



GOLF TOURISM NEW ZEALAND

**PROGRESS REPORT
SECOND EDITION**
December 2015





The Hills, Queenstown

To the Stakeholders

We are almost 18 months into our golf tourism initiative, and it has been a while since our last industry update. While I speak to many of you on a regular basis, there are those in the wider industry with whom I do not have regular communication. Should anyone want an update at any time throughout the year, please feel free to contact me. We hope you find this useful, and we promise to be more proactive with future communications.

As an industry, there are many things we can be proud of. Lydia Ko's #1 world ranking, the broadcast of last year's BMW NZ Open to over 200 million homes, investment in new facilities such as Tara Iti, and Royal Wellington's hosting of the 2017 Asia Pacific Amateur Championship. While we are delighted by the successes, we still have a long way to go. In looking at our lifecycle, we've just passed the introduction phase and are moving into the growth phase. We are well behind the mature activities of walking/hiking, and ski, but we are progressing ahead of schedule.

We do have future goals that we must work towards, including a need to be more digital, more flexible, and more tourism focused. To compete in a modern world, we need great imagery, streaming video, and an informative web presence, all of which are being embraced by our competitor markets around the world. The golf industry is becoming more interested in vying for the growing tourism dollar. However, the industry is approaching this from a golf perspective. The success of major tourist attractions like adventure activities, the Cycle Trails, and the Great Walks, lies at least partly in their ability to think from a tourism perspective.

In 2016, Tourism New Zealand will be organising opportunities for those in the golf industry to gain a better understanding of how to operate in a tourism space. We will also use this platform to help the golf industry educate tourism bodies on the needs of golf courses and golf tour operators in New Zealand.

Finally, I'd like to provide a recap for the question that always arises, "What exactly do you do?" To answer...my role is a dual role. As the golf specialist for Tourism New Zealand (TNZ), I provide technical expertise to our government's tourism body and act as the conduit for information between TNZ, golf courses, and golf tourism operators. TNZ does not book travel, we simply work to create demand for New Zealand. The supply side is executed through Golf Tourism New Zealand (GTNZ), for which I am the executive director. From 2013, GTNZ was fortunate to have an advisory group consisting of various experts, notably Greg Turner, Peter Cutfield, Michael Goldstein, Dean Murphy, and Norm Thompson. While incredibly valuable, the advisory group was disbanded in June 2015. While still funded by TNZ, governance of GTNZ was recently contracted to New Zealand Golf. This is part of a broader partnership that will see TNZ and NZ Golf working together in the future. In my GTNZ role, I gather data, assist golf courses with export readiness, work with RTOs, courses, owners, government entities, councils, Iwi, new and existing golf businesses, accommodation providers, and prospective investors regarding opportunities, strategies, and necessary introductions, and I advocate for better experiences across our golf courses...whether it be water access for Chisholm Links or carved signage for Oreti Sands.

I look forward to a continued working relationship with you in the future.

Sincerely,

Ryan Brandeburg, PGA

*Executive Director, Golf Tourism New Zealand (GTNZ)
Golf Specialist, Tourism New Zealand (TNZ)
ryan@gtnz.kiwi*



Titirangi Golf Club, Auckland

The importance of data and data update

The ongoing funding of our initiative is only as good as the data we receive. This data is critical to show that our efforts are producing results in line with expectations. Tourism New Zealand regularly receives the results of the International Visitor Survey (IVS). The IVS is given to randomly selected visitors at our international airports. In the past year, questions involving the IVS have improved and it turns out, our data is more robust. For more information on the process undertaken for the IVS, [click here](#).

GTNZ officially began collecting data on the origin of international visitors across the 12 Marquee courses on 1 July 2014, meaning that this summer is the first time we are able to analyse year-on-year data from all 12 of our Marquee courses for a summer season. At the moment we are building a data set that helps us to analyse and adjust our strategy accordingly.

I have shared a few bullet points below, which is derived from a variety of sources including our data collection and the IVS. The numbers are promising, but these very well may continue to change as we collect better data and understand our inbound golf markets even better.

- Inbound visitors who played golf for the year ending June 2015 were the highest spending of all visitors, spending \$5,062, or 30% more than the

visitor average of \$3,900. This makes visiting golfers the most sought after of all international visitors to New Zealand.

