. A policy can be developed to assist community groups which want to grow their events including supporting consent applications, providing best practice event management information, and focusing some of the existing grants programmes on strategic events. This would prioritise events which:

- Can demonstrate they have potential to attract new visitors and overnight stays (spend)
- Grow visitation outside peak season
- Build on the region's identity as a place to visit, live, invest and do business by showcasing its special heritage, culture or attractions
- Create measurable publicity outside the region.

Successful events are likely to begin as small authentic community events before growing to attract visitors. Clutha Development can work with Great South as they develop their events toolkit, to create a more basic version for Clutha. As Clutha Development is already a subscriber to Infometrics Regional Economic Profile it also has access to the events evaluation model to determine economic impact.

Staffing

Many investors are shying away from the tourism sector because of the well-publicised labour shortages. This results in a lack of investment & potential revenue. It is very difficult to fill a vacancy in Six months. Owners are unable to attract adequately experienced kiwis to work in these seasonal roles. The work is hard but needs to be precise to service high spending visitors that NZ is trying to focus on. Understaffing and inexperienced staff result in online criticism and destination reputation damage through various review channels.

While the under 30 year old, 'Tourist work visa' program is a lifeline, it does not necessarily provide the skill level, numbers and level of commitment required to staff tourism establishments for a quality guest experience. These young travellers are short term, inexperienced and require lots of training over their very short tenure, before continuing their travels. Experienced, well-trained hospitality guest workers are key to providing value and improve the reputation of the NZ tourism sector and many are over 30. Many have had high quality training with Cruise lines or may be professionals such as Doctors who want to take some time out and have a holiday-working experience in a different environment.

There is also a shortage of affordable staff accommodation which will enable accommodation and hospitality businesses to grow and attract quality staff. Whistling Frog Resort has invested well over \$1m in staff quarters to support its own business. This needs to occur in other areas, with a few facilities covering several operators.

Government could be assisting tourism providers by enabling more flexibility with 'seasonal work visas' which enable older more experienced workers. Local hospitality operators also need to note the 2.3% wages rise for the national hospitality sector for the second quarter of 2019. Recruitment website Seek also reported a 6.8 per cent increase in advertised salaries in hospitality and tourism in the same quarter.

Clutha Development is also involved in workforce facilitation and its involvement with the Otago Regional Economic Development Strategy can be leveraged to lobby government to address visa issues. Maintaining communication links between tourism suppliers and schools and training institutions will be important to align career development and training with actual workforce requirements.

Freedom (Responsible) Camping

Clutha District, particularly the Catlins, is dealing with growing national issues around Freedom Camping. The Catlins has many isolated natural wilderness attractions so to many international visitors and Kiwis, it seems like an ideal place to go freedom camping. The rationale behind supporting Freedom Camping is based on an assumption that despite not spending much on accommodation, these visitors will spend on activities and other supplies, especially supermarket shopping and cafes. (In Clutha's case much of the supermarket shopping may occur in Dunedin). Some argue also that when youth travellers have an exceptional experience, they become potential high value skilled immigrants and investors of the future.

Unfortunately, despite decades of committees working on these issues, the tourism sector has failed to invest in robust research to prove that spend assumption. There are wide ranging claims for different research projects.

A 2017 STUFF article¹³ quoted STA Travel Global UK stating that their young campervans travellers spend about \$150 a day on food, drink and activities, so their German visitors, who stay 68 days on average, will contribute \$10,000 to the NZ economy. The same article noted that Geozone tracked 186 Campermate app users and matched their movements with credit card transactions. It found they each spent about \$2000 over a three-week period, with 20 per cent spent on retail items such as clothing and camping gear. A separate survey of app users showed 40 per cent chose New Zealand specifically because they could freedom camp, and tighter restrictions might put this market off coming to NZ.

A Greymouth Star census one morning in late February 2019 found 200 vehicles and at least double that number of tourists enjoying a free stay. Many did not have on-board toilet facilities. Another survey found the freedom campers - mostly in old cars or "sleepervans" - were spending as little as \$20 to \$50 a day, including petrol. Holiday Parks Association NZ noted an example of 100 vehicles staying seven nights with 90 per cent of them not being self-contained.

A more recent survey by Dunedin City Council estimated more than 30,000 freedom campers visited the city from November to June 2019 and spent about \$3.4 million (\$49 a night per camper and staying for an average of 2.4 days). This was a 25% increase on the previous year.

In Clutha, there are very few paid activities available so many visitors are visiting free natural attractions and passing through in a day or two.

Local Community Sentiment on Freedom Camping

Previous consultation and surveys show that local communities across the Clutha District have varying views on their support for freedom camping. The Our Place Catlins consultation suggests limited resident support for completely free camping and that visitors should pay something. Many wanted to see camping better managed with an adequate number of facilities, noting that existing campgrounds should be better used. The community is divided though and there were several submissions against freedom camping in general. Catlins Coast Inc. submission on the national tourism strategy suggested that NZ should not be promoting itself as a 'free place to visit' and that campers need to pay.

¹³ <https://www.stuff.co.nz/business/92964105/the-freedom-camping-goldmine--nzs-29500-motorhome-owners>

Submitters felt that it was important or very important to carefully manage responsible camping in The Catlins and to continue funding the responsible camping ranger. They wanted to see more/better toilets, better information for tourists, more/improved camping facilities, waste facilities and consistent policy.

Those submitters who were supportive of freedom camping wanted there to be genuine self-contained vehicles only.

Locations where there are less visitors staying overnight may be more willing to incentivise freedom camping. Tuapeka Mouth, Lawrence (Gymkhana Club) and Milton are local examples and outside the district, Lumsden and Waikawa are cases where the community has strongly rallied to welcome and provide for freedom campers.

Any future policies therefore need to allow for a flexible approach across different parts of the district but it has to be very simple for visitors to navigate.

The Southern District Health Board has expressed concerns about potable water and long-drop toilets at basic camping facilities; and health issues resulting from significant demand growth. It suggested this may require rationalizing towards managed facilities.

More NZ towns are engaging in the Official NZMCA Motorhome Friendly Towns (MHF) programme where the NZMCA sometimes jointly invests in dumpstations to ensure a quality spot for its members. The current MHF map suggests Mosgiel, Gore and Alexandra are the closest shown to Clutha and Lumsden is working towards it. The following amenities are required for a town to become designated as MHF:

- A legally-compliant Freedom Camping bylaw
- A public dump station, Council owned
- Access to potable water at Dump station site
- Refuse and recycling facilities
- Access to medical facilities
- A general shopping area for groceries
- A vehicle service centre

The existing commercial holiday park operators are naturally concerned about public funded competition for their offering when they are paying significant lease and consent fees and have to invest to maintain imposed facility standards. It is difficult for them to offer a low-price option for freedom campers because they can't easily exclude a subset of customers from full facility use. The holiday parks minimum price is around \$16 per adult except for Hillview at \$10 + extra costs for laundry and hot showers. At the same time, these operators have to understand there is a proven gap in the market that they are not currently addressing. This market does not need, nor-want to pay for full holiday park facilities especially if they are in average surroundings. Many are prepared to stay in a more limited facility camping site where users can pay low fees per individual facility use across toilets, WiFi, showers and laundry. They also seek out isolated spots of high scenic value.

The KiwiCamp¹⁴ concept started in Marlborough and is being rolled out elsewhere is a good model for some areas. They are targeted at non-self-contained vehicle users. These can be complete new sites or the KiwiCash system and key/swipe payment facilities can be an add-on to an existing site. Kiwicamps usually include the following facilities which can be used on a pay-per-use basis even if not staying overnight:

- Secure parking
- Hot showers
- Dishwashing/Cooking facilities
- Laundry Facilities
- Waste recycling station
- Water filling station
- Secure power points (charging laptop, phone etc).

¹⁴ www.kiwicamp.nz/what-is-kiwi-camp/

- Caravan powered sites
- Free WiFi
- Dump stations (some sites).

An example of establishment costs is Western Bay of Plenty District Council investing \$200,000 (with MBIE TIF funding) to put in a new Kiwicamp in Waihi Beach. This has been put on-hold until concerns amongst nearby commercial operators are addressed. Other examples of backlash from local residents and nearby campground operators include:

- The Red Bridge camping hub beside Luggate was funded by council and government. The existing Luggate Camping Ground (operated by the Luggate-Albion Cricket Club for the benefit of nine cricket teams) estimate they have lost at least \$10,000 revenue over the 2018/19 summer and, as a result. They only charges \$10 per night and \$2 for a five-minute shower, with capacity for 52 campers. The new free camping site hosts over 50 campervans on some nights.
- Westland District Council has axed plans for two further public funded freedom camping sites after the first one at Kaapotahi saw a local vigilante group start policing it and blocking access. Despite a maximum 15 sites, 40-50 vans were using it on some nights. Local accommodation operators claimed they had lost up to 75% of their business.

It is critical to undertake sufficient analysis of demand and potential impacts on commercial operators before public funding can be justified in these facilities.

It is recommended that the commercial holiday park operators are engaged and consulted in the policy development process so they understand and support any proposed change. The Catlins Responsible Camping Ranger's impression is that at times the commercial operators are at capacity and therefore enabling some other lower-priced camping options are necessary. This could also grow the market and encourage people to stay longer.

A national Responsible Camping Working Group (on which Central Otago's Mayor sits) produced a report¹⁵ in mid-2018 with the following series of recommendations. This includes:

- Reviewing the Freedom Camping Act to consider among other issues, clearly setting out the role of camping within the tourism and recreation system ensuring various landowners coordinate and clarifying the interaction of the act with other legislation such as the Reserves Act.
- Creating national consistency through colour-coded camping zones which still enable flexibility for local application.
- Reviewing the compliance regime to deter infringements and enable effective enforcement.
- Review Camping Ground regulations to enable more flexibility in service standards to match market demand and minimise compliance costs.

The group put forward four outcomes which Clutha District is best to align with.

- New Zealand maintains a network of camping places (commercial and non-commercial) which is sustainable, capable of managing different volumes of people camping, and provides for a range of different camping experiences
- Responsible camping has a net positive economic and social impact on communities and the local environment
- Communities and landowners/managers have the tools needed to effectively manage camping, and actively work together within and across districts to do so, and communities have trust and confidence in the system
- New Zealanders and international visitors are able to choose camping as a way to experience New Zealand's tourism and recreation offering.

The group also provided 3-5 criteria for each of the four outcomes, to be used when assessing proposed new responsible camping facilities. Most of these can be adopted for use at the local level by Clutha District.

¹⁵ www.mbie.govt.nz/assets/6fd1e9b9d0/responsible-camping-working-group-report.pdf

Since this national report, DOC has run a “Kiwi Way” campaign about responsible camping and outdoors etiquette, while Tourism NZ, i-SITEs and TIA have joined in the “Tiaki” campaign to help educate visitors on codes of conduct including responsible camping.

Following a further recommendation from the working group, in May 2019, Government announced a second round of \$8m freedom camping grants to councils as it felt the first round was successful in encouraging responsible camping. The funding can be spent on temporary shower and toilet facilities and used to cover operational costs such as enforcement, education and ambassador programmes. Councils wanting to build permanent shower and toilet blocks or car parks for campers will have to apply for money from the tourism infrastructure fund, and they will also have to talk to their communities about plans for any temporary facilities.

In Queenstown, the private sector has complained the government investment that has already occurred in Freedom Camping hubs in Queenstown has not removed many of the problems with irresponsible campers. <http://www.scene.co.nz/features/hub-didnt-stop-bush-poos/>

The Catlins Responsible Camping Ranger, jointly funded by DOC, Clutha and Southland District Councils for the last two summer seasons, appears to have already made a positive impact on managing freedom camping. His approach has been to educate and be helpful with information rather than focus on fines. He has provided two detailed reports at the end of each season and gathered valuable data through questioning these visitors. Following are some of the key learnings from his work, and from other regions, to inform this Destination Strategy:

- Most of the campers spoken with want to do the right thing and have actively sought information from i-SITEs and other channels.
- Between the two seasons, there was an increase in campers from older age groups (40+).
- Germany, then France were to top two international markets with all markets except the UK remaining consistent in share. The UK declined in share but was still the third biggest.
- The certification of Self-Contained vehicles is too loose at present. There is no single auditing authority or centralised reference database.
- People admit to borrowing toilets just to get the certification sticker and then promptly removing them for their trip. The standard needs to be raised and effectively implemented. Many toilets in small vehicles need re-arrangement of the interior to access, which disturbs other sleeping occupants. Therefore, if there are no public toilets, people will go in nature, nearby.
- Only a very small minority have fake certification stickers.
- Freedom Campers cannot be clearly defined by their behaviours or demographics. They range from young European *super-budget* travellers living on a shoe-string, to quite wealthy kiwi retirees in \$100,000+ motor homes. Most of the latter are NZMCA members meaning they do have good quality standards.
- Many Freedom Campers take breaks from freedom camping and stay at paid accommodation, say every 3-5 nights, for a taste of luxury and to get on top of laundry.
- The current local policy is so unclear that i-SITE staff, and indeed the Responsible Camping Ranger have not understood it and have been corrected by visitors who have found loopholes.
- The communication of the policy is inconsistent across council and various official tourism sites.

DOC Camping Sites

Purakanui Bay

DOC Standard Category \$8 with longdrop toilets and 40 non-powered/tent sites. DOC is considering in its 5-year plan upgrading this to a similar standard to Papatowai (some ground hardening, central cooking shelter and better toilets)

Papatowai

DOC Standard Category \$8 per adult.

Once a commercial campground, DOC acquired the land and repurposed it into a budget camping facility. Unlike many DOC camps, this one has ablution blocks with flush toilets and running water. The

kitchen is large however, there is no hot water nor showers available. 116 non powered campsites are situated around a sealed ring road which runs throughout the camp and comfortably accommodate the smallest tent or the largest motorhome. At the back of the camp a short walkway leads to the Papatowai Estuary.

This is a very reasonable cost for travellers on a budget. This facility would have to be at capacity for much of the summer before it could be justified subsidizing freedom camping elsewhere in the Papatowai area. One option could be to add on some pay per use KiwiCamp facilities, i.e showers and laundry.

Tawanui

DOC Standard Category \$8 open site with large open spaces, two flush toilets (one at each end) and 60 non-powered/tent sites. DOC is considering whether to reduce the toilets. This is the start of the Catlins River walk which has had some recent maintenance work, and the longer Loop with The Wisp. Increasing use of this site could be a better use of resources in the immediate term, than creating new Freedom Camping facilities. This can be done through information on the main Apps including sharing available capacity and prices to encourage travelers to pre-plan a stay at Tawanui. This could be made more attractive through development of the river walk and possibly a biking option.

This is only:

- 20 minutes drive from Owaka
- 25 minutes from Papatowai
- 33 Minutes drive from Purakaunui Bay Campsite

Draft recommendations, Responsible Camping:

- Hold off on any significant new Freedom Camping facility investment until the market need and economic impact is adequately proven and the existing camping provider sector has been engaged.
- Proceed with the planned new public toilets which are of immediate benefit to the local community as well as visitors, regardless of their role in freedom camping. (e.g. Tautuku Beach, Tunnel Hill, Willsher Bay, Milton, Balclutha)
- Increase resource for the Responsible Camping Ranger programme to provide better coverage both geographically and across the week. Integrate this with the Visitor Information plan for the district so this effectively extends a mobile i-SITE service (for visitor information but not bookings, at least in the short-term).
- Seek to develop consistent Freedom Camping policy with Southland District and where possible other neighbouring councils. This will need to be revised again following the national reviews of the Freedom Camping act and associate legislation.
- Work with the main Camping Apps such as Rankers, Campermate, to ensure integrity of information and to deliver live capacity information on sites with limited spaces. This is especially important for more remote sites to avoid visitors driving out, only to find the site full and have understandable reluctance to backtrack all the way back to an alternative
- Ensure effective promotion of the existing commercial and DOC camping opportunities, including highlighting the vast capacity at Tawanui.
- Improve the clarity of Responsible Camping information for use by i-SITEs and various websites to make it easier for visitors to understand rules and find appropriate sites.
- Develop an improved solid waste management and recycling plan through an agreement between DOC, CDC, SDC and ORC.
- Implement research on behaviours and spend by freedom campers which can be reported at District Level and show differences for sub-areas of the district.
- Engage commercial camping and budget accommodation operators in a working group with the key authorities to develop FC policy.
- Conduct a detailed audit of capacity and occupancy of all existing commercial and DOC camping areas to accurately understand new capacity and price-point requirements.
- Investigate the possibility of Owaka becoming an NZMCA Motor Home Friendly Town.

- Investigate the viability of a Responsible Camping facility at Willsher Bay in conjunction with the concept of peak season shuttle services to Nugget Point.
- Encourage Doc to bring forward a service upgrade to Purakaunui Campsite, to consider addition of showers at Papatowai Campsite and to at least maintain the existing facilities at Tawanui Campsite.

