

New Zealand Arts, Cultural and Heritage Tourism Strategy to 2015

Draft 2.0
September 2008

Prepared for the Ministry for Culture and Heritage

by



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1 Executive Summary

This strategy has been produced to involve, inspire and enrich three groups of stakeholders:

- Providers of arts, cultural and heritage experiences.
- Tourism operators, organisations, agencies, intermediaries and information providers.
- Domestic and international visitors i.e. greater enjoyment of authentic and distinctive New Zealand experiences.

The definition of “arts, cultural and heritage” used throughout this strategy is deliberately broad. It includes Maori cultural experiences; performing arts; visual arts (e.g. galleries, artists' studios); museums, galleries and art in public places; historic and heritage sites; festivals; interaction with people and shopping for cultural souvenirs/gifts.

Visitor research showed arts, cultural and heritage tourism fails to appear “on the radar” for the majority of international and domestic visitors on holiday in New Zealand. Current tourism research shows that around one-third of all international visitors who travel to New Zealand on holiday are interested in learning about our culture. However, even this moderate level of interest is not shared by the same proportion of domestic travelers as they holiday around New Zealand. Less than 10% of domestic holiday makers demonstrate an interest in experiencing the local culture.

Research into New Zealand’s arts, cultural and heritage organisations also carried out as part of this strategy provided one potential reason for this low level of interest. It highlighted that 62% of New Zealand arts, cultural and heritage organisations had marketing budgets of less than \$20,000 per

annum. This low ability to generate awareness leads to a simple question: “how can visitors be interested in something they’re not even aware of?”

The importance of arts, cultural and heritage tourism was illustrated in this research. It showed that visitor satisfaction is significantly higher than average for those visitors who participated in an arts, cultural or heritage experience.

There appears to be an opportunity for visitors, arts, cultural and heritage sector stakeholders and tourism operators all to benefit from a greater depth of engagement and participation with each other. This potential “win : win” relationship is therefore embodied in our vision for arts, cultural and heritage tourism:

To enrich the New Zealand visitor experience through greater, and more highly valued, engagement with our arts, culture and heritage.

There are 42 recommendations in this strategy designed to achieve 5 key outcomes for arts, cultural and heritage tourism development between now and 2015:

- 1. Build tourism capability in arts, cultural and heritage organisations.**
- 2. Enhance cultural sector engagement with tourism.**
- 3. Enrich visitor experiences of New Zealand.**
- 4. Build advocacy (i.e. referral) in the domestic market.**
- 5. Protect our authenticity and regional differentiation.**

2 Introduction and Background

2.1 Introduction

This draft strategy has been prepared for the Ministry for Culture and Heritage by Quality Tourism Development Limited. Relevant research was completed between March and June 2008 and the draft strategy prepared between June and September 2008.

The Ministry for Culture and Heritage has an interest in ensuring the long-term sustainability of cultural organisations and businesses. To this end, it regards the tourism market as one that has the potential to offer cultural organisations and businesses a market and a source of income, which in many cases, is not being exploited to its fullest potential.

Cultural activities, experiences and products contribute significantly to the overall satisfaction of both international and domestic tourists in New Zealand. The Ministry for Culture and Heritage believes that cultural organisations and businesses could benefit greatly from a more strategic engagement with the tourism market and is interested in actively encouraging the development of strong and enduring relationships with the tourism sector.

The NZTS 2010 identified the cultural sector as one that could improve its performance in the tourism market. As a result, funding was allocated to

- undertake a research project into the Demand for Cultural Tourism (Prepared for Tourism New Zealand by Colmar Brunton 2003);
- develop and implement cultural tourism plans in five regions.

The research identified the range of cultural products domestic and international travellers engaged with; their level of satisfaction with those products; and how important those products were to their overall tourism experience. It also identified people's planning behaviour including the sources of information used when planning their travel; accommodation used; and impressions of NZ as a travel destination overall.

The cultural tourism plans (completed in Northland, Taranaki, Hawkes Bay, Wellington and Nelson) led to the development of new products, new regional approaches and new marketing activity in the recipient regions.

2.2 This Cultural Tourism Project

While the overall objective of the project is to deliver sustainable benefits to cultural businesses and organisations, the project also aims to develop a mutually beneficial relationship between the cultural and tourism sectors.

The successful implementation of the strategy will enhance the economic viability of cultural businesses and organisations through more effective engagement with the tourism market.

This project consists of three parts – two research projects and the development of this draft strategy and implementation plan for consultation with the cultural sector.

The research projects are later summarised in this plan – they include:

1. **Cultural Tourism Research Project Part One (completed by Angus & Associates)** - an update of the Demand for Cultural Tourism research (Colmar Brunton 2003). As much as possible of this research is to be updated from existing research material produced by the Ministry of Tourism (e.g. the International Visitor Survey, the Domestic Travel Survey and the Regional Visitor Monitor) and the Visitor Experience Survey produced by Tourism New Zealand.
2. **Cultural Tourism Research Project Part Two (completed by McDermott Miller)** - new research with a cross-section of cultural businesses and organisations to investigate their current attitudes to and engagement with the tourism market; to identify barriers to and opportunities for those businesses and organisations afforded by the tourism market.

2.3 Scope and Definition of Cultural Tourism

The focus of this research is on a subset of activities identified in the Demand for Cultural Tourism research i.e. those that collectively fall under the policy interests of the arts, culture and heritage portfolio:

- Maori cultural experiences;
- Performing arts (theatre, dance, music);
- Visual arts (e.g. galleries, artists' studios, exhibitions, markets);
- Museums, galleries and art in public places;
- Historic and heritage sites (natural and cultural);
- Festivals (film, writers' week, arts, Pasifika, comedy, fringe);
- Interaction with people and cultures; and

- Shopping for cultural souvenirs/gifts.

While Māori cultural experiences are included in the above definition of cultural tourism it is not expected that this strategy will cover Māori cultural tourism experiences as this work is being funded under the New Zealand Tourism Strategy (NZTS) 2015 and has also received support from the NZTS 2010.

2.4 Who Is This Strategy and Implementation Plan For?

This strategy is for any person or organisation with an interest in arts, cultural and heritage tourism in New Zealand. Arts, heritage, events and cultural entities wishing to pursue greater involvement with tourism will be the primary users of this strategy along with agencies at a regional and national level that provide support for the development of the cultural tourism sector through greater tourism engagement.

Other users of this strategy will include tourism stakeholders wishing to collaborate with those in the arts, cultural and heritage sectors in order to deliver more compelling, distinctive and valued experiences to visitors in a way that will enhance the quality of their local or regional experience. These tourism stakeholders are likely to include i-SITEs, promotions groups, regional tourism organisations, tourism information providers (guides, directories and websites), economic development agencies and training providers.

2.5 Links to the New Zealand Tourism Strategy 2015

The Strategy's vision is that **in 2015, tourism is valued as the leading contributor to a sustainable New Zealand economy.**

The strategy contains four key outcomes:

1. New Zealand delivers a world class visitor experience.
2. Tourism is prosperous and attracts ongoing investment.
3. Tourism takes a leading role in protecting and enhancing New Zealand's environment.
4. The tourism sector and communities work together for mutual benefit.

While the NZTS 2015 does not specifically identify cultural tourism as an area of focus, it does acknowledge the important role it plays in contributing to overall visitor satisfaction.

Cultural tourism does have the potential to deliver to a number of the strategy's objectives such as:

- offering high quality authentic and world-class visitor experiences
- developing products and experiences that meet the expectations of high-value visitors
- increased visitor spend and increased yield
- addressing issues of seasonality
- the promotion of local culture, heritage and character.

The key aspiration of the NZTS 2015 is for the New Zealand visitor experience to be world class and cultural tourism plays a significant part in delivering on this:

A WORLD-CLASS VISITOR EXPERIENCE

- offers outstanding customer service
- is deep, rich, authentic, and unique
- offers real consumer benefits
- allows customers to explore, experiment and get involved

- can be customised to meet specific visitor needs
- provides high-quality interpretation of environmental, cultural, and heritage stories
- is convenient and uses time efficiently
- is environmentally sustainable
- manages visitor expectations
- offers value for money
- is safe for visitors and their possessions

There are 92 specific actions contained in the NZTS 2015 of which 63 have direct or indirect relevance to cultural tourism. Please refer to Appendix 2 for a list of specific actions of the NZTS 2015 that are relevant to cultural tourism.

3 Key Issues and Opportunities for Cultural Tourism

3.1 Protecting and Enhancing Authenticity

New Zealand is already regarded as a highly authentic visitor destination¹. Our cultural tourism experiences around the country are contributing to this and will continue to be the cornerstone of a memorable experience for visitors.

We already have some strong and distinctive regional and local offerings in place. However there is need for greater collaboration at a local level to deliver even more in the way of regional diversity and offering additional authentic experiences to visitors. In doing this we must ensure that any standards of authenticity don't lead to experiences becoming more homogeneous.

3.2 Building Advocacy in the Domestic Market

The domestic market is a major source of visitors for most New Zealand regions. Domestic visitors also act as influential referrers for many international visitors – particularly those staying with them during their trip to New Zealand.

Domestic visitor participation levels in cultural activities are significantly lower than that of international visitors. If domestic visitors are not engaging with New Zealand cultural experiences they are less likely to promote it. However we are seeing growing support for things that are “distinctly New

Zealand” – from our art, music and events to jewellery design and fashion.

The cultural tourism sector must work to create more compelling reasons for domestic visitors to enjoy what the arts, cultural and heritage sectors have to offer. An ongoing nationwide campaign or education programme promoting cultural tourism may be required to update domestic visitor perceptions. The risk of not doing this is for New Zealanders to see their own country as a less exciting visitor destination than our international visitors do and as a result be less of an advocate.

Encouraging domestic visitors to take pride in getting to know their country better as a visitor destination (as they have increasingly embraced New Zealand fashion, art, music etc) will mean that more people can become passionate advocates for cultural tourism. New Zealanders need to be educated and inspired by the wealth of cultural tourism experiences available and how much things have changed in a tourism sense over the past decade or two.

3.3 Further Enriching Visitor Experiences

New Zealand offers a wealth of excellent cultural experiences. Many international visitors, once attracted to New Zealand by the promise of our stunning natural landscapes, are discovering (often by chance) the impressive depth and quality of cultural tourism experiences available here.

Recent research shows that international visitors who participate in a local arts, cultural or heritage experiences in a region actually leave more satisfied than a visitor who does not engage with a cultural tourism experience. It follows that

¹ Country Brand Index, FutureBrand (2007)

increasing visitor engagement with cultural tourism experiences will further increase satisfaction overall. This will require work with the suppliers of arts, cultural and heritage experiences to join with the tourism sector in order to create more “win: win” situations. And if we can generate more valuable experiences for visitors we must ensure that suppliers of these arts, heritage and cultural experiences receive improved returns for their efforts.

3.4 Cultural Sector Engagement with Tourism

Many museums, local tour guides, art galleries, performing arts venues events and historic places participate fully in tourism. They offer products ready to be featured in travel brochures and websites around the world and are proactive in their marketing to the travel trade. However there are many organisations in the cultural sector that have not yet realised their full potential to host and delight visitors in a way that will benefit their organisation. For many, the lack of partnerships with tourism operators, the lack of understanding of tourism marketing and the need to focus on making money just to survive mean valuable opportunities are lost.

The arts, cultural and heritage sectors can benefit more from greater engagement with tourism, and not just in financial terms. More partnerships, product development and co-operative marketing activities with the tourism sector will lead to improved experiences for visitors and better returns for cultural organisations.

Working together to leverage major events, particularly those outside the traditional peak visitor season, will also prove critical in delivering more value for visitors, the cultural sectors and the tourism sector alike.

3.5 Building Capability

Most arts, cultural and heritage tourism providers have very small marketing budgets (i.e. 62% of the cultural organisations surveyed in June 2008 had annual marketing budgets of less than \$20,000) so maximising the benefits of tourism will require the cultural sectors to be both willing and able to participate and add value as they provide more experiences to visitors. Tourism specific expertise, support and useful examples of successful collaborations will all play a part in enabling the cultural sector to make the most of any involvement in tourism. Arts, cultural and heritage organisations must meet and exceed the expectations of visitors to unlock their full tourism potential. So it is critical that these organisations know what it takes in order to deliver on the promise.

