

Queenstown Convention Bureau

Australian Business Events Strategy

November 2021

Destination Queenstown

PO Box 353, Queenstown 9348, New Zealand

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1. Overview

With the effects of the global pandemic impacting the tourism industry at unprecedented levels, there is a need to relook at all our activity for the next 2-3 years. This strategy document has been created to ensure we are exploring all opportunities from the Australian Business Events (BE) market, particularly new target areas, in order to maximise returns for our members. In a post-COVID world, there has never been a stronger need for a robust plan to increase lead generation, execute in-market activity and grow our corporate database contacts in the next financial year and beyond.

Driven by healthy vaccination rates, the imminent lifting of the travel bans and resumption of quarantine-free travel between not only Australia and NZ, but more crucially Australia and the rest of the world, means we need to position Queenstown front and centre of the minds of Australian BE travel buyers.

This includes a comprehensive strategy across business development, marketing, and PR functions of our work in the Australian market, and also includes is a calendar of events QCB will be engaging on with key industry partners – BEIA, TNZ, Air NZ and the various convention centre teams.

We will also be building a targeted social media and marketing strategy and appointing Sales Representation focussed on Corporates to support our in-market presence.

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2. Situation Analysis

With such huge changes to travel in the past 18 months, there is significant opportunity from the Australian C&I market to increase lead generation and conversion. Recent research from Kantar, commissioned by Tourism NZ shows that among Australian business events planners, 64% will consider NZ as a potential business events destination in the next 2-3 years. This is only slightly behind domestic Australian destinations in NSW, VIC and QLD.

The travel ban for Australians was lifted from November, allowing for international travel to both short and long-haul destinations. However, there will be initial hesitation from some buyers to long haul travel for some time to come so we have an excellent opportunity to target business events which would traditionally visit the Northern Hemisphere or key Asian destinations.

Business events are a key component of many companies and organisations sales and marketing plans. They are held to inspire and reward their staff and clients, discover business opportunities and to plan for the years ahead. Even through challenging economic times, business events are essential to keep these organisations moving forward

While some industries have really struggled through the pandemic, there are certain sectors which have performed extremely well and have budget to spend on business events. Others see the value and importance of retaining and encouraging staff who have struggled through the immense changes to their lives.

We have an opportunity to position Queenstown as the leading incentive and conference destination in the Southern Hemisphere. Our advantage is that our unique landscapes and exceptional experiences make us a truly aspirational destination – a key advantage in the destination decision-making criteria for most events.

A safe, close and well understood international is always more of a drawcard than a domestic one, particularly for incentives.

Competition

The New Zealand business events offering is becoming increasingly competitive. Convention centres are being built in Auckland, Wellington and Christchurch, giving these destinations a purpose-built conferencing facility and opening up hosting capacity. There is also significant investment being made in 4-star and 5-star hotels, particularly in Auckland, to support these major infrastructure projects.

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There is a notable amount of business in the 500-1000 pax range out of Australia which would utilise these venues, which we currently miss out on. Here we see an opportunity for ZQN to partner with these Convention Centres in offering pre/post touring options or concurrent conferences for smaller sub-groups.

Domestic Australian destinations (NSW, VIC, QLD) are our main domestic competition for Australian Business Events, especially with there still being uncertainty in Australia around border closures and snap-lockdowns. However, interest in Fiji has exploded with many agencies seeing huge volumes of bookings already being made.

Competition is also more intense with large state budgets for subvention programmes.

Some close Asian destinations like Singapore will be competition in the first half of 2022, and high-end incentives to US and Europe by late 2022.

Queenstown's current market profile for Australian groups

The "sweet spot" for group size into Queenstown is around the 80-150 pax mark, as we have a wide range of venues available and total group activity options are viable.

Data pulled from Simpleview shows average Australian groups sizes over the past 4 years are 148 pax for conferences and 92 pax for incentives.

That said, there are several larger groups up to 350/400 pax wanting to visit which we can accommodate with some flexibility on behalf the client.

