QCB Report
Q1 2018–19

1 July to 30 Sep 2018

QUEENSTOWN CONVENTION BUREAU

Market Overview

The following report outlines the key activity and results of the Queenstown Convention Bureau for Q1 (Jul, Aug and Sept) 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 famil participants.

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 has been listed for your reference.

Sales Manager insights

LOUISE This quarter I attended the 2 day Office and PA show. There were no pre scheduled appointments so it was up to you to engage with the audience and encourage them onto your stand. This was the first time the QCB attended this event, with the objectives to build the Bureaus database of corporate buyers encouraging clients to come direct to the Bureau and to facilitate new business relationships and thereby expand network of engaged buyers for the region.

General observations and feedback from the event were that attendees were drawn to booths with freebies and giveaways. This indicated to me the lack of quality buyers. There is also a lack of understanding of the role of a Bureau from within this corporate client forum so education and information was the key outcome here.

We also attended Convene South trade show. This event was better ran than 2017, with more engaged buyers and a fuller appointment stream. There was a lot of business out there but not necessarily at a point where quotes were required.

Overall interest in Queenstown is still very high, we are very busy with referrals, leads and general enquiries for confirmed business into Queenstown. However at tradeshows and within the domestic market there is still the perception that Queenstown is expensive, concern over Queenstown with regards to value for money and the pre conceived idea that we are full/ too busy. QCB's key messages to counter this were around the value Queenstown delivers to conferences and about the new inventory of rooms coming online over the next two years which improves the supply and indicates more competitive rates for conference organisers.

JANA During my trip to Sydney I confirmed a joint venture with TNZ BE to co-host a famil for 10 Association Executives looking at trans-Tasman conference opportunities. This famil/ collaborative workshop took place prior to the delegates attending AuSAE LINC Conference. From participating in the workshop I gained greater understanding of the factors associations consider, the challenges they face when looking to partner with their trans-Tasman counterparts and their strategies for increasing membership and sponsorship. On this trip I also secured support from Air NZ for the December 2018 Australian PCO famil of 16 FOC seats.

Feedback from sales calls in Brisbane was the market were very receptive to updates about the destination. From my meeting with Virgin Australia they confirmed they are keen to work with us on famil opportunities out of BNE for the C&I market and looking at April/May 2019 as an option.

The main insights are our industry partners are keen to work with and support us. Queenstown is still popular in the Australian C&I market, with the destination put forward whenever NZ is being considered. Our main competition is domestic Australia (predominantly Hobart and QLD), South-East Asia (Vietnam), Fiji and Hawaii. Issues around venue constraints, cost and availability continue to come up in discussions but the overall sentiment is positive and clients are very keen to be updated with new ideas and to try all avenues to make the destination work. An example of this is a large incentive pitch I am working on currently – 2 waves of 1200 pax (600 rooms). The client has moved the dates from March to May 2020 to ensure it fits into Queenstown.

ELLA In July I visited Taiwan to support the upcoming direct services between Auckland and Taipei starting in November. This service will add 30% more capacity on this route, very positive feedback from the incentive agents. The Queenstown training workshop with Air NZ team and key incentive agents was perfect timing and well received. Auckland and Queenstown dual destination proposition is very appealing to these Incentive agents.

In August, I conducted incentive sales calls in Singapore prior to TNZ SEA roadshow, with support from TNZ. I collected feedback on how QCB can better support incentive agents in Singapore and the importance of educating local DMCs and QCB members to better understand the culture difference. There is huge potential from Singapore market, as the agents are very experienced and have reasonable understanding of Queenstown's incentive offerings. Most of incentives agents and PCOs still prefer to work with ITOs over local DMCs because the perception is that local DMC have little understanding of how to work with agents from Asia.

In September, I attended a two day TNZ MICE forum and a Queenstown training workshop in Shanghai where I received overwhelming positive feedback after the AMWAY success, the so called "Amway itinerary" attracted a lot of attention.

QCB Report
Leads

QUEENSTOWN CONVENTION BUREAU

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 9 leads of which only 1 was generated within the current quarter (as reflected in table). The breakdown of this confirmed business is as follows:

- Australian conference: 4
- Domestic conference: 4
- Australian Incentive: 1

As a reference total leads generated last financial year was 104.

Total Overview

	AUSTRALIA	NEW ZEALAND	REST OF WORLD	Q1 18–19 TOTAL	Q1 17–18 TOTAL	ANNUAL KPI 18–19
GENERATED	21	6	3	30	28	112
WON	1	0	0	1	-	-
LOST	4	0	1	5	-	-
IN PROGRESS	16	6	2	24	-	-

QCB Report
Leads

QUEENSTOWN CONVENTION BUREAU

Conference vs Incentive

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

The average group size for conference is 178pax and the average group size for incentive is 100pax.

