NZ International Golf Strategy – Why?

• Untapped economic impact for NZ!
  (International golf tourism is a $32 billion market and NZ currently captures less than 0.3% of this)
• NZ - a distinctive golf destination waiting to be discovered
• Has lacked a cohesive strategy to promote itself as a golf destination (only 20-25% of economic impact of golf tourism is realised by the golf facilities and accordingly the benefits from international promotional activities doesn’t justify industry investment.)
• We have the infrastructure – approx $260m of private sector investment over last 15 yrs
• Fits TNZ 3 year plan – high value, special interest
• Momentum!
The Golf Working Group

- Set up by TNZ. Endorsed by central government
- Key objective; to create a long-term strategy for international golf tourism in NZ
- Undertook a comprehensive review of key in-bound markets, economic benefits, marketing and infrastructure needs
- Lack of data was an issue (to be addressed in proposed strategy going forward)
NZ Golf Market Overview

- NZ Visitor spend from golf tourism currently estimated at $210m annually (IVS)
- ‘Golfers’ represent $145m of this baseline
- Golfers = travellers for whom golf is a significant motivating factor for their decision to travel to or within New Zealand
- Opportunity to move this to $223m over initial 3-year period, through targeted promotion and marketing
- Over past 5 years avg 63,000 visitors to NZ p.a played golf
- Avg spend $3,300 vs $2,500
- 2.3% of total inbound visitors to NZ play golf. Comparatively 3.8% of total inbound visitors to Australia play golf.

Source: IVS data
NZ as a golf destination

Target markets
- Australia
- USA
- China
- Japan *

Target audiences
Primary: 45+ “golf nut:, high socio
Secondary: “multi motivated” golfers (mostly out of Australia)
## Where Growth Will Come From

Notes: Overall 2.3% of Total visitors (2009-2013 Average 2.5m ) play golf .Australia 3.8% (AGIC) 
Average LOS for golfers ( IVS) is 17 days v Total visitors 13 days

<table>
<thead>
<tr>
<th>TNZ Tiers: Related to Golf target markets ( weighting ex WG)</th>
<th>Visitors that play golf in NZ (average per annum over last five years)/plus Queenstown adjustment</th>
<th>Spend per Visitor</th>
<th>Total Visitor spend (average per annum over last five years)</th>
<th>% of Total Golf Spend based on Queenstown adjustment</th>
<th>Growth factors 2013-2016 % spend, and Aust. 3.8%; and 70% factor as “ Golfers” spend in 2016 ie 70% of $208m</th>
<th>Total “Golfers” spend in 2016</th>
<th>Active Considerers 2012 who Specifically travel for Golf</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) US (20%) Canada:</td>
<td>4,300/4700 1,800/2000</td>
<td>$4,000</td>
<td>$24m/$27m</td>
<td>13%</td>
<td>10% x 7,700 (65% growth)</td>
<td>$34m</td>
<td>2.0m (1.5m inter. golf vacations pa )</td>
</tr>
<tr>
<td>1) Australia (55%) - National - NSW - Victoria - Queensland</td>
<td>26,000/28200 (Golf Aust survey shows 20% of golfers travelling inter. are specific golf holiday to NZ)</td>
<td>$2,100</td>
<td>$55m/$59m</td>
<td>29%</td>
<td>12% x 39,000 (100% growth)</td>
<td>$92m</td>
<td>0.4m (GA Survey shows 100k travel inter. for golf pa)</td>
</tr>
<tr>
<td>1) Hong Kong (1%)</td>
<td>400</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>1) China (4%)</td>
<td>1,100/1200</td>
<td>$4,000est</td>
<td>$4m/$5m</td>
<td>2%</td>
<td>10% x 4,000</td>
<td>$18m</td>
<td>2.1m</td>
</tr>
<tr>
<td>1) UK (4%)</td>
<td>8,400/9100</td>
<td>$3,500</td>
<td>$30m/$32m</td>
<td>15%</td>
<td>8% x 7,600</td>
<td>$29m</td>
<td>0.4m</td>
</tr>
<tr>
<td>2) Germany (1%)</td>
<td>1,000/1100</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>2) Japan (5%)</td>
<td>(2,000/2200)</td>
<td>($4,000est)</td>
<td>($8m/$9m)</td>
<td>(4%)</td>
<td>(10% x 3,000)</td>
<td>($13m)</td>
<td>0.6m</td>
</tr>
<tr>
<td>2) Singapore (2%)</td>
<td>600</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>3) Korea (5%)</td>
<td>(3,500/3800)</td>
<td>($4,700)</td>
<td>($16m/$18m)</td>
<td>(8%)</td>
<td>(10% x 5,700)</td>
<td>($29m)</td>
<td>n/a</td>
</tr>
<tr>
<td>3) Taiwan (1%)</td>
<td>300</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>3) India (1%)</td>
<td>400</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
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<tr>
<td>3) Thai/Malay (1%)</td>
<td>100</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Others ( not 1,2,3)</td>
<td>8,100/8900</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>SubTtl ( 2,3, Others incl (Jap,Korea))</td>
<td>16,000/17400</td>
<td>$3,800</td>
<td>$77m/$85m</td>
<td>40%</td>
<td>10% x12,000</td>
<td>$50m</td>
<td>n/a</td>
</tr>
<tr>
<td>TOTAL</td>
<td>58,000/63000</td>
<td>$3,300</td>
<td>$190m/$208m</td>
<td>100%</td>
<td>100900 /70300</td>
<td>$223m(70%)</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Note: Numbers are based on international tourists that have played a round of golf during their visit to New Zealand. Visitor spend does not relate solely to golf related items. Tourist numbers are too small to provide expenditure for Hong Kong, China, Germany, Japan, Singapore, Taiwan, India, Thailand and Malaysia. Source: International Visitor Survey – YE Mar 09-13 .Sub Total incl.(Japan and Korea). Actual ex IVS or noted as “est”. 70% adj. to “Golfers”is WG estimate.
NZ as a golf destination