Improved and ongoing cultural tourism research is also required to provide the necessary insight into what visitors enjoy or would like to enjoy more when they visit New Zealand. Understanding the reasons for visitor satisfaction and opportunities to improve will ensure that we make the most of the opportunities presented by the arts, cultural and heritage sectors as they engage with tourism.

4 Vision for Cultural Tourism to 2015

4.1 Vision for Cultural Tourism

To enrich the New Zealand visitor experience through greater, and more highly valued, engagement with our arts, culture and heritage.

4.2 Our Values

- Authentically New Zealand
 - Manaakitanga
 - Friendly locals
 - Real / understated
 - Heart-felt connection
 - Sense of humour / hard case

- Inspirational
 - Distinctive / unique
 - Edginess
 - Imaginative

- Sustainable

- Memorable
 - Learning
 - Enduring

5 Building Tourism Capability in Arts, Cultural and Heritage Organisations

Many cultural tourism operators are small and under resourced in terms of human and financial resources. As a result of these constraints and the problems of tourism seasonality there are sometimes issues with consistency of service and even hours of operation.

It was apparent that, for the sector as a whole, the marketing orientation of many arts, cultural and heritage organisations could be enhanced - particularly given that 62% of the 188 organisations surveyed had a marketing budget of less than \$20,000 per annum.

While a majority of the organisations surveyed considered that they required neither help nor encouragement to engage effectively with the tourism sector, it follows that improved marketing capability and tourism collaboration will generate more development of mutually beneficial opportunities.

Finally, given the importance of cultural tourism to the overall visitor satisfaction levels of New Zealand as a visitor destination, new and ongoing research will be required to uncover valuable opportunities and highlight necessary areas of improvement.

What we need to do:

Appoint a National Cultural Tourism Development Manager / Champion preferably within an existing key organisation or perhaps as a stand-alone secretariat (similar to RTONZ and ITOC) to ensure that the actions within this strategy are successfully implemented.

1. Agree the best option for employing (full or part time) or contracting the services of a National Cultural Tourism Development Manager / Champion.
2. Appoint a manager or contract the services of an appropriately skilled person to manage the early implementation of this strategy.

Who: MCH, TNZ, TIANZ, RTONZ, Te Papa, HPT (Urgent)

Establish a five year programme of research into cultural tourism in order to better understand the opportunities and issues facing cultural tourism organisations.

3. Agree a cooperative market research programme to provide annual perspectives on visitor satisfaction levels, interest and participation levels, sources of information and improvement opportunities by cultural tourism activity e.g. understand more about what visitors need in terms of 'learning about local culture' or of 'historic buildings' etc. *This action links to Outcome 2 of the NZTS – Action 21.*

Who: TMT, TNZ, MCH and RTONZ (Urgent and ongoing)

Build a specific set of resources for arts, cultural and heritage tourism operators encouraging them to engage with the tourism sector and generate sustainable returns.

4. Develop Best Practice Case Studies for arts, culture and heritage attractions to encourage others to add value to their organisation by participating in the tourism sector. Potential subjects for case studies include:
 - Authentic personal story telling (real / fresh / individual / natural / integrity / personal)
 - Marketing collaborations
 - Strategy and planning
 - Product developments for tourism
 - Using local resources to tell the story – talent, art, food, wine, etc.
5. Develop an “expertise bank” for existing operations in the arts, cultural and heritage sectors that demonstrate the capacity to grow – particularly outside the traditional peak visitor season. Expertise may extend to: branding / marketing, interpretation, HR, product development, financial management, project management. Support would need to be flexible, responsive and be based around strict criteria (e.g. collaboration; distinctive experience, quality of offering, reinforcing local themes etc). *This action supports Outcome 2 of the NZTS 2015 Action 18.*

Who: Creative NZ, NZTE, Te Papa National Services (Urgent)

Work with New Zealand Major Events to identify and support the development of up to 3 ‘fledgling’ home grown events that operate outside the peak visitor season.

6. Identify event properties with the desire and capability to grow and offer specific support / resources to accelerate growth of up to 3 “home grown” events that have the potential to attract over 5,000 international or 10,000

domestic visitors between May and October each year. *This action links to NZTS Outcome 2 Action 18.*

Who: NZ Major Events, MCH, Te Papa, Creative NZ (Urgent)

Offer mentoring / training programmes for cultural tourism operations willing to invest in offering products that can be pre-booked and that include tourism trade commissions.

7. Investigate offering expertise relevant to arts, cultural and heritage tourism within existing mentoring and training programmes e.g. expanding eligibility of NZTE’s EDG or programmes like the MTFS as well as offering training programmes for non-profit / community organisations.

Who: NZTE, TPK, Te Papa, Creative NZ, HPT (Urgent)

Address variable service quality levels and inconsistent opening hours of smaller arts, cultural and heritage tourism operations as these may undermine overall regional satisfaction and potential visitation for other cultural tourism operators

8. Investigate the current hours of operation of arts, culture and heritage tourism operations participating in regional trails (e.g. arts, crafts, heritage etc) to ascertain whether there is a problem being created by not being open when visitors expect them to be.
9. Advocate for more regional / local arts, culture and heritage tourism marketing co-operatives as a cost effective way of providing visitors and operators with more value.

Who: Creative NZ, MCH, Regional Arts, Cultural and Heritage and Marketing Groups (Medium)

6 Enhancing Cultural Sector Engagement with Tourism

Following the release of the New Zealand Tourism Strategy 2010, the Ministry of Tourism allocated funding to develop and implement cultural tourism plans in five regions of the country (Northland, Taranaki, Hawke's Bay, Wellington and Nelson). So we have already seen the results of five regions that have embarked on a specific cultural tourism development programme. All of these regions benefited from the collaboration across the arts, cultural, heritage and tourism sectors due to the relationships that developed across these diverse sectors.

The research conducted by McDermott Miller this year highlighted that there were significant differences between different types of cultural organisations regarding the relative importance of the local, domestic and international visitor markets i.e. 91% of performing arts respondents cited the overwhelming importance of the local market while 50% of heritage organisations cited international tourists as their core market.

There would appear to be a relatively low level of overall tourism engagement across arts, cultural and heritage tourism organisations e.g. 55% of the 188 organisations who participated in the quantitative survey did not set themselves a specific annual visitor target.

While arts, cultural and heritage sector organisations stated that no new initiatives were required to help them to engage more with the tourism industry, there is a clear need to show these organisations new ways to market to domestic and

international tourists perhaps based on some form of collaboration with the tourism industry.

What we need to do:

Improve collaboration between the arts, cultural, heritage and tourism sectors at a regional and local level.

10. Provide an online “tourism contacts and resources kit” relevant to arts, cultural and heritage organisations so that these organisations have a much clearer idea of the structure of the tourism industry, possible solutions for product development and contacts of other organisations they could link with in tourism in their local area.
11. Provide sector specific programmes / workshops to encourage dialogue and engagement with tourism. This might include regional seminars or training workshops to educate arts, cultural and heritage tourism organisations on the opportunities available in tourism (e.g. using best practice examples – see section 5) and how to promote their experiences more effectively in domestic and international tourism channels.
12. Encourage more networking / communication locally (perhaps via RTOs / i-SITEs) to ensure the tourism, arts, cultural and heritage sectors are communicating effectively in looking for new opportunities.
13. Investigate opportunities for arts, cultural and heritage sector organisations to utilise their local databases to tourism operators or RTOs to incentivise local participation in combined cultural and tourism activities.

Who: MCH, TMT, TIANZ, TNZ, i-SITEs, RTOs (Urgent)

Improve sharing of information in order to generate more opportunities for the promotion / co-promotion of cultural tourism activities, attractions and events.

14. Encourage RTOs to include dedicated sections on arts, cultural and heritage tourism in their regional guides (i.e. not separate guides). This might extend to regions offering an up to date lists of “must dos”.
15. Align the categories used for arts, cultural and heritage tourism in key websites including those operated by the AA, Jasons, NZ Tourism Online TNZ and RTOs. Perhaps following TNZs current category list:
 - Arts & Crafts (Taonga)
 - Cultural Attraction
 - Galleries
 - Gardens
 - Heritage Attractions
 - Museums
 - Performing Arts
 - Wineries
 - Photography.
16. Review events databases offered to visitors in each region and highlight areas for improved information sharing, layout and access (for visitors). This may extend to an agreed nationwide protocol for updating, storing and sharing event related information.
17. Work with RTOs, TNZ and TIANZ to ensure visitors are offered comprehensive, balanced (i.e. a mix of large events and small community events relevant to visitors) and up to date event information on key websites.

Who: MCH, TNZ, TMT NZ Major Events, TIANZ, RTOs, i-SITEs, AA, Jasons, NZ Tourism Online (High)

Increase the quality (i.e. depth and timeliness) of events and other arts, cultural and heritage tourism information available to key referrers of visitor activities.

18. Investigate running an “event education programme” for i-SITEs, travel agents, wholesalers and inbound tour operators so that they are aware of the best / updated websites to source event information that might be of interest to their visitors.
19. Encourage regions to educate other key referrers of local arts, cultural and heritage experiences (e.g. hotel concierges) so that they can act as passionate referrers. This may extend to other accommodation establishments, taxis, retail, service stations etc being educated – particularly in smaller regions / towns.

Who: MCH, TMT Major Events TNZ, TIANZ, RTOs, i-SITEs (High)

Develop new products that see arts, cultural and heritage tourism experiences marketed co-operatively with other leading attractions and activities.

20. Encourage arts, cultural and heritage organisations to research local tourism attractions packages or top 10 tours etc and establish communications with a view to adding their visitor products / experiences these offerings.
21. Enhance existing mainstream “combo” products with cultural tourism offerings joining to broaden the offering e.g. extending regional scenic / attraction offerings to include cultural experiences that are then sold as part of formal tourism packages (e.g. could the Super Pass in Auckland or some of the adventure combos in Queenstown have a cultural component added as a core or optional part of the experience package?).

Who: RTOs, Tourism, Arts, Cultural and Heritage Operators (Medium)

7 Enriching Visitor Experiences of New Zealand

Research results from the Regional Visitor Monitor in the six key regions of Auckland, Rotorua, Wellington, Canterbury, Dunedin and Queenstown showed very strong evidence that visitor satisfaction of an overall region is enhanced when visitors participated in an arts / cultural / heritage experience during their stay in the region.

The Demand for Cultural Tourism Research report in 2003 also highlighted that many international visitors regard their experiences of Maori cultural products (i.e. cultural performance, music concert, marae visit, art exhibition and sites of importance to Maori history) to be superior to the indigenous overseas counterparts.

So it is clear that arts, cultural and heritage tourism activities are already enriching the experiences of our visitors. However relatively high levels of interest by international visitors in particular suggest that there are many opportunities for greater participation and therefore improved satisfaction.

The 2003 Demand for Cultural Tourism Research was also clear that there are a number of products whereby improvements will result in increases in visitors' overall holiday satisfaction. These products include:

- Marae visits
- Food and wine trails
- Exhibitions of other New Zealand history
- Local cuisine
- Sites that are important to Maori history
- Dance performances
- Historic buildings

- Shopping for souvenirs / gifts / purchases for educational purposes.

In addition to increasing visitor participation in cultural tourism activities there are many opportunities for new high value cultural tourism activities to be developed, either as stand alone products or infused with existing iconic tourism experiences, and offered to visitors.

Finally, we must strive to make our highly valued visitor experiences even more 'valued' by visitors and enhance them further in order to 'keep pace' with visitors' changing expectations.