Of the 22 conferences, 14 were Australian, 6 were Domestic and 2 were International.

Of the 8 incentives, 7 were Australian and 1 was International.

From this we can see that the incentive market is strong within the Australian market, with Queenstown proving to be a desirable destination. No incentive enquiries from the domestic market is not unusual with no leads generated in the same quarter for previous financial year.

	Conference		Incentive		Totals	
	EVENTS	ATTENDANTS	EVENTS	ATTENDANTS	EVENTS	ATTENDANTS
GENERATED	22	3926	8	796	30	4722
WON	1	160	0	0	1	160
LOST	3	890	2	385	5	1275
IN PROGRESS	18	2876	6	411	24	3287

QCB Report
Leads

Source by Activity

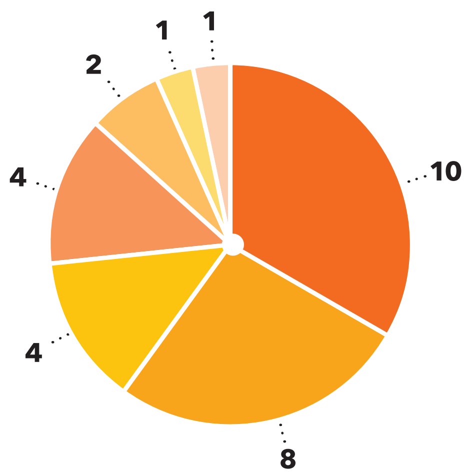
Activity

For this quarter, existing relationships the Bureau have with clients are the biggest source of lead generation which is closely followed by the website. It is also very evident here that the relationships we have with our partners are vitally important as a great source of leads.

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. The company offers web-based software for meeting site selection, online event registration, event management, email marketing, and web surveys).



TOTAL = 30

- EXISTING RELATIONSHIPS
- WEBSITE
- TRADE SHOWS
- REFERRALS
- SALES CALLS
- FAMILS
- THIRD PARTY CHANNELS

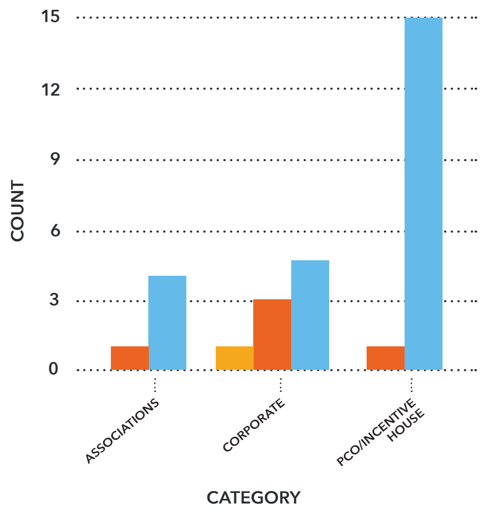
Source by Account Category

Associations, Corporate, PCO/Incentive House

The breakdown of the 30 leads generated are as follows:

- Associations: 5
- Corporate companies: 9
- PCO/Incentive house: 16

This has been split up in the following table with the breakdowns of confirmed, lost and prospective business (in progress). It is clear from this that our largest source of leads is through PCO/Incentive Houses, identifying these are very important relationships to create and maintain.



TOTAL = 30

CONFIRMED	TOTAL = 1
LOST BUSINESS	TOTAL = 5
PROSPECTIVE	TOTAL = 24

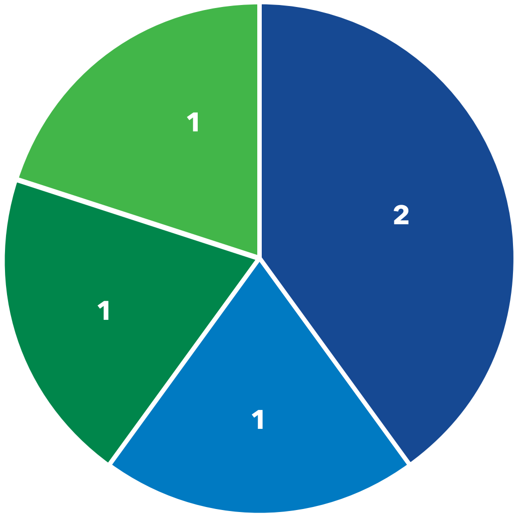
QCB Report
Leads

Lost Reasons

Currently it is difficult to report on any trends with regards to lost business. As time goes on we will have more data and will be able to analyse these figures. Below is a list of the categories we use as 'lost' options. If 'lost to alternative destination' is selected then we do note