Other Infrastructure

A more detailed Clutha Tourism Infrastructure Plan has been developed by Equip Group (LGNZ). Following is an overview of some of the key infrastructure issues for visitors.

Toilets

Toilets were an important topic in both the Our Place community consultation and in the visitor surveys. Toilets are seen as a critical part of the mix for enabling visitors to travel more responsibly, and at the same time benefiting the community directly.

New toilets have recently been installed at Cannibal Bay, Surat Bay and Jack's Bay with vibrant murals that promote other attractions in the district.



Consultation has seen suggestions for further toilets to be planned for Waiholo, Tunnel Hill, Matai Falls and Rail Trail, and Tautuku Beach.

Parks, Playgrounds etc

These have been covered under each town section of the plan with important developments in Milton, Balclutha, Kaitangata, Owaka and Lawrence. Success will hinge on driving forward local community-initiated projects in partnership with council, and considering distinctive destination play and recreational features which help to differentiate each town.

Waste Management and Recycling

Following a successful initiative to remove rubbish bins at sites along the Milford Road in Fiordland, DOC did the same in The Catlins where it had been costing them around \$15,000 per annum to pay contractors to manage waste. DOC does not see its role as waste manager. Efforts are made to educate visitors to take their rubbish out with them and find an official refuse receptacle. Like the Milford Road example DOC considers the policy has been a success in terms of people removing their own rubbish from DOC sites.

However, the policy change has not been implemented in full consideration of the wider impacts or in full coordination with the local councils which do have waste management as a core role. The result has been some community resentment and reports of people dumping rubbish at sites such as the Owaka Four Square. Catlins businesses are having visitor rubbish dumped in their bins and those businesses then have to deal with in the cost of removal. So ultimately the cost has just been shifted.

This emphasises the need to ensure that creators of these costs are paying for them (i.e visitors are funding the cost of their waste management). It supports the concept of including waste management in camping fees and indicates that genuine free (no cost) camping is not sustainable. It should be noted that in many sites in NZ, local residents can be significant fly-tippers so not all blame can be pointed at visitors.

The waste and recycling receptacles at Kaka Point are seen by DOC as a good solution that could be implemented elsewhere. There is a Transfer Station for waste and recycling 3km out of Papatowai near MacLennan but only open Saturdays from 1-3 pm so not useable by most visitors. New recycling options, especially for soft plastics is a national dilemma but if Clutha and the Catlins are to deliver on a perception of being an eco-tourism destination there is an imminent risk of backfire as visitors find out what is actually happening and that our recycling is inferior to what many of them are used to at home.

Mobile Broadband and Fibre Coverage:

Several areas in Clutha and The Catlins have poor mobile coverage and even worse mobile broadband coverage. This blocks the opportunity to use touring and interpretation Apps to support a more enriching and safer visitor experience. This infrastructure also obviously benefits the local community enabling better information access and work-from-home or work local opportunities.

There is a 40km blank area in the Chaslands area which may be easily addressed by a new repeater with landowners willing to provide support. This has been highlighted in the separate tourism infrastructure plan.

Emergency Management Costs related to Tourism

Most of the emergency management organisations are typical of very small rural settlements relying on volunteers many of whom support multiple organisations. Tourism is putting pressure on these services and there is no immediate apparent funding source to address the workload.

Crisis or Natural Disaster - Tourism Support and Continuity Strategy

Develop a plan with Civil Defence to ensure that in the case of an emergency or natural disaster, tourists are considered, communicated with and there are systems and resources available to support them if they are stranded. The Kaikoura Earthquake provides a good case study on which to base this and it involved the i-SITE and holiday parks significantly.

Visitor Information and Visitor Servicing

Visitor Information Centres and i-SITE

The 2018 Visitor Information Service Review and recommendations were covered earlier in the section on Previous and Current Clutha Tourism Strategies.

In addition to those recommendations it is suggested that the investment in the Responsible Camping Ranger Service is aligned with the wider visitor information planning as the ranger, by default is helping people with general destination advice beyond camping information. Lead Practice in visitor information includes taking information out in the field to visitors rather than just relying on them to find visitor centres.

To clarify responsibilities, Destination Clutha should develop a brief MOU with the information centres including a set of priority projects to work on collaboratively. This could include improving the official regional brochure for national i-SITE distribution, collaboration on tourism databases and improving the quality of maps and attraction images used in the information centres.

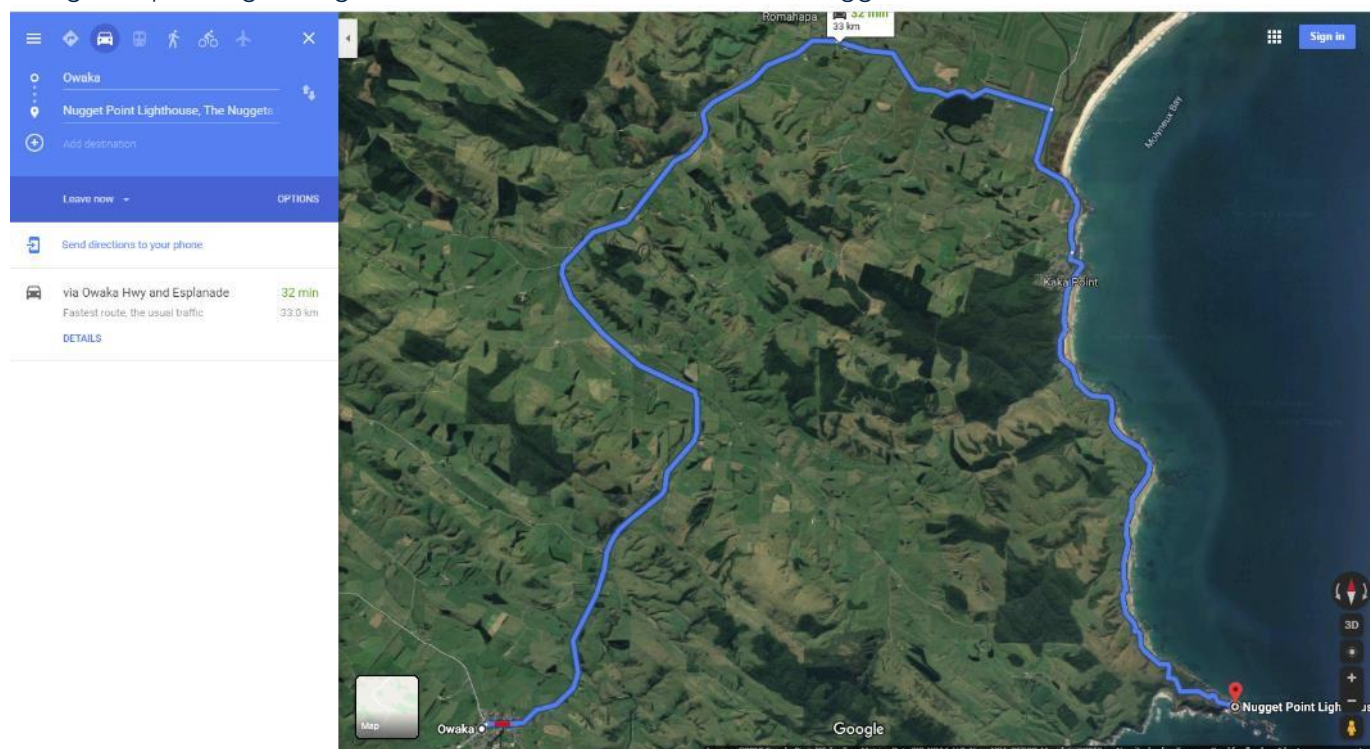
Wayfinding, Signage and Mapping Systems

Clutha District generally has good implementation of the brown and white tourism attraction signage and the blue and white facilities and services signage that is controlled by NZ Transport Agency Policy. The Southern Scenic Route is one of the most established official touring routes in NZ and well-signposted.

Catlins Coast Inc. has also made good progress through its strategy to implement interpretation panels at key sites. Such signs can quickly become out of date and weathered; and new production techniques become available to reduce cost. Geolocation and GPS navigation is enabling easier wayfinding and delivery of site information and stories in curated tours. Mobile technology such as QR codes and NFC tags can be used to augment information from physical signs or markers including translations, negating the need for expensive and cluttered interpretation signage in multiple languages. However, most of this is reliant on good mobile broadband coverage.

There are often glitches in Google Maps navigation when it doesn't fully understand local road conditions and connections. For example, Google Maps isn't providing the Southern Scenic Route Karoro Creek Road as an option driving between Nugget Point and Owaka.

Google Maps Navigation Ignores the most direct route between Nugget Point and Owaka



NZTA's sign policy hinges in directional signage to the next significant town that someone might find on a traditional map. In Balclutha the main directional sign for people heading for the Catlins, just says "Owaka" while it would be more helpful if it said The Catlins/Owaka or something similar.

There will be several issues like this which need addressing. Other examples raised in community consultation include better Information Signs at Papatowai, an information panel on Gibbs Hill (north of Papatowai), Map signs in Owaka (relevant to other towns).

This should be dealt with via a comprehensive Wayfinding Plan which entails a full audit of existing signage and wayfinding, a plan for additions and improvements and an asset management approach to ensuring future budgeting, maintenance and replacement.

Industry & Product Development

For Clutha to achieve higher expenditure from its visitors it needs compelling new activities and attractions and some businesses of scale which require more employees and which can invest in marketing. As can be seen in the tourism supply stocktake section of this plan, Clutha's tourism industry has very few tourism businesses of scale. The biggest operators are the Clutha Trust and Whistling Frog Resort, followed by River Ridge Retreat, some motels, farm lodges, holiday parks and Catlins Mohua Eco Lodge. Most other accommodation operators are part time and many do not have extensive hospitality, marketing or business management experience.

The handful of activity operators are running extremely seasonal businesses and require other incomes to get by. Horse Trek operators open and close intermittently, the Alpaca Farm visit operator has moved to inland Southland and the Beaumont jetboat operator now focuses on Roxburgh Gorge Trail customers. The main small group tour and wildlife viewing experience is operated by Catlins Mohua Lodge.

The two kayak operators have fledgling businesses with the Papatowhi Freedom Kayaks operator going one season whilst also having an Air B&B. Earthlore Gardens operators also maintain other jobs. More recent establishments are the new guided heritage tours in Lawrence and the Absolutely Lawrence Bike Shuttle and Hire whose owners also run a shearing gang. These all have good growth prospects but it shouldn't be taken for granted that they are economically sustainable.

Increasing Dining Options

Develop a prospectus for potential new food and beverage businesses, particularly for Lawrence, Balclutha, Kaka Point and Owaka. This would include examples of how dining has developed in other boutique villages (e.g. Clyde, Martinborough) and an outline of town revitalisation plans, new activities and accommodation which can support growth in their business. Target this information at successful hospitality operators from out of the district.

A survey of 180 tourism business contacts was carried out as part of this strategy process. Apart from wanting to see improved infrastructure for visitors and better managed responsible camping, the main support sought is more effective promotion of the district and opportunities for businesses to participate. The detail is provided in Appendix?? It in addition to some of the visitor market intelligence gathered, showed that:

- The degree of formal business planning is on average rudimentary. While this is to be expected amongst many hobby operators, this increases the risk of operators getting into tourism when they shouldn't, and business failure which reflects poorly across the whole region's industry.
- Many of the web sites are sub-optimal, are not kept up to date, do not work well on mobile and do not have contemporary availability, booking and payment systems.

Industry Capability Training

Before expecting to establish or attract significant new tourism operators to the district, the priority is assisting existing businesses to improve their quality and become more profitable. Clutha Development does not have the capacity to directly deliver most of the following programmes. However, it can partner with Great South, Central Otago and Enterprise Dunedin to facilitate access to these programmes for Clutha operators. Examples of business development and training that will help include:

- Navigating consent and licencing processes with councils, DOC, NZTA (SH signage). Ensuring operators quickly understand likely processes, timeframes and costs. Directing them to specialist consultants for help needed.
- Developing a basic business plan including customer targets, P&L and Cashflow.
- Developing basic marketing plans.
- Digital Capacity
 - Establishing and optimising Google Business Listing, TripAdvisor listing, Tourism NZ listing (and local RTO listing opportunities)
 - Contracting website development and managing the site
 - Reviews: Collecting, Monitoring and responding to reviews, incl. TripAdvisor Review Express. Many operators ignore their reviews or they try to point-score against a complaining customer.
 - Selecting a reservation system, booking engine, payments, channel manager and distribution plan (Which OTAs to use)
 - Social Media plan where appropriate: Facebook, Instagram.
 - Using channels and tools for the Chinese Market, WeChat, Fliggy, AliPay
- Customer Service and Sales

- Qualmark and Sustainable Tourism Accreditation Programmes.

Facilitating inward investment into tourism businesses.

Clutha Development also has a role in investment attraction. For tourism it can develop a live prospectus of businesses and proposed businesses, working with Great South and Enterprise Dunedin investment attraction programmes to match up projects to potential investors.

Destination Marketing

This section of the Destination Strategy provides high level direction for destination promotion. Clutha Development will develop a more detailed marketing plan shaped by this strategy.

Whilst destination marketing will continue to be important for Clutha, ensuring quality destination management and development is much more important in the short term, within the constrained funding context. Clutha is unlikely to sustain a budget anywhere near other competing regions so it has to be very targeted with its efforts. The primary drivers of visitation are the tourism flows which occur to and between the neighbouring airports, cities and icon destinations of Canterbury, Queenstown, Fiordland, Dunedin and to a lesser extent Invercargill. Clutha is coat-tailing off these visitor flows and seeking to increase its share of respectful visitors and slow them down.

While the Destination Marketing programme will continue to seek to grow the market, it will focus on:

- Growing visitors outside peak season.
- Influencing visitors with more time and money to spend and who are respectful of the local environment, wildlife, communities and culture.
- Ensuring messages in mainstream tourism media is accurate wherever possible.
- Increasing awareness of special interest attractions using low-cost channels to reach defined (Niche) audiences.

Destination Brand, Positioning & Story

The legacy brand for Clutha District is "Clutha Country" using the below hand symbol with the river trace through it. This is on the official Clutha Country page for both visitors and locals alike.



Clutha District Council uses the following slogan on its Facebook Page.

WELCOME TO CLUTHA COUNTRY - where everyone says hello!

Although there are critics of this brand, renewing it is not a priority within the Destination Strategy. A professional brand development process will cost \$30,000+. A larger budget would be needed for changing out collateral, signage etc, before actually delivering a promotional campaign to reach new visitor audiences and then investing in expensive research to determine actual brand recognition. Better returns can be achieved from other destination investments which do not require the distraction and stalled progress caused by a re-brand exercise.

Establishing Clutha District as a distinctively recognised visitor destination territory across domestic and international visitors is not achievable. Clutha District takes its name from the river but The Clutha River is renowned as much for its place within Central Otago and Wanaka. Clutha District is formally part of Otago Region but The Catlins, which does already have destination identity resonance with the visitor market, also includes part of Southland District. The Lawrence/Beaumont area has a lot in common with Central Otago's positioning while much of The Catlins wildlife and coastal scenery is more similar to Otago Peninsula and coastal Southland.

Clutha Development has previously sought to address the above by using Clutha-Catlins as a more meaningful destination title. For example, if this was the regional name used in Tourism New Zealand's website regional list (below), then people looking for The Catlins could more easily find it. International visitors are unlikely to look for and select Clutha.

100% PURE NEW ZEALAND

International
Search

Home
Destinations
Things to do
Facts
Travel to NZ
Recommended trips
Transport
Accommodation

Map
Scenery & landscapes
National Parks

North Island
Auckland
Bay of Plenty
The Coromandel
Eastland
Hamilton - Waikato
Hawke's Bay
Lake Taupo
Manawatu
Northland & Bay of Islands
Rotorua
Ruapehu
Taranaki
Wairarapa
Wellington
Whanganui

South Island
Central Otago
Christchurch - Canterbury
Clutha
Dunedin
Fiordland
Marlborough
Nelson
Queenstown
Southland
Waitaki
Wanaka
West Coast

Other Islands
Chatham Islands
Stewart Island - Rakiura
Subantarctic Islands

Popular places
Aoraki Mount Cook
Fox & Franz Josef Glaciers
Kaikoura
Lake Tekapo
Matamata
Milford Sound
Napier
Waitomo Caves

Website
Email
Phone
Directions

Abel Tasman Kayaks

Abel Tasman Kayaks offers low impact kayaking trips as a way to explore the Abel Tasman's beautiful ...

NZD \$ 110.00 - NZD \$ 950.00

Change language: Please select

The Catlins on its own will not be included in a regional menu like this as it is not an RTO region. However, the Clutha-Catlins concept proved unpalatable to local stakeholders. Overcoming this sort of parochialism for a destination brand is often not achievable regardless of the logic from a consumer perspective.