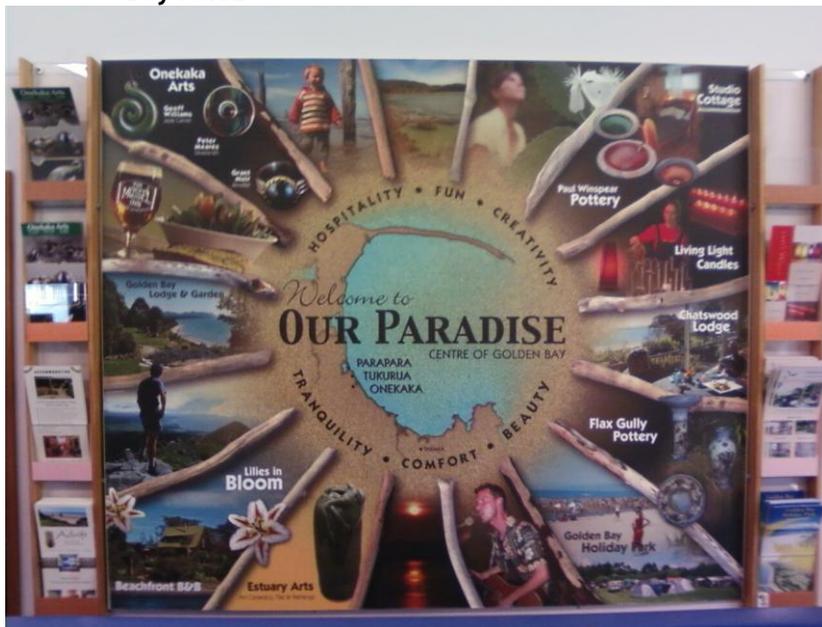
What we need to do:

Create a network of "Cultural Tourism Ambassadors" at i-SITEs and at other key attractions.

22. Review current tourism training programmes and investigate offering courses in how to become a "cultural tourism ambassador" for a region.
23. Encourage the development of special relationships with i-SITEs to promote more local arts, cultural and heritage tourism activities. This may extend to appointing a "Cultural Tourism Ambassador" in each centre and perhaps even creating a feature area in the i-SITE dedicated to local arts, cultural and heritage experiences and events (see example in Figure 10 – over page). *This action links to NZTS 2015 Outcome 4 Action15.*
24. Ensure cultural tourism activities are included as often as possible in training for those working in tourism e.g. investigate Kiwi Host extending their training programme to include a "cultural ambassador programme" for a local region.

Who: ATTO, i-SITEs, TIANZ, Education Providers, Kiwi Host (Urgent)

Figure 1: Co-promotion of Arts / Cultural Activities in Golden Bay i-SITE



Encourage further product development particularly in higher value and higher priced arts, cultural and heritage experiences that will appeal to the both the international and domestic visitor markets (e.g. more personally engaging or offering a greater sense of place / connection).

25. Review current product development programmes and resources offered by key agencies (such as Te Papa National Services, TIANZ etc) to determine the potential to expand or combine resources and offer them to a greater spectrum of arts, cultural and heritage tourism organisations.

26. Investigate establishing a development programme to create higher value arts, cultural and heritage experiences being offered by current cultural tourism icons e.g. museums, historic sites, etc offering higher value personalised experiences (i.e. \$100 tours not \$5 entry).
27. Encourage existing iconic tourism attractions / activities to develop authentic new arts, cultural or heritage products within or alongside their experiences e.g. as packages. This may be supported by the development programme in recommendation 26 above.
28. Release ongoing research about the higher satisfaction levels that result when visitors participate in cultural tourism experiences in a region. Use this research as a foundation for an ongoing communications programme to encourage members of the tourism industry (NZ regions and travel agents in particular) to request more cultural tourism experiences to be provided in their guides / itineraries etc.
29. Encourage development of “cultural hub and spoke” experiences where other smaller operators are able to be promoted by larger icons e.g. museums or i-SITEs becoming the meeting point for tours to smaller locations or more arts / heritage experiences being delivered within larger attractions.

Who: Te Papa, NZTE, TIANZ, RTONZ / RTOs, i-SITEs (Medium)

Build visitor awareness of the opportunities to enjoy a cultural tourism experience when planning their visit by improving information on the arts, cultural and heritage experiences available in the region / area they plan to visit.

30. Work with influential websites like www.aatravel.co.nz, www.jasons.com, www.tripadvisor.com, www.nzlive.com, www.rankers.co.nz include a top 10 list of arts, cultural and heritage tourism activities and in each region of New Zealand.

31. Investigate a new nationwide road signage system for cultural attractions / activities – perhaps aligned with the categories offered on www.newzealand.com i.e.: Arts & Crafts (Taonga), Cultural Attraction, Galleries, Gardens, Heritage Attractions, Museums, Performing Arts, Wineries, Photography.

(Refer to the new Australian road signage system for visitor attractions and Ontario, Canada for leading examples of integrated road signage systems.)

Who: AA, Jasons, TNZ, NZ Tourism Online, Transit, MCH (or new Cultural Tourism Development Manager), RTONZ and RTOs (Medium)

8 Building Advocacy in the Domestic Market

The Demand for Cultural Tourism Research completed by Colmar Brunton for Tourism New Zealand in 2003 highlighted that New Zealanders rated our arts, cultural and heritage offerings more negatively than international visitors did at a specific product level.

This research highlighted that in the eyes of domestic visitors, New Zealand fares most poorly in our offer of historic buildings, art galleries/exhibitions, arts and craft markets, and shopping for souvenirs/gifts/educational purposes. The research also posed the critical question:

“How can a potential international visitor gain a comprehensive and well-developed picture of New Zealand if our own people do not value our cultural tourism offer, and do not praise our products when explaining what an international traveller can do in our country?”

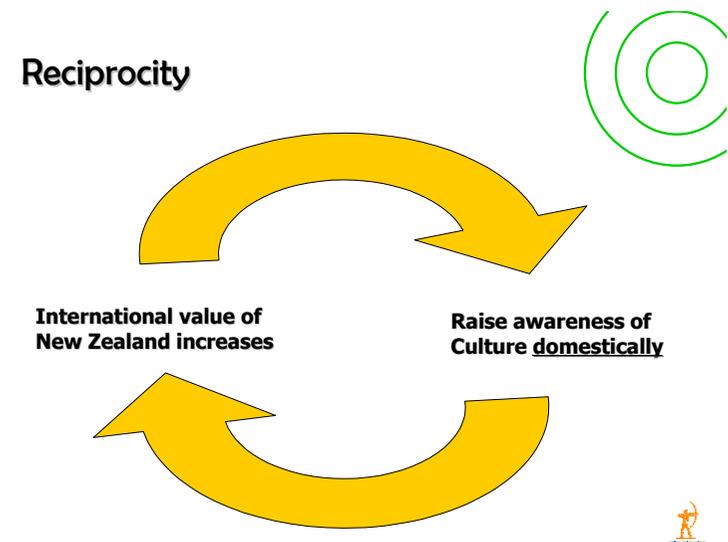
This issue becomes particularly important when considering that almost one in three international visitors travel to NZ to visit friends or family.

In order to increase domestic participation in arts, cultural and heritage tourism activities we need to challenge kiwi’s to get to know their own country better. Potential exists to turn this shortcoming into an opportunity to educate New Zealanders about the wealth of cultural tourism experiences now available and relevant to them and their visitors. There’s also an opportunity to use a major event such as the Rugby World Cup

to instill pride and provide Kiwis with new knowledge resulting in an improved ability to refer arts, cultural and heritage experiences to visitors. Major events such as the Rugby World Cup 2011 and potentially another Americas Cup provide a compelling reason for New Zealanders to ‘train themselves to be better hosts’ in terms of product knowledge and referral.

There is a link between international visitors’ enjoyment and domestic awareness and perceptions of cultural activities. Simply, if our cultural tourism products are spoken of positively by international visitors and media, then New Zealanders can develop a greater sense of pride and success in this area. This “reciprocity of influence” is important i.e. New Zealanders influence international perceptions and we are also influenced by perceptions provided by international visitors.

Figure 9: Interrelationship between Domestic Awareness and International Visitor Value of Cultural Tourism²



² Diagram from the Demand for Cultural Tourism Research completed by Colmar Brunton for Tourism New Zealand (2003)

What we need to do:

Improve New Zealander's own awareness of and interest in arts, cultural and heritage tourism activities.

32. Agree a domestic marketing strategy for arts, cultural and heritage tourism in the lead up to major events such as the RWC 2011. *Links exist to the NZTS 2015 (Outcome 1: Action 19) and may exist with AA Tourism and RTOs for a major cultural tourism campaign perhaps as part of a broader domestic campaign (so that the cultural tourism sector can engage with a wider visitor audience). This may even include the potential to run specific cultural / arts / heritage versions of the 101 campaign operated by the AA.*
33. Carefully manage a communications strategy for domestic visitors designed to stimulate thinking and discussion on what they are missing out on e.g. release market research showing the low uptake by domestic visitors and challenge them about what they are missing compared to international visitors. Use international visitor / media comments, TNZ (and other major) "What's On" advertising campaigns in Australia and perhaps even kiwi icons such as Dame Kiri Te Kanawa, Neil Finn and Flight of the Conchords to reinforce the fact that NZ does have a lot of new and interesting arts, cultural and heritage experiences to offer locals and visitors alike.
34. Establish a formal cultural tourism entity / group to oversee any national tourism marketing activities - preferably within an established agency / organisation or perhaps alongside RTONZ or the NZMTC. This entity would manage a new national set of cultural tourism communications designed to build domestic market awareness and participation in arts, cultural and heritage experiences.

Who: MCH, RTONZ, NZMTC, Air New Zealand, AA Tourism (Urgent and ongoing)

Investigate rewarding New Zealanders for their local knowledge, support of cultural tourism activities and their hospitality.

35. Work with leading cultural tourism operators to incentivise the right behaviour of domestic visitors getting to know their country better i.e. use a prize to challenge New Zealanders to discover / rediscover arts, cultural and heritage tourism attractions / activities. This might be able to be achieved in conjunction with organisations like the NZ Lotteries Commission or campaigns such as AA Tourism 101 Must Do's.
36. Reward 'random acts of kindness' or 'extreme hospitality' offered to visitors perhaps in the form of a new special award for Kiwis going to amazing lengths. This may be able to be incorporated into the NZ Tourism Awards.

Who: RTONZ, TIANZ, MCH, TNZ (Medium)

Develop new options for the NZ education system to include arts, cultural and heritage tourism in their programmes in order to build awareness levels of younger New Zealanders e.g. within the curriculum at high school.

37. Expand the information on relevant local cultural tourism activities used by schools to include the options available and the benefits they bring to the region e.g. business and employment, social and cultural wellbeing etc.
38. Investigate operating a "cultural tourism challenge" in high schools to reward students for their knowledge of local cultural tourism operations and leading examples around New Zealand.

Who: ATTO, RTONZ, RTOs, i-SITEs, Local arts, cultural and heritage organisations (Medium)

9 Protecting Our Authenticity and Regional Differentiation

The Country Brand Index produced by FutureBrand in 2007 showed New Zealand had moved up from second to first place in its ranking for authenticity. Their comment was:

“New Zealand is careful about preserving the true essence of the country – the unique lifestyle and environment that make it the most authentic travel experience.”

Authenticity rankings from this report were:

1. New Zealand (up from 2nd)
2. China
3. South Africa (up from 4th)
4. Japan
5. Thailand (5)
6. Egypt (down from 3rd)
7. Kenya
8. India (down from 1st)
9. Peru (9)
10. Morocco (10)

Tourism New Zealand's “Welcome to the youngest country on Earth” campaign may have won additional favour with the judges in the above report as the authenticity they mention includes both the New Zealand environment and lifestyle.

What we need to do:

Enhance regional brands and themes by aligning, where desirable, cultural sector experiences with these themes.

39. Ensure cultural tourism organisations and event organisers in each region are aware of regional / district brands and associated key brand themes or pillars so that they can leverage and enhance the regional identity within their own experiences.

Who: RTONZ, RTOs, MRTOs (Urgent and ongoing)

Enable arts, cultural and heritage experiences to add value to their experiences and generate improved financial returns through more authentic delivery and greater product differentiation.

40. Conduct research into visitor satisfaction levels as they relate to authentic delivery of arts, cultural and heritage experiences in order to improve the quality of front line staff training, technology and business processes and interpretation resources.

41. Distribute research results to key agencies able to advocate for change if required e.g. TIANZ for advocacy, ATTTO for training, Department of Immigration for working visas, etc.

Who: TNZ, MCH, TIANZ, ATTTO (Ongoing)

Ensure tourism quality standards are relevant for the cultural sector and that they recognise the need for innovative approaches to creating and delivering distinctive cultural tourism experiences

42. Provide input into the development of quality standards to ensure there are no negative impacts of any standards on authenticity, regional differentiation and “New Zealandness” i.e. we do not risk reducing authentic delivery by applying strict national standards that may homogenise.

