



# Queenstown Convention Bureau

## New Zealand Domestic Events Strategy

*April 2020*

**Destination Queenstown**

PO Box 353, Queenstown 9348, New Zealand

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[queenstownNZ.nz](http://queenstownNZ.nz)

## 1. Overview

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As the tourism industry reviews, recovers and rebuilds itself beyond COVID-19, Queenstown Convention Bureau (QCB) will vigorously pursue new opportunities, to increase value for our members in this new environment. This document makes recommendations for a new QCB strategy designed to generate greater demand from the domestic New Zealand Business Events market. With the new reality of international border management limiting the scope of traditional international source markets, it is important we develop a robust strategy to secure a good pipeline of domestic events in the short, medium and long terms. In the current economic landscape the NZ events market is expected to be the first to recover, from a C&I perspective. Our goal is to be fully prepared to maximise all opportunities that emerge, in order to increase domestic lead generation. In doing this, we will also generate increased interest in the Queenstown C&I sector and build on the QCB core proposition and key messages.

The first phase of developing this strategy was gaining insights from the supply side. Information was garnered from a number of key Queenstown based operators, who are active in the C&I space, in order to understand the business they generate from the New Zealand market. In the second phase, QCB met with key industry stakeholders on the demand side, who are based in Auckland to obtain a national perspective. There were clear themes that emerged from these interviews, specifically around average size of groups, market segments, booking channels, decision-making factors and challenges that Queenstown currently faces. These insights have helped form our strategy.

It is important to note that the Bureau's investment in SimpleView, the most widely used CRM system in the global Bureaux industry, will play a key part in the implementation of this strategy, allowing the Bureau to manage accounts and leads efficiently and professionally. Significant resource has also gone into sales aides, marketing collateral and review of our website. These resources will continue to be reviewed, ensuring we are well positioned to manage the ever-evolving events landscape.

As part of this strategy, we have also added a focus on the wedding sector, which is a new target market for QCB. We see an opportunity to raise the profile of Queenstown within the domestic wedding market and in turn grow the overall value of events for Queenstown and our members.

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## 2. Situation Analysis

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Reviewing where QCB needs to focus moving forward, we have identified significant opportunity from the New Zealand C&I market, following the global and national economic slowdown. New Zealand corporates tend to run long haul incentives to Northern Hemisphere or Asian destinations. With travel restrictions likely to be in place for the foreseeable future, it is inevitable these events will turn to short haul or domestic with companies looking to hold their conferences and incentives closer to home. 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. The opportunity is to educate these organisations on the benefits of bringing their events to Queenstown. 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.

### Competition

The New Zealand C&I landscape 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. North Island destinations such as Auckland, Rotorua and Wellington are close to the majority of corporates and associations in New Zealand, which means when these organisations hold a business event, many delegates are able to drive to the destination, thereby reducing travel costs. Currently conferencing capacity constraints in stand-alone venues and hotels is a common barrier for Queenstown winning business.

### Queenstown's current market profile

Looking at the specifics of domestic business events, we know New Zealand groups are smaller than those that come from international markets, with average group numbers around 150pax. This is the ideal group size for Queenstown, as both venues and accommodation providers can easily cater to these groups. Until the lockdown, Medical, IT, Automotive, PR, Construction, Real Estate, Law, Finance, Accounting, and Banking are market segments that continue to have a good pipeline of business for Queenstown. Association business is also significant from the New Zealand

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market. Specifically, in the past few years, there has been an increase in business from food & construction related associations, but overall we see good opportunities from a wide range of associations covering many sectors.

### QCB New Zealand leads

This table reflects the leads currently generated across all markets, comparing FY18/19 with FY19/20. With a targeted domestic strategy, we aim to drive a 100% increase in leads from New Zealand market generated in FY20-21 over FY19-20. It is important that we at least double our leads from New Zealand, to ensure we are going some way to making up the shortfall from international markets. Long Haul source markets will take longer to return as we wait for border restrictions to lift and for the return of consumer confidence to travel.