We generally find association business is limited due to capacity constraints – they typically need large plenary rooms, exhibition space as well as rooms for multiple concurrent streams. With smaller associations, the challenge for them will be to target sponsors and need to turn a profit in this somewhat challenging environment makes offshore travel somewhat less likely.

The main corporate market segments in Australia which have fared well during the pandemic are: Medical, IT, Pharmaceutical, Automotive, PR, Construction, Real Estate, Law, Finance, Accounting, Retail and FMCG

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3. Market Opportunity

Analysis of the market indicates the main sources of opportunity to generate interest and leads from Australian market is as follows:

1. **CHANNEL** – many corporates (particularly the larger companies with multiple divisions) book their Business Events via an agency, be it their Travel Management Company or a PCO. Managing our channel clients is a key component of increasing business from Australia for both conferences and incentives, in particular building close mutually beneficial relationships and strategic alliances with the main TMCs like CT Partners, Hello World Corporate, FCM, AMEX, CWT, BCD and CTM .
2. **CORPORATE END USERS** - using a targeted and savvy digital and social platform campaign to raise awareness of Queenstown as a business events destination will in turn will influence corporates to consider the destination before their agency does or in conjunction with their agency's recommendation. This is key particularly for high end incentives, executive retreats, and board meetings.
3. **FRANCHISES** – with a market size of AUD\$155bn and over 90,000 business in Australia, there is great potential to tap into this valuable and growing sector. Examples of key players include Metcash, Harvey Norman, 7-Eleven, McDonalds etc. Service based franchises, particularly those in the health and wellbeing area are expected to see demand rise in the next 5 years.
4. **DIRECT SELLING COMPANIES** - is a form of retail in which products and services are marketed directly to consumers. In 2020, the gross revenue of Direct Selling Association members in Australia was AUD\$1.4 bn with nearly 500,000 people involved in the industry. The two top ranking categories of products were wellness (41%) and cosmetics (27%). Australia is ranked 24th globally for retail sales in direct selling.

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Sector performance post Covid-19

Whilst Air NZ have advised that corporate travel hasn't come back yet due to the ongoing state border lockdowns, corporate Business Events will return much faster with significant booking numbers already in the system for 2022. This mirrors what we saw with lead generation from the Australian market in the April-June 2021 quarter – 37 leads generated. We are yet to see a “post-COVID” environment as at November 2021 due to the pause in trans-Tasman travel and the current interstate lockdown situation in Australia and NZ. It is anticipated that by end of November 2021, NSW and VIC will have reached 90% double vaccination rate which effectively removes all restrictions pertaining to the pandemic and allows life and travel to resume as normal. Australian borders will also open to a large number of international countries as at 1 November, allowing quarantine-free travel into Australia and Australian residents to travel abroad without restrictions.

Sources of business

After assessing the Australian business events landscape, in particular the source of bookings, we can see clearly that most large Corporates use TMC/PCO when planning and booking their event. For smaller companies, the event management function is assigned to an EA/PA or to the marketing department. Some who did outsource prior to COVID have now bought that function in-house as part of their cost cutting measures.

Air NZ's corporate business events strategy, as per previous years, is targeting the channel as the primary source of business. They are not looking after corporate accounts directly, rather the focus is very much on nurturing the relationship with key Travel Management Companies – FCM, CTM, BCD&ME, CWT, CT Partners, AMEX etc.

They are extremely careful not to cut the TMC out by working directly with corporates.

In the past we have aligned ourselves closely with Air NZ, particularly for family activity, and it is recommended we continue with this strategy. Air NZ have indicated there will be scope to leverage their existing contracts with some of the key Travel Management Companies here in-market.

The same opportunity will be investigated with Qantas.

Our focus for corporates, franchise and direct selling organisations will be mixed. We will look to engage both directly and indirectly with these clients – via a targeted digital and socials strategy aimed at influencing their choice of destination as well as presence at appropriate trade shows. We will also use a third party agency for lead generation and database development. We need to be mindful that we are not seen to be “competing” with our agency partners and will encourage collaboration with a channel (agency or local DMC) for delivery of the event.