Who: Qualmark, MCH (Ongoing)

Appendix 1: Summary of Tourism in New Zealand

Visitor Expenditure

Tourism contributed approximately \$20.0 billion to the New Zealand economy in the year ended March 2007³. This represents an increase in tourism spend in New Zealand of 4.7 percent (\$896 million) in the year to March 2007 compared to the previous year.

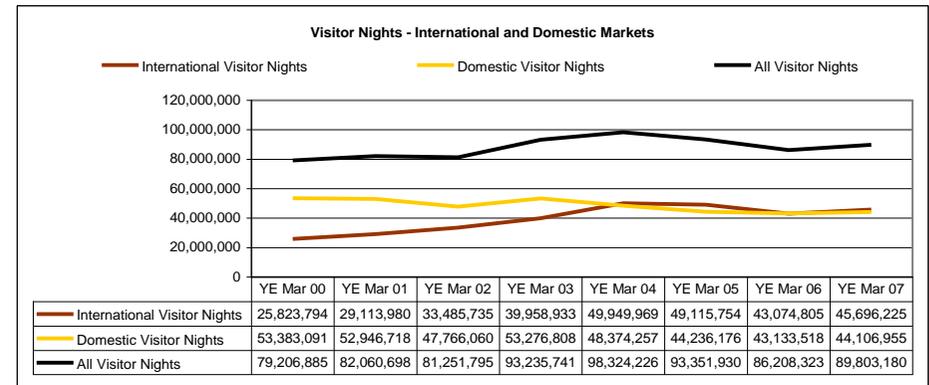
International tourism expenditure accounted for \$8.8 billion, or 18.3 percent of New Zealand's exports, compared with \$8.4 billion the previous year. Domestic tourism contributed \$11.2 billion to the New Zealand economy so it remains our major source of tourism expenditure although international visitor expenditure is expected to surpass domestic spend by 2011.

Visitor Nights

Since 2003, domestic visitor nights have declined and international visitors now account for more than half of all visitor nights. The decline in international visitor nights recorded between 2004 and 2006 resulted from a decline in average length of stay, rather than a reduction in visitors arriving in New Zealand. Average length of stay over this period reduced from 25 nights in 2004 to 20 nights in 2006, before increasing again in the year ended March 2007 (21 nights).

Figure 1: INTERNATIONAL AND DOMESTIC VISITOR NIGHTS

(Sources: International Visitor Survey and Domestic Travel Survey, Ministry of Tourism)



Reason for Travel

International Visitor Survey results suggest a growing proportion of visitors are travelling to New Zealand to visit friends or relatives, with slightly fewer travelling here on holiday. Almost one in three international visitors travelled to New Zealand to visit friends or family in the year to March 2007. It follows that New Zealand residents are in a position to directly influence the activities undertaken by almost 30% of international visitors at least for part of their stay.

New Zealanders Travelling Overseas

Outbound travel by New Zealand residents increased by more than 50%, from 1.282 million outbound trips in 2000 to 1.978 million trips in 2007.⁴ It is generally agreed within the tourism industry that this growth has been fuelled by a strong New Zealand dollar, intensifying competition on trans-Tasman and other international airline routes, and aggressive promotion of holiday packages in a variety of offshore destinations.

³ Tourism Satellite Account: 2007, Statistics New Zealand

⁴ New Zealand Resident Departures, Statistics New Zealand, Year Ending December 2007

Appendix 2: Summary of Demand for Cultural Tourism **Update: June 2008 (Research by Angus & Associates)**

Cultural Tourism Appeals to More International Visitors

Analysis of the Regional Visitor Monitor (which operates in six key tourism regions including Auckland, Rotorua, Wellington, Canterbury, Dunedin and Queenstown) suggests that cultural experiences are a factor in the travel decision-making of at least one-third of international visitors, but fewer than 10% of domestic visitors. The Regional Visitor Monitor (RVM) asks *holiday* visitors which, of a variety of factors, were important in their decision to visit the region in which they were interviewed (rather than somewhere else). Amongst the range of factors measured are two important indicators of interest in arts/cultural/heritage experiences: “to learn about other cultures” and “to experience the local culture”.

Interest in cultural experiences amongst international holiday visitors has remained relatively constant over the last two years (please refer to Figure 2 over page); i.e. around one-third of all international visitors to the six regions. While ‘culture’ as a motivator is less significant than other factors – such as “seeing a natural or other attraction”, “having fun and socializing” and “experiencing a must-see destination” – it remains considerably more influential than a range of other factors measured in the RVM.

One of the shortcomings of current tourism research is that ‘interest’ in arts/cultural/heritage experiences is not measured at a national level in either the International Visitor Survey or Domestic Travel Survey.

In the international market segment, demand for cultural experiences is generally strongest amongst women, older visitors (45 years or more) and those originating from North America and Germany.

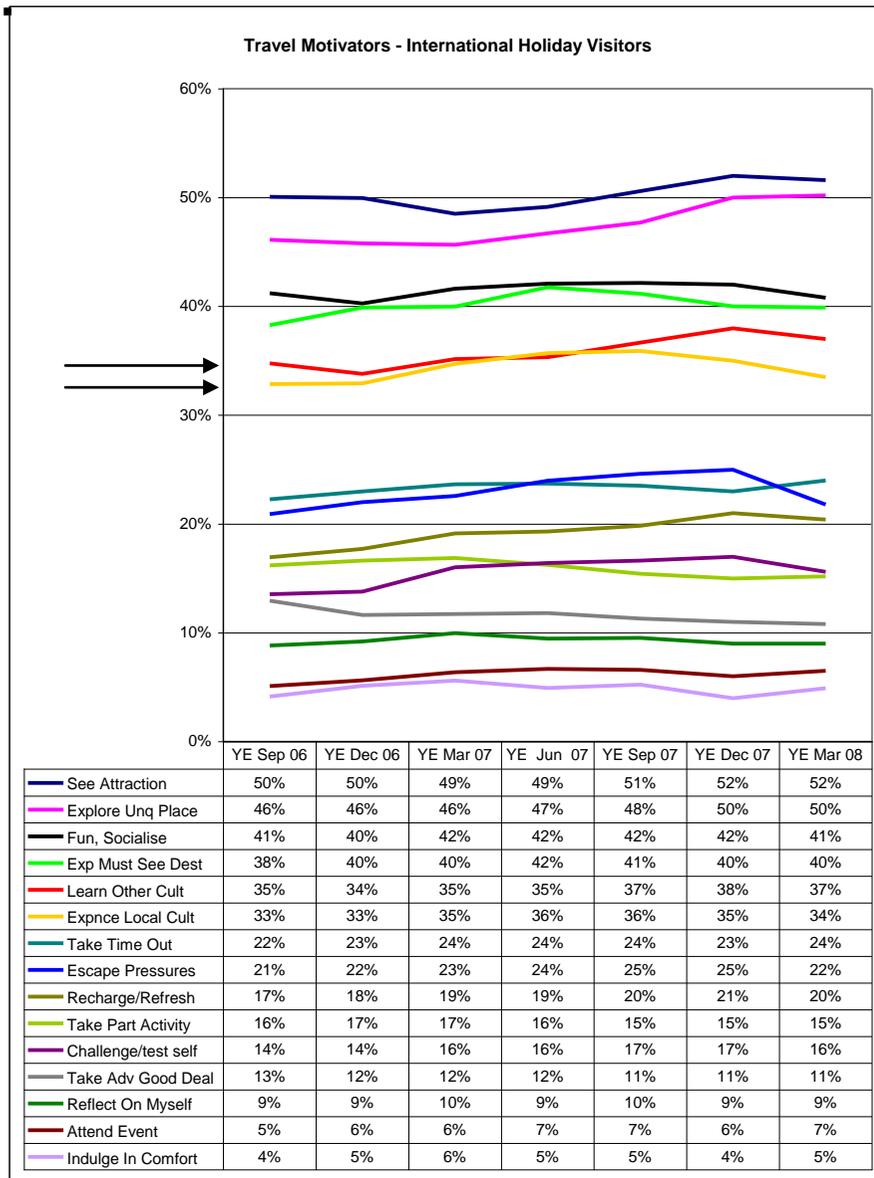
Visitors most strongly motivated by the desire to learn about other cultures are older (aged 45 years or more); women; visitors from North America (USA/ Canada), Germany, Taiwan and Singapore; and those visiting Auckland, Wellington and/or Rotorua.

This is generally consistent with the findings of the Demand for Cultural Tourism Research completed in 2003, although the results recorded for visitors from Taiwan and Singapore may signal greater interest developing in key Asian markets.

The desire to experience local culture appears to motivate men and women equally and is consistent, regardless of age. However, visitors from North America and Germany are again most likely to say that experiencing local culture was a factor in their decision-making, together with those from Singapore.

Figure 2: TRAVEL MOTIVATORS, INTERNATIONAL HOLIDAY VISITORS

(Source: Regional Visitor Monitor, Ministry of Tourism and Regional Tourism Organisations)



The International Visitor Survey (IVS) tracks international visitor participation in a range of arts/cultural/heritage experiences.

Results for the last seven years (see Figure 3 over page) point to increasing levels of participation in a variety of arts / cultural / heritage experiences: most notably, eating out/visiting restaurants and visits to museums, marae, botanical/private gardens, historic sites, art galleries and major art/cultural events.

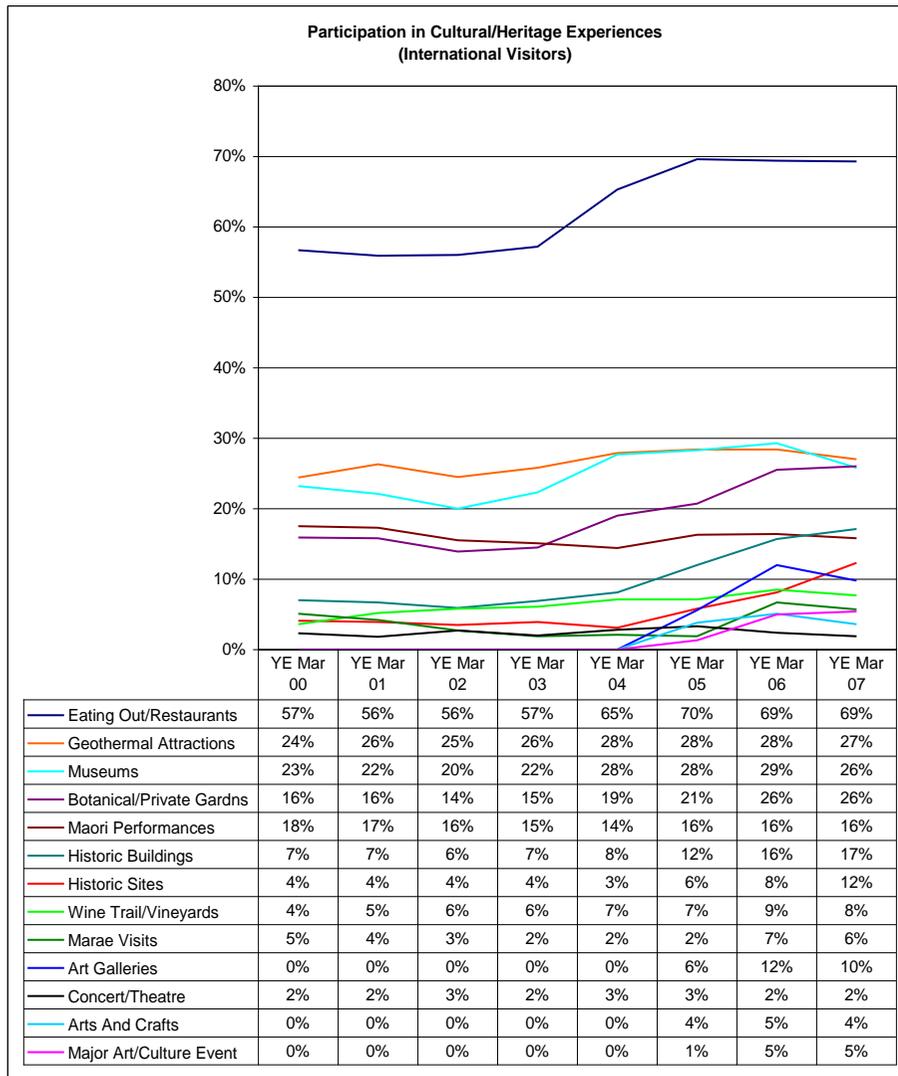
In the international market segment, and reflecting demand, participation in arts/cultural/heritage experiences is generally highest amongst women, those in older age groups (especially 55 years or more) and those originating from North America, Germany and the United Kingdom. However, visitors from key Asian markets demonstrate a particular interest in Maori cultural experiences, gardens and, to lesser extent, heritage attractions.