Characterised by:
• Diverse range of courses and experiences
• High quality courses that feature on world ranking lists
• Fully accessible golf courses
• Providing excellent value for money at all ends of the market
• Golf courses that fit seamlessly with spectacular vistas and landscapes
• A (generally) suitable year round climate
• A personalised experience that incorporates NZ culture
• Quality and proximity of other attractions
• High quality accommodation, food and wine
Strategic Essence + Proof Points

“Courses designed by nature”

New Zealand is an iconic destination for golf travellers because the golf courses sit upon land that looks like it was naturally created for nothing other than for 18 perfect holes of golf

Proof points:
Stunning landscapes
Naturally diverse courses
Proximity to other courses (trails)
Accessible to other activities
Strategy Positioning

• Strategy based on the premise of ‘trails’ / clusters, to give shape to the NZ golf product
• Logical way of combining best golf courses with broader attraction of a scenic journey to experience NZ

• Characteristics of trails:
  At least one Marquee course on the route
  Other golf courses are on the route
  Other attractions and accommodation facilities available
  Reasonable distance to travel between the courses and accommodation
Golf trails

• Co-ordination between TNZ, RTO’s and operators is critical in the promotion and development of these trails

• ZQN a prime example of a trail / cluster which is currently working

• Criteria for courses to be included (and in what capacity) in the trails still being finalised

• However we NEED export ready and ‘open for visitors’ product!
Stimulating Golf Tourism Demand

- Brand-led campaign activity
- Digital / social strategy
- IMP
- Use of influencers and opinion leaders
- Trade channels / shows
Stimulating Golf Tourism Demand

- Broadcast opportunities
- Major events leverage and legacy (eg NZ Open)
- Website – newzealand.com and other golf specialist site
- TNZ app?
- Partnership work (eg air nz)
TNZ Example of type of Golf Campaign Work (Cycling Banner Ad – USA)
Sample Golf executions – Digital and Magazine

Hit the ball...

...in the sweetest of spots.

Golf New Zealand.

newzealand.com

100% PURE NEW ZEALAND

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NEW ZEALAND TOURISM
WE PROVIDE THE FLAGS, MOTHER NATURE DID THE REST.

By utilizing the natural contours of New Zealand’s dramatic and stunning landscape, we’ve designed some of the most beautiful and challenging golf courses in the world. Add to that exquisite food, luxury accommodation and an assortment of adventure activities and you have all the ingredients for an unforgettable golfing holiday experience.

100% PURE NEW ZEALAND
newzealand.com/golf
The Value of Domestic Golf

• Over 200K affiliated rounds pa outside members own region.

• Total value, including non affiliated , estimated over $50m.

• Opportunity to develop on back of International activity.

• Key co-ordination role for NZGT with RTOs and local clubs.
New Zealand Golf Tourism (NZGT)

- Recommended that an independent industry group is established to interface between the various interested parties/stakeholders and TNZ;
  - a) To interface with the golf courses regarding the development and improvement of existing facilities
  - b) To help develop an appropriate MOU between the parties (so that efforts can be co-ordinated, data can be collected and collated for mutual benefit)
  - c) To take a leadership role in co-ordinating the activities of regional councils, RTO's, iwi and investors
New Zealand Golf Tourism (NZGT)

- d) To work alongside NZG in facility review (from a tourism perspective)
- e) To co-ordinate domestic initiatives and ensure they are compatible with the international marketing strategy
- f) To facilitate cooperation between parties
- g) To develop helpful tools and strategies
Why NZGT?

• Because of the nature of golf tourism there is a need for both golf facilities, the broader tourism industry, RTO’s etc to work collaboratively

• TNZ expertise is in building international awareness not in developing the domestic product

• Co-ordination is required between an international campaign and the domestic product

• Many facilities don’t have the time or incentive to focus on their visitor market
NZGT - formation

It is suggested that the working group co-ordinate the establishment of this entity (over the next 6 - 12 months). The specific nature of its role, its long-term sustainability etc will evolve during this period as:

• A) TNZ's strategy develops and

• B) The diverse interests of the various industry groups and facilities becomes better understood.
NZGT, TNZ and You!

• Content around what we need from operators, their plans, integration etc
• What will NZGT be seeking?
The MOU

• Relevant information about club facilities (contact details, opening hours, course availability, green fee rates, clubhouse facilities, rental equipment, carts/trundlers/caddies, maintenance schedules, practice facilities etc)

• Course information, photography and video

• Collection of data (domicile of visitors, nature of travel, length of stay etc)
THANK YOU!