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Challenges & Opportunities

After experiencing significant growth in tourism over the last few years prior to the pandemic, Queenstown is now entering a new phase of tourism, which has both challenges and opportunities. Queenstown has lost the majority of short-term pipeline Australian business and with the end of the calendar year approaching, this is likely to continue until Feb/March 2022.

Many Australian clients are watching and waiting for some sort of roadmap from the NZ Govt before making new enquiries or rebooking postponed events. This latest pause has pushed bookings for NZ back to 2022.

There is significant work to do on recovery and the environment is increasingly competitive, as cities and regions across Australia, the Pacific and South-East Asia are offering large cash incentives to win group business.

QCB can respond by strengthening Queenstown's business credentials and raising our destination's profile, focusing on what makes Queenstown unique and desirable. Key to our success is going beyond just product and communicating the transformative effect Queenstown will have on a person, through unique experiences, majestic landscapes, adventure, and connection. Utilising the tools we know the market responds well to and developing a robust digital and marketing plan will be key.

The key trends that drive or impact PCOs and TMCs at present are cash flow closely followed by engagement both internally and externally. As with most businesses post-pandemic, they are running a bit leaner so may be time or resource poor. There is a great opportunity here to be proactive in making their "lives easier" during the tender process – making the Queenstown proposition as easy to understand and confirm as possible. Added to this is the importance of investigating all funding opportunities via TNZ to secure the business for Queenstown.

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4. Queenstown's Positioning

Queenstown is one of the most inspirational and aspirational destinations in the world. Sophisticated and cosmopolitan, adventurous and innovative, majestic yet welcoming, Queenstown has the credentials to meet the requirements of most Australian Business events mandates.

Our USPs

- Inspirational landscape and environment
- World class activities
- Sophisticated events industry and professional services
- Range of accommodation and venues
- Fabulous hospitality, food and wine
- Safe and secure destination
- Ease of access

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5. Summary & Recommendations

Summary

Business events will play a significant role in rebuilding a strong and diverse economy, which is going to be crucial as we move into the recovery phase of this pandemic environment. QCB's objectives are to maintain and reinforce Queenstown's position as a premium Southern Hemisphere business events destination in the Australian market, increasing lead generation and to continuing to grow value in the medium and long term.

QCB's goal of growing value for our members will be delivered through multiple tactics - targeting a range of sources and event types to ensure we have a diverse portfolio of business, increasing delegate days and spend, and spreading demand throughout the year. The Australian market provides the opportunity to have a steady flow of high value business event activity including incentives, board meetings, executive retreats, and conferences.

Target Segments

- Conferences & Incentives from Channels – PCOs, TMCs and other agencies
- Conferences & Incentives from Corporate end user – corporate companies directly
- CEO retreats, Board Meetings, Strategic Leadership Team meetings
- Conferences from Associations – both smaller conferences and pre/post opportunities for larger events utilising convention centres around the country
- Conferences & Incentives from Direct selling companies
- Conferences & Incentives from Franchise companies

Criteria for the above targets

- Geographic target centres of east coast of Australia (Sydney, Melbourne and Brisbane)
- Ideal group sizes of 80- 150pax
- Seasonality: All year for the next 18 months and Mar, Apr, May, Jun, Sept, Oct, Nov from 2023 and beyond

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Recommendations

The proposed recommendations for FY 2021-22 and beyond identify the best allocation of resources to achieve our targets and maximise returns for our members are as follows:

- Work closely with channel partners to build strategic alliances and position Queenstown as a preferred destination for their clients
- Investigate new trade shows/conference opportunities in AUS – eg Direct selling, Executive PA, Franchise Association
- Use third party sales representation and PR to accelerate our messages to new corporate end user market
- New target segments will require investment in creating new content specifically for the Australian BE market to position ZQN as a world class destination
- Investigate and determine the best media channels to meet our targets effectively and efficiently, with a detailed digital and PR plan
- Increase Australian corporate contact database
- Research new agency partners to work with on families eg F2T

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6. Proposed Strategy & Activity