Tourism New Zealand’s Visitor Satisfaction research indicates that, amongst international visitors, there is presently unsatisfied demand for experiences in the following areas:

- visits to traditional marae
- Maori cultural performances
- major art/cultural events, wine trails/vineyards
- local arts and crafts.

Figure 3: INTERNATIONAL VISITOR PARTICIPATION IN ARTS/CULTURAL/HERITAGE EXPERIENCES

(Source: International Visitor Survey, Ministry of Tourism, YE March 2007)



Cultural Tourism Motivates Fewer Domestic Visitors

As found in the 2003 Demand for Cultural Tourism Research, interest in cultural experiences from the domestic market is significantly lower than for international visitors.

Relatively few domestic holiday visitors appear to be motivated by cultural interests when selecting a domestic travel destination, certainly in comparison with other factors. Interestingly however, the proportion of domestic visitors expressing an interest in learning about other cultures does appear to be growing (albeit very slowly) over time (see Figure 3 overleaf).

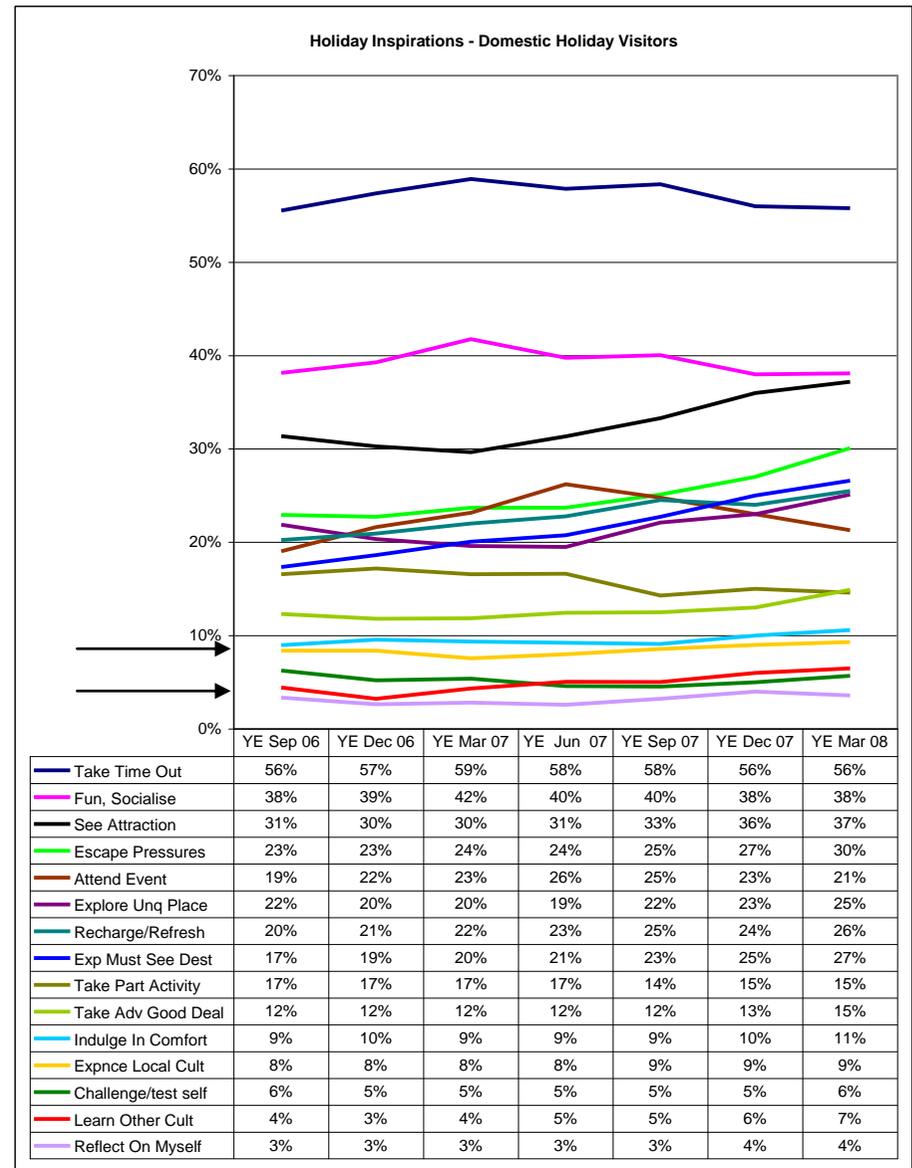
Participation in arts/cultural/heritage experiences by the domestic market is also highest amongst women. However, unlike their international counterparts, it is those in the younger age groups who most commonly participate in arts/cultural/heritage experiences.

As is the case in the international market, women appear to have slightly more interest in cultural experiences than men, as do older visitors (and particularly those aged 55 years or more).

In this instance, it is visitors to Wellington and Dunedin who are most strongly motivated by a desire to “experience local culture,” while visitors to Rotorua express a special interest in “learning about other cultures” (whilst also being keen to experience local culture).

Figure 4: TRAVEL MOTIVATORS, DOMESTIC HOLIDAY VISITORS

(Source: Regional Visitor Monitor, Ministry of Tourism and Regional Tourism Organisations)



Cultural Tourism Participation Enhances Satisfaction

Results of the Regional Visitor Monitor (RVM) indicate that arts / cultural / heritage experiences contribute positively to the overall quality of visitors' experiences, with net visitor satisfaction ratings actually being higher than average amongst those visitors who participate in arts / cultural / heritage experiences during their visits to New Zealand's regions.

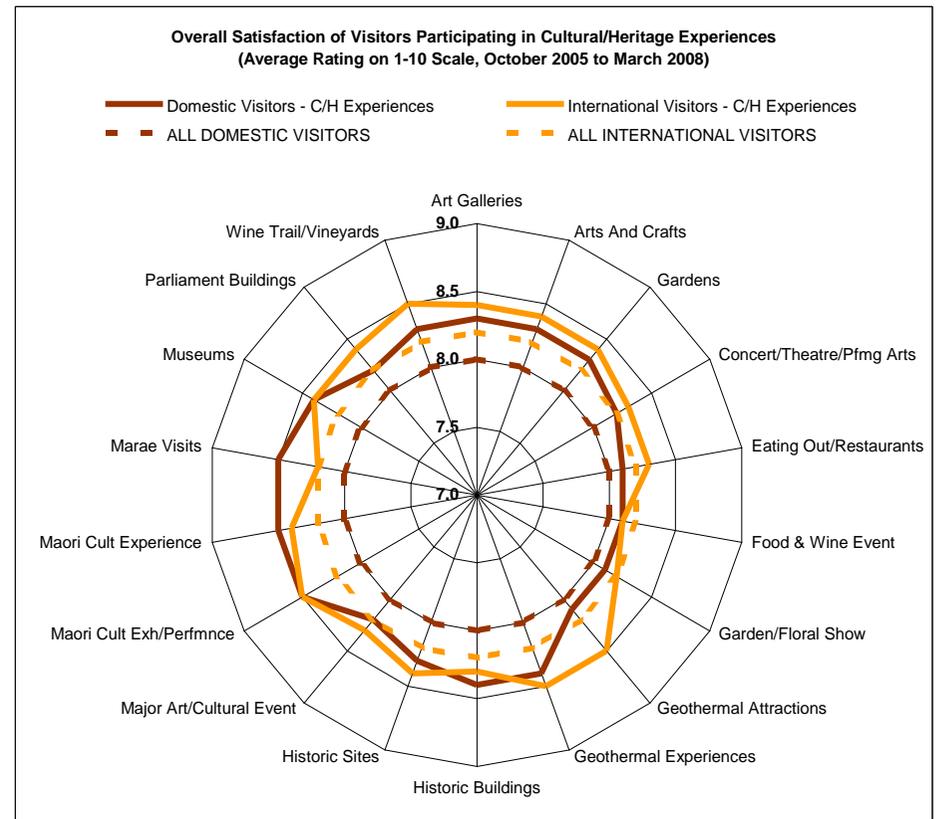
While it is difficult to definitively establish how cultural experiences contribute to the quality of the visitor experience in its entirety, analysis of RVM data suggests that cultural experiences make a positive contribution to visitor satisfaction overall.

Figure 5 depicts the overall visitor satisfaction ratings given by those domestic and international visitors who participated in one or more arts/cultural/heritage experiences between October 2005 and March 2008. This illustrates that overall visitor satisfaction - that is, satisfaction with the visitor's entire experience of the region in which they were interviewed - is higher than average amongst those visitors who participated in at least one arts, cultural or heritage experience. This is particularly evident amongst visitors participating in geothermal experiences/attractions and those attending Maori cultural exhibitions/performances.

As an example to assist with interpretation of these results: the average satisfaction rating given by domestic visitors in regard to their overall experience of the region in which they were interviewed was 8.0 on a scale of 1 (poor) to 10 (excellent) those who participated in a Maori cultural experience gave an average rating of 8.5 on the same measure.

Importantly, this correlation is evident in both international and domestic markets.

Figure 5: VISITOR SATISFACTION (VISITORS PARTICIPATING IN ARTS/CULTURAL/HERITAGE EXPERIENCES)
(Source: Regional Visitor Monitor, Ministry of Tourism and Regional Tourism Organisations)



Sources of information on Cultural Tourism

Particularly relevant to cultural organisations and businesses wishing to more effectively engage with international and domestic visitor markets, is the considerable demand for pre-trip information on activities/attractions and a strong shift online in the search for this information. Websites are now the most popular resource used by domestic visitors seeking information ahead of their trips and are second only to guide/travel books in the international market. Family and friends also feature prominently as a source of information for both domestic and international visitors.

Figures 6 and 7 (overleaf) depict changes over time in the mix of media used by international and domestic visitors seeking information about travel destinations. These illustrate, for example, a rapid increase in the use of online media and a corresponding decline in the use of print media.

Nevertheless, guide/travel books remain an important channel via which to reach international visitors, as do travel agents and i-SITEs / visitor centres. And word of mouth remains a significant force in both markets.

The Demand for Cultural Tourism Research conducted in 2003 highlighted that the sources of information used for different types of cultural tourism activity can vary widely. For example 42% of international visitors learned about museums they wanted to visit by referring to guide books while only 8% discovered museums by accident. However 36% of international visitors discovered Public Gardens by accident with another 36% learning about public gardens via guide books. Arts and crafts markets were discovered accidentally by nearly half of all international visitors.