### QCB Leads Generated (FY 2018-19 Vs FY 2019-20)

	FY 2018-19 July 2018 to June 2019 (12 months)		FY 2019-20 July 2019 to June 2020 (9 months)	
	Leads	Share	Leads	Share
Australia	77	56%	73	53%
New Zealand	48	35%	36	26%
Other International	12	9%	28	21%
<b>Total</b>	<b>137</b>		<b>137</b>	

### 3. Market Opportunity

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From the interview and research phase of this strategy development, we have identified corporates & associations with events from 10 pax and upto 150 pax having the largest opportunities from the New Zealand market. By targeting groups of this size, the range and number of venues available in Queenstown for clients to choose from increases. It also means Queenstown can host multiple groups over the same period, spreading spend across local businesses. It is also important to note that many large New Zealand corporate companies have multiple departments all holding business events independently of each other. We have the opportunity to target multiple smaller groups from one organisation, creating a nice pipeline of business throughout the year.

The Franchise sector also has great potential as a source of future business for Queenstown. Examples of franchise businesses in New Zealand are McDonalds, Mr Rental, Starbucks, and Burger Fuel to name a few. Franchisees tend to meet at least once a year for a conference, to align franchisor and franchisee goals. As they are all working under the same brand umbrella it is important customer and employee experience is consistent. There are approximately 631 franchise businesses in New Zealand as of 2017. Top performing franchisees are rewarded with incentive trips by franchisors, so targeting these types of businesses is a good use of resource since we have multiple opportunities to win group business.

#### Key market sectors

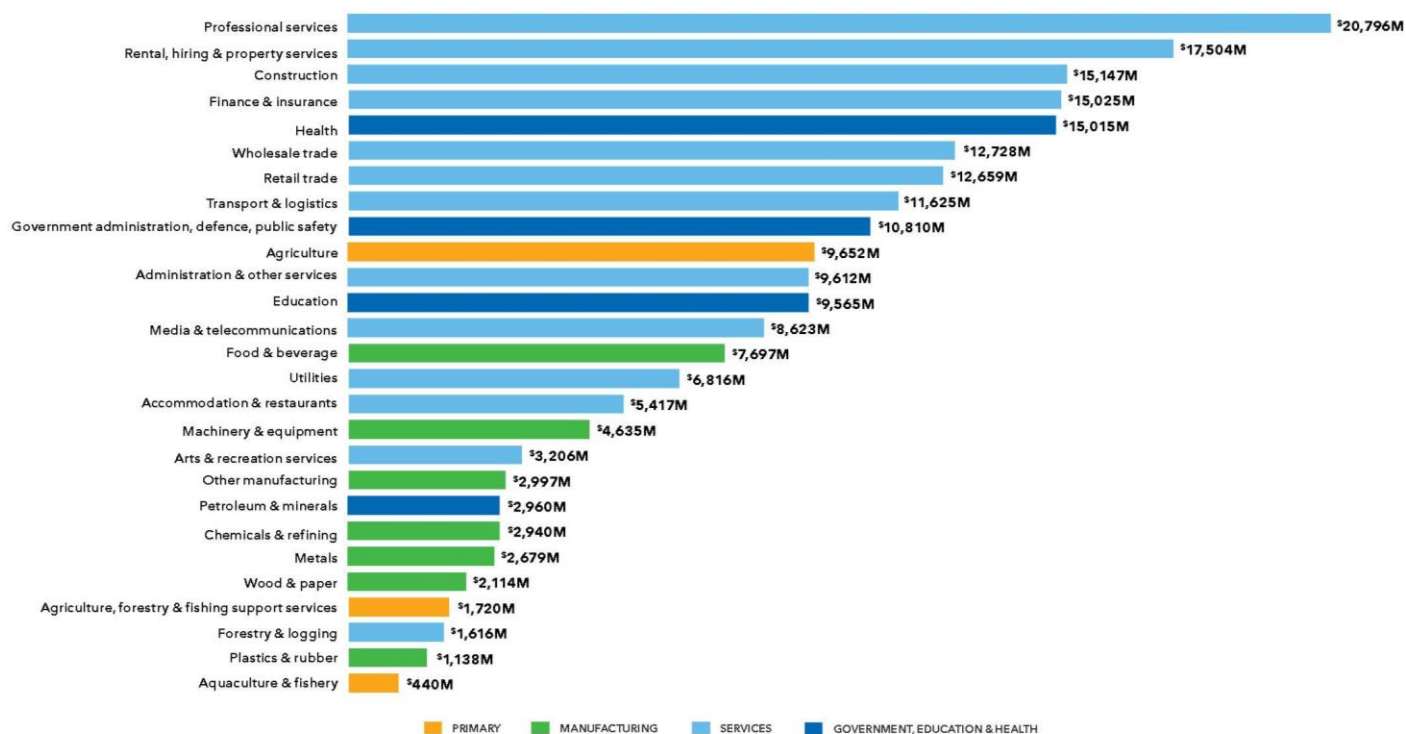
Within the domestic economy, we have identified the following New Zealand market sectors offering the largest opportunity.

