

# Inside Nigel Coventry Tourism

PO Box 100, Taumarunui, New Zealand.

Tel/Fax 64-7-8957-737.

nigel@insidetourism.com

[www.insidetourism.com](http://www.insidetourism.com)

Member: PATA, TIA, SKAL.

Subscription rates on application.

ISSN 1176-3574

---

ISSUE 575/Executive Summary

December 6th, 2005

---

## TIA calls for more government money for offshore marketing

THE industry is facing an immediate future of flat activity and in the medium term lower forecast international visitor expenditure, TIA has told government.

In a paper on the need for TNZ to have a bigger annual budget the association says the original estimate was that between now and 2010 tourism would earn a total of \$56,112 million. This has since been reduced by \$9,889 million.

To retain our current position we need a recommitment to offshore marketing "so that we continue to prosper from offshore tourism and maintain our competitiveness."

It adds: "Also necessary is the increased engagement of other government departments with tourism."

It suggests that as soon as possible there be an increase in baseline funding for TNZ indexed to inflation to enable it to continue to have a strong marketing voice overseas.

## McManus to report from Auckland

**GERALDINE McManus of McManus Tourism Communications has been appointed IT's first correspondent in Auckland.**

### Only one chance to get it right

THE industry will likely have only one chance at self regulation - before government introduces legislation to control the market, China in particular. That was the message from TNZ GM operations Tim Hunter and ITOC CEO Paul Yeo at Friday's ITOC forum in Auckland, attended by almost 200 members.

Mr Yeo said the Australians started with a self regulating system. But that didn't work so legal controls were set up by federal government. "You could say this is our last opportunity."

He added: "We have a system that has worked quite well...but we stuffed it up, to be honest, and government might look at going down that track. Having said that, the New Zealand government is not usually that inclined to take legislative action...we now have an opportunity to see if our system works..."

Later Mr Hunter said ITOC's involvement in the China market is vital. "If we don't get it right then we do run the chance that government will step in and bring in some onerous regulations on the inbound industry, particularly on pricing and the China market. And we would like to avoid that, if we can."

By a show of hands it was discovered that only about 10 percent of allied members are involved in the China market, mainly, it seems, because there are few inclusions in itineraries.

Mr Yeo said ITOC has started conducting spot checks on full members of the China Portfolio Marketing Group (CPMG) to ensure they are adhering to Approved Destination Status (ADS) rules. There have been seven to date.

The Beijing government has approved 500 more agencies, many of which are full blown corporations. "There are too many companies and the result is that they are all driving the prices down. Perhaps we should not approve many more companies to sell New Zealand as that will only perpetuate the problem."

Why are Chinese agents selling low cost tours? "We have a system, ADS, which controls the flows and we want it to work. But NZIS has issued so many visas outside ADS that we wanted to stop and create differences between ADS and other visas so companies are attracted to book through the ADS," Mr Hunter said in discussing the summit. "We wanted companies to brochure better itineraries, expand their business base and look at high value propositions. We wanted New Zealand to apply the law to the ratbags who were getting away with selling shocking product and putting investment at risk. These need to be investigated by the tax department, immigration, LTSA...we also felt the need to monitor what Australia was doing and what was effective."

He said some bookings are made through the ADS but then onsold to companies not in the scheme and which don't have a code of practice.

### Joint conference "significant"

PRESIDENT Stuart Neels said ITOC and TIA will hold a joint conference next year but the council will revert to a stand-alone one in 2007. "I believe a joint

conference is significant because it symbolises the need for the industry to work together to promote Destination New Zealand.” Mr Williams spoke in support of TIA’s baseline survey on TNZ funding, saying it’s an issue the industry should work together on. Operators should lobby their MPs for TNZ to get a fair deal.

### **NZ, where dreams come true...**

WHAT New Zealand has going for it is the ability for visitors to enjoy experiences in one small area, each of which would be a dream come true.