Ultimately the destination can target visitors with compelling reasons to visit without the Clutha name achieving high consumer brand recognition. The existing brand is entirely relevant for Council to continue communicating to its stakeholders. Clutha Development can continue to use the name Clutha or Clutha District as a factual element in its marketing as it is an officially recognised territory that Google Maps will bring up for searchers. However, the use of the hand brand symbol is meaningless to the visitor market.

Clutha & The Catlins

Using "Clutha & The Catlins" may be a solution that is more palatable to locals but still meaningful to visitors and functional in terms of online destination search. What is critical from now on is:

- leveraging the identity that The Catlins already has as a sub-region destination
- Building the identity of Lawrence and Surrounds as a boutique heritage, arts and cycling destination.
- Developing the themed stories for the region which bring out the character of the other towns and attractions.
- Developing guidelines for the use of icon attraction images, video and written content to deliver professionally presented and consistent messaging.

The following positioning of New Zealand, used in a recent Tourism New Zealand- National Geographic video, aligns well with the sorts of messages that Clutha should emulate:

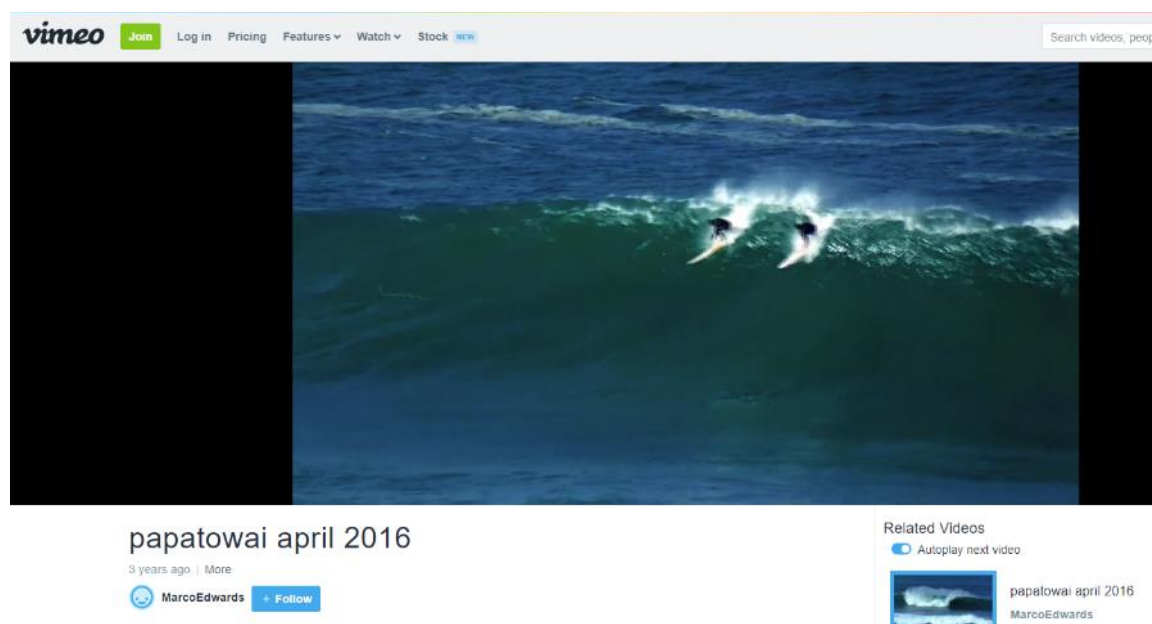
- NZers are shaped by the diverse landscapes.
- Experience nature through the eyes and hearts of the people
- This place will affect you in the most beautiful way

In a basic format the potentially defining themes for Clutha could be:

- Nugget Point Lighthouse and Stunning geological features, Cathedral Caves,
- Lawrence and Gabriel's Gully, Initiation site of NZ's gold rush
- Marine wildlife, Wetlands and Environmental Protection
- Waterfalls, Coastal rainforest, hiking,
- Pristine, raw beaches and surf
- Heritage Museums
- Cycle Trails, kayaking, other recreation,
- River and Agricultural Heritage (Tuapeka Punt, Balclutha Bridge, Telford)

This is reinforced by looking at how Clutha and The Catlins are featured by 3rd parties. The brand story will be told to more potential visitors through images and authentic content from locals, businesses, other visitors and other promoters. Destination Clutha can't control this but can play a role in facilitating this content and ensuring that it is as accurate as possible; and shared through channels with wide reach.

- Nugget Point is already being promoted as an Icon by Tourism New Zealand in campaigns such as the i-SITE NZ branding campaign.
- "McLean Falls, Catlins" is now the cover photo for the latest Lonely Planet Guide, South Island, Edition.
- Amongst surfers, Papatowai has a strong reputation as NZ's biggest wave spot with regular appearances on national media.



[Appendix 2](#) also contains a selection of features of Clutha and The Catlins in various media.

Target Markets

More detailed descriptions are provided in the section on [Clutha Visitor Market Segments](#). In summary, following are the key target markets.

Dunedin, Queenstown weekend breaks

Domestic Direct Flight short breaks (Auckland, Wellington, Christchurch)

Domestic drive touring holidays.

Cycle tourists – domestic and international

International

- FIT self drive, all markets
- Boutique small group tours & special interest
- Interest targeting - Eco-tourists, Heritage, Wildlife, Hiking, Slow Tourism

While traditional Western Markets remain the most important now, marketing scope will extend to China, other Asia and South America where this is viable through low cost channels.

Advertising

Clutha Development is not going to have sufficient funding to undertake and significant TV, print, outdoor or radio advertising.

A modest budget can be trialled and fine-tuned with Facebook, Google Ads and potentially Instagram. The priority is investing in content development and distributing relationships as outlined in the next section.

Digital

Content Development and Management

The top priority for Clutha Development's marketing is to continue to build up the digital content library around the regional themes and stories including:

- Working with local Iwi on appropriate visual and story content to be used in intros.
- Still photos
- 360 panoramas
- video stock footage and crafted promotional pieces
- Media story concepts
- Suggested itineraries and Fact Sheets for all of the potential market segments.
- Written visitor information and stories
- Mapped tours using customisable on-line mapping and self-guided tour apps.
- User Generated Content (UGC) e.g. approved re-use of visitor Instagram posts. This could include a paid content and image management application like Crowdriff, which could be through a shared-cost arrangement with a partner RTO.

Improved Video

Video is the most effective media for promotion and no longer needs to be expensive to produce, especially for authentic social media posts.

Clutha Promo Video

The Catlins is perceived as a drive-through destination with free attractions. The current Clutha Video reinforces this by only showing free attractions other than buying an icecream and showing arrival at a heritage B&B. There needs to be more profiling of paid activities and tours such as sea and river kayaking, horsetrekking and 4WD tours. Individual destinations featured in the video should be noted in text and/or voice so viewers can follow up on items that interest them.

Special Interest Cluster Development

Identify local representatives of special interest sectors to establish accurate, comprehensive content and help identify the community interest channels through which to promote the content. (Cycling, Fishing, Hunting, Golf, Photography, Birdwatching.

E.g. there are only 2 NZ routes on this international Bikepacking site and Clutha could have several options. <https://bikepacking.com/bikepacking-routes/>

Supporting Operators' Digital Presence

Of primary importance is ensuring all Clutha operators have an accurate and actively managed presence on free 3rd party portals including Tourism NZ and TripAdvisor. Google My Business is the most important listing for operators to benefit from the increasing trend towards 'Near By Me' search based on geolocation. It is free and the listing feeds to numerous applications that draw on Google Maps.

Those operators interested in the China market also need specialist support to engage in channels such as consider WeChat and Fliggy.

Operators also need help selecting on-line booking engine providers, and where possible including channel management to Online Marketplaces and Online Travel Agents. The more Clutha operators using a common booking channel, the easier it will be for Clutha Development to enable comprehensive search and booking links on its website.

Clutha NZ Destination Website

Clutha Development has put a lot of focus on digital over the last two years with a new portal website and MyLittleLocal App. A regional website is still worthwhile but official destination sites, even at the national (TNZ) level are constantly declining in relative importance to travellers. This is because major channels such as Metasearch (TripAdvisor) and Online Travel Agencies (Expedia, Booking.com) and even Air B&B are starting to expand their breadth of destination content, combined with vastly more efficient planning, booking and payment systems. Other key players are Lonely Planet with their move to digital and social media channels.

The Clutha App is only likely to achieve much success as a local community platform. Visitors are bombarded with Apps to download and they have to deliver significant value to make it onto visitors' devices. It is more important to ensure the regional website is has *Responsive* and *Mobile First* design so it functions well across all devices.

The Clutha NZ website has good quality images and some good content but it needs further work. Some of Clutha's towns do not feel the regional site does them justice and there was initially very poor performance in search. The search has been improved recently. Examples of issues to address include:

- Key Attractions are not summarised or introduced until deep in the website (Visit Clutha/About Clutha/Attractions) and then just a photo library.
- Walks should all be accessible in one place and have comprehensive photos, maps, profiles, difficulty gradings, GPS location. Currently the main walks are just scattered within See and Do while there is a separate page of Hidden Tracks and Trails.
- Golfing - Catlins website only 1 course in South Catlins? Clutha site, nothing
- Arts – Clutha site, Arts search brings up nothing
- Providing clear navigation to wedding/meeting/event venues
- Provide an easy accommodation and activity search facility connecting to a live booking channel, potentially with an OTA on commission share basis.
- Develop a comprehensive responsible camping section which clearly presents the combined camping opportunities including commercial, DOC and other responsible camping sites.
- Increase the detail provided on each of the towns in partnership with local promotion groups.
- Improve the mapping information and functionality. Maps would usually be one of the most popular sections.
- Develop options for foreign translations of primary content

Clutha Social Media Channels

Current Social Media Pages have low levels of followers and engagement and many have an unclear role as to whether they are local community discussion channels or destination pages.

- Destination Clutha FB page had 1770 followers (Mid 2019). From early 2019 the posts on this page have been more engaging with active sharing of other people's irrelevant posts.
- Clutha i-SITE has nearly 1,000 followers.
- "The Catlins, New Zealand" FB page only has 160+ followers. catlinscoast.nz Instagram has 187 followers and 22 posts
- Lawrence Otago Instagram had no posts.

Clutha District social media pages are not likely to get a strong direct engagement from non-locals as most people have too many options cluttering up their social media feeds. Visitor's may follow a local page briefly as they travel through the area if they discover useful information.

More success in reaching potential new visitors will be achieved from Hashtagging relevant topics and facilitating content into other high-engagement social media and web channels e.g. Tourism NZ and The New Zealand Cycle Trail. Destination Clutha should work methodically with local promotions groups to schedule posts to re-share. These need to be properly resourced and coordinated to cross-share relevant posts with other organisations which have larger and more passionate followers such as The Yellow Eyed Penguin Trust.

Facebook and Instagram should be the priority. WeChat can potentially be developed under Christchurch Airport's South initiative depending on the ongoing membership cost. Pinterest should be established with some quality pinboards simply to enhance search performance.

Podcasts

There has been a resurgence in Podcasts driven by the amount of downtime commuting, exercising and doing domestic chores, combined with more convenient devices and media connections in vehicles. This has been underutilised by destination marketers. There are several Clutha topics which could be used to develop engaging podcasts.

Work with local subject experts to develop detailed podcasts on special interest tourism topics.

Reviews

TripAdvisor is still touted as the biggest travel site in the world and despite suffering some reputation damage over fake reviews, it remains influential and has expanded from reviews to a search mechanism and booking channel.

Recent research¹⁶ shared by PhocusRight indicates that for younger travellers 18-28 that Google Reviews and those found on Booking.com are much more important than TripAdvisor. The most valued reviews have authentic writing style, details, recency and inclusion of images.

A proactive approach to reviews is needed by operators and Clutha Development. Many of the operators are not dealing with their reviews and some have been writing making unprofessional defensive responses and criticising the reviewer which reflects poorly on the operator and the destination.

Facilitate operator training on how to encourage reviews and maximise value from them. CD

Printed Collateral

One of the main benefits in Destination Clutha being designated as an RTO and member of RTNZ is that all 80+ of New Zealand's i-SITEs have to display the official Clutha regional brochure free of charge. Many of the i-SITEs charge \$150-\$600 per annum for a DLE (Envelope) sized brochure. The previous DLE official booklet brochure was downgraded to a flat-sheet DLE fold out to A3 Activities map. This was partly because of the shift in resources to digital but also because of limited support from businesses to help fund it and local groups doing their own brochures. Since then Clutha District Council has also produced two completely different looking map guides for the Forgotten Coastal Highway and "Heartland Clutha" and Lawrence has produced its own booklet brochure.

It is a waste not to exploit the free nationwide display opportunity with something more compelling and comprehensive than the activities brochure.

Assess the total cost of all the brochures and compare with the distribution/customer reach to determine if some of the publications can be rationalised into one quality RTO publication for a better outcome. It could have more localised maps to deliver the same information as the local publications. It could be larger flat-fold, rather than returning to the expense of a bound booklet.

¹⁶ IUBH - University of Applied Sciences with TUI and TrustYou

Neighbouring and Macro Region Campaigns

Destination Clutha will work closely with Great South, Enterprise Dunedin, Southern Scenic Route, the Otago-Southland RTO collective and Christchurch Airport's South project to:

- deliver targeted content into their campaigns including plans for on-line wayfinding/drive circuits
- organise Clutha sections of familiarisation visits for influencers, travel/lifestyle media and trade
- explore content delivery for Chinese superapps with partner RTOs (e.g. WeChat)
- Train other region i-SITE, airport information desk and rental car staff on Clutha and seek to have them include more mapping, imagery, website profiling and printed collateral for Clutha.

Tour Operators and Travel Trade

Destination Clutha will not have sufficient resources to participate at TRENZ or undertake overseas training missions with Tourism New Zealand (the exception may be when TRENZ is held in Dunedin or Queenstown). It can develop its database of existing and potential inbound tour operators and build relationships with them by phone and in some cases personal visits. The role is to find out about any problems they are having in the region and keep them informed of new product which they could include. Moa Trek is an example small tour operator who has received help through this strategy development process.

Destination Clutha will also work closely to include relevant product in the programmes run by Enterprise Dunedin and Great South which are involved in TRENZ and other trade educational missions.

Catlins Mohua Eco Lodge is one of the few local operators with well established relationships with inbound operators and offshore based travel wholesalers and they visit these clients every year or so. Destination Clutha should also work closely with any such local operators on new experiences for their customers and help with promotional material such as images, video and written information.

Develop a Clutha sales presentation for use on screen and uploaded to SlideShare (PPT, SlideShare, HaikuDeck). Parts of this can be used and adapted by other parties promoting Clutha.

Customer Journey

The customer journey process in the table below is best used to describe a trip to a country like New Zealand. The stages of awareness and booking occur at very different times for a small district like Clutha, and usually well into the process. For domestic visitors there will already be much more awareness, at least of the Icons like Nugget Point and The Catlins as a coastal area of the deep south. This table describes the possible stages for international visitors (which will all vary between and within nationalities) and the sort of communications and marketing activity that Clutha should seek to deliver along the way.

		Internationals	Domestic	Activity
Awareness	Dreaming	Unlikely to have awareness. There may be some awareness of The Catlins from friends SM sharing and other media (e.g. Travel/Nature articles and blogs)	Many heard of the Catlins, somewhere to go one day. But there are still many, especially in upper North Island with no awareness.	Monitoring other channels, responding and sustaining conversations. Icon messages
Consideration	Dreaming	As above		Introduce more of what the destination offers including special interests. Care Code and sustainable wildlife opportunities influencing respectful visitors to come.
Intent	Planning	The Catlins may be coming up in friends and forum suggestions and on major destination sites	CluthaNZ website becoming important. Accommodation and OTA sites	Information on time needed to see it properly getting here, travel times from key destinations like Queenstown, Dunedin, Te Anau. suggested itineraries
Purchase	Booking	Most international visitors won't be booking anything in Clutha until they arrive in the South Island. Lawrence and other sites may come up from accommodation searches related to a route between key centres.	Activities mostly booked in destination. Activity OTAs important in future	Sharing local operator posts and providing referrals, highlighting i-SITE services. Other region i-SITEs and OTAs important
Visit	Experiencing, Sharing	People are well into the Visit stage of their NZ itinerary by the time they might be gaining awareness of places like Lawrence and The Catlins.		Helping with accommodation for those who realise they need more time. Locals operators and residents as hosts/information sources Profiling activity and attraction ideas, Tides, Weather, What's On, Bad Weather options, Re-sharing Visitor content.
Re-live	Sharing	Increasing quality blogs and Vlogs with time invested in them so they are not released until well after the trip.		Re-engaging and encouraging sharing through Social Media channels and email databases from surveys. Focus on some of the less known reasons to stay longer, not just the icons

Strategy Implementation Arrangements

Successful destination strategy implementation cannot be the responsibility of one organisation and certainly not Clutha Development with its current resourcing levels. However, Clutha Development can continue to champion the plan and play a lead role in coordinating the various parties with delivery responsibilities provided they all commit to supporting the strategy.

