

QCB Report Q2 2018-19

1 October to 31 December 2018

Market Overview & Insights

The following report outlines the key activity and results of the Queenstown Convention Bureau for Q2 (Oct, Nov, Dec) of 2018-2019 financial year.

This report includes insights from the managers, lead generation breakdown for markets, then breakdown into conference and incentive. We will display how the leads were generated, the source in which the leads originated and finally the reasons any business was lost. An activity summary from the Bureau will include a breakdown of sales calls, tradeshow appointments, site inspection participants and famiparticipants. This quarter we are also able to illustrate year to date totals for the above where appropriate.

We will display confirmed business the Bureau has secured for the next six quarters, along with a summary of all prospective business.

Finally the table of events the Queenstown Convention Bureau will attend until the end of the financial year and into the first half of the next financial year has been listed for your reference.

A new section on the Members Area of the Destination Queenstown website has been created, housing reports from the managers on processes, tradeshows and sales calls. Find them [here](#) to get more insights and details on specific markets, the trips we carry out and the way the Bureau operates.



LOUISE I attended IMEX Las Vegas with the primary objective of selling Queenstown as an incentive destination to the N. American market. Fixed appointments, overall quality of buyers and amount of walk ups were all higher than the previous year.

Over half the appointments had tangible business for Queenstown ranging in group sizes of 30-250pax. Enquiries are mainly for shoulder periods (April/May and Sept/Oct) with most business 6-7 nights. Auckland/Queenstown dual destination pitch was by far the most popular option.

Conference and conventions arrival figures from US into NZ is consistently increasing which is a reflection on the ease and choice of air connectivity. Air NZ Chicago route commenced in November making it the first direct flight from the north-east, making the east coast of the USA more accessible than ever before, growing the potential of this market significantly.

This quarter saw the announcement of the strategic MoU between Auckland Convention Bureau (ACB) and Queenstown Convention Bureau (QCB). ACB and QCB are joining forces to amplify marketing efforts in long-haul markets to attract the high-value incentive market. The Bureaux will work together to position Auckland and Queenstown as an unbeatable dual-destination proposition in long-haul markets. The Bureau team also worked closely with CINZ and local operators to secure Queenstown as the destination for CINZ Conference 2019.

The Bureau are also in discussions with TNZ regarding the pre-Meetings international buyers famil programmes. There is strong support from TNZ for all their long haul buyers experiencing Queenstown for an incentive day culminating with a gala night before Meetings 2019.



JANA The main focus for this quarter was the Australian PCO Famil. The Bureau (partnering with Air NZ) hosted 15 key PCOs and Association event managers (all companies who have never been hosted by the Bureau). The famil programme focused

on showcasing new product, as well as incorporating a trade show for operators with established product offerings. Feedback from buyers and operators alike was outstanding.

There has been a slight downturn in enquiries compared to this time last year, due to a couple of factors. The change of Prime Minister at the end of August, instability of the government and impending election has put somewhat of a halt on spending. Secondly, the impact of the banking Royal Commission, with the tightening of criteria around lending practices has had a flow-on effect to both business and consumer spending.

General observations on the market show smaller event companies are struggling to remain competitive and add value. Procurement is now controlling the decision-making process with strategic insights or relationships less likely to secure the business. Privacy and Health and Safety are also topical - particularly with PCOs who look after banking clients.

We are likely to see a trend for corporate events to be smaller but more frequent and targeted. There is also a client focus on valuing the conference design, which means customisation is key to every event, as the value to delegates is their legacy and the reason why they may attend again. In other words, the focus for events is not so much on function, but on emotion and life changing.



ELLA High impact activity in Asia this quarter was the Queenstown China Tourism Exchange. As part of the week-long trip, QCB hosted a "Queenstown Business Events workshop" and a mini incentive "tradeshow" in

Shanghai in mid-October in partnership with Air NZ and TNZ BE China. The purpose of the session was to educate key incentive agents on Queenstown's premium incentive offerings and to provide a platform for our Queenstown operators to gain market insights from TNZ and key MICE agents.

In December we received 4x potential leads which include 2x high end incentive groups in 2021 and 2022 through TNZ Singapore office. Two site inspections are in the planning stage. We have also received several inquiries about unique gala dinner venue and unique team building activities from China market.