- Medical
- Automotive
- Construction
- Real Estate
- Finance & Insurance
- Accountants
- Banking
- Agriculture
- Association
- Food e.g fruit, fisheries
- Franchise business
- PR

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## 2019 New Zealand Sector performance (Real GDP)



Source:MBIE

## Sector performance post Covid-19

In the new environment, organisations involved with healthcare and producing necessities will benefit as New Zealand climbs back from recession. Agriculture and rural economy will become more important. The fall in the New Zealand dollar will also help boost food exports. Technology such as tap-and-go payment options, apps, streaming services and IT support are all benefiting, due to the increase in demand and ability to operate during the lockdown restrictions. Tourism, hospitality, housing and construction will be the hardest hit and will take time to rebuild post Covid-19. However, no matter what sector companies are in, they should be continuing with their calendar of business events once restrictions around gatherings are lifted in New Zealand. Companies will want to make sure they are future focused and continuing to adapt to the environment. During challenging periods, it is important we encourage businesses to hold business events that bring staff together to plan, inspire and connect.

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Associations Forum CEO John Peacock predicts that Associations will survive Covid-19, due to most associations being financially conservative and having sufficient reserves to tide them over during lean times. Associations rely on major events as their flagship member service. These events are also a way for them to generate profit. Associations have a duty to deliver services to members and wherever possible they will resume this role through business events.

## Channels

After assessing the New Zealand business events landscape, in particular the channels involved, we can see clearly that a lot of Corporates and Associations go direct to venues, hotels and activities when planning and booking their event. PCOs are often not utilised in the New Zealand market for a number of reasons. Companies may have a dedicated in-house events team who manage all C&I requirements for the organisation. This often occurs with larger entities who run multiple events across many departments each year. It is more convenient than outsourcing. Alternatively, for smaller companies, the event management function is assigned to an EA/PA or to the marketing department. Secondly, holding an event in New Zealand is perceived as not being a logistical challenge, as there are no language or cultural barriers to overcome. That said, clients will sometimes look to bring in a PCO to manage particular components of their programme as required eg conference registration via specific software or gala dinner coordination. Alternatively, there are some clients who require the full services of a PCO, this key channel will still need to be managed.

QCB needs to educate New Zealand Corporates & Associations on Queenstown as a credible business destination, removing any perceived barriers and clearly communicate our diverse offering. It is also important that we promote the benefits of working with Queenstown Convention Bureau, a free service they can utilise to request a comprehensive proposal and impartial advice during the decision making process. This is particularly important when looking to mitigate additional costs associated with using a third party intermediary.

The challenge for targeting corporate business is identifying the correct contact in charge of organising business events. This varies from EA/PA, CEO, Sales/Marketing Manager to Events Manager. Our proposed activity has been defined with the goal of growing our corporate contacts. The types of events we attend, the channels that we market through and the strategic approach to QCBs domestic events have all been re-evaluated.

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## Weddings

The weddings industry in Queenstown has been hit hard due to Covid-19, with bookings in the short term all cancelled, affecting many Queenstown businesses. Queenstown gets around 1,000 weddings a year. The industry is extremely important when thinking about domestic group business. They are high value visitors, on average stay for a week and include other tourism experiences and activities in their itinerary. QCB will work with members to raise the profile of Queenstown within the domestic market as the ultimate wedding destination, targeting key decision makers in the wedding planning process.

## Challenges & Opportunities

After experiencing significant growth in tourism over the last few years, Queenstown is now entering a new phase of tourism, which has both challenges and opportunities. The events sector in Queenstown have lost most of their short-term pipeline of business and many clients are now watching and waiting before making new enquiries or rebooking postponed events. There is significant work to do on recovery and the environment is increasingly competitive, as cities and regions across the country go to market trying to win group business.

Auckland, Rotorua, Wellington, Christchurch and other larger cities are the biggest competitors, as this is where the majority of corporates and associations are based, which means travel costs can be reduced hosting an event closer to the base. Convention centres are being built in Auckland, Wellington and Christchurch, giving these destinations a purpose built conferencing facility and opening up hosting capacity. This is a key issue for Queenstown.