- Clutha District Council
- DOC
- NZ Transport Agency
- Clutha Development
- Iwi

Great South and Enterprise Dunedin will be key partners for some of the projects and meetings, especially for regional marketing and industry capability development.

One of the key issues with integrated planning and implementation for tourism is the fragmentation into a vast number of under-resourced project and community groups (estimated at 30+). This makes it almost impossible for Clutha Development to effectively engage with stakeholder groups.

The Catlins is already establishing a multi-stakeholder group to be underpinned by an MoU. It will include DOC, CD, CDC, SDC, Iwi, Catlins Coast and will keep local community groups informed and engaged where necessary. This type of sub-regional working group may be the best model in other parts of the district.

Clutha Gold Trail will need more investment in managing and marketing the trail and working with local operators. This needs to be coordinated between Clutha Development and the Trail Trust to avoid overlap and competition for resources and ensure best alignment of activity like website development. This will depend on how the CGT Trust works across Central Otago and Clutha Districts.

Clutha Development needs to establish an engagement protocol with the local town groups in the rest of the district, agreeing the number of face to face meetings and other interim communication. Agree a brief plan of projects to be pushed forward for each town. It will vary from significant plans and projects for Lawrence, down to very modest activity with Tapanui.

Options for Location of Destination Staff

One of the options for Destination human resourcing is the example of Mackenzie District which contracts ChristchurchNZ to deliver its destination marketing and negates the expense of having a Development Agency or RTO. The staff member has a desk in the Christchurch RTO providing them all the support infrastructure, contacts and expertise, and he/she plans adequate time in Mackenzie when necessary. In Clutha's case this would logically be done with Enterprise Dunedin or Great South. Because part of the Catlins is already in Great South's territory this might be the better option of the two.

However, because Clutha already has Clutha Development set up with a wider role than just tourism, there is more logic in maintaining the Destination functions in this organisation and aligning tourism to the wider economic development programmes. Mackenzie has no such development agency.

The other option would be to locate the resource within Clutha District Council as Timaru District Council has recently done. In Timaru's case they had been in a partnership with other councils which did not appear to be working out. There are no inter-council equity issues with Clutha Development as it is only funded by CDC. Bringing tourism in-house at CDC would only be logical if CDC decided to bring the whole economic development function in-house.

Increased Digital Marketing and Tourism Industry Coordination Resource

Clutha Development has operated for the last several years with one FTE tourism coordinator and the current structure has this person and the rest of the team working across multiple industry sectors, not just tourism. Future structure will be informed by this destination strategy.

Benchmarking other RTOs

Most of the dedicated RTOs even in small region have 3-6 Full Time Equivalent staff focused on tourism. Central Otago has 4.5, Lake Wanaka Tourism 4.8 and Destination Queenstown has 18 FTEs and this excludes i-SITEs.

Across all of NZ's RTOs the average council funding is \$1.99M and the median is \$1.19M. In the smallest RTO Tier which includes Clutha Development the average council funding is \$283,000.

Apart from the Destination Manager role, Clutha Development needs at least one full-time marketing coordinator who has specialist digital content, social media, digital advertising, on-line distribution and print collateral expertise.

Destination Manager Role

A destination manager, while not a new concept, is only just beginning to be established in some of the bigger RTOs throughout NZ and most would be \$100k+ roles. Such a role would include:

- Acting as coordinating custodian of the plan
- Communicating project priorities and progress
- Directly driving some projects including writing funding applications and managing procurement of consulting services for Experience/Site development plans, business cases and feasibility studies.
- Developing tourism sector expert submissions and encouraging industry stakeholder submissions on statutory and strategic plans which impact tourism (Annual Plans, LTP, CMS, RLTS, Local Responsible Camping Policy, Freedom Camping Act, Reserves Act etc)

As the plan is for the same territory as CDC (whereas many RTO plans cover multiple councils), this role could be housed either in council or Clutha Development. However, given Clutha Development is already formally mandated to lead the district's economic development work, destination/tourism management does logically sit within economic development. The issue is that many of the initiatives in this plan, especially relating to infrastructure and public facilities, are the responsibility of Councils and DOC. It can be difficult for a destination manager within the lean operating environment at Clutha Development to make sure things get done within Council and DOC.

If the role is external of council, there still needs to be one senior council officer and possibly a councillor designated as key destination/tourism lead with a mandate to coordinate across all council departments. This could be the CEO and Mayor or an L2 manager and councillor.

Priority Actions for Clutha Development

- Working with DOC Dunedin, CDC, TLCC and neighbouring landowners on experience plan for Gabriel's Gully.
- Working with DOC Murihiku, CDC, Catlins Tourism Cluster Group and landowners on destination/experience plans for Cathedral Caves and Nugget Point.
- Establish a Product development facilitation programme and marketing/communications programme with the Clutha Gold Trail Trust.
- Develop comprehensive tourism databases, Maps and write topic content.
- Work with CDC and DOC on responsible camping policy and action plan.

Funding Tourism Management

There is a good case for government support for implementation of this plan given that:

- The plan aligns with the Murihiku Southland Destination Management Plan and MBIE's guidelines on good practice destination management
- Government has recently invested funds in destination management planning implementation including personnel in other regions (e.g. Ruapehu)
- Clutha has a very small ratepayer base from which to fund destination management
- Many of the visitors are just passing through the district, impacting free attractions and facilities and spending in neighbouring regions.

This plan supports the majority of the suggested facility and amenity improvements that have come up from the community through the Our Town Planning so far, many of which now have funding allocated.

CDC can now decide what other tourism projects in this plan are affordable as it works towards the next LTP.

The major visitor experience development projects in this project (Nugget Point, Cathedral Caves, Gabriel's Gully, Coastal Multi-Day Walk) will require multi-million dollar budgets. While Council should aim to provide some support funding and resources, these projects will be dependent on the continuation of the PGF or similar, and potential allocation of some of the conservation share of the new International Visitor Levy.

Council Funding Model for Destination Management

The next step is to assess the findings of the Productivity Commission's Local Government Funding and Financing Review in late 2019 and the Queenstown Tourism Levy process to determine any changes to best practice. Early indications are that government does not support multiple local levies being rolled out through the country and Queenstown is being treated as a special case.

There is definitely potential to have a targeted rate on businesses that benefit from tourism, extending into the informal accommodation sector such as Air B&B and Bookabach. Ideally this would involve the simple tax collection functionality that is already operating overseas within AirB&B and Homeaway online booking systems.

Appendix 1: Clutha Core Tourism Data Analysis

(FreshInfo), July 2019

The Big Picture

- Visitors to Destination Clutha spent \$69 million in the local economy in the year ending May 2019, up from \$67 million in the year ending May 2018.
- Destination Clutha's share of national tourism expenditure has declined steadily in recent years to its current level of 0.2%. This has been driven mainly by a fall in domestic market share.
- Seasonality is a major problem in Destination Clutha:
 - Investment in new tourism infrastructure is difficult to attract when there is such a large disparity between peak and off-peak demand.
 - Destination Clutha operates at close to capacity during peak periods, so the ability to grow the visitor economy during these periods is severely constrained.
 - Sustained growth and investment in the visitor economy must be led by higher levels of demand during shoulder and off-peak periods.
- Domestic visitors currently account for 78% of annual tourism expenditure, and up to 90% during off-peak periods. A strong focus on domestic demand is therefore required to materially lift demand outside peak periods.
- The Net Promoter Score for Destination Clutha across all domestic overnight visitor segments was 12 in the year ending March 2019, compared with a national average of 28. The net promoter score increased to 38 within the holiday segment, compared with a national average of 48.

Monthly Regional Tourism Estimates

The Monthly Regional Tourism Estimates (MRTE) provide monthly estimates of visitor expenditure at the RTO level. The estimates are derived by using electronic card data to allocate national-level spend from the Tourism Satellite Account (TSA) to RTOs and regional council areas. The production of the MRTE is managed by MBIE, with input from Statistics New Zealand.

Note: Airfares and education fees are excluded from the MRTEs. The resulting spend estimates are exclusive of GST.

Data for Destination Clutha

Visitors to Destination Clutha spent \$69 million in the local economy in the year ending May 2019, up from \$67 million in the year ending May 2018. Domestic visitors accounted for 78% of this expenditure (\$54 million) and international visitors the remaining 22% (\$15 million). Destination Clutha's visitor economy has grown by 27% (\$15 million) since 2009, which is much lower than the national growth rate of 56% over the same period.

FIGURE 1 VISITOR SPEND IN DESTINATION CLUTHA BY MARKET (\$M EXCL. GST)

Source: Monthly Regional Tourism Estimates, MBIE

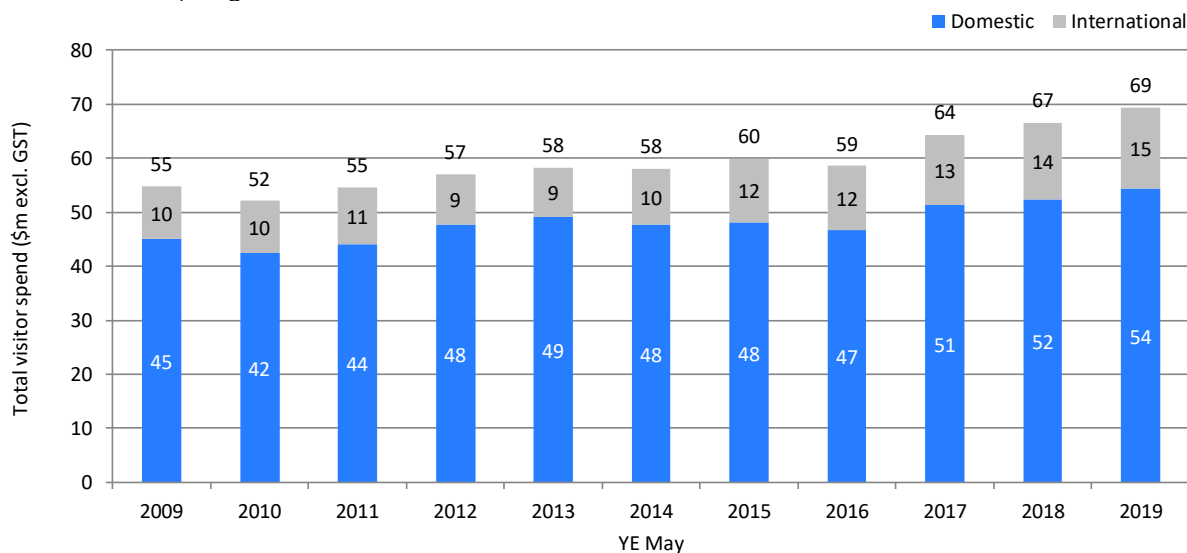
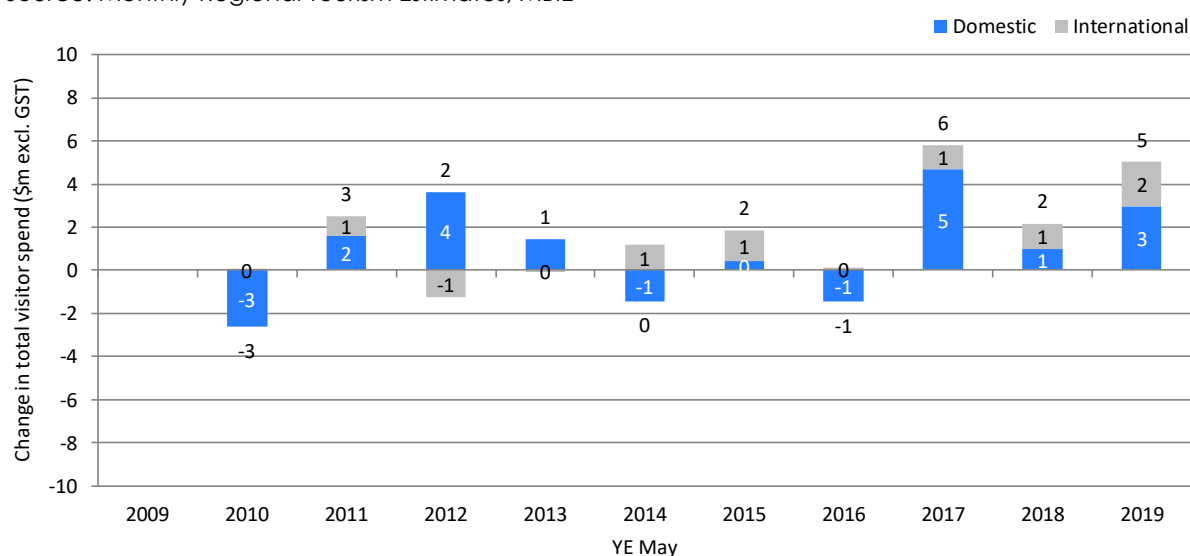


FIGURE 2 CHANGE IN VISITOR SPEND IN DESTINATION CLUTHA BY MARKET (\$M EXCL. GST)

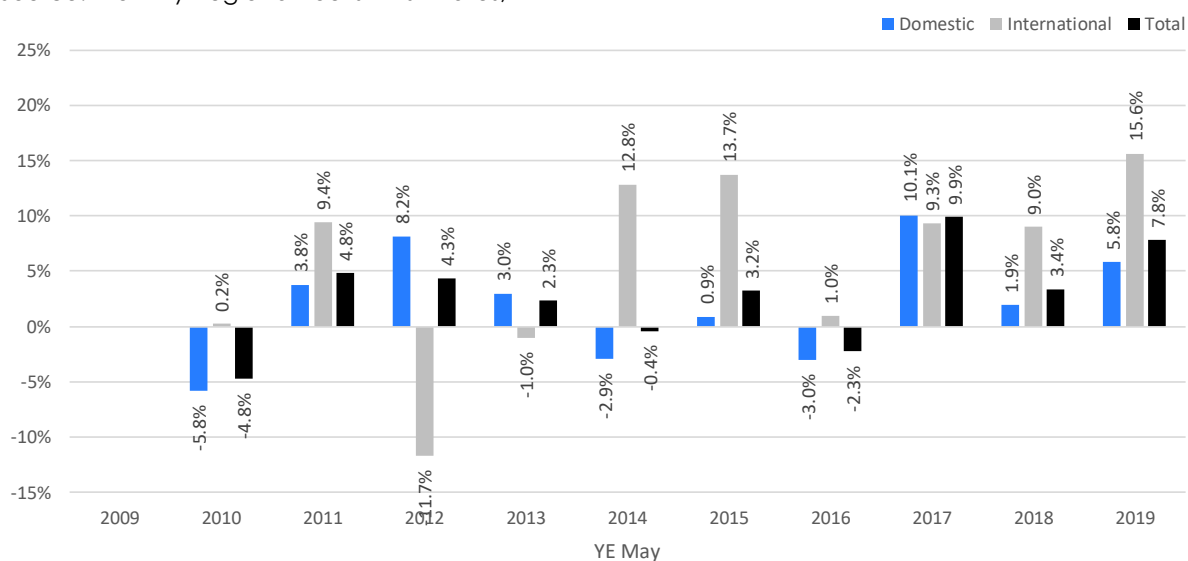
Source: Monthly Regional Tourism Estimates, MBIE



International visitor spend has grown at around 8% per annum over the past four years, which is very high relative to previous years. Domestic visitor spend has increased more slowly at around 3% per annum.

FIGURE 3 GROWTH IN VISITOR SPEND IN DESTINATION CLUTHA BY MARKET (\$M EXCL. GST)

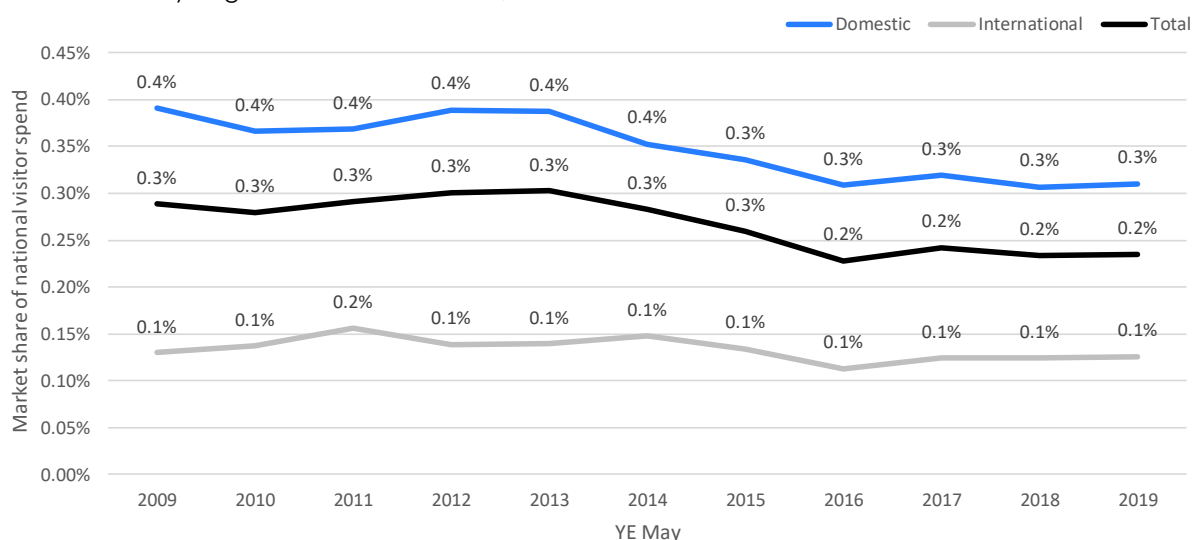
Source: Monthly Regional Tourism Estimates, MBIE



Destination Clutha's share of national tourism expenditure has declined steadily in recent years to its current level of 0.2%. This has been driven mainly by a fall in domestic market share.