Andrew Chapman, marketing director for UK-based Tailor Made Travel, and Bath Travel’s manager-long haul department David Betsworth, told delegates that we are competing against Australia, Canada, Africa and South America in Britain. While clients are booking later they still have money to spend. They may book six months ahead or leave it until the last minute for a special deal before flying here.

Asked about his visit to the South Island Mr Chapman said he had experienced things such as helicopter trips, rides in gliders and parapenting. “These are things I have only dreamed of. This is the secret. Here you offer experiences you can’t get anywhere else and all in a space that allows you to do it all. You have an unlimited ability to turn something slightly on the edge into something we can all do. And it appeals to all ages.”

### **Sellers had material - 10 years old!**

**SOME TRENZ sellers have been given a ticking off by TIA CEO Fiona Luhrs. She lambasted them for using biographical material that’s a decade old.**

### **Mixed views on luxury travel show**

WHEN this’s year’s Luxury Travel Show was discussed at the ITOC forum, TIA CEO Fiona Luhrs said some operators are saying the event - staged just prior to TRENZ - did work for those who attended. But those who attended TRENZ are generally annoyed that the show was riding on the back of the more major event. “People who are coming to the luxury show are getting access to discounted accommodation and free airfares - which we organise as part of TRENZ - to go to another show altogether. Some of them came on to TRENZ but people think there was a general sense of unfairness,” she said.

### **Great NZ Touring Route website**

**THE Great New Zealand Touring Route (GNZTR) has just launched its new website: [www.gnztr.com](http://www.gnztr.com)**

### **BCA warns ITOC over new \$25,000 fine**

THE Bus and Coast Association (BCA) has written to ITOC pointing out that under the new Land Transport Amendment Act a new offence - called “chain of responsibility” - inbound operators who insist on itineraries which exceed restrictions could be fined up to \$25,000.

Third parties are now criminally liable for heavy motor vehicle drivers’ breaches of regulations.

### **Kawarau Gorge “ho hum”**

THE Kawarau Gorge is a “ho-hum” drive that may cause visitors to cancel coach trips to Wanaka if they had to travel it, according to Bus and Coach Association deputy executive director Dave Smith. Mr Smith made his claim during a submissions hearing on Queenstown Lakes District Council plans to create a bylaw restricting vehicles travelling over the Crown Range.

### **Launch of Jetstar heralds growth phase**

**TO grow short haul markets and provide better access to the local community Christchurch International Airport needs to form marketing alliances with low cost carriers like Jetstar.**

### **Agrodome’s giant sheep a “must see”**

HE’S three metres high, perches on a tussock outcrop and is bigger than the famous Shrek before he was shorn. Built in the South Island, the fibreglass replica of the Agrodome’s most well-known sheep breed, the Merino, is already proving popular with local and international visitors alike.

### **Kinloch course: NZ first?**

**US golfing legend Jack Nicklaus has designed an 18 hole course at Kinloch, on the shores of Lake Taupo. It is claimed to be the first in New Zealand to be designed by Nicklaus, who is recognised internationally as one of the world’s leading golf course designers.**

### **Prizes galore in Hike South campaign**

TUATAPERE Hump Ridge Track and Kiwi Wilderness Walks have launched a campaign called HikeSouth. It’s a joint venture with Venture Southland and others and aims to promote walking in general in the Fiordland and Southland regions.

### **Frangialli back - WTO becomes UNWTO**

**FRANCESCO Frangialli has been relected World Tourism Organisation (WTO) secretary-general - until the end of 2009.**

### **Trapeze artists offer circus adventures**

RETIRED flying trapeze artists Freddy and Carol Osler-Weppenaar are opening \$1 million Waiora Valley Adventures near Paihia, Northland, on December 22.

### **“Non!” to poverty surcharge**

**IATA is against the proposed introduction by France of an airfare surcharge to help world poverty. The group contends the levy on aviation is misguided.**

### **NB:**

IT576 will be out on Thursday next week. This will be the last issue of 2005.