- When the strategy paper was written in 2013, golf tourism's benefit to the New Zealand economy was estimated at \$210M annually. As of the end of September 2015, the number sits at a \$296M benefit to our economy, an increase of 41%. This means that golf tourism contributes over \$44M in GST alone.
- At the end of the 2014 calendar year, data showed that about 4% of visitors to New Zealand play golf compared to 3.8% in Australia. With 6.6 million visitors annually to Australia, that yields around 250,000 rounds of golf for our neighbours across the Tasman. While they are benefiting more from golf tourism, we have a higher capture rate and are on an upward trend...all markets we track were up 2-4% in participation for golf. We are eagerly awaiting data from the end of 2015.
- International golf rounds from the 12 Marquee courses from 1 January 2015 - 30 September 2015 totaled 18,905.
- The breakdown of North Island (8 Marquee courses) vs. South Island (4 Marquee courses) during the 1 January - 30 September period is: North Island rounds 7,366 (39%) / South Island rounds 11,539 (61%)
- The top international origins from 1 January - 30 September are (in order): Australia, North America, Rest of World, China, Japan and Other Asia.

- Using the data we have collected, paired with available historical data, we can say the following about international rounds from December 2013 - March 2014 versus the same period in 2014/2015 across 10 of the 12 Marquee courses (historical data was not available for two courses so they have been excluded):
 - Chinese rounds up 61%
 - Australian rounds up 12%
 - North American rounds up 10%
 - Japanese rounds flat
 - Other Asia rounds down 6%
 - Rest of World rounds down 13%

**Stats from December through March 2013/2014 versus the same period 2014/2015*

With the data becoming more valuable from an analytical perspective, we will be engaging auditors BDO in early 2016 to assist with data collection, reporting and distribution. This will also help stakeholders wishing to access data that is not commercially sensitive. Until then, should you need golf tourism data, please contact Ryan.