FIGURE 4 DESTINATION CLUTHA'S MARKET SHARE OF NATIONAL TOURISM SPEND (YE JUNE)

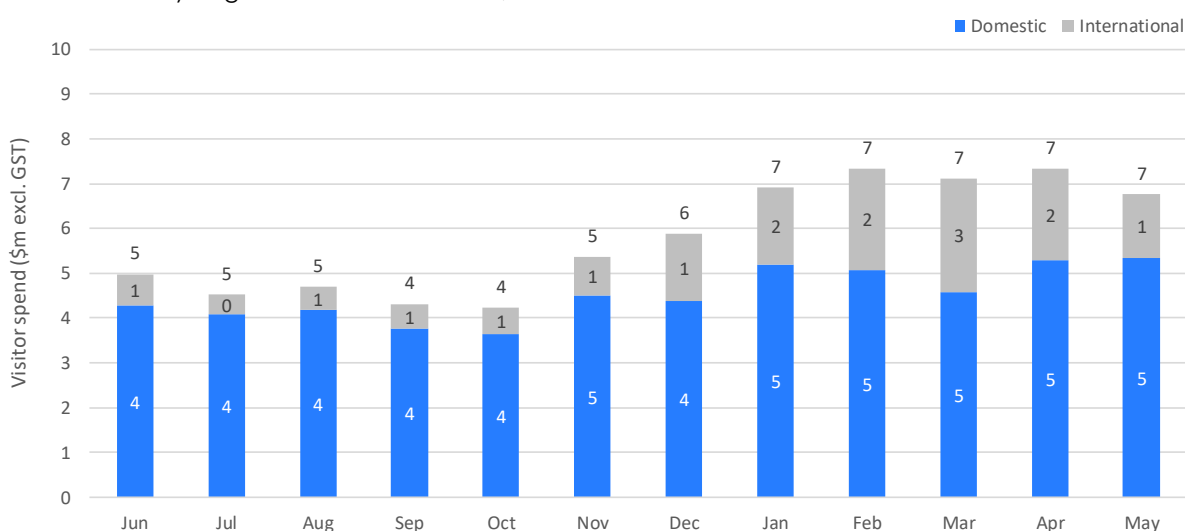
Source: Monthly Regional Tourism Estimates, MBIE



Seasonality is a major issue for Destination Clutha, as well many other RTOs in New Zealand. In the year ending May 2019 tourism spend in Destination Clutha ranged between \$7 million in the peak and \$4 million in the trough. This variation is difficult for businesses to manage, both in terms of cashflow and staff attraction/retention. Investment in new tourism infrastructure is unlikely to occur when there is such a large disparity between peak and off-peak demand. Like most RTOs, Destination Clutha operates close to capacity during the peak season and can therefore only absorb a small amount of additional demand during this period. Sustained growth and investment in the visitor economy must therefore be led by higher levels of demand during shoulder and off-peak periods.

FIGURE 5 SEASONALITY OF TOURISM DEMAND IN DESTINATION CLUTHA

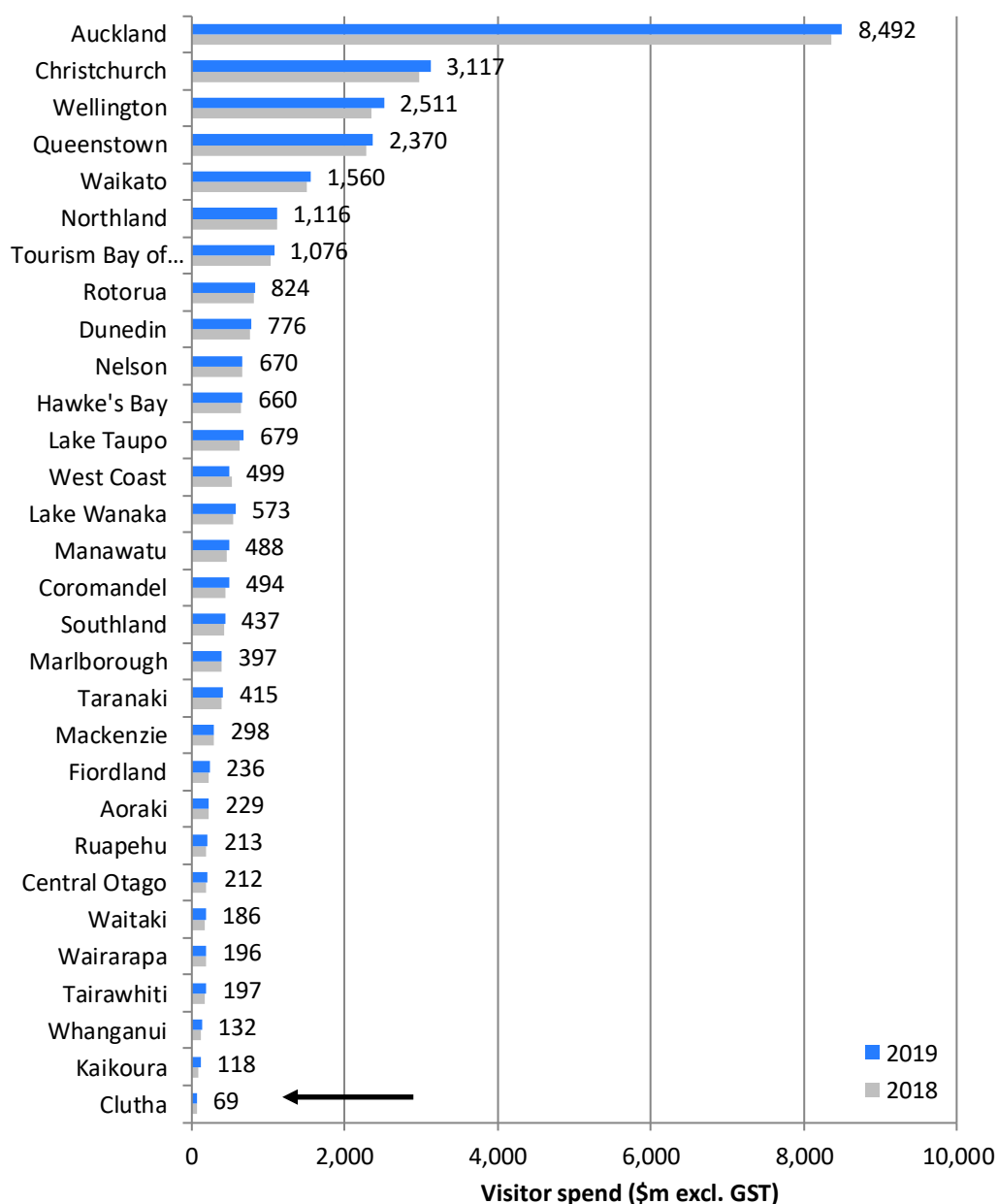
Source: Monthly Regional Tourism Estimates, MBIE



Destination Clutha has the smallest visitor economy in New Zealand at \$69 million – just over half the value of Kaikoura's visitor economy.

FIGURE 6 TOTAL TOURISM SPEND BY RTO (\$M EXCL. GST, YE JUNE)

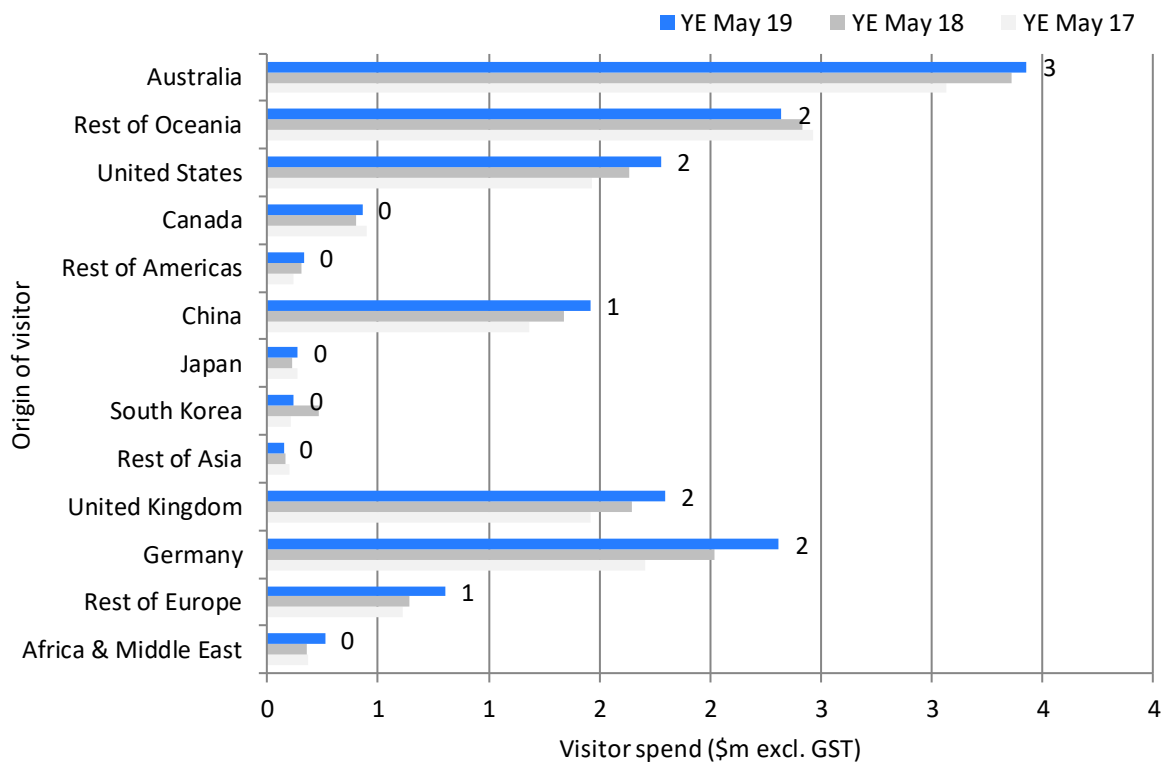
Source: Monthly Regional Tourism Estimates, MBIE



Analysis of the international visitor spend data shows that Australians are the largest international contributors to Destination Clutha's visitor economy (\$3 million). The fast-growing Chinese market is still small at around \$1 million.

FIGURE 7 INTERNATIONAL TOURISM SPEND BY ORIGIN (\$M EXCL. GST)

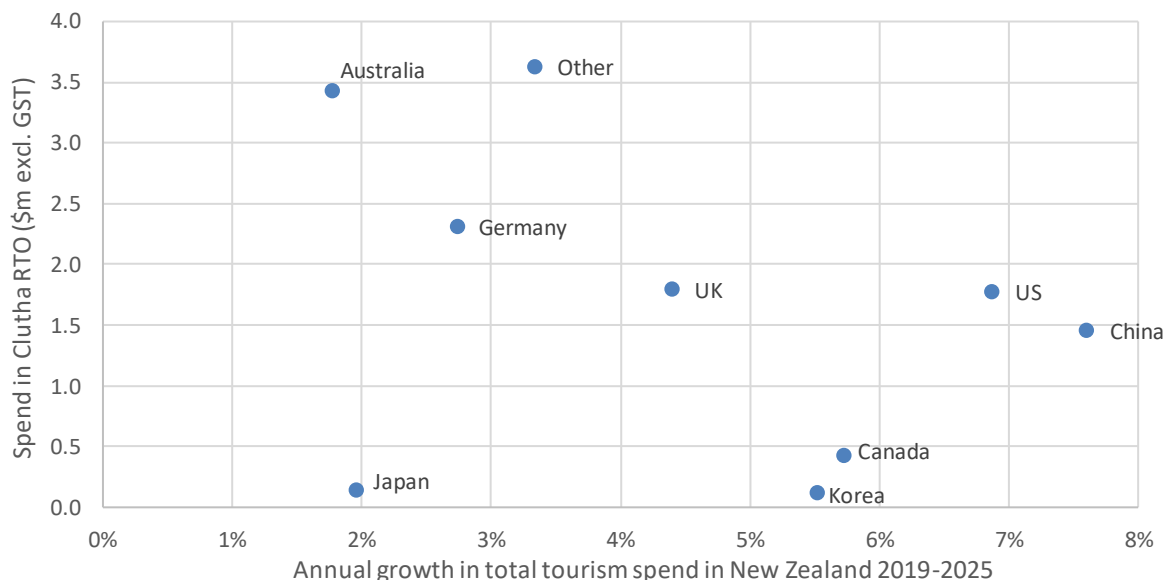
Source: Monthly Regional Tourism Estimates, MBIE



Spend in New Zealand by Australian visitors (Destination Clutha's largest international market) is expected to grow by 2% per annum over the next seven years, compared with 7.5% per annum for Chinese visitors. Destination Clutha currently has limited exposure to the fast-growing Chinese market and is therefore unlikely to fully capitalise on this growth without a material shift in traditional Chinese visitor flows.

FIGURE 8 CURRENT SPEND IN DESTINATION CLUTHA VS. EXPECTED ANNUAL GROWTH IN NZ-WIDE SPEND

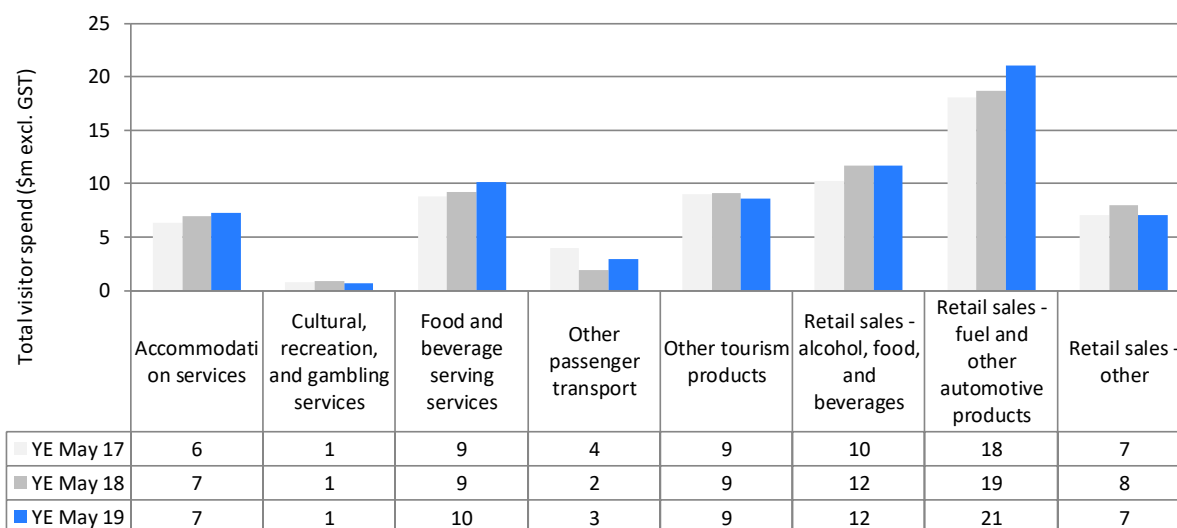
Source: Monthly Regional Tourism Estimates, International Tourism Forecasts; MBIE



The main businesses benefitting from direct tourism expenditure are retailers (\$40 million), food & beverage serving services (\$10 million), and accommodation services (\$7 million). Previous research shows that most of this money is quickly dispersed into the wider economy through business supply chains and wages & salaries paid to employees.

FIGURE 9 TOURISM SPEND IN DESTINATION CLUTHA BY PRODUCT (\$M EXCL. GST, YE JUNE)

Source: Monthly Regional Tourism Estimates, MBIE



AA Traveller Monitor

The AA Traveller Monitor (AATM) is a monthly monitor that provides information about domestic overnight travel in New Zealand. It is a joint venture between The New Zealand Automobile Association Incorporated (AA) and The Fresh Information Company (Fresh Info) and has been designed to help the New Zealand tourism industry understand and grow the valuable domestic travel market.