New Zealand summer months optionally are the quieter season for PCOs in SEA. They often conduct site inspections during this time which is the peak season for Queenstown. Even though the groups travel in shoulder season, the availability and cost of accommodation for recce s over our peak season puts Queenstown at a disadvantage. At times PCOs get put off by the travel costs over our summer so we miss out the opportunity for a site inspection and lose the business.

Forward outlook for long term demand from Asia is still extremely positive, at the start of 2019, within the top 20 markets for New Zealand, the 5x fastest growing economies - India, China, Philippines, Indonesia and Malaysia; are all Asian.

Total Leads

This table is reflective of the leads generated within the quarter and their current status (won/lost/in progress). In progress means a decision is still pending on the piece of business. The won/lost figures are low as the status of a lead rarely becomes confirmed/lost within the same quarter in which it was generated.








Within the quarter we have actually confirmed 8 leads of which only 2 were generated within the current quarter (as reflected in table). The breakdown of this confirmed business is as follows:

- International group: 1
- Australian conference: 4
- Domestic conference: 1
- Australian incentive: 2

The international group is defined as a piece of business not falling within the conference or incentive categorisation. In this case it is a special interest group.

The YTD total has been added this quarter to indicate how the bureau is tracking in terms of the KPI. As a reference the total leads generated last financial year was 104.











Total Overview

	AUSTRALIA	NEW ZEALAND	REST OF WORLD	Q2 18-19 TOTAL	Q217-18 TOTAL	YTD TOTAL	ANNUAL KPI 18-19
							
GENERATED 	8	8	1	17	24	47	112
WON 	1	1	0	2	-	6	-
LOST 	1	2	0	3	-	14	-
IN PROGRESS 	6	5	1	12	-	27	-

Conference vs Incentive

This breaks down the leads generated into conference and incentive and the number of pax.

Of the 16 conferences, 7 were Australian, 8 were Domestic and 1 was International with the incentive lead being generated out of Australia. Not such a stand out market this quarter but some insights into this have been indicated in the opening commentary.

	Conference		Incentive		Totals	
	EVENTS 	ATTENDANTS 	EVENTS 	ATTENDANTS 	EVENTS 	ATTENDANTS 
GENERATED 	16	2202	1	70	17	2272
WON 	2	230	0	0	2	230
LOST 	3	950	0	0	3	950
IN PROGRESS 	11	1022	1	70	12	1092

QCB Report Leads

Source by Activity

Activity

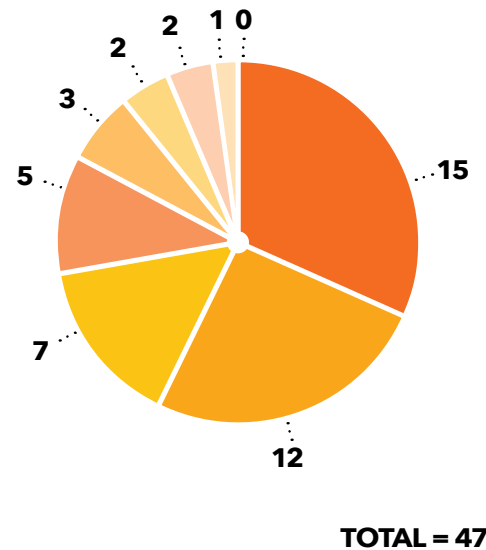
In this report we have showcased the source of leads for the year to date to illustrate what activity is proving to be most fruitful in terms of lead generation. As we can see the Bureaus existing relationships are top, with the website function a close second. The Bureau is putting a lot of time into enhancing the website so hopefully once this is complete the numbers here will start to reflect the improvement in content and usability. To note the 17 leads generated in Q2 were through the following channels:

- Tradeshows - 1
- Website - 4
- Famils - 1
- Existing relationships - 5
- Referrals - 3
- Cold Call - 3

Leads generated from the website either come through our RFP form or a direct client email from sourcing our contact details from the website.

Referrals are from CINZ, TNZ and other regional Bureaux.

Third party channels are a reference to the likes of Cvent (web based technology specializing in meetings, events, and hospitality management).