Figure 6: MEDIA MIX (INTERNATIONAL VISITORS)

(Source: Regional Visitor Monitor, Ministry of Tourism and Regional Tourism Organisations, Oct 2005-March 2008)

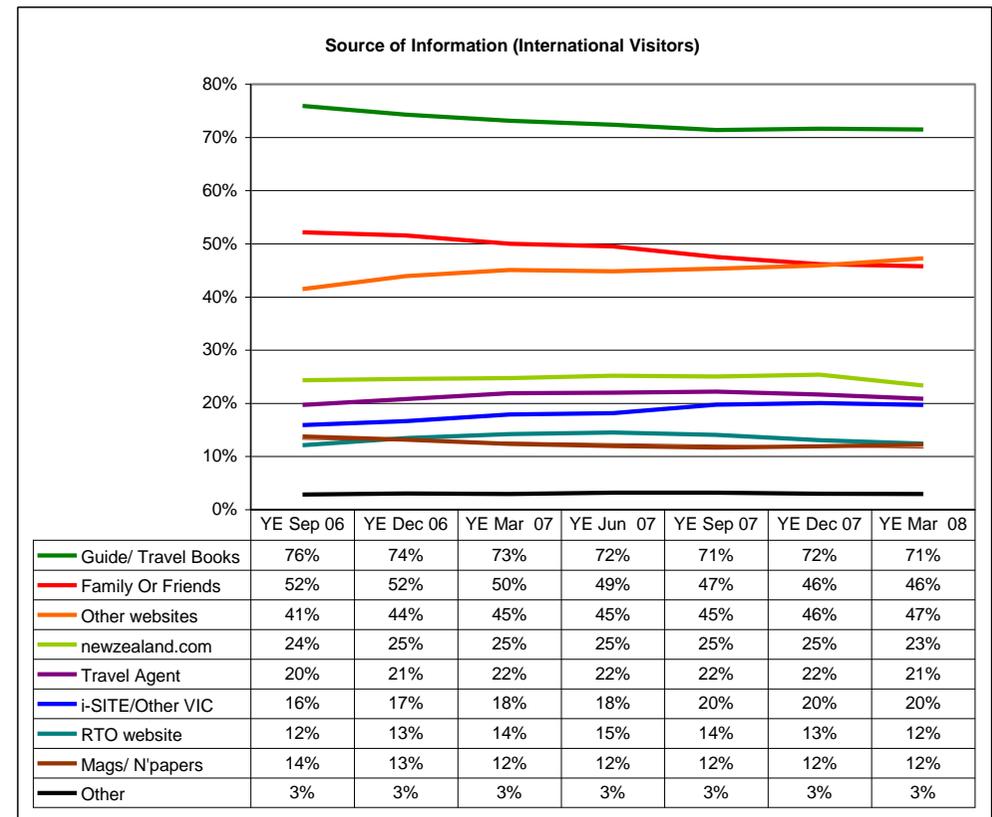
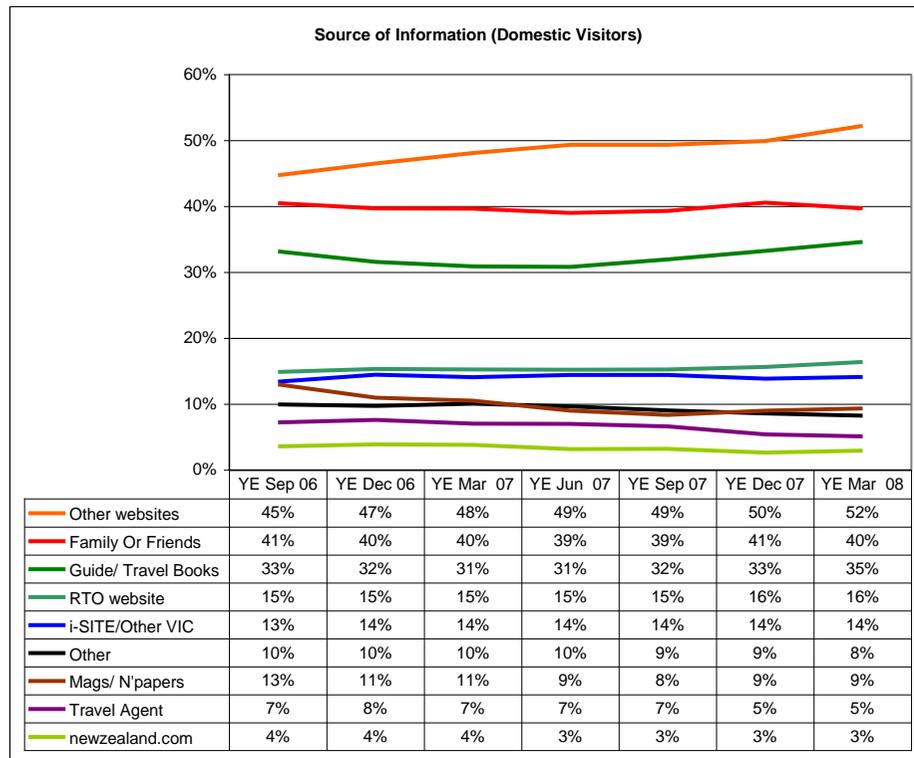
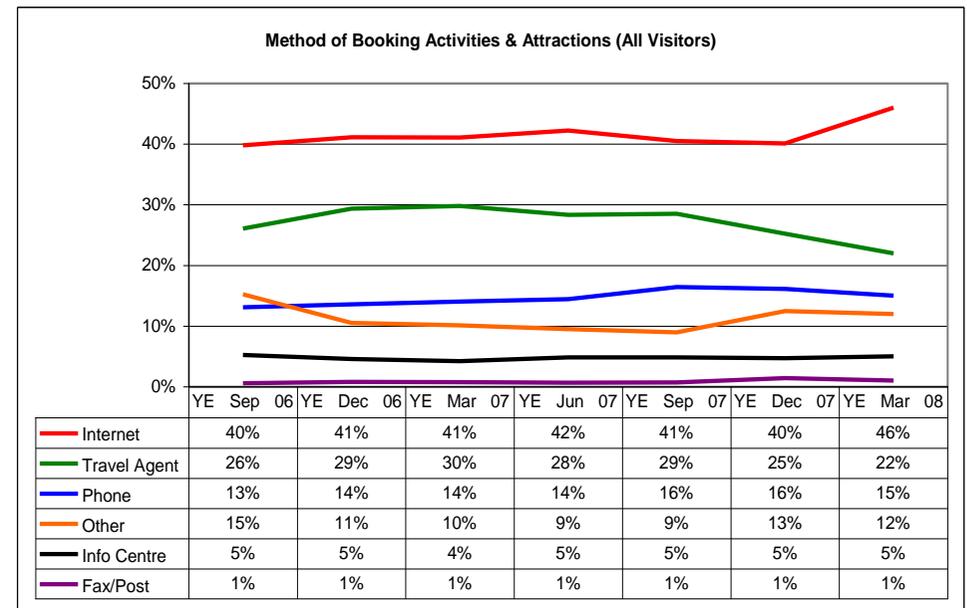


Figure 7: MEDIA MIX (DOMESTIC VISITORS)
 (Source: Regional Visitor Monitor, Ministry of Tourism and Regional Tourism Organisations, Oct 2005-March 2008)



While comparatively few visitors booked activities and attractions ahead of their arrival in New Zealand's regions, those who do so are also turning online in increasing numbers to complete their transactions (refer to Figure 8).

Figure 8: METHOD USED FOR BOOKING ACTIVITIES & ATTRACTIONS
 (Source: Regional Visitor Monitor, Ministry of Tourism and Regional Tourism Organisations, Oct 2005-March 2008)



Length of Planning Cycles

There has been little change in the planning cycle of international or domestic visitors over the last 2-3 years. The planning cycle of international visitors is typically much longer than that of domestic visitors, with approximately half of all international visitors making plans to visit a region of New Zealand at least 6 months prior to their arrival. In contrast, spontaneous decisions are quite rare: as few as 10% of international visitors make their decision to visit a region within two weeks of their arrival.

The situation in the domestic market is quite different, with much shorter planning cycles evident overall. Indeed, almost 40% of domestic visitors plan their trip within 4 weeks of their arrival, and a further 25% (or more) within 3 months of arrival.

Appendix 3: Cultural Organisations Attitudes to and Engagement with Tourism (Research conducted by McDermott Miller)

This primary purpose of this research was to understand the attitudes of cultural businesses and organisations towards engagement with the tourism market and to identify potential options for improving and increasing cultural businesses and organisations involvement in domestic and international tourism.

A qualitative discussion guide and a quantitative questionnaire was developed which covered the following areas:

- Defining the organisation's core business
- Analysing local domestic tourism and international tourism market segments
- Identifying principal marketing channels and products
- Understanding constraints to entry into the tourism market
- Involvement in partnerships or collaborative marketing arrangements.
- Benefits of collaboration.

Current Engagement with Tourism is Variable (by Segment)

There were significant differences between different types of cultural organisations regarding the relative importance of the local, domestic and international visitor markets. In particular:

- 91% of performing arts respondents cited the overwhelming importance of the local market compared with 8% of heritage organisations;
- However 50% of heritage organisations cited international tourists as their core market compared with 3% of performing arts organisations.

In addition to these differences between the various segments within the cultural sector there was also a difference between the perceptions and the reality in terms of the relative importance of domestic visitors in particular (see table below).

Table 3.1: Difference between Perceptions and Actual 2007 Visitors by Segment

	Visual Arts Retail		Museums and Art Galleries		Performing Arts		Festivals		Heritage	
	Perceived Audience	Actual 2007	Perceived Audience	Actual 2007	Perceived Audience	Actual 2007	Perceived Audience	Actual 2007	Perceived Audience	Actual 2007
Locals	56%	55%	56%	37%	91%	80%	67%	73%	8%	20%
Domestic tourists	18%	26%	9%	29%	3%	16%	11%	17%	17%	32%
International tourists	10%	19%	9%	34%	3%	4%	11%	10%	50%	43%
Unspecified	16%	0%	26%	0%	3%	0%	11%	0%	25%	5%

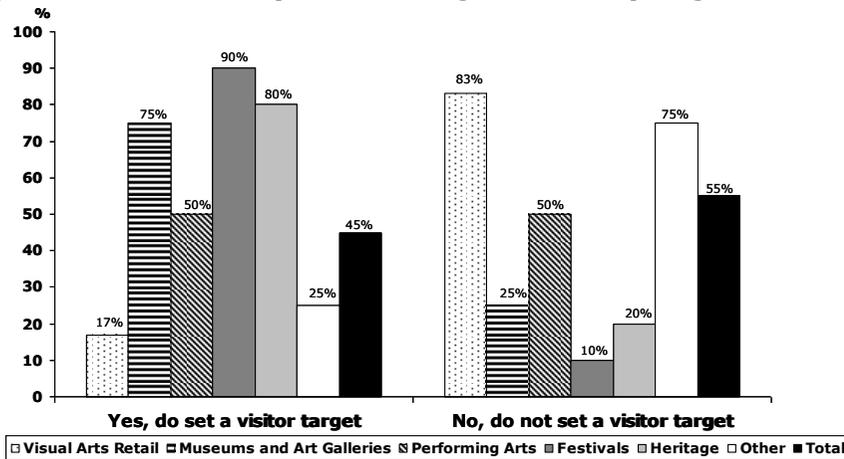
Base: *Cultural Tourism Part 2: Everyone who answered Q9 'Who do you consider to be your core market', n=174 and Organisations who distinguish origin of visitor and collect visitor data, n=88*

Source: McDermott Miller 2008

Respondents to the qualitative survey claimed that they used the full range of marketing channels available to them - print, direct mail, email, web, i-sites, special promotions and events and membership, friends or subscription arrangements. The quantitative survey confirmed that cultural sector organisations used this range of marketing channels. However, it also indicated that across the sector as a whole, the organisations' overall marketing orientation was not particularly strong:

- 62% of those surveyed had a marketing budget of less than \$20,000 per annum (38% had marketing budgets less than \$5,000). In contrast only 6% of the organisations had a marketing budget of more than \$300,000 per annum.
- 55% of the 188 organisations who participated in the quantitative survey did not set themselves a specific annual visitor target (see graph below).

Figure 3.6: Are Yearly Visitor Targets Set - by Segment



Base: *Cultural Tourism Part 2: Everyone who answered Q4 'Does your organization have customer or visitor targets it sets its self every year', n=184*
 Source: McDermott Miller 2008

Opportunities and Challenges for Cultural Organisations as They Engage with Tourism

Within the cultural sector, the quality of the product offering was not questioned. The quantitative survey suggested that cultural organisations believed that tourists would be attracted to their products for a variety of reasons included their 'unique' qualities and their capacity to 'showcase [an] area or region'.

Interestingly, the cultural sector organisations also considered that local visitors and international tourists represented potential advocates for the significance of cultural tourism attractions. A total of 93% of respondents somewhat agreed, agreed or strongly agreed that locals 'are likely to encourage others to visit', while 60% agreed that international tourists could perform this same function.