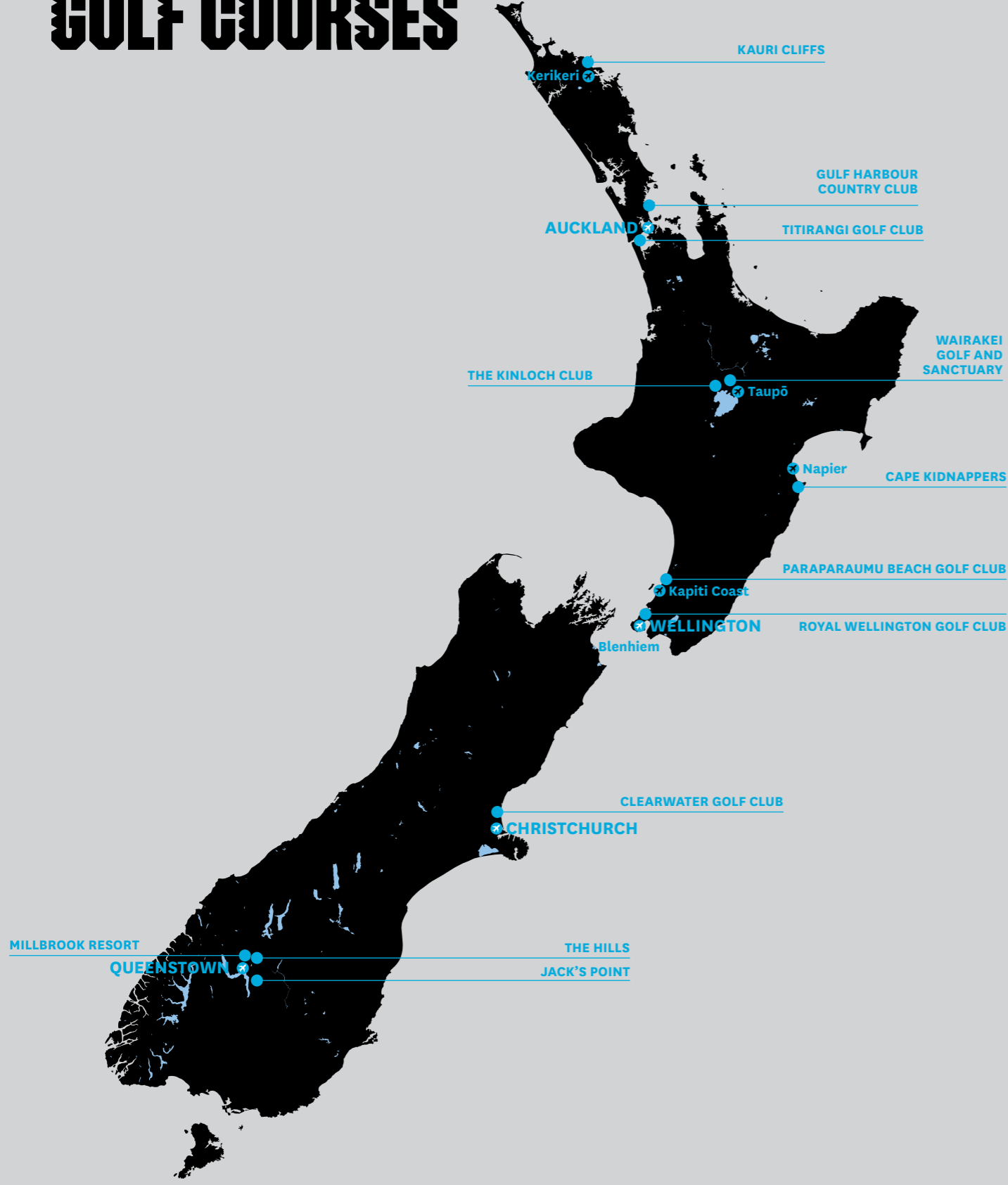
Tablets & app

Earlier in 2015, the Marquee courses were provided with new Samsung Galaxy tablets for data collection. GTNZ has created a brief 15-question survey targeted at visiting golfers, available in English, Chinese and Japanese. The customer feedback from these surveys will be shared across all courses that have participated in the data collection, along with Tourism New Zealand and the broader industry (where appropriate). In addition to understanding our customers better, it will also allow us to show the value of golf tourism to a broader range of potential partners. The collection of this data is crucial for us to understand more about our visiting golfers, their habits, and how we can tailor our marketing efforts to be most effective.

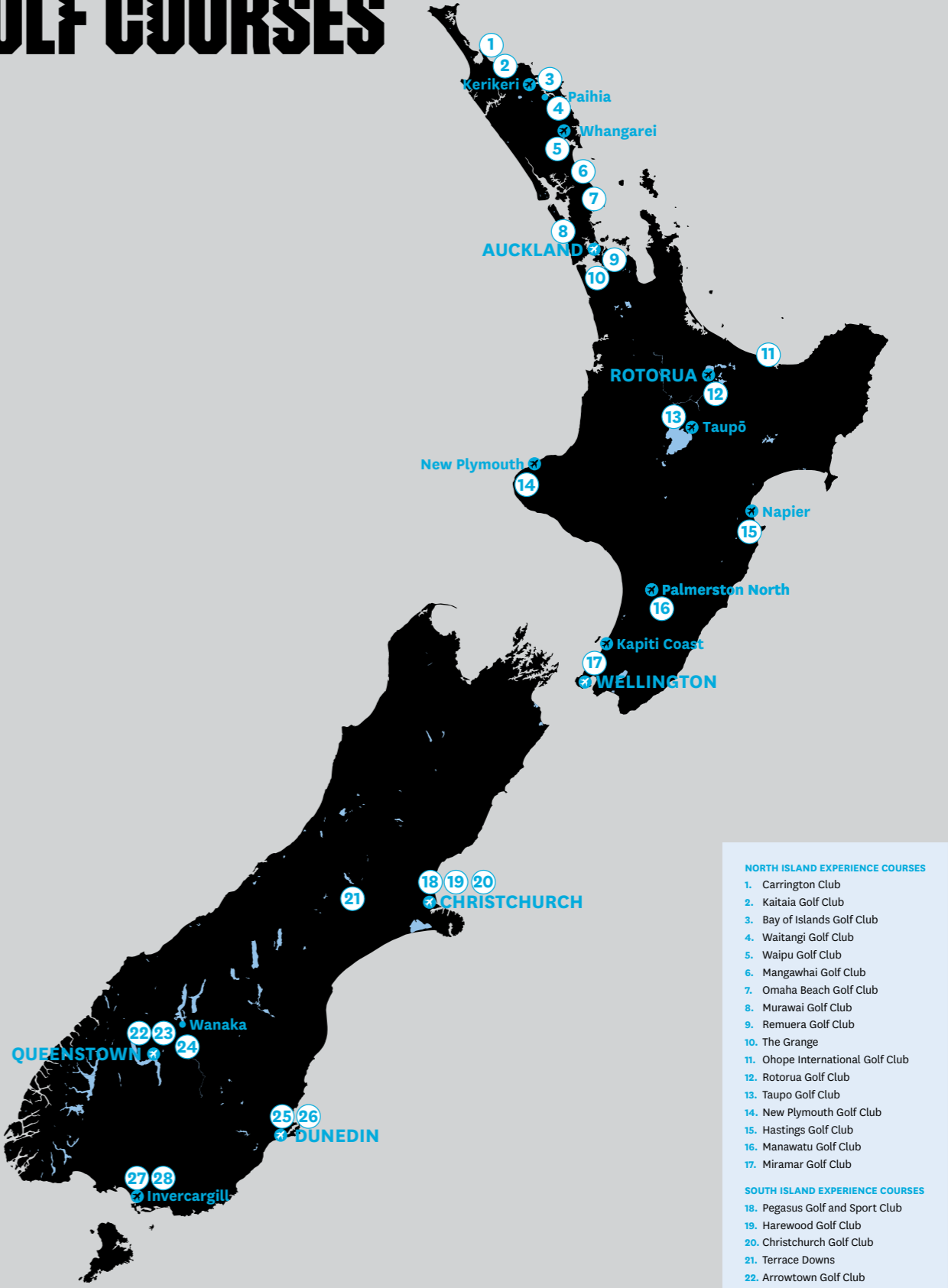
Changes to the New Zealand Experience portfolio