The AATM is based on detailed information provided by around 3,000 AA Members each month captured through a specially designed online survey and weighted to the adult (15+) population using census data provided by Statistics New Zealand. Standard AATM outputs include:

National

- Number of overnight trips
- Number of nights spent away from home
- Average nights spent away from home per trip

Regional

- Number of visits
- Number of visitor nights
- Net Promoter Score

Data for Destination Clutha

Domestic overnight visits to Destination Clutha are estimated at 168,000 in the year ending March 2019. Holiday was the main reason for 46% of these visits and visiting friends & relatives (VFR) a further 36%.

TABLE 1 DOMESTIC OVERNIGHT VISITS BY REASON FOR VISIT (YE MARCH 2019)

Source: AA Traveller, Fresh Info

	Destination Clutha	Share	New Zealand	Market Share
Holiday	78,000	46.4%	13,159,000	0.6%
VFR	61,000	36.3%	16,149,000	0.4%
Business	14,000	8.3%	3,805,000	0.4%
Other	15,000	8.9%	4,584,000	0.3%
Total	168,000	100.0%	37,697,000	0.4%

Domestic visitor nights in Destination Clutha are estimated at 337,000 in the year ending March 2019. People taking a holiday generated 44.5% of these nights and a further 40.7% were generated by people visiting friends & relatives.

TABLE 2 DOMESTIC VISITOR NIGHTS BY REASON FOR VISIT (YE MARCH 2019)

Source: AA Traveller, Fresh Info

	Destination Clutha	Share	New Zealand	Market share
Holiday	150,000	44.5%	28,451,000	0.5%
VFR	137,000	40.7%	35,717,000	0.4%
Business	28,000	8.3%	7,316,000	0.4%
Other	22,000	6.5%	8,228,000	0.3%
Total	337,000	100.0%	79,712,000	0.4%

The average number of nights spent in Destination Clutha by domestic overnight visitors was 2.01 in the year ending March 2019, compared with a national average of 2.11.

TABLE 3 AVERAGE STAY (NIGHTS) BY REASON FOR VISIT (YE MARCH 2019)

Source: AA Traveller, Fresh Info

	Destination Clutha	New Zealand (national average)	Relative to national average
Holiday	1.92	2.16	88.9%
VFR	2.25	2.21	101.5%
Business	2.00	1.92	104.0%
Other	1.47	1.79	81.7%
Total	2.01	2.11	94.9%

Around one third (34%) of all domestic visitor nights in Destination Clutha were spent in commercial accommodation (hotels, motels, backpackers, lodges, B&Bs and holiday parks). The commercial accommodation share was highest for business visitors at 57% of nights, and lowest for VFR visitors at 8% of nights.

TABLE 4 VISITOR NIGHTS BY ACCOMMODATION TYPE (YE MARCH 2019)

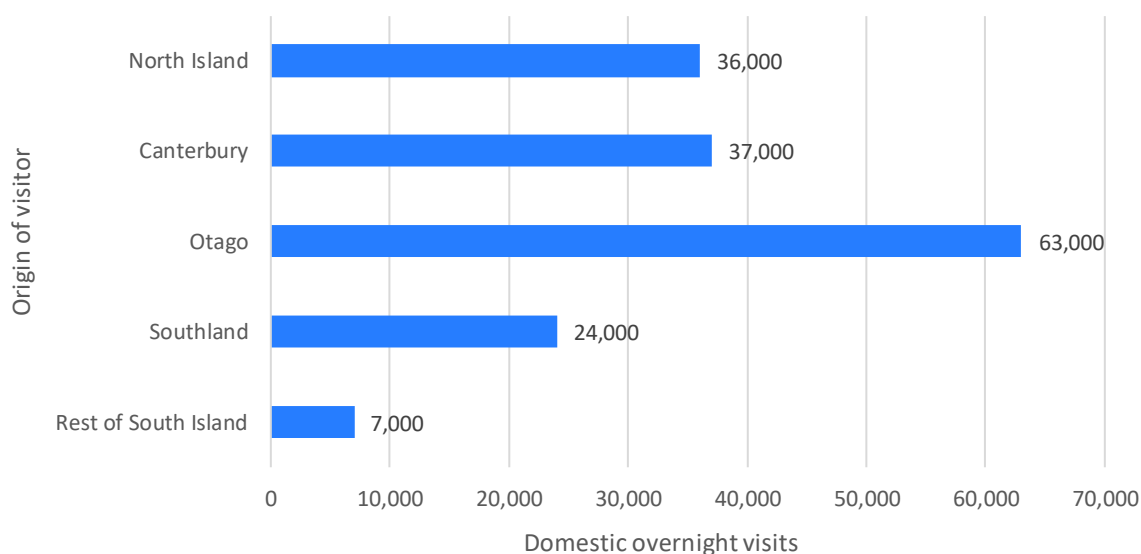
Source: AA Traveller, Fresh Info

	Commercial accommodation	Other accommodation	TOTAL	Commercial accommodation share
Holiday	76,000	74,000	150,000	51%
VFR	11,000	126,000	137,000	8%
Business	16,000	12,000	28,000	57%
Other	12,000	10,000	22,000	55%
Total	115,000	222,000	337,000	34%
Share	34%	66%	100%	

Otago is Destination Clutha's largest domestic overnight market, accounting for 63,000 overnight visits in the year ending March 2019. The Canterbury region was the second largest market at 37,000 visits.

FIGURE 10 DOMESTIC OVERNIGHT VISITS TO DESTINATION CLUTHA (YE MARCH 2019)

Source: AA Traveller, Fresh Info



Domestic visitor nights follow broadly the same pattern as overnight visits, with Otago residents generating the largest number at 121,000, following by Canterbury residents at 74,000.

FIGURE 11 DOMESTIC VISITOR NIGHTS IN DESTINATION CLUTHA (YE MARCH 2019)

Source: AA Traveller, Fresh Info

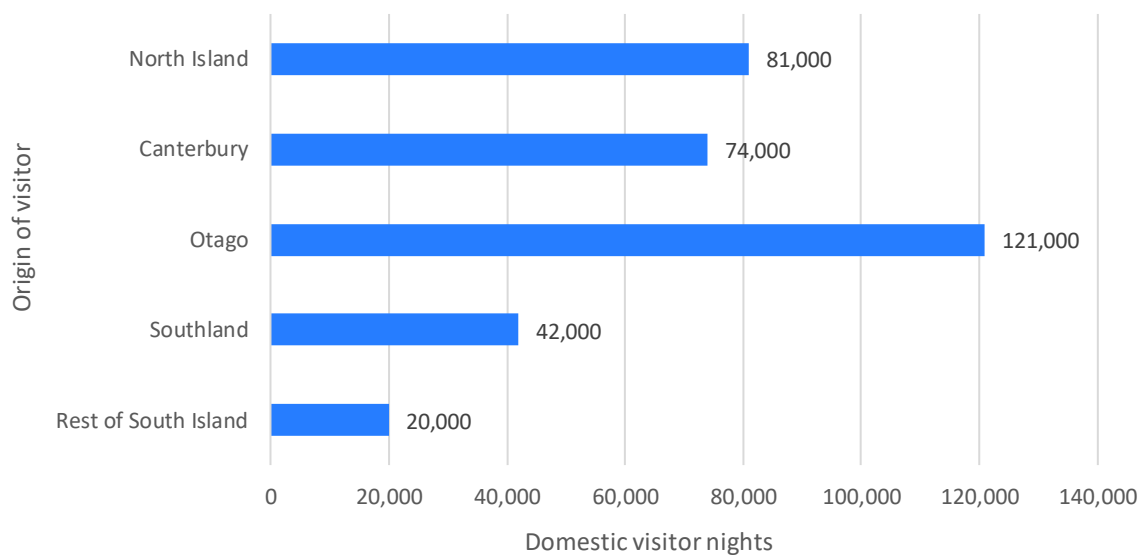
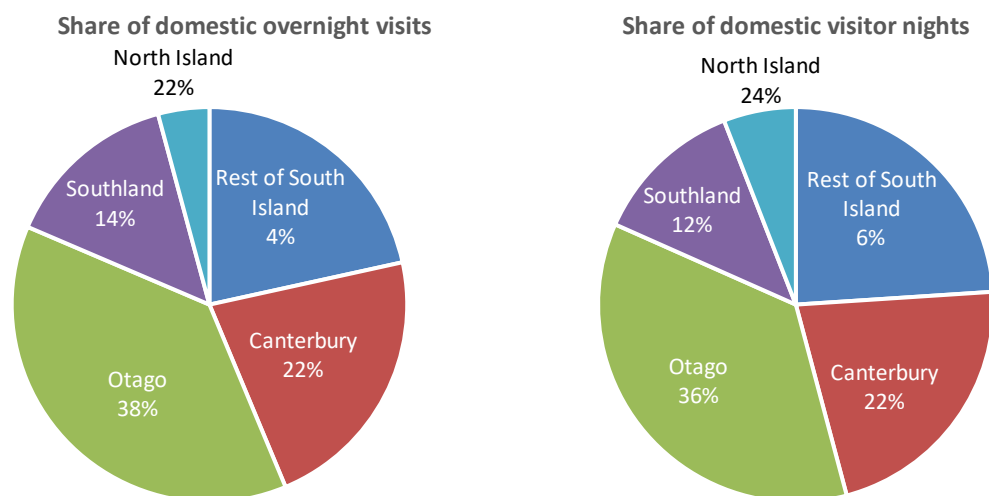


FIGURE 12 SHARE OF DOMESTIC OVERNIGHT VISITS AND VISITOR NIGHTS (YE MARCH 2019)

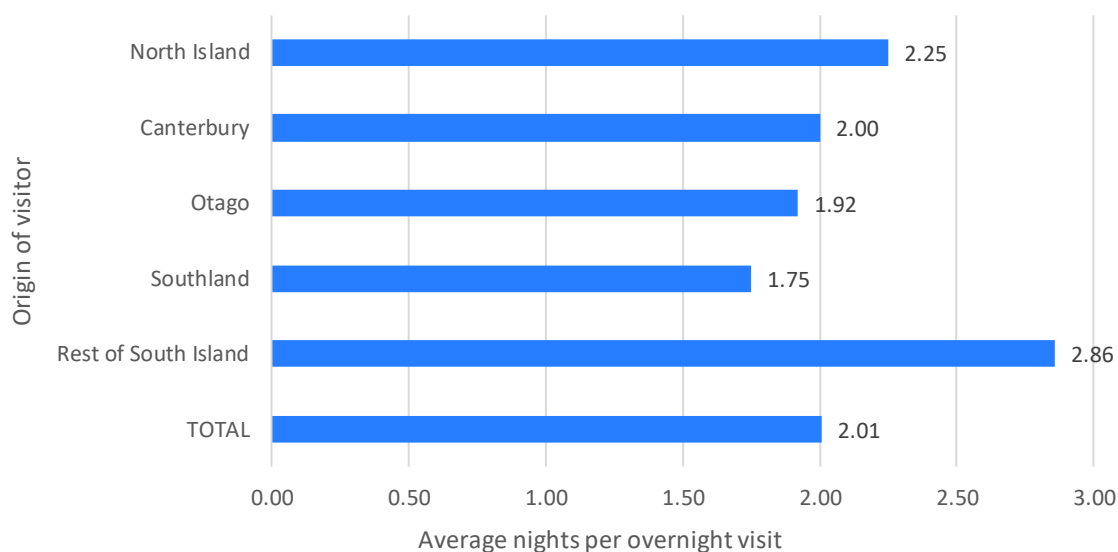
Source: AA Traveller, Fresh Info



Visitors from the upper South Island stayed the longest in Destination Clutha in the year ending March 2019, averaging 2.86 nights per domestic overnight visit. The average length of stay across all domestic overnight visitors was 2.01 nights.

FIGURE 13 AVERAGE STAY IN DESTINATION CLUTHA PER DOMESTIC OVERNIGHT VISIT (YE MARCH 2019)

Source: AA Traveller, Fresh Info



The Net Promoter Score (NPS)¹⁷ for Destination Clutha across all domestic overnight visitor segments was 12 in the year ending March 2019, compared with a national average of 28. The NPS increased to 38 within the holiday segment, compared with a national average of 48.

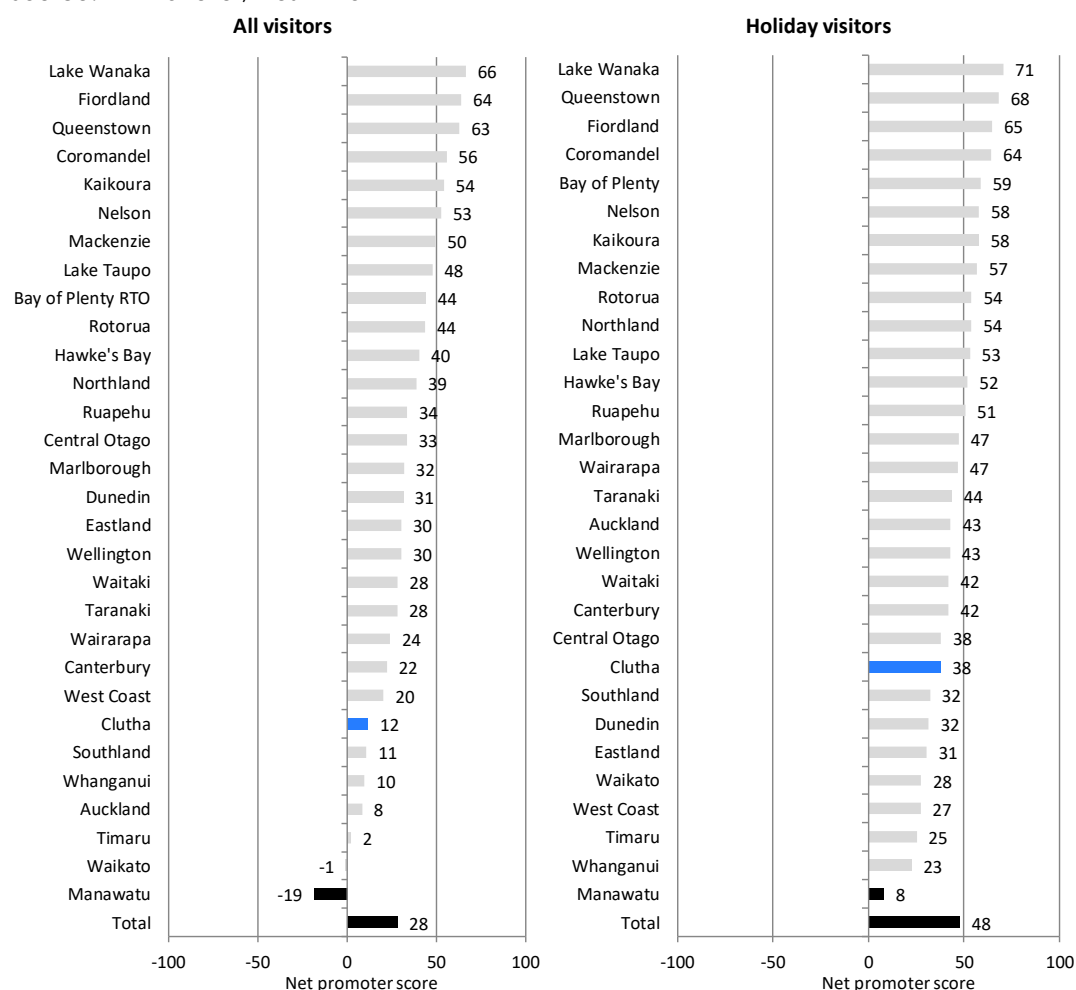
TABLE 5 NET PROMOTER SCORE (YE MARCH 2019)

Source: AA Traveller, Fresh Info

	Promoters (>8)	Neutrals (7 or 8)	Detractors (<7)	NPS
Holiday	57%	22%	21%	37
VFR	33%	24%	43%	-9
Business	23%	27%	50%	-27
Other	27%	38%	36%	-9
Total	44%	25%	32%	12

FIGURE 14 NET PROMOTER SCORE BY RTO (YE MARCH 2019)

Source: AA Traveller, Fresh Info



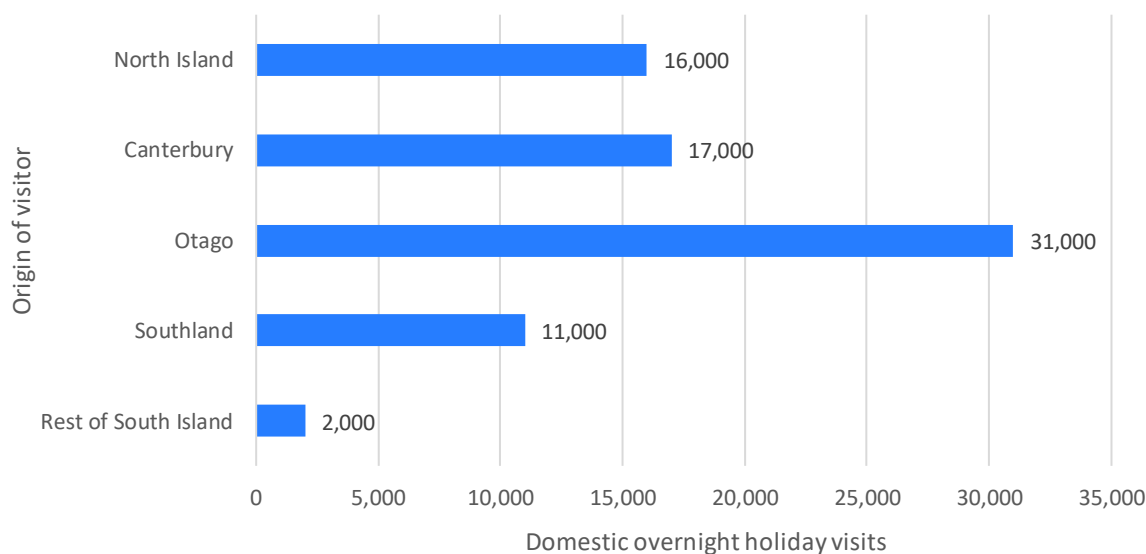
¹⁷ The NPS is calculated by asking AA Traveller respondents how likely they are to recommend the destinations they visited within Destination Clutha as places to visit. Those scoring 6 or less are classified as "Detractors", 7 or 8 as "Neutrals", and 9 or 10 as "Promoters". The NPS is then calculated by subtracting the percentage of visitors who are Detractors from the percentage who are Promoters.