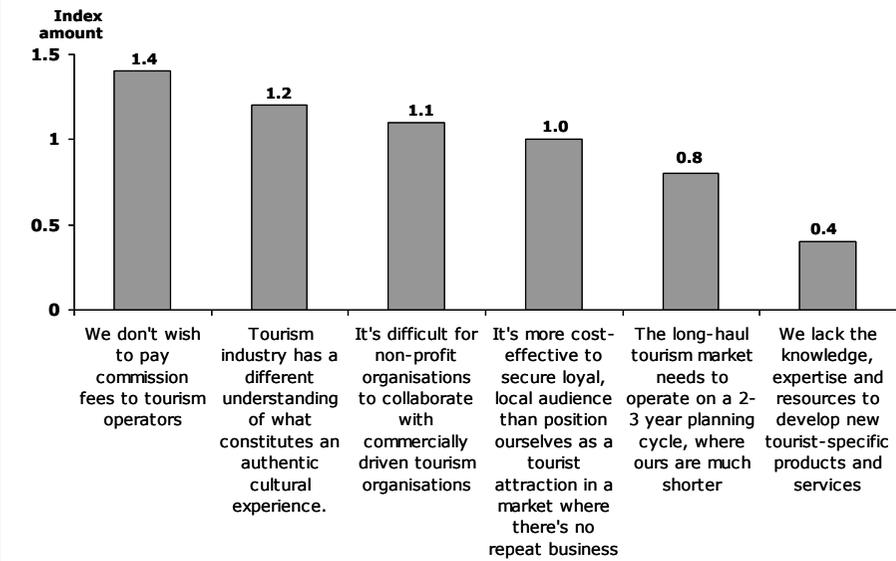
Despite this, no specific evidence was presented that cultural or tourism industry representatives were actively targeting domestic tourists to recruit them as product advocates or involve them in experiences beyond 'the usual'.

Perceived Constraints on Effective Marketing to the Visitor Market

The majority of respondents to the qualitative interviews did not identify any significant constraints to their increasing success at attracting a greater share of the tourist market. The quantitative research showed that six out of ten statements concerning possible constraints were of some concern to the cultural sector, although not overwhelmingly so. These were:

- We do not wish to pay commission fees to tourism operators
- The tourism industry has a different understanding of what constitutes an authentic cultural experience.
- It is difficult for non-profit organisations to collaborate with commercially driven tourism organisations.
- It is more cost-effective for us to secure a loyal local audience than to position ourselves as a tourist attraction in a market where there is no repeat business.
- The long-haul tourism market needs to operate on a 2-3 year planning cycle, whereas our planning cycles are much shorter.
- We lack the knowledge, expertise and resources to develop new tourist-specific products and services.

Figure 4.2: Perceived Constraints on Effective Marketing to Visitor Market



Base: *Cultural Tourism Part 2*: Everyone who answered Q29, n= 126
 Source: McDermott Miller 2008

There was also consensus, particularly among museums, art galleries and heritage organisations that domestic and international tourists were 'essential' to their organisational 'survival'.

Even those organisations not currently involved in marketing to cultural tourists indicated that this would not continue to be the case: 55% indicated that they would consider marketing specifically to tourists in future.

The most significant factor that was identified as a means of encouraging more effective marketing to domestic and tourism markets was some type of collaborative arrangement with the tourism industry.

It was interesting to note that while more collaboration with the tourism industry was seen as the way forward it was considered that there is already substantial collaboration currently being undertaken.

Table 4.5: Benefit Ranking – Quantitative Research

Weighted Ranking	Benefit
1.7	Bringing in more visitors through tourism tends to strengthen the culture and heritage sectors overall.
1.6	Collaboration gives each partner access to new skill sets and new ideas.
1.5	Pooling of funds allows creation of marketing campaigns of a quality, reach and impact that could never be achieved by any single player.
1.5	Collaboration between cultural or heritage organisations and tourism organisations tends to create better networking overall. In fact, it seems to promote partnerships among/between heritage/culture organisations that used to see themselves as competitors
1.5	The results of a collaborative initiative tend to build awareness of a region and its culture/heritage over the long term.
1.4	A critical mass of experiences packaged together brings in more visitors, for a longer time.
1.1	Collaboration frees heritage and culture organisations from some of tasks at which they are not expert (e.g. packaging, marketing) and lets them concentrate on core activities.

Base: *Cultural Tourism Part 2*: Everyone who answered Q28, n= 128
 Source: McDermott Miller 2008

Improvement Opportunities

There are apparent contradictions between the responses given by respondents to the quantitative questionnaire. It was apparent that, for the sector as a whole, the marketing orientation of a majority of organisations could be enhanced in the light of some of the research results:

- 55% of organisations surveyed did not set themselves a specific annual visitor target.
- While 94% of organisations had a website, 55% of them could not indicate the number of unique visits per month.
- 47% did not gather and analyse any audience data.
- 37% could not distinguish between local people, domestic and international tourists.
- 38% had marketing budgets of less than \$5000.
- 11% did not know or did not spend any money on marketing.

Finally, despite the fact that cultural tourism is considered essential to the survival of many cultural organisations; particularly heritage organisations, museums and art galleries; a majority considered that they required neither help nor encouragement to engage effectively with the tourism sector.

Where specific suggestions for improvement were made, they generally represented extensions, or intensifications, of existing partnerships. This suggests that new ideas for mutually beneficial engagement with tourism need to be communicated to the cultural sector in order to encourage new thinking about opportunities for product development and marketing.

Appendix 4: SWOT Analysis from Workshop Held on 6 June 2008 (Grouped around key themes)

Strengths

- **Authenticity**
- Increased regional diversity
- More collaboration regionally
- “Strategic Thinking”
- Good local government branding, theming work (under EDA’s)
- Cultural well being under LTCCP’s
- Strong regional offerings e.g. Napier (Art deco), Kaikoura, Central Otago (Rail trail, A world of difference brand)
- **Strong / Good Products**
 - Almost any cultural engagement ends in increased satisfaction
 - Hidden gems / sense of discovery - stories, buildings, food/coffee
 - Visitors in on landscape and out on cultural experience
 - High satisfaction in Cultural Niches
 - Exceeding expectations
 - Punching above our weight
 - Flight of the Concorde (success on world stage)
 - Visual arts, fashion design, boutique, high quality
- **Unique indigenous Culture**
 - Manaakitanga
 - Impressing visitors as to our social integration
- **Friendly locals / friendly welcome**
- Personal Experiences
- Reputation internationally for being friendly
- **Environment**
- Safety

- Natural Beauty
- Like to live here
 - Pleasantly isolated – not too contaminated
 - 100% Pure Brand / Brand NZ

Weaknesses

- **CULTURAL CRINGE**
- We’re not interesting
- Don’t see the need
- “We’re not old enough to have a history”
- Overseas is better
- Scared of Maori culture
- Been there/done that
- I know it / why do it?
- A sense of learned helplessness
- **Business Capability - financial, marketing, HR**
- No group to assist us in marketing – no marketing manager/resource
- Micro business gearing up to run major events – resource issues
- Challenge of marketing on small budget and small scale operations
- Strategy planning/governance
- Lack of future proofing
- Succession planning
- Regional resourcing i.e. lack thereof
- Resourcing / volunteering
- **Not defining ourselves as being in tourism and not engaging**
 - Funders don’t provide incentives around experience value e.g. for performances (it’s volume vs. value)
 - Focus of cultural organisations in on the art/experience
 - There’s less expertise in marketing to visitors in some areas
- **Quality / Standards in the Sector**

- Many parts of industry deregulated e.g. “National” Museum of Used Running Shoes
- No enforced standards around visitor experience
- Qualmark operators being overlooked sometimes
- Perception of quality - what do we use to position as high quality/authentic
- **Local Issues: Collaboration, Communication and Funding**
- Resistance to collaborating locally
- Cultural organisation relationships (or not) with RTO’s, TLA’s, EDA’s
- Culture Heritage funding often cut – sustainability threat (roads vs. museums?)
- Territorial or self centred focus vs. co-ordinated approach
- Local vision and experience - almost ‘local anti’ to new things e.g. Rail Trail
- Resistance to tourism development/tourists who are different
- **Outdated Perceptions**
 - Showing less contemporary perspectives of Maori culture
 - Outdated perceptions of some tourism trade
 - Lack of awareness of tourism potential

Opportunities

- **Developing Relationships / Cross-sector Engagement**
 - Learn from last time (the Regional Cultural Tourism Strategies)
 - need more partnerships
 - ‘turning on’ the cultural sector to tourism
 - Relationships/Engagements
 - cross-selling
 - regional clusters with unlike organizations (replace usual suspects)
 - Cultural sector engagement with local councils could be ‘swapped’ for tourism engagement
- **Increasing domestic visitation**
 - Turn cultural cringe on it’s head
 - Converting high interest into participation
 - Develop an “awareness building vehicle”
 - Something like “Send yourself to Wellington” but different models
 - Potential “Cultural Tourism” 101
 - Promotion of activities so visitors make a planned visit
- **Encouraging Increased Expenditure**
 - Museums/historic sites
 - Hidden gems – new imagery
 - Sustainable returns vs. reduced authenticity
 - Extend kiwi host into local cultural Ambassadors
 - Ambassadors – passionate referrers of cultural tourism
 - Educating referrers as to what’s on e.g. Concierges
 - Visitors that engage in cultural tourism experiences are happier/more satisfied

- Qualmark – assessing quality of visitor experience
e.g. Qualmark Green (Gold, Silver, Bronze)
- Expand friendliness to telling our stories
 - knowledge/passion
 - define our stories
 - connection to the area
- **Better Research**
 - Drill down on figures
 - E.g. what is ‘learning about local culture’
 - Interest vs. participation (down/int)
 - Improvement opportunities
 - Release cultural tourism research re higher satisfaction
 - Use case studies as catalyst for change/local support
 - Best Practice Case Studies
 - authentic personal story telling
 - marketing collaborations
 - strategy planning
 - product development
- **Building Capability**
 - “Expertise Bank” (not \$’s)
 - criteria – collaboration; distinctive quality; unique offering
 - flexible/mobile - responsive
 - Link to EDG/NZTE
 - Product development:
 - something like MTFS
 - unlocking all the stories of NZ
 - Skills in story telling
 - real/fresh/individual/natural/integrity/personal
 - our stories
 - Focus on: product development; distinctive regional themes (top down, bottom up – capability); open to local innovation (quirky one offs)
 - Local sourcing of food/wine, being green are key points

- **Staged Approach to Tourism Marketing**

- events/conferences (pre/post options)
- timing of information/never quite getting together
- family and friends (locals free)

Threats

- **External Events / Shocks**

- Rising cost of Travel
- Environmental impacts - guilt
- Economic downturns
- Exchange rate
- Natural disaster

- **Service Delivery**

- Inconsistent service from non-sustainable business e.g. Volunteers/high staff turnover
- Not enough tourists to make cultural operations sustainable
- Skilled workforce issues
 - beware of temporary migrant workforce
 - New Zealand brand / authenticity issues
- Lack of commissionable product/not delivering on tourism trade expectations

- **NZ Becoming Boring**

- Risk of becoming the same e.g. Qualmark standardisation
- Personal values vs. national standards
- Another flavour of the month
- Compromising our integrity

- **Other Threats**

- Crime/safety/drugs issues
- Loose canons on Councils
- Campaigns of competing destinations (Norway/Tahiti)

Appendix 5: Links to the New Zealand Tourism Strategy 2015

Outcome 1: New Zealand delivers a world-class visitor experience.

NEW ZEALAND IS SEEN BY VISITORS AS A DESIRABLE, HIGH-QUALITY DESTINATION

4. Make sure that the unique elements of Maori culture are reflected in the way New Zealand's brand is positioned internationally, and in national and regional product development.

THE NEW ZEALAND TOURISM INDUSTRY OFFERS BOOKING SERVICES THAT ARE EASY TO USE

5. Monitor how and where international and domestic visitors make their bookings, so that we invest in the most effective distribution channels, and educate tourism operators about how to get the most out of those channels.

6. Make sure that tourism operators invest in the technology they need to best manage their bookings and inventory.

7. Make sure that quality Maori tourism products and services are better integrated throughout the full range of wholesale and retail distribution channels.

THE i-SITE NETWORK IS RECOGNISED BY VISITORS AS BEING A SOURCE OF HIGH-QUALITY AND OBJECTIVE VISITOR INFORMATION

8. Build on the common business and information systems in the i-SITE network to make sure that i-SITEs across the country offer a consistent experience.

9. Carry out research into ways in which the i-SITE network could be used to help improve visitor experiences. This would build on previous research into the information needs of i-SITE users.