From the beginning of the golf tourism initiative, we have spoken of the dynamic nature of the Marquee and New Zealand Experience portfolios. After gaining a further understanding of the market and facilities, we have made slight revisions to the Experience portfolio. See next page for updated maps for both Marquee and Experience courses.

MARQUEE GOLF COURSES



EXPERIENCE GOLF COURSES

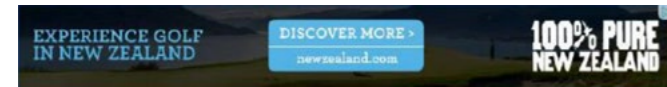


- NORTH ISLAND EXPERIENCE COURSES**
1. Carrington Club
 2. Kaitia Golf Club
 3. Bay of Islands Golf Club
 4. Waitangi Golf Club
 5. Waipu Golf Club
 6. Mangawhai Golf Club
 7. Omaha Beach Golf Club
 8. Murawai Golf Club
 9. Remuera Golf Club
 10. The Grange
 11. Ohope International Golf Club
 12. Rotorua Golf Club
 13. Taupo Golf Club
 14. New Plymouth Golf Club
 15. Hastings Golf Club
 16. Manawatu Golf Club
 17. Miramar Golf Club
- SOUTH ISLAND EXPERIENCE COURSES**
18. Pegasus Golf and Sport Club
 19. Harewood Golf Club
 20. Christchurch Golf Club
 21. Terrace Downs
 22. Arrowtown Golf Club
 23. Queenstown Golf Club
 24. Cromwell Golf Club
 25. Otago Golf Club
 26. Chisholm Park
 27. Southland Golf Club (Oreti Sands)
 28. Invercargill Golf Club

Tourism New Zealand's marketing efforts

Campaign work and collateral

Tourism New Zealand's marketing efforts have continued, with the last digital US marketing campaign ending in early 2015 (clips found below). This campaign was tasked at furthering awareness of New Zealand's golf offerings, and pushing business into the shoulder seasons of 2015. As a result, early indications are that golf rounds from North America are up 10%.



We have also updated our golf brochure for 2015/2016, which features the new Tourism New Zealand branding and updated information on our golf product. We have created various editions for different market usage. You can view the document by clicking on any of the following: [Global English](#), [Australian](#), [Japanese](#), and [Chinese](#).

To help International travel trade build up their knowledge and up-sell New Zealand as a golf destination, we have also created a 29-page presentation that in market Tourism New Zealand trade staff can use in training events. This presentation showcases various aspects of our golf tourism product. By increasing the knowledge base, we are creating an "army" of people spreading the message worldwide about our spectacular golf offerings.

Additionally, TNZ has a 2:10 video highlighting several of the Marquee courses. This can be placed on websites and used promotionally (with certain exceptions). If you are interested in the video, please email Ryan.