Strategy 1	Position Queenstown as a high-end Business Events destination, grow awareness and drive high-end Incentive demand by delivering our key messages to Corporate End Users directly
Tactics/Activity:	<ul style="list-style-type: none"> • Identify and develop a well-qualified Australian corporate end user database • Desk research into sectors that are performing well in the pandemic environment and the key corporates within them • Engage a sales representation company to drive lead generation and accelerate our corporate end-user database • Develop and deliver a digital campaign to recruit corporate buyers to our database and for famils and site inspections • Identify key EA/PA publications and events to reach corporate decision makers • Identify and attend key conferences to reach corporates directly like Attend Direct Selling Association and Franchise Association Conferences.

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Strategy 2 **Continue to increase the profile for Queenstown within activity driven by our Channel Partners & Key Industry Partners**

Tactics/Activity:	<ul style="list-style-type: none"> • Maintain a rotation of sales calls and QCB updates in Sydney, Melbourne and Brisbane • Meet with key TMC companies to establish opportunities to work with them more closely – not only for their clients events but also their own internal conferences/incentives • Inclusion in TMCs/PCOs eDMs – establish a calendar of e-newsletter inclusions with key channel partners and explore all other options for comms to their corporate clients • Confirm joint famil activity with 3 of the top TMCs to host 6-8 of their key corporate clients showcasing Queenstown for business events • Utilise SITE membership to explore opportunities • Attend in-market Trade Show Events (AIME, PCOA Conference) to continue engagement with existing contacts and to develop new contacts • Attend MEETINGS tradeshow coordinating regional presence and hosting a key buyer famil for 15-20 pax • Continue pursuing famil opportunities to host key channel partners • Investigate organising a QCB Australia C&I Roadshow in 2022-23 • Work with TNZ on any in-market activity • Leverage off TNZ Media Plan when creating our own plan • Work with TNZ Developing a programme to drive conversion through partners including access to the TNZ CAP funding • Work closely with Auckland Convention Bureau, NZICC/SkyCity, Wellington Bureau, Tahina, Christchurch Bureau and Te Pae on joint sales activity with a view to targeting pre and post touring options for large conventions and conferences • Develop a joint sales strategy with Air NZ's to reach their key Australian TMCs • Pursue joint opportunities with Qantas to drive Business Events to Queenstown • Look at opportunities with other channels like Qantas FF, AMEX, Visa, Mastercard, Flight Centre, etc.
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Strategy 3 Create new compelling content and develop a marketing strategy including digital campaign activity and PR to deliver our key messages in-market effectively

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| Tactics: | <ul style="list-style-type: none"> • Continue to develop compelling content at dream and inspiration level • Continue to develop targeting tactical content like key sales aides, marketing collateral and aspirational incentive itineraries • Develop a strategic content calendar specifically for Australia to communicate with our B2B audience organically • Create case studies and blogs to use as PR tools. Engage key business journalists to write about successful business events and famils to raise Queenstown’s profile • Continue to grow the QCB LinkedIn channel in Australia • Run paid SEM & LinkedIn campaigns to generate awareness and lead conversion, specifically targeting the Top 200 corporate companies on ASX in Australia • Engage a B2B PR agency to increase Queenstown’s presence in the Business Events sector • Position Queenstown as a high-end C&I destination in key B2B & industry publications • Push BE Hero videos in Aus market |
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7. Sources and references

- **References**

1. IbisWorld Franchise report 1 July 2021 - [Franchising in Australia - Industry Data, Trends, Stats | IBISWorld](#)
2. Direct Selling Association - [Statistics and Research | DSA \(directselling.org.au\)](#)
3. TNZ Business Events Australia Insights Report

- **People interviewed**

Kirstie Dyer-Grose – National Partnerships Manager, Air NZ (Australia)
Sharon Auld – General Manager Australia, BEIA
Helen Bamby – Business Development Manager, Tourism New (Australia)
Ron Anderson – Managing Director, Unicorn Events
Laura Tucker – Managing Director, Eventuate
Michael Walker – Directions CIM
Michelle Sargent – CWT M&E

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