- EXISTING RELATIONSHIPS
- WEBSITE
- REFERRALS
- TRADE SHOWS
- COLD CALL
- FAMILS
- SALES CALLS
- OTHER

Source by Account Category

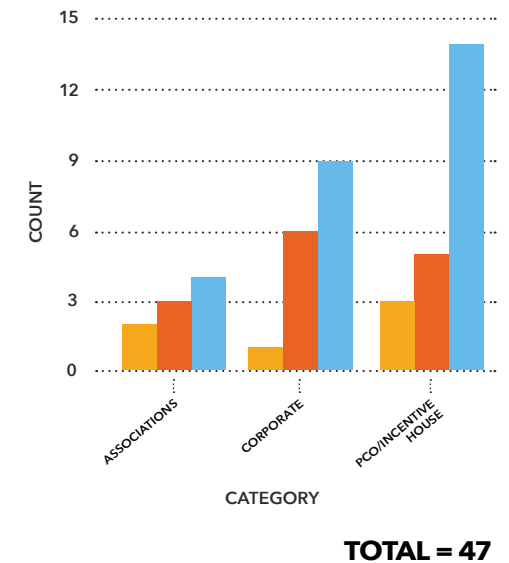
Associations, Corporate, PCO/Incentive House

This table shows a breakdown of where the lead has come from for all leads generated year to date. PCO/Incentive houses are by far the standout source with 22 leads in total re-emphasising the importance of these relationships. Corporates sit at 16 leads and Associations have a total of 9 leads.

However this specific quarter showed a slightly different mix with the breakdown of the 17 leads generated as follows:

- Associations: 4
- Corporate Companies: 7
- PCO/Incentive house: 6

There is no particular standout in terms of most popular source this quarter which indicates the Bureau is still trying very hard to get a good mix of business from varying sources.



- CONFIRMED
- LOST BUSINESS
- PROSPECTIVE

Lost Reasons

This chart highlights the reasons business has been lost from both a conference and incentive perspective for the leads generated in the current year to date.

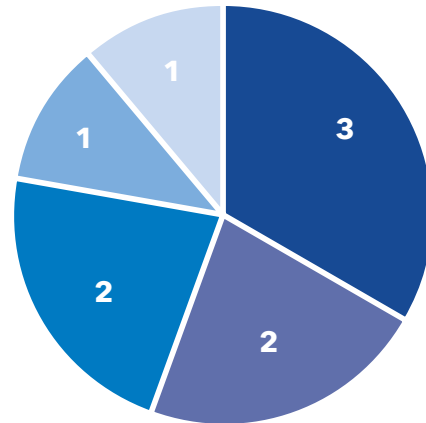
As we collect more data we will start to see the most common reasons for losing business, however already we can start to see a slight pattern. At the end of this financial year we will be able to analyse these reasons to get a better understanding of how the market is working and reacting, which will be invaluable when assisting members with insights and market trends.

In Q2 the three pieces of lost business (all of which were conferences) were due to event being cancelled or postponed, rates being too high and losing to an alternative destination.

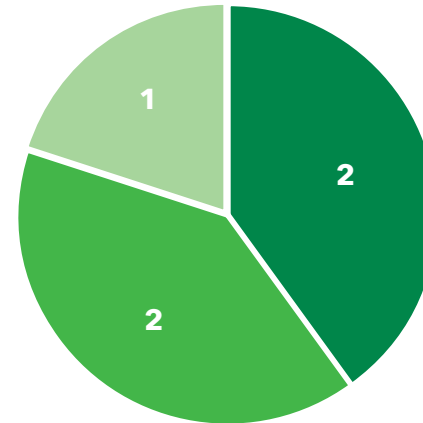
The lost lead categories we record on are listed below:

- Lost Lead Categories:
- Hotel / meeting space not available
- Rates too high
- Dates not available
- Infrastructure constraints
- Event cancelled / postponed
- PCO lost the business
- Lost to alternative destination
- No air service
- Budget cuts
- No response from client to follow ups

Reasons for Conference



Reasons for Incentive



- LOST TO ALTERNATIVE DESTINATION
- INFRASTRUCTURE CONSTRAINTS
- EVENT CANCELLED OR POSTPONED
- RATES TOO HIGH
- BUDGET CUTS
- PCO LOST THE BUSINESS



Activity Summary

Sales calls were conducted in:

Melbourne - combination of corporates and PCOs
 Los Angeles - met with a DMC with a confirmed piece of business for Queenstown
 Shanghai - a PCO and a corporate client

Tradeshows the QCB attended:

IMEX, Las Vegas, 16-18 October
 Queenstown China Tourism Exchange, Shanghai, 15 October
 PCO Association Conference, Melbourne, 9-11 December











The site inspections included:

- TNZ Business Events team member
- CINZ team
- A NZ Association
- 2 x NZ PCOs with their corporate client
- Asian sales representative

Famils in this quarter include Australian famil (15) and TNZ Singapore/Malaysia Incentive famil (8).