Famils

We have hosted four Chinese golf famils over the past year which have already produced significant results. Traditionally, bookings resulting from famils could be six months or longer after a famil. However, our Chinese guests were so taken with their experience, they had clients landing in country within three months. Additional famil traffic from China and other regions is planned for the first half of 2016.



Kauri Cliffs, Northland



The Kinloch Club, Taupō



Wairakei Golf and Sanctuary, Taupō

Media

The New Zealand Open was our biggest golf media opportunity of 2015, using the tournament as the centerpiece of a well-rounded golf famil. We hosted broadcast and print media from Australia, France, Germany, Indonesia and China. Media participants spent the Sunday at the Open and were hosted at golf courses throughout the country during their trip. The broadcast reached over 200 million homes and was well received in Japan - a key partner in the Open - where the broadcast was fully translated. TNZ produced a series of golf vignettes showcasing different regions of New Zealand that aired in the international markets during the New Zealand Open broadcast.

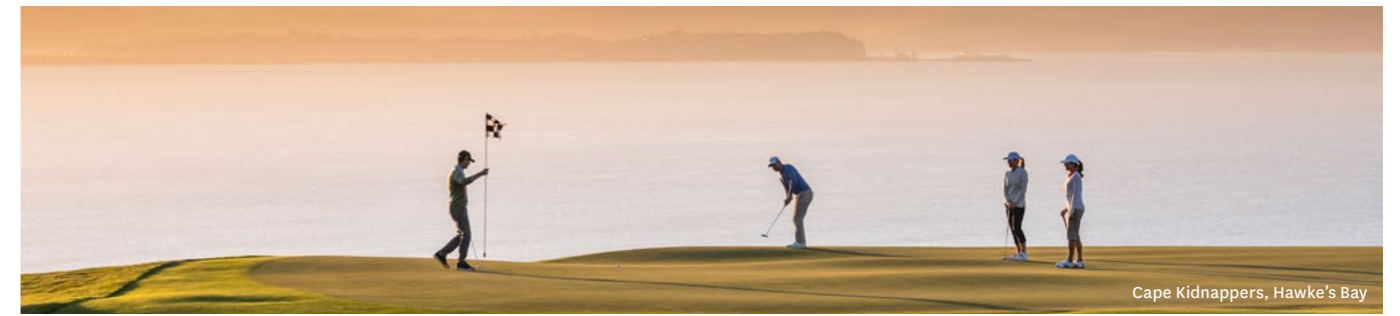


Clip from the several media files generated from the NZ Open press trip

Fox Sports Australia aired a show about the New Zealand Open and activities around the Queenstown region. They returned to New Zealand to also film an additional show on the Taupo to Napier corridor, showcasing Kinloch, Wairakei, Cape Kidnappers, and other activities in the region, including food and wine. In mid-December 2015 they arrived once again for a multi-day visit to Wellington, highlighting the offerings of our nation's capital.

We were also fortunate to have Guangzhou, China based Meiya Travel visit New Zealand to film a golf reality show for an itinerary they are promoting on the North Island. The filming took place at Gulf Harbour, Rotorua Golf Club, Kinloch, Wairakei, and Cape Kidnappers. We anticipate that additional filming will take place at more courses around the country in 2016.

Additionally, earlier this year, the popular Japanese television series, Abunai Deka filmed in New Zealand. Starring Hiroshi Tachi and Kyohei Shibata, both "A-Listers" and household names in Japan, it was partially shot at Gulf Harbour Country Club. Hiroshi Tach is a huge fan of rugby, yachting, horse riding, golf and wine, and therefore a strong fit for NZ's premium positioning. The movie will be released in Japan over the 2016 New Year holiday season.