QCB have the opportunity to strengthen Queenstown's business credentials and raise our destination's profile, focusing on what makes Queenstown unique and desirable. Key to our success is going beyond just product and communicating the lasting effect Queenstown will have on a person, through unique experiences, majestic landscapes, adventure and connection. These are all part of Queenstown's unique DNA, setting us apart from any other destination and adding intangible value to events.

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## 4. Queenstown's Positioning

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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 NZ Corporates & Associations event 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

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### Summary

Business events 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 position Queenstown as a premium business events destination in the domestic market, increasing lead generation by 100% to help boost the local economy in the short term and to continue to grow value in the medium and long term.

QCB's goal of growing value to our members will be delivered through multiple tactics - targeting a range of sectors and events to ensure we have a diverse portfolio of business, increasing delegate days and spreading demand throughout the year. The domestic market provides the opportunity to have a steady flow of business event activity including seminars, conferences, incentives, board meetings, trade shows, team-building events, executive retreats and special occasions (such as gala dinners, cocktail parties, weddings).

QCB will continue to research and identify new target markets that offer the greatest opportunity to meet our objectives, starting with a plan to expand our focus in the new financial year to include weddings in our target market mix.

### Recommendations

The proposed recommendations for FY 2020-21 identifies where we think we should allocate our resources to maximise returns for our members.

#### Target Segments:

- Corporate conferences: Conferences bring people together, to inspire, share knowledge and focus on future direction. Team building, evening functions and tourism activities are usually included as part of the programme depending on the size of the group. Delegates often make the most of their time pre and post the event.
- Association conferences: Conferencing is a key part of membership engagement and funding, therefore associations look to plan a conference at least once a year. Delegates often make the most of their time pre and post the event.

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- Corporate incentive travel: Recognised as a powerful business marketing tool for corporates to help achieve key staff and client objectives. Smaller group numbers out of the New Zealand market, however high-yielding and partners often join the trip increasing visitor numbers.
- Weddings: Considered one of the most important events in a couple's life, significant investment goes into the delivery of the event. Groups stay for a least a week and will add a number of experiences to their itinerary before and after the main event.

Criteria for the above targets include:

- Geographic target centres of Auckland, Wellington, Christchurch and Dunedin.
- Ideal Group Sizes from 10 pax up to 150pax.
- Seasonality: All year for the next 18 months and Feb, Mar, Apr, May, Jun, Sept, Oct, Nov (out of school holidays) from 2022.

### **Associations & Corporates**

QCB have developed the proposed strategies to target New Zealand corporates and associations from a wide range of sectors. Our focus is to build key relationships, educate the market and ensure Queenstown is top of mind as a credible conference and incentive destination in New Zealand. For association business, the focus will be conferences. For corporates, we will target a range of business events including seminars, conferences, board meetings, trade shows, team-building events and executive retreats. Rather than focusing on channels such as PCOs as we have done in the past, we will work directly with these clients, educating them on QCB's services and consolidating Queenstown's unique positioning as an inspirational and professional destination. Increasing awareness is extremely important for a market that already thinks it knows what Queenstown has to offer.

### **Weddings**

The proposed strategies aim to raise the profile of Queenstown by inspiring and educating key decision makers in the wedding planning process - the bride, the mother of the bride, friends, groom-to-be and wedding planners. The peak season for weddings in Queenstown is February through to April, however there is opportunity to promote Queenstown as a four season wedding destination. Couples spend a lot of time planning before they make the decision on their

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preferred wedding destination and venue therefore we need to target them during the dreaming and planning phase. This can be achieved by having a presence in top New Zealand bridal magazines, attending key wedding shows, running social media campaigns and creating inspirational content.

### Proposed Strategy and Activity

**Strategy 1** Develop a marketing strategy to generate leads and to grow awareness focusing on the Queenstown C&I sector and building on the QCB positioning pillars and key messages

<b>Tactics:</b>	<ul style="list-style-type: none"> <li>• Create a LinkedIn account &amp; strategic content calendar for QCB to communicate with our B2B audience organically.</li> <li>• Position Queenstown in key B2B &amp; industry publications.</li> <li>• Create case studies to use as PR tools. Get key business journalists to write about a successful business event to raise Queenstown’s profile.</li> <li>• Run paid SEM &amp; LinkedIn campaigns to generate awareness and lead conversion.</li> <li>• Continue to develop key sales aides &amp; marketing collateral for business events.</li> <li>• Develop articles to educate our domestic audience and boost SEO.</li> </ul>
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**Strategy 2** Attend appropriate shows to grow the corporate/direct client business & awareness of Queenstown

