8 August 2014 NZ i-SITE Funders Conference

TO	Economic Development Committee
FROM	Craig Cassidy - Thames Community Board Member
DATE	21 October 2014
SUBJECT	**8 August 2014 NZ i-SITE Funders Conference**

1   Purpose of Report

For Thames Community Board Member Craig Cassidy to provide feedback to the Economic Development Committee on the one day presentation and workshop day provided free of charge by i-SITE New Zealand and Tourism NZ.

2   Background

The purpose of the day was to discuss and highlight the issue of funding i-SITEs around New Zealand.

There was a very good mix of both Council staff and Elected Members, including a Mayor and Deputy Mayor, in attendance.

It is recommended by Local Government that Regional Tourism Organisations (RTO) ideally oversee the i-SITE network, however it was pointed out that there are problems with this in the fact that not all RTO regions and Councils are the same and therefore it is difficult to run the same model.

The Thames i-SITE is categorised as a Rural/Small Town Visitor Centre. Of the 27 i-SITES in this category the ownership is made up as follows:
- Council - 14
- Trust/Incorporated Society - 7 (Thames)
- RTO - 1
- Independent - 5

Presentations were held about how work had been done with the variations in the Waikato Region and how some problems were overcome.

Also a very good presentation was made by Auckland Tourism on how they are trying to move forward with the 13 Centres they run.

Generally the point was made that i-SITES are an important part of the visitor experience.

3   Issue

There are over 80 branded i-SITES and 34 Visitor Information Centres in New Zealand, some are Council owned and operated, some are run by the RTO's and some are private or Incorporated Societies.

Of the 80 only four break even or make a profit. (e.g. Auckland Centres lose over $850,000 a year).

Another issue is no one model will suit all Centres as community demands and visitor numbers dictate different operations (e.g. while selling ice creams in Gisborne is a winner others lost money doing it.)

The main issue is should community's or Council fund these centres and how much can be justified to fund them?

4   Discussion

Going digital
There was a lot of talk about digital apps and websites etc but no one had been able to achieve any great results. It was agreed that to create these apps and sites was expensive, time consuming and once up and running you needed a lot of promotion to get users to connect.

It also requires huge buy in with membership fees or upfront set up costs from the visitor industry to have the product needed to make such apps work and upfront investment on a new service is almost always a hard sell.

There is also the issue that the visitor market is targeted heavily by advertisers and most will only use those that charge a small fee for any bookings made.

Which model?
The main point was that there is no golden ticket or perfect balance of community funding levels and profitability of Visitor Centres.

Most agreed that the Centres provide services and experiences that cannot be matched to a sale or recorded with a return for investment.

One of the issues is determining whether you want a Centre with a community focus or a Centre with a hard line ticket booking office looking for profit.

The hard choice is working out what investment Council, RTO's or Community Boards are willing to invest in the future of such services.

An interesting point is that the figures from all the New Zealand Centres showed that the Council or RTO operated Centres cost the ratepayers more.

Also some sales levels were higher for Incorporated Societies as opposed to sole Council operations.

It would appear that until we can challenge the likes of Rotorua and Northland to take business from them and increase visitor numbers with an increased spend per person then there will be a need to fund our visitor i-SITES in some form.

5   Suggested Resolution(s)

That the Economic Development Committee:

1.   Receives the report.

References-Tabled/Agenda Attachments

Attachment A   *i-SITE Funders Conference Programme*

Attachment A - i-SITE Funders Conference Programme