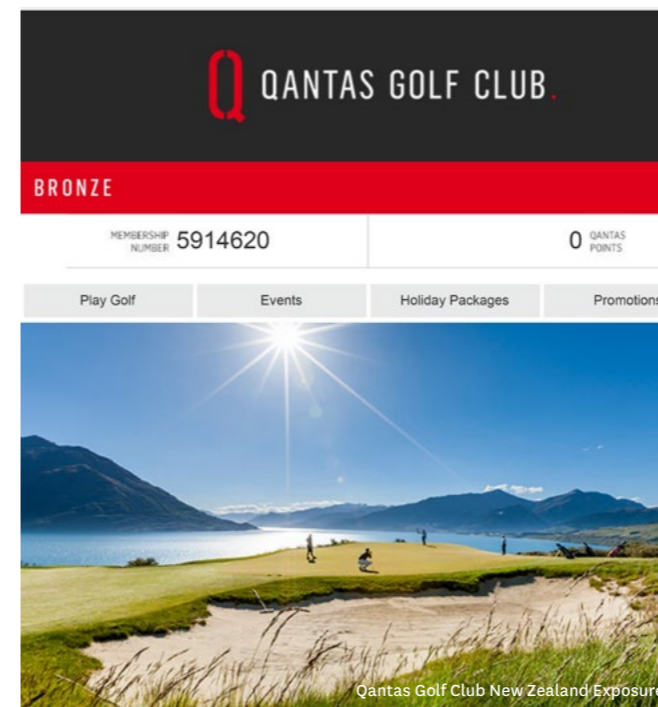


Cape Kidnappers, Hawke's Bay

Events & partnerships

Tourism New Zealand has hosted two golf tournaments in China during 2015. One tournament was held in Shanghai (attended by 110 golfers), and the other in Beijing (attended by 108 golfers). Attendees were "influencers" or high net worth individuals who have significant income and influence over others in their social circle. Since our golf product is very new to the Chinese market, these events allow us to educate them on the golf and lifestyle activities available in New Zealand.

For the majority of the 2015 calendar year, Tourism New Zealand and Qantas entered into a partnership aimed at delivering more golfers to New Zealand from Australia via the Qantas Golf Club. This club boasts a membership of over 35,000 frequent fliers who are passionate golfers. Throughout the year, we showcased New Zealand's golf offerings and worked with Qantas to create five New Zealand golf packages to be marketed to these individuals via e-newsletters, Facebook, and [Qantaspoints.com](#). Those choosing to book received bonus Qantas points as an incentive. Additionally, Qantas' New Zealand efforts were fronted by Australian television personality, Andrew Daddo. Included in Andrew's introduction was a link to Fox Sports Australia's "The Golf Show", which filmed in New Zealand in late 2014 featuring Andrew as the host.



Qantas Golf Club New Zealand Exposure

Currently, we are working with Education New Zealand on their "Game on Golf" programme. Initially launched in Korea, the programme will be rolled out to new markets and promotes international students coming to New Zealand for programmes centered on English language education and golf instruction. The first "Game on Golf" programme is being run in conjunction with Study Auckland, with students studying in our largest city. A recent link to an article in the New Zealand Herald can be found [here](#).

TNZ's Business Events team has a series of new golf itineraries at their disposal to use when pitching New Zealand as a conference or incentive location. With several international convention centres in the planning process, this space should see significant growth in the coming years.

Trade Shows

During the year we attended the US PGA Show, where over 45,000 US PGA Professionals and industry stakeholders gathered for their annual event. Our attendance was part of a joint venture with USA-based Premier Golf, the official travel provider of the PGA of America. The focus was to speak directly with PGA Professionals, who hold tremendous influence over their members. Due to the success of 2015's event, and the interest in New Zealand from the show's attendees, we will be attending with Premier once again in 2016.

Additionally, we attended the International Association of Golf Tour Operators' (IAGTO) Asia-Pacific Tourism Convention in Jakarta, and ILTM in Shanghai. The IAGTO event focused on buyers from the Asia-Pacific region. ILTM is one of the world's premier luxury travel shows, where our golf product played an important role in creating interest in visiting New Zealand. At both events we ended up with more appointments than the schedule allowed, which is an excellent sign of interest in our destination.

GTNZ also presented at TRENZ, New Zealand's largest international tourism event, provided several webinars for Tourism New Zealand and their worldwide travel partners, and spoke to dozens of groups both domestically and internationally about our product.

TNZ's Premium Team attended Virtuoso Travel Week in Las Vegas, the world's largest luxury travel trade show. The TNZ booth was themed around golf for this event with education sessions on our outstanding golf product and surrounding activities, accommodation, food and wine. While golf remains part of TNZ's Special Interest team, we are strengthening ties to TNZ's Premium Team, as we see tremendous crossover due to golf's premium nature. Each of our worldwide markets has a different strategy for how golf is presented to their consumers, so the mix of Special Interest and Premium is based on the consumers we are targeting.



TNZ's golf themed booth at Virtuoso Travel Week

How to be more active

We have been asked by many stakeholders how they can be more active in the initiatives currently being undertaken, or how they can help their golf course.