QUALMARK IS RECOGNISED BY CONSUMERS AS A MARK OF QUALITY

10. Broaden Qualmark's coverage by adding new categories into the existing range of gradings and endorsements, and increasing the uptake of Qualmark by tourism operators.

11. Make sure that Qualmark's assessment systems are consistently applied, and are recognised and supported by the tourism sector.

THE TOURISM SECTOR IS COMMITTED TO MONITORING VISITOR SATISFACTION AND PERCEPTIONS OF QUALITY

13. Enhance the quality of the accuracy of the International Visitor Survey and Domestic Tourism Survey.

14. Integrate all the research about visitor satisfaction into one common platform or database.

15. Extend the Regional Visitor Monitor (RVM) into more regions, and expand the focus of both the RVM and the Domestic Tourism Survey to provide information about buying behaviour and what drives travel trends.

NEW ZEALAND'S INFRASTRUCTURE SUPPORTS A QUALITY VISITOR EXPERIENCE AT ALL STAGES OF THE JOURNEY

16. Make sure that there is enough investment in the infrastructure needed to meet growing visitor demand. This includes roads, the availability of broadband, especially in more rural and remote areas, water supplies, managing waste water, public toilets, signage, and car parks.
18. Investigate the case for developing national facilities such as a national convention centre and cruise–ship facilities

DOMESTIC TRAVELLERS HELP CREATE A STRONG DEMAND FOR VISITOR PRODUCTS AND SERVICES

19. Establish a domestic tourism working group to develop a domestic tourism plan.
20. Encourage and support Regional Tourism Organisations to communicate with stakeholders the importance of regional campaigns in driving the domestic market and creating opportunities to increase domestic travel.

MAORI ACTIVELY PARTICIPATE AND INVEST IN THE TOURISM SECTOR

21. Keep building business capability through the Maori Business Facilitation Service.
22. Increase the number of Maori tourism businesses involved in quality accreditation schemes such as Qualmark and Toi Iho.
23. Help tourism businesses to incorporate a Maori dimension into the products and services they provide.
24. Increase the range of Maori products and services being offered to the international and domestic markets.
25. Strengthen relationships between Regional Tourism Organisations and Maori Regional Tourism Organisations to maximise the development of a Maori tourism product that reinforces regional differentiation and meets visitor demand.

Outcome 2: Tourism is prosperous and attracts ongoing investment.

TOURISM BUSINESSES IDENTIFY AND PUT IN PLACE STRATEGIES THAT WILL CONSISTENTLY INCREASE THEIR RETURNS ON INVESTMENT

1. Improve resource efficiencies, workforce management, and profitability opportunities for all businesses through more clustering, joint ventures, and other industry cooperation initiatives.
3. Streamline and improve the focus of existing business–assistance programmes to help operators increase their return on investment and develop quality products.

BUSINESSES DELIVER PRODUCTS AND EXPERIENCES THAT MEET THE EXPECTATIONS OF HIGH-VALUE VISITORS

6. Target those markets that are likely to spend more than average.
7. Develop existing products and services so that they increase the value of the visitor experience and encourage higher levels of spending.
8. Provide better service delivery and interpretation, including on–site interpretation at visitor attractions.
9. Ensure businesses have access to research and other market intelligence to assist them in their product development.

TOURISM ATTRACTS AND RETAINS AN APPROPRIATELY SKILLED WORKFORCE

12. Identify opportunities to make the best use of people, including:
 - investing in technology that improves business efficiency and means that employees are engaged in the most productive activities
 - developing visitor experiences that are less labour–intensive but do not compromise quality.

THE TOURISM SECTOR IMPROVES DEMAND DURING THE OFF-SEASON

15. Bid for, and secure, major international events, which will help reduce seasonality.
16. Coordinate existing conference and incentive marketing activities to increase the performance in this market.

17. Invest in marketing initiatives that target those domestic and international visitors who are more likely to travel in the shoulder and off-peak seasons.
18. Identify and develop products that are likely to increase travel during the shoulder and off-peak seasons. Examples include Matariki and the Pasifika Festival. Products with all-weather options are another possibility.

NEW ZEALAND'S TOURISM RESEARCH IS ACCESSIBLE, TIMELY, HIGH-QUALITY, AND RELEVANT TO THE DECISIONS THAT NEED TO BE MADE

19. Develop and fund an industry-government partnership model to advance sector research, including determining priority research and then directing, funding, and managing the delivery of this research.
20. Establish quality measures for the Core Tourism Data Set and develop and implement ways of achieving the agreed quality standards.
21. Make more sectoral and regional data available to the sector through:
 - further analysis of existing data sources
 - collecting additional data through industry partnerships.
22. Establish a set of measures to track performance in the sector, including financial performance, managing seasonality, and increasing visitor satisfaction.

Outcome 3. Tourism takes a leading role in protecting and enhancing New Zealand's environment.

THE TOURISM SECTOR LEADS A WHOLE-OF-NEW ZEALAND APPROACH TO ENSURE THAT NEW ZEALAND'S ENVIRONMENT WILL CONTINUE TO BE ENJOYED BY FUTURE GENERATIONS AND VISITORS, IN THE SPIRIT OF KAITIAKITANGA

2. Understand and use the value of kaitiakitanga (guardianship) as the basis for the tourism sector's actions to enhance the environment.

THE EXPECTATIONS OF OUR VISITORS ARE CLEARLY UNDERSTOOD, AND VISITORS ARE ABLE TO EASILY IDENTIFY AND SELECT PRODUCTS THAT DELIVER GOOD ENVIRONMENTAL PERFORMANCE

6. Understand the environmental aspirations of our current and future international visitors, and how they view New Zealand's environmental management.

7. Use this information in marketing and to develop tourism products, targeting visitors who support New Zealand's environmental values and whose ethics, behaviour, and impacts align with those values.

8. Help consumers to make informed product choices that align with their environmental values by using environmental ratings and labelling, and making consumers aware of environmental accreditation schemes.

13. Promote the use of public transport, rail, coaches, cycling, and walking as environmentally friendly modes of transport. Advocate for and support the development of the services and infrastructure needed to make these forms of transport possible.

THE TOURISM SECTOR IMPROVES ITS ENERGY EFFICIENCY, ENERGY CONSERVATION, AND USE OF RENEWABLE ENERGY AT ALL LEVELS

15. Make sure new buildings and retrofits use the highest possible energy-efficient building standards, and that eco-verified procurement criteria are used when buying products and appliances.

16. Adopt energy-management practices and new technologies to reduce overall energy consumption. This includes using timers, thermostats, occupancy sensors, and renewable and local sources of energy wherever possible.

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TOURISM BUSINESSES HAVE THE CAPABILITY AND KNOWLEDGE TO TAKE A LEADING ROLE IN PROTECTING AND ENHANCING THE ENVIRONMENT

19. Encourage tourism operators to use the environmental elements in Qualmark to lift their environmental performance, and look at ways of increasing the uptake of these elements across the sector.

20. Work with Qualmark or other service providers to build operator capability in delivering environmentally sustainable products and services.

THE TOURISM SECTOR, DOC, AND OTHER KEY AGENCIES CONTINUE TO WORK TOGETHER TO MAKE SURE THAT CONSERVATION AND RECREATION VALUES ARE ENHANCED

23. Look at developing visitor services and facilities, such as walking and mountain biking tracks and interpretation centres, in places where they can provide social, cultural, economic, and conservation benefits.

24. Investigate potential funding mechanisms for visitors to contribute towards adding value to the visitor experience and the provision of facilities and services on lands and waters managed for the benefit of the public.

25. Manage issues at key sites where important values (environmental, social, or cultural) are perceived to be under pressure environmentally and/or socially.

VISITORS' TOURISM EXPERIENCES GIVE THEM THE OPPORTUNITY TO LEARN ABOUT AND CONTRIBUTE TO NEW ZEALAND'S ENVIRONMENTAL AND CONSERVATION GOALS

26. Develop products that make it possible for visitors to reduce their environmental footprint and leave New Zealand 'better than they found it'. Possibilities include conservation projects that encourage visitor interaction, such as ecological restoration, pest eradication, or investment in renewable energy.

28. Develop national guidelines for running major events within New Zealand that incorporate environmental requirements into any government-funded events.

Outcome 4: The tourism sector and communities work together for mutual benefit.

THE TOURISM SECTOR IS AN ACTIVE PARTNER IN PLANNING AND MANAGING OUR COMMUNITIES

2. Contribute to local government processes by providing coordinated comments and submissions on, for example:

- district plans
- long-term council community plans
- annual business plans
- regional tourism
- destination-management or economic development strategies
- Resource Management Act processes.

3. Use the best available advice and information, such as Have Your Say, published by the Tourism Industry Association, to participate in local government processes.

4. Work with local authorities to increase the value that tourism brings to their communities and to manage and mitigate any undesirable effects.

LOCAL AUTHORITIES UNDERSTAND THE BENEFITS TOURISM OFFERS AND LEAD DESTINATION-MANAGEMENT AND PLANNING INITIATIVES AND PROCESSES TO MAXIMISE THESE BENEFITS

5. Refine and promote the tools and statistical resources that now exist to help local authorities to plan for, invest in, and manage tourism.

6. Prepare tourism strategies or destination-management plans that establish what strategic directions, management, infrastructure, and product development are needed and what the community outcomes of tourism will be.

8. Take part in national decision-making on tourism issues, such as strategy development, policy, and funding.

TOURISM DECISION-MAKING BY LOCAL GOVERNMENT, COMMUNITIES, IWI, AND THE TOURISM SECTOR IS INFORMED BY HIGH-QUALITY RESEARCH

11. Make sure that high-quality research is available to local communities to inform decision-making by local government and the tourism sector,

including information on the social, economic, environmental, and cultural benefits of tourism to communities.

12. Research affordability issues for domestic tourism, including expectations, price sensitivities, and pricing mitigation options, to inform business positioning, product differentiation, and market segmentation decisions.

REGIONS AND COMMUNITIES PRESERVE AND PROMOTE THEIR LOCAL CULTURE AND CHARACTER AND INCORPORATE THIS INTO ALL ASPECTS OF THE VISITOR EXPERIENCE

14. Strengthen existing events and set up new events and products that promote regional identity and differentiation.

15. Build the capability of the i-SITE network to promote local culture, and build connections with the local tangata whenua and with the iconic landscape of each region.

16. Communicate and promote the concept of manaakitanga and its importance in hosting both domestic and international visitors.

CORE INFRASTRUCTURE AND FACILITIES ARE APPROPRIATELY FUNDED

17. Assess core needs, and investigate and consider funding models to improve the standard and provision of appropriate infrastructure.

Appendix 6: Tourism Industry Acronyms and Abbreviations

National Organisations

ATTTO	Aviation, Tourism and Travel Training Organisation
CNZ	Creative New Zealand
DOC	Department of Conservation
HPT	New Zealand Historic Places Trust
i-SITE	Brand for official visitor information Centres
ITOC	Inbound Tourism Operators Council
ITOs	Industry Training Organisations
MCH	Ministry for Culture and Heritage
MFE	Ministry for the Environment
NZME	New Zealand Major Events
NZTE	New Zealand Trade and Enterprise
Te Papa	Te Papa National Services
TIANZ	Tourism Industry Association New Zealand
TMT	The Ministry of Tourism
TPK	Te Puni Kokiri
TNZ	Tourism New Zealand
VIC	Visitor Information Centre
VIN	Visitor Information Network

Regional / District Organisations

EDA	Economic Development Agency
MRTO	Māori Regional Tourism Organisation
RTO	Regional Tourism Organisation
TLAs	Territorial Local Authorities

Other Tourism Industry Acronyms

CAM	Commercial Accommodation Monitor
DTS	Domestic Travel Study
FIT	Free Independent Traveller
FTE	Full Time Equivalent Employee
MICE	Meetings, Incentives, Conventions and Events
NZTS 2015	The New Zealand Tourism Strategy to 2015
IMP	International Media Programme (TNZ)
IVS	International Visitor Survey
IVA	International Visitor Arrivals
RVM	Regional Visitor Monitor (carried out in six regions including Auckland, Rotorua, Wellington, Canterbury, Dunedin and Queenstown)
RWC 2011	Rugby World Cup 2011
SIT	Semi Independent Traveller
TSA	Tourism Satellite Account (tourism's position in the national economy)
VFR	Visiting Friends and Relatives