Additional activity this quarter included attending the CINZ Conference, the NZ Convention bureau meeting and TNZ Association workshop in Auckland as well as the TNZ Advocacy event and QCB Advisory Board meeting in Queenstown.

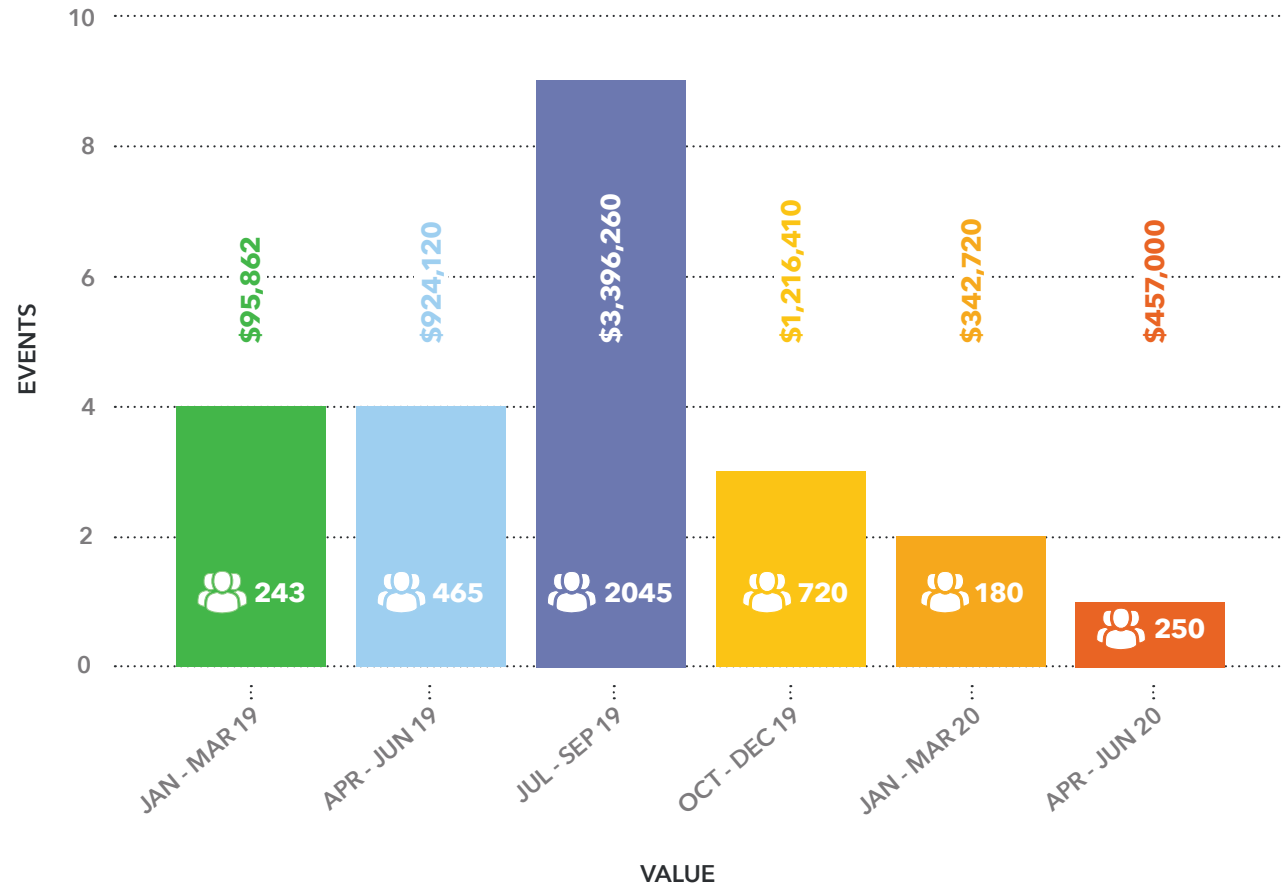
Summary Overview

	AUSTRALIA	NEW ZEALAND	REST OF WORLD	Q2 18-19 TOTAL	YTD TOTAL	ANNUAL KPI 18-19
						
SALES CALLS 	10	0	3	13	73	165
TRADE SHOW APPOINTMENTS 	15	0	43	58	151	190
SITE INSPECTION PARTICIPANTS 	1	10	1	12	26	25
FAMIL PARTICIPANTS 	15	0	8	23	45	95

Events Confirmed

This table has been split into the upcoming 6 quarters. It shows the number of events confirmed for each period with the total number of attendees and estimated economic value.

Please note the economic value differs depending on the source of the lead (e.g. domestic, international, Australian) as delegate spend varies accordingly. The calculations are based on MBIE research and reflects the same calculations TNZ use in their reporting to ensure consistency and comparability. Looking forwards Jul-Sept 2019 is the busiest quarter, assisting with the shoulder season growth.

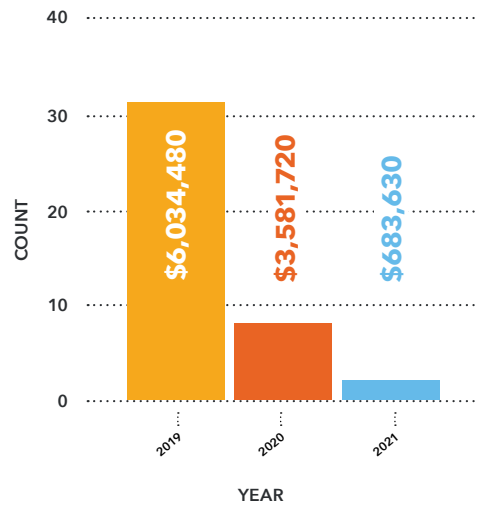


TOTAL EVENTS = 23
TOTAL ATTENDANTS = 3903
TOTAL VALUE = \$6,432,372

Prospective Events

This table shows there are currently 41 pieces of prospective business still in the pipeline for Queenstown with an estimated economic value of over \$10million. There are still a lot of leads pending for 2019, however we will now continue our focus to grow the pipeline for 2020 and beyond.