There are a few things that we would recommend:

- If you have a listing on *newzealand.com*, please continue to update it with new information and imagery.
- Embrace online booking (see next section for more information).
- Help us collect data. There are several ways to do this and your point of sale system can usually be set up to assist. Please contact Ryan if you need assistance. If all else fails, you can download the attached [PDF here](#) to track rounds manually and submit them via email. We currently track rounds from Australia, North America, China, Japan, Other Asia and Rest of World. The new process through auditors BDO will begin in Q1 of 2016 to enhance reporting quality and regularity for the industry.
- Ensure your course has quality hire sets available and at least a small fleet of quality golf carts.
- Implement a service training programme at your course.
- Prioritise projects that focus on the golf experience and not solely on the club membership.
- Engage your local RTO (Regional Tourism Organisation).

Online booking

From the beginning of this golf tourism initiative, we have identified the need for golf courses to provide an online inventory of tee times to visiting golfers. More and more inbound visitors book online, and these systems can be set up for both consumer and trade use. Currently, of the 40 courses included in the golf initiative, only Kauri Cliffs, Cape Kidnappers, Omaha, and Muriwai have a real-time online booking link on their free *newzealand.com* listing. Should you currently be accepting real-time online bookings, please email Ryan so we can add this to your listing.

The DotGolf system allows tee time inventory to be opened to visitor play, and for this inventory to be managed. Additionally, there are several systems available that will also assist with online booking. You can start by allowing just a few tee times per day, with event days blacked out. Stats from *golf.co.nz* show that 2,388 international casual golfers have registered on the site in the last 12 months, allowing them access to online inventory for courses that permit visitor bookings. The site also receives over 120,000 unique users per month and 2.8 million page views. You may also be surprised to know that *golf.co.nz* averages 6,000 Australian visitors per month, 2,500 from the USA, 1,500 from the UK, and 400 each from South Korea, Japan, Canada, Singapore, Hong Kong and China.

An earlier study by Kauri Cliffs and Cape Kidnappers found that one golf booking was averaging between 7 - 8 emails to complete. This is time that can be spent engaging customers and adding value to your golf experience. The time saved and the ease of booking for your customers should be immediately apparent.

We'll be making another push to show the importance of accepting real-time online bookings, but in the meantime, we can share the following data with you:

- New Zealand's Hilton Hotel properties accept approximately 40% of their bookings from online sources, with the Queenstown properties at an even higher percentage.
- Air New Zealand reports approximately 50% of all bookings are made online.

Here is a short list of other major New Zealand tourism providers offering real-time, online booking:

- Sky City Hotels
- Shotover Jet Boat
- America's Cup Sailing Experience (Auckland)
- Rata by Josh Emmet, Botswana Butchery
- Weta Workshop
- Great Walks / Ultimate Hikes
- Alps2Ocean Cycle Trail
- A.J. Hackett Products

Caddies

As I meet with media, trade, inbound golf specialists, and visiting golfers, it is becoming more apparent that in order to continue growing inbound golf tourism, New Zealand needs a more robust approach to caddies. While Kiwis and Australians are not inclined to taking caddies, some from the North American market, and a significant amount from the Asian markets, prefer to use caddies on the course. In fact, several tour operators have specifically mentioned that New Zealand loses golf business due to the lack of caddies.

I read a quote recently from Thailand's Tourism Authority:

“Challenging and exciting courses staffed by well trained and courteous Thai caddies are the reasons why Thailand is such a popular choice for golf enthusiasts, especially from Japan, Korea, Europe and increasingly, India and China.”

While golf knowledge is beneficial, caddies can be trained to meet the basic needs of the player and be a “host” at the same time. Jon McCord, head golf professional at Cape Kidnappers said “our caddies at Kauri Cliffs and Cape Kidnappers have varying golf backgrounds. Sure, they serve in a capacity to provide technical assistance on the course, but also to take photos and discuss the local area. Some visitors just want a companion on the course. We have several days over the summer where every caddie we have is booked.”

We are investigating options that may provide a temporary fix, and eventually a long-term solution to this problem. In the meantime, we encourage clubs to investigate caddie options and consider recruiting members, school children and locals to participate in an “as needed” caddy program. If you are interested in creating a caddy program, or have on-demand caddies available, please contact Ryan.