<b>Tactics:</b>	<ul style="list-style-type: none"> <li>• Identify and attend trade shows to reach decision makers and influencers directly</li> <li>• Attend EA / PA show to grow the corporate/direct client business.</li> <li>• Attend Association X to grow the association/direct client business.</li> <li>• Attend MEETINGS tradeshow coordinating regional presence.</li> </ul>
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**Strategy 3** Grow value by upskilling and educating clients supplying them with the tools to promote conferences & incentive

<b>Tactics:</b>	<ul style="list-style-type: none"> <li>• Explore the option of running Webinars with qualified corporates &amp; associations, to ensure we are communicating with key clients before travel restrictions are lifted.</li> <li>• Explore the potential of an Advocacy programme, to work with key opinion leaders from the local community to pitch Queenstown to their nation-wide peers for domestic conferences.</li> <li>• Host a domestic famil, inviting qualified corporates &amp; associations to showcase why Queenstown will make their next business event, the most memorable yet.</li> <li>• Run a roadshow in Auckland to educate and inspire key corporates &amp; associations.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Work with partners to accelerate Queenstown’s awareness within New Zealand Corporates to generate more leads in a targeted approach.</li> <li>• Undertake domestic sales calls to target corporate end users and associations.</li> <li>• Utilise local Queenstown networks to target Queenstown’s business community who have formal links to regional and national companies.</li> </ul>
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**Strategy 4    Drive preference for Queenstown as a wedding destination in the domestic market**

<b>Tactics:</b>	<ul style="list-style-type: none"> <li>• Partner with the Queenstown Wedding Association, to collaborate and to advocate for Queenstown as a wedding destination.</li> <li>• Attend wedding shows held in New Zealand.</li> <li>• Utilise PR to raise Queenstown’s profile.</li> <li>• Digital campaign.</li> <li>• Create a sales aide to promote Queenstown’s wedding credentials.</li> <li>• Refresh wedding content on our events and consumer website to ensure key messages and content are inspirational. Key landing pages will become a hub for campaign work.</li> <li>• Write articles and commission blogs to attract our target audience and boost SEO.</li> <li>• Invest in hero assets such as video &amp; imagery.</li> </ul>
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## 6. Sources & References

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QCB interviewed the following people for input into our domestic strategy.

### Queenstown Stakeholders

- Rob Stewart-McDonald, Managing Director, HQNZ
- Kylie Britain, Director, Ripple
- Samantha Stirling, Director of Operations, Ripple
- Scott Bellingham, Director, & Bea Bellingham, Director, Dinamics
- Rachel Clifford, Event Sales Manager, Wayfare
- Renee Braakhuis, Conference & Events Sales Manager, Hilton
- Melissa Couch, Sales Manager, Heritage
- Allyra McGrath, Sales Manager, Skyline
- Mark Rose, CEO, The Rees
- Jo Finnigan, GM, St Moritz
- Jim Moore, GM, Novotel
- Kathleen Magon, National Sales & BD Manager, A. J. Hackett Bungy
- Lydia Mitchell, Events & Sales Coordinator, A. J. Hackett Bungy
- Andy Thomson, Business Owner, In2Food

### Auckland Stakeholders

- Anna Hayward, Head of Auckland Convention Bureau
- Simon Coxhead, Business Development Director, Cievents
- Maxine Wallis, Director of Sales, Cordis Auckland
- Catherine Matthews, Event Manager, Gilpin Travel
- Reno Verikakis, Director of Luxury Hotel Sales, Accor
- Jessica Greaves, Groups Logistics Team Leader, Orbit Corporate Travel
- Nicole De Lange, Account Manager, Air New Zealand
- Lisa Hopkins, CEO, CINZ

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## References:

New Zealand Sectors Snapshot by GDP (2019): MBIE The New Zealand Sectors dashboard (Link [here](#))

Sharemarket winners and losers emerge from lockdown conditions: Catherine Harris (Link [here](#))

An introduction to franchising in New Zealand: Simon Lord (Link [here](#))

Wedding industry in Queenstown Lakes comes to a standstill: Jo McKenzie (Link [here](#))

\$18 million wedding industry crashes: Matthew McKew (Link [here](#))

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