Domestic overnight holiday market

Otago is Destination Clutha's largest domestic overnight holiday market, accounting for 31,000 overnight visits in the year ending March 2019. The Canterbury region was the second largest market at 17,000 visits.

FIGURE 15 DOMESTIC OVERNIGHT HOLIDAY VISITS TO DESTINATION CLUTHA (YE MARCH 2019)

Source: AA Traveller, Fresh Info



Domestic holiday visitor nights follow broadly the same pattern as overnight visits, with Otago residents generating the largest number at 62,000, following by Canterbury region residents at 33,000.

FIGURE 16 DOMESTIC HOLIDAY VISITOR NIGHTS IN DESTINATION CLUTHA (YE MARCH 2019)

Source: AA Traveller, Fresh Info

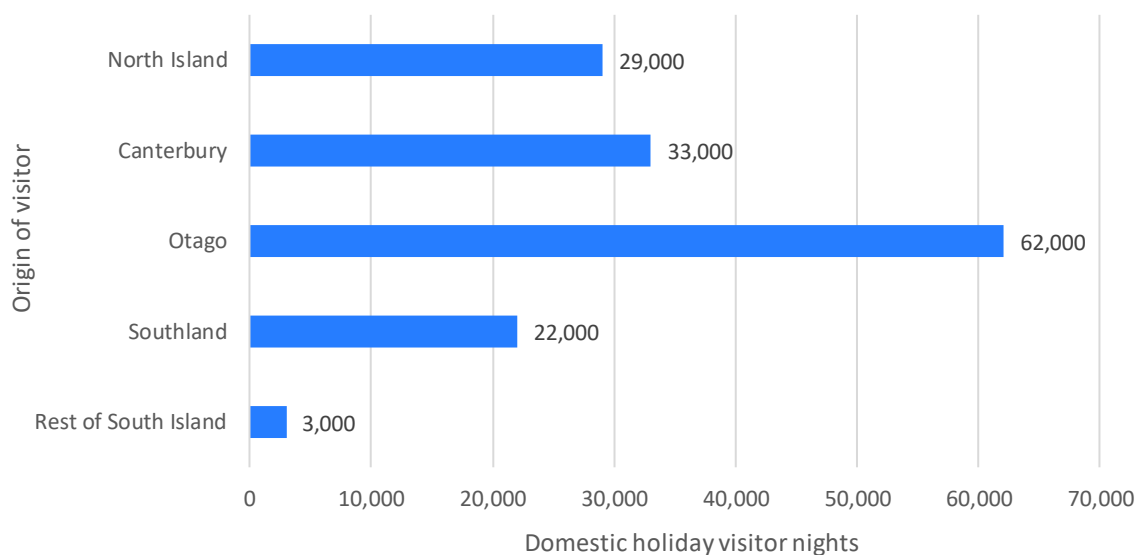
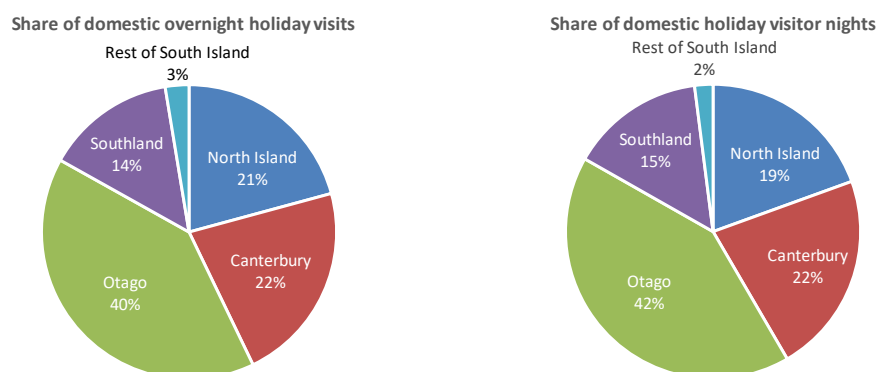


FIGURE 17 SHARE OF DOMESTIC OVERNIGHT HOLIDAY VISITS AND VISITOR NIGHTS (YE MARCH 2019)

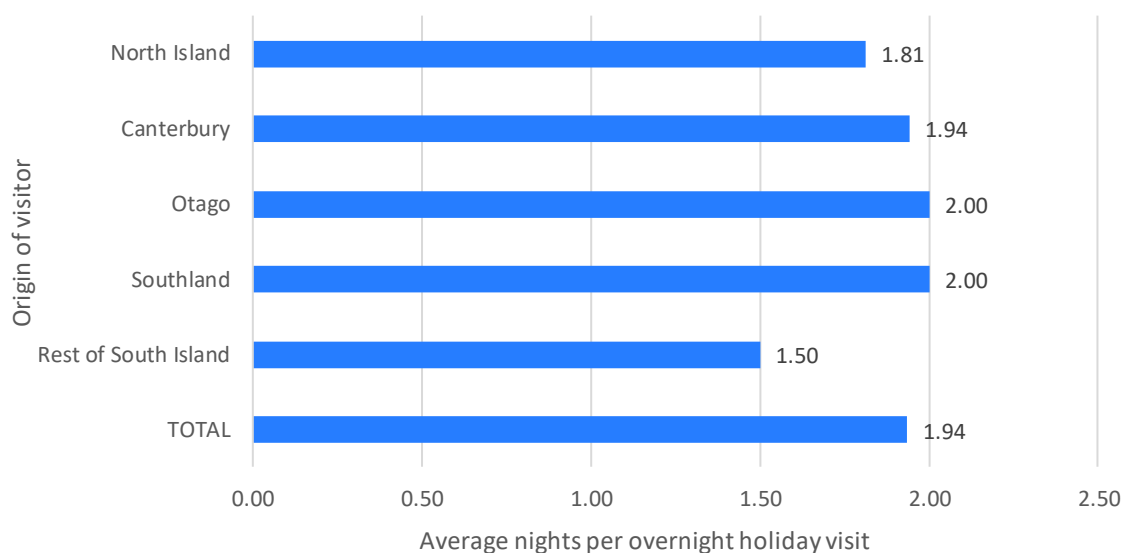
Source: AA Traveller, Fresh Info



Overnight holiday visitors from Otago and Southland stayed an average of 2 nights in Destination Clutha, compared with 1.94 for Canterbury residents, 1.81 for North Island residents and 1.50 for upper South Island residents. The average length of stay across all domestic overnight holiday visitors was 1.94 nights.

FIGURE 18 AVERAGE STAY IN DESTINATION CLUTHA PER DOMESTIC OVERNIGHT HOLIDAY VISIT (YE MARCH 2019)

Source: AA Traveller, Fresh Info



Commercial Accommodation Monitor

The purpose of the Commercial Accommodation Monitor (CAM) is to provide an authoritative set of information on the supply and demand for accommodation at both the national and regional level. The survey, managed by Statistics New Zealand, provides monthly data on capacity, occupancy rates, guest nights and origin of guests (domestic or international). Data are disaggregated (into component parts) by Regional Tourism Organisation (RTO) areas and by accommodation type.

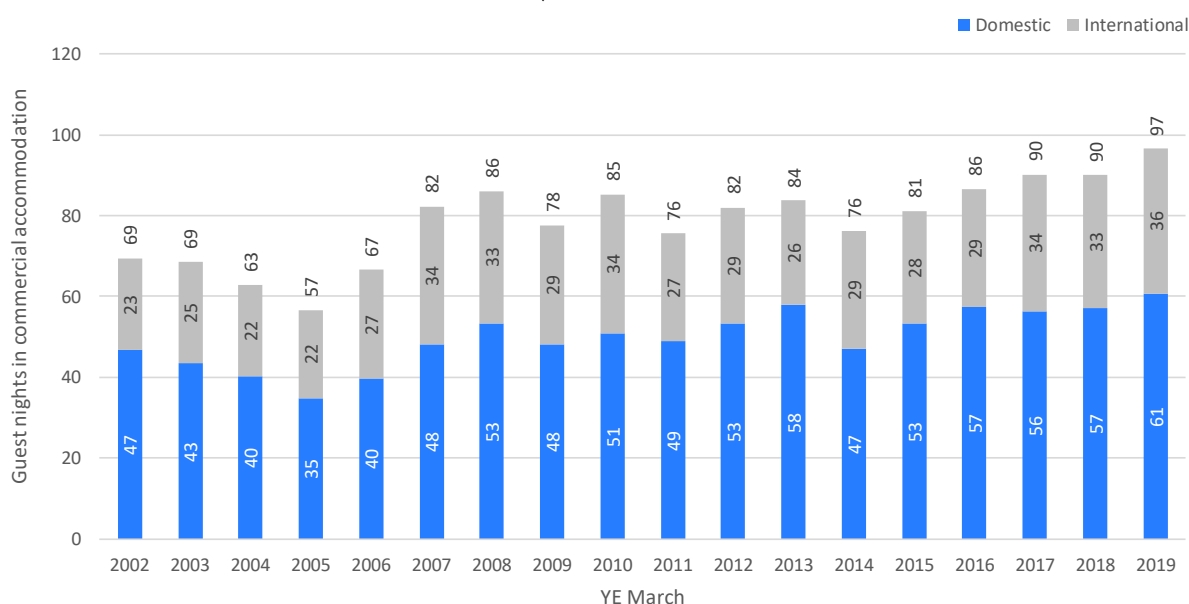
The survey is a census (i.e. not a sample) of all short-term commercial accommodation units that are GST registered and have a turnover of at least \$30,000 per annum. Short term accommodation is defined as less than one month. Respondent participation is compulsory as it is collected under the Statistics Act 1975.

Data for Destination Clutha

Guest nights spent in commercial accommodation in Destination Clutha have increased from 69,000 in the year ending June 2002 to 97,000 in the year ending March 2019. This represents a 39% increase over the past 16 years.

FIGURE 19 GUEST NIGHTS IN COMMERCIAL ACCOMMODATION (YE JUNE, THOUSANDS OF NIGHTS)

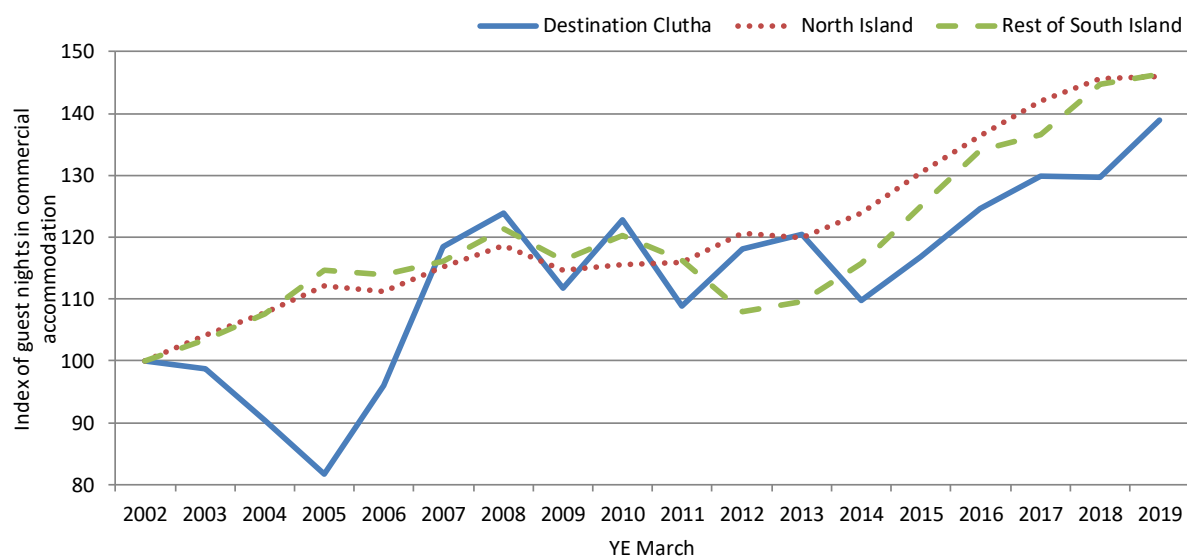
Source: Commercial Accommodation Monitor, Statistics NZ



Guest nights in commercial accommodation in Destination Clutha have grown slightly slower than guest nights in the rest of New Zealand since 2002.

FIGURE 20 INDEX OF GUEST NIGHTS IN COMMERCIAL ACCOMMODATION (YE JUNE, INDEX = 100 IN 2002)

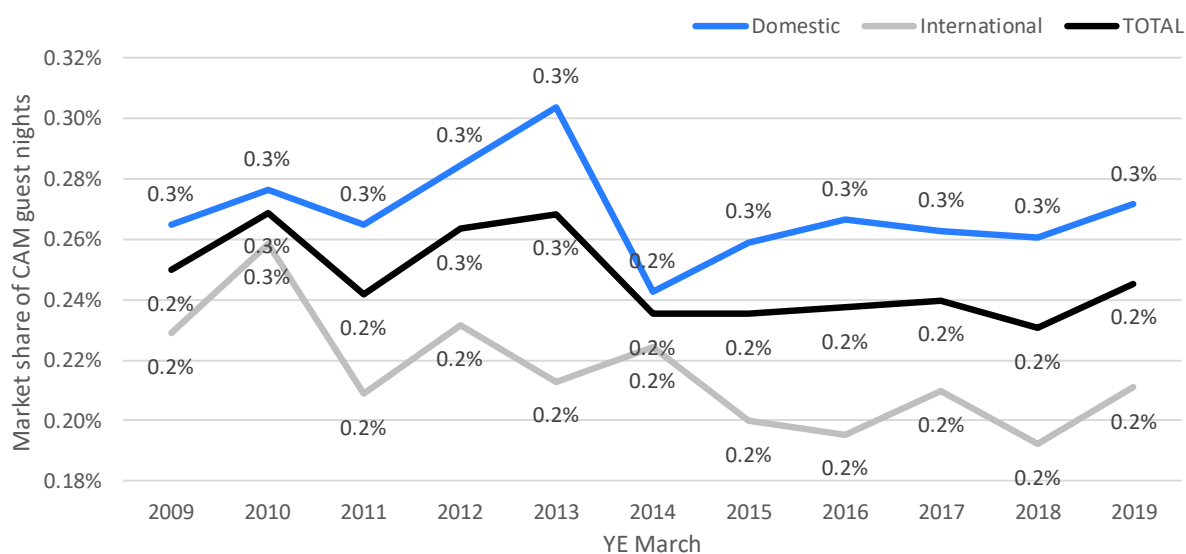
Source: Commercial Accommodation Monitor, Statistics NZ



Destination Clutha's market share of commercial guest nights has fallen slightly between 2009 and 2019 to its current level of around 0.24%. Within this broader trend international market share has declined while domestic market share has fluctuated around an average of about 0.27%.