Newzealand.com

All campaign work, advertising and trade shows are driving visitors to *newzealand.com*, where they can find a range of information on New Zealand, including our [Golf Hub](#). Once there, consumers can view sample itineraries, learn more about our golf product, and find golf course listings and specialist golf tour operators.

After significant analysis and an intense audit, the Golf Hub is currently being revamped with fresh content that is more appealing to consumers. Part of these changes involve setting expectations for visitors and ensuring they understand what services are available when they visit a course. The full changes should be in place during the first quarter of 2016. Your free listing on *newzealand.com* is your chance to showcase your offerings to consumers, and where they can click through to your website for more information.

In mid-2015, TNZ produced a series of short vignettes on several Marquee courses. These can be viewed on the individual listings on *newzealand.com*.

A recent analysis of consumer activity on TNZ's Golf Hub has revealed:

- Approximately 170,000 unique visitors viewed the Golf Hub last year
- Golf visitors are more likely to use a tablet to perform their search
- Golf visitors are more likely to find the site via paid search and less likely to find it via organic search.
- 26% of visitors find the Golf Hub organically versus a 37% average across *newzealand.com*. However, once there, organic visitors engage the site more than the average visitor.
- 63% of referrals from the Golf Hub are to golf tour operators
- North Island golf content is currently more popular than South Island golf content.
- Golf visitors show interest in activities priced between \$150-\$200 compared to \$50-\$100 for overall site users. Other popular cross-sell content includes Activities and Tours, North Island, Queenstown, Hawkes Bay and Luxury.

The Top 10 Referrals from the Golf Hub are as follows:

1. Air New Zealand
 2. Kauri Cliffs Golf Course
 3. Cape Kidnappers Golf Course
 4. Jacks Point
 5. Orlando County
 6. Active Downunder
 7. Millbrook Resort
 8. Titirangi Golf Club
 9. Gulf Harbour Country Club
 10. Wairakei Golf and Sanctuary
- Referrals made from golf visitors are more likely to be for a NZ-based business than the average (83% vs. the average of 57%). This rises to 90% for Australian golf visitors.
 - Analysis shows that visits to the Golf Hub typically have a lower bounce rate, higher active visit rate, longer time spent on site, and a higher referral rate than the average for *newzealand.com*.

China golf research

In the coming months, GTNZ will be part of an exciting rollout of a major piece of research undertaken to activate the Chinese golf market to New Zealand. Funded by Auckland International Airport, ATEED (Auckland Tourism, Events, and Economic Development), and MBIE, the detailed report provides a roadmap for the tourism industry to increase visitors and yield from Chinese golfers.

In advance of this research being rolled out, I'd like to share with you a few highlights for your consideration:

- In the last year, agreements have been reached which allow air services between New Zealand and China to double from 21 to 42 a week from each country
- Annual visitor arrivals from China are up 23% in the past year to 315,200. Chinese visitor expenditure has topped \$1 billion for the first time.
- China is our second largest tourist market behind Australia, with visitor arrivals due to double in the next five years. Tourists from China recently pushed New Zealand's annual visitor numbers over the three million mark.
- About 100 million Chinese travel overseas annually and this is expected to double by 2020. The New Zealand government also predicts that, with the support of new air routes, promotion schemes and rising incomes, Chinese tourist arrivals will see a 12% increase during the period 2015 to 2021.
- Last year over the period from December – March, Chinese golf rounds played at the 10 Marquee courses for which we had historical data were up 61%.

Golf Guide creation with AA Traveller

After successful discussions with AA Traveller, an agreement has been reached to produce a golf guide. This will be similar to the cycle guide that has been met with high demand from visitors both on the ground in New Zealand and overseas as a pre-planning tool. This upmarket, content packed travel tool will help to spread the message of our golf product, along with the trails and clusters we have developed. If you are interested in advertising in the Golf Guide, please contact Ryan so he can make the proper introductions to AA Traveller. Expect to see the Golf Guide in 2016!

Tourism New Zealand invests in imagery

TNZ has continued their investment in imagery, with a multi-day shoot earlier this year covering the Central North Island. The shoot included Kinloch, Wairakei, Rotorua GC and Cape Kidnappers. Featuring Phil Tataurangi, the shots will be used throughout our digital platform and in campaign work. Images from this shoot, and previous photo shoots, can be viewed [here](#).

Over the Top Golf, Cecil Peak, Queenstown

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