When looking at the pipeline for pending leads most fall in the months of May and October showing high demand and enquiries for our shoulder period. This fits nicely with our strategy of continuing to target a diverse portfolio of visitors to drive a sustainable future demand and we will continue to have this as a focus.



TOTAL COUNT = 41
TOTAL VALUE = \$10,299,830

Calendar of Events

FEB 2019

7 FEB	NATIONAL BUREAUX MEETING	NZ	WELLINGTON
7-8 FEB	SALES CALLS	NZ	WELLINGTON
19-20 FEB	AIME LUNCHEs	AUSTRALIA	MELBOURNE

MAR 2019

TBC	SALES CALLS	AUSTRALIA	SYDNEY
TBC	SALES CALLS	NZ	AUCKLAND
TBC	PCO/ASSOCIATION SHOWCASE	AUSTRALIA	SYDNEY TNZ

APR 2019

6-8 APR	AUSTRALIA FAMIL	AUSTRALIA	QUEENSTOWN
7-9 APR	DOMESTIC FAMIL	NZ	QUEENSTOWN AIR NZ

MAY 2019

24-26 MAY	AUS PRE-MEETINGS FAMIL	AUSTRALIA	QUEENSTOWN CINZ
24-27 MAY	PRE-MEETINGS FAMIL	INTERNATIONAL	QUEENSTOWN TNZ
28-30 MAY	MEETINGS 2019	ALL	AUCKLAND CINZ

JUN 2019

12 JUN	AUSAE ACE CONFERENCE	AUSTRALIA	BRISBANE
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SEP 2019

10-12 SEP	IMEX LAS VEGAS	N AMERICA	LAS VEGAS TNZ
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OCT 2019

29-31 OCT	CINZ CONFERENCE	VARIOUS	QUEENSTOWN CINZ
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NOV 2019

TBC	PREVUE INCENTIVE SUMMIT	N AMERICA	CHICAGO TNZ
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