FIGURE 21 MARKET SHARE OF NATIONAL CAM GUEST NIGHTS

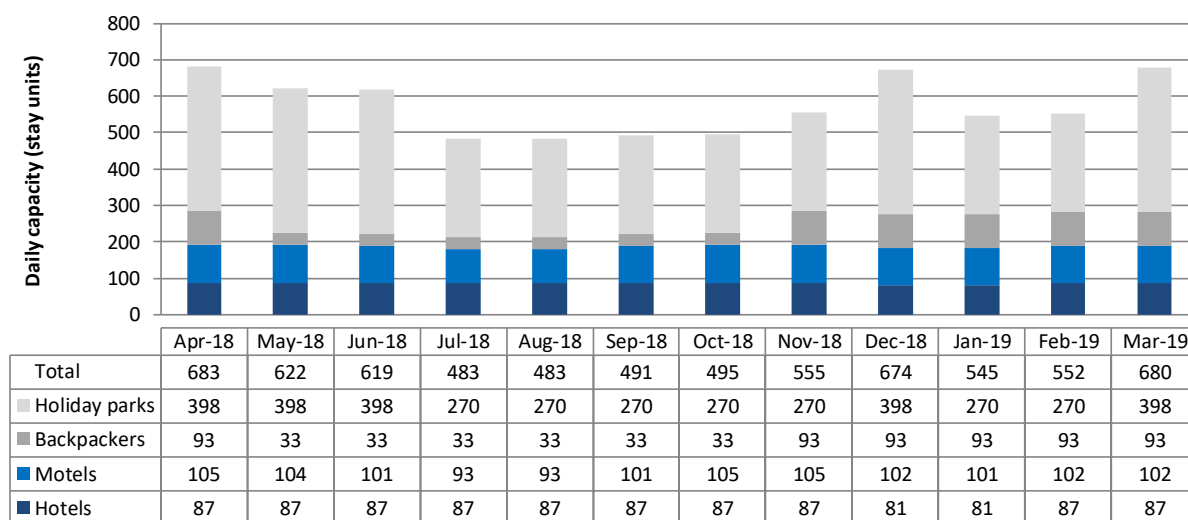
Source: Commercial Accommodation Monitor, Statistics NZ



Commercial accommodation capacity in Destination Clutha is currently 680 stay unit nights¹⁸ including 87 hotel rooms and 102 motel units. Holiday parks provide almost 56% of Destination Clutha's commercial accommodation capacity (398 stay unit nights).

FIGURE 22 COMMERCIAL ACCOMMODATION CAPACITY (STAY UNIT NIGHTS AVAILABLE PER DAY)

Source: Commercial Accommodation Monitor, Statistics NZ

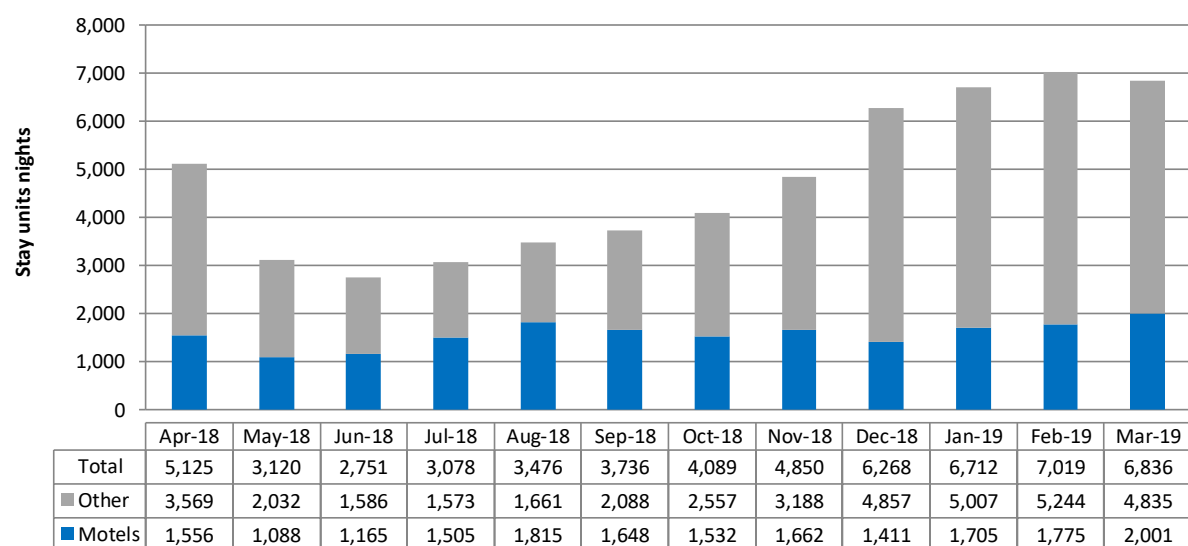


Note: Confidentiality constraints limit reporting of key accommodation statistics to 'motels' and 'other' forms of commercial accommodation (hotels, backpackers and holiday parks).

Commercial accommodation demand is highest in February (7,019 stay units in 2019) followed by March (6,836) and January (6,712).

FIGURE 23 DEMAND FOR COMMERCIAL ACCOMMODATION (STAY UNIT NIGHTS SOLD PER MONTH)

Source: Commercial Accommodation Monitor, Statistics NZ

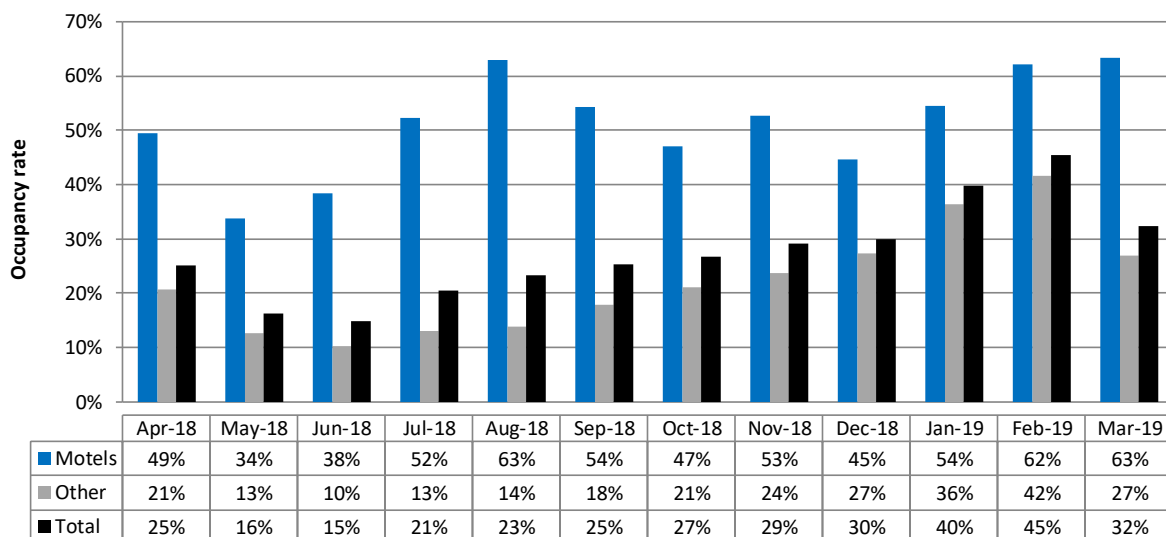


¹⁸ A stay unit is what the accommodation provider sells e.g. a hotel sells rooms and a motel sells units.

Motel occupancy rates peak in the summer months of February and March, with a similar rate observed in August due to reduced capacity. Other forms of commercial accommodation (dominated by holiday parks) are much busier during summer than winter.

FIGURE 24 COMMERCIAL ACCOMMODATION OCCUPANCY RATES

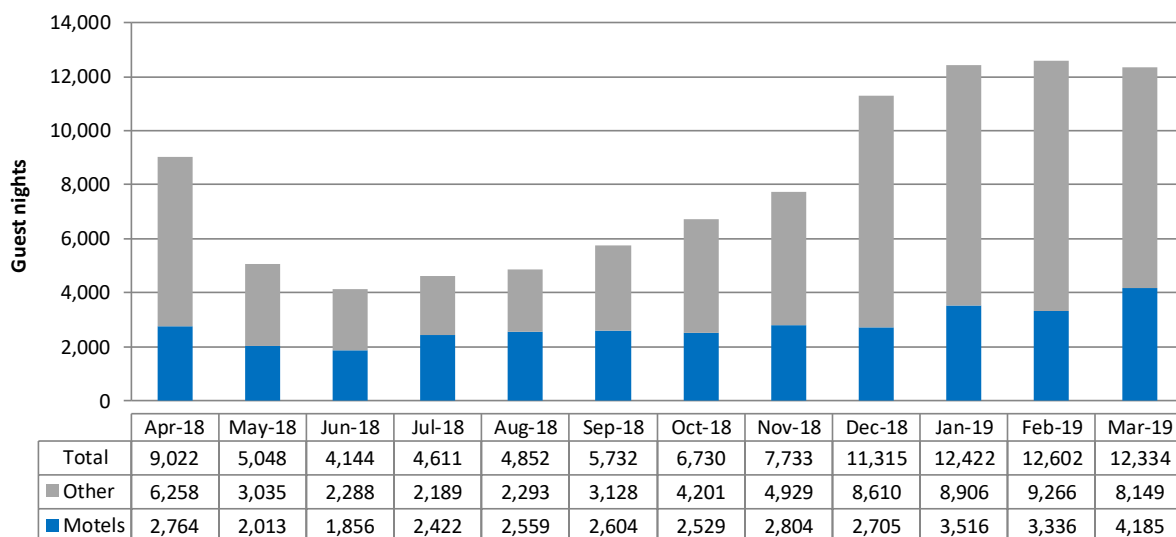
Source: Commercial Accommodation Monitor, Statistics NZ



Guest nights spent in commercial accommodation peak in February (12,422 in 2019), followed by January (12,422) and March (12,334). A guest night is one person staying one night (there is often more than one person staying in a stay unit, so guest nights are always higher than stay unit nights).

FIGURE 25 GUEST NIGHTS IN COMMERCIAL ACCOMMODATION

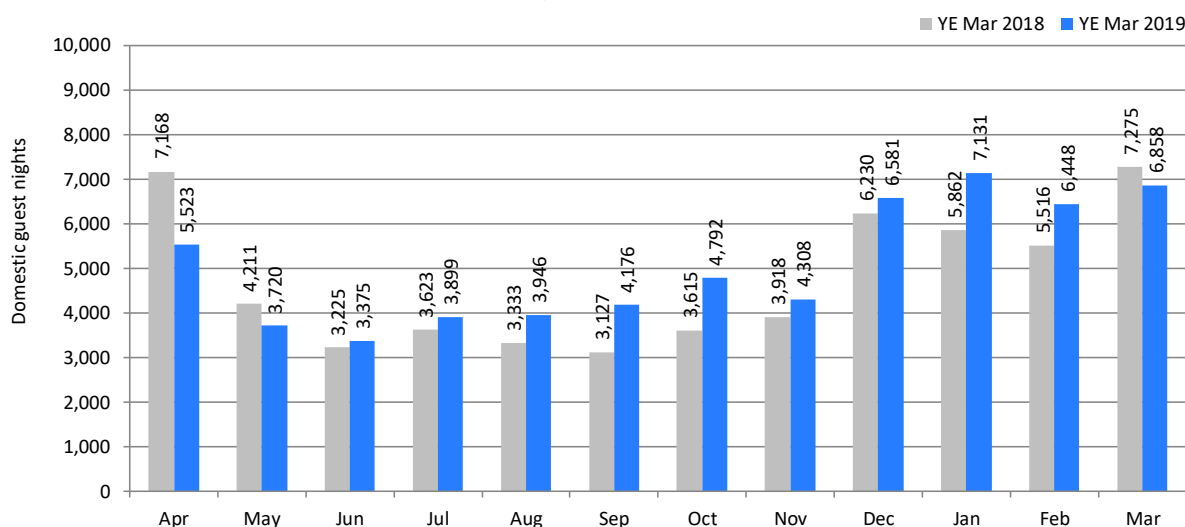
Source: Commercial Accommodation Monitor, Statistics NZ



Domestic guest nights spent in commercial accommodation peak in the summer months of December – March.

FIGURE 26 DOMESTIC GUEST NIGHTS IN COMMERCIAL ACCOMMODATION

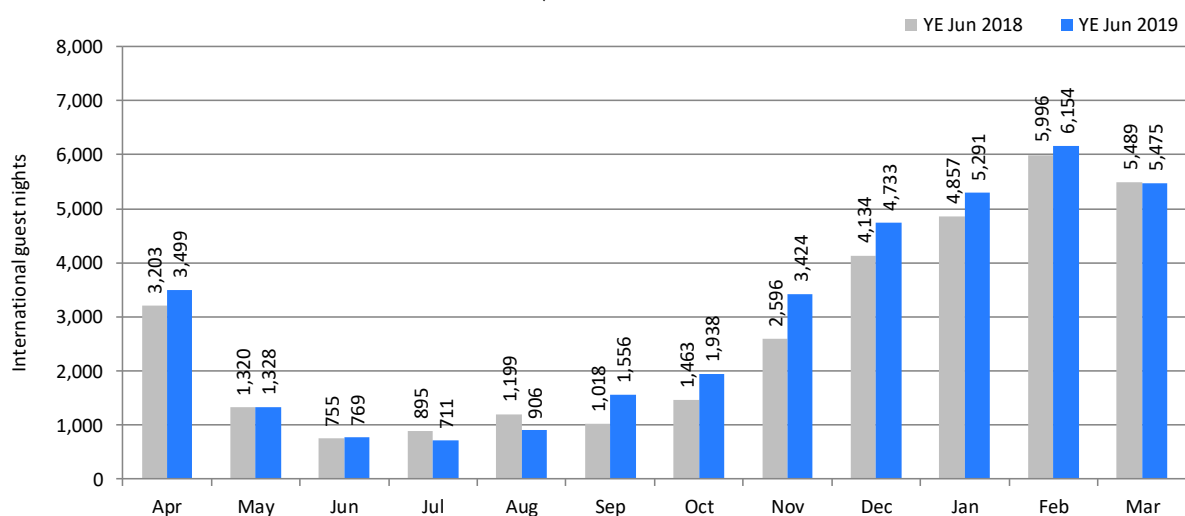
Source: Commercial Accommodation Monitor, Statistics NZ



International guest nights spent in commercial accommodation peak in February but remain elevated throughout the summer period of December - March.

FIGURE 27 INTERNATIONAL GUEST NIGHTS IN COMMERCIAL ACCOMMODATION

Source: Commercial Accommodation Monitor, Statistics NZ



Appendix 2 – Example Existing 3rd Party Profile Content

This popular independent **BackpackerGuide** site (which also has a large Facebook community) presents the way it sees Otago, including Curio Bay in Southland as it is part of the Catlins.

www.backpackerguide.nz/otago-guide-for-backpackers/

The NZ Backpackers site then talks about "Catlins and Clutha District"

www.backpackerguide.nz/mountain-biking-in-the-catlins-and-clutha-district/

Venture Southland Videos includes The Nuggets as it includes The Catlins in its promotions.

<https://www.youtube.com/watch?v=fZL76r3rT1c>

SouthProud

The SouthProud (Christchurch Airport initiative) includes a couple of Blogs on Lawrence and Papatowai.

www.southproud.co.nz/blog/south-island-new-zealand-small-town-south-lawrence/

www.southproud.co.nz/blog/papatowai-paradise-camping-in-the-catlins/

AA

AA 101 Must Do articles by Jo Percival

Nugget Point <https://www.aa.co.nz/travel/must-dos-this-summer/spot-penguins-seals-and-one-of-new-zealands-oldest-lighthouses-at-nugget-point/>

<https://www.aa.co.nz/travel/must-dos-this-summer/experience-the-natural-highlights-of-the-catlins/>

<https://www.aa.co.nz/travel/author/jo-percival/888119>

"From magnificent coastal cliffs and headlands to sandy beaches; temperate rainforests and plunging waterfalls, the Catlins is a wonderful example of wild, untouched New Zealand. "

Other Feature Articles on AA Traveller (July 2017)

<https://www.aa.co.nz/travel/editorial/clutha-a-land-of-giants/>

<https://www.aa.co.nz/travel/on-the-road/loved-by-the-locals-clutha/> by Bill Morris

'Brooding, with occasional moments of fury' probably best describes the stormy days here. But watching a black front coming in across the sea and feeling the sting of its rain – that is part of what makes this region so exciting and so visceral."

Kiwi Experience

Kiwi Experience, Southland Guide www.kiwiexperience.com/discover-new-zealand/nz-south-island-travel-guide#southland

"Between Dunedin and Invercargill lies the Catlins Coast, arguably the most spectacular terrain with seemingly endless rivers, waterfalls and coastal bays. The steep headland of Nugget Point will provide a feast of photo opportunities for wildlife lovers. From here you can spy out various species of penguins,

Hooker's sea lions, Elephant seals, fur seals, and even Hector's dolphins. Not to be missed are the 180 million year old fossilised forest at Curio Bay and the acoustics of the Cathedral Caves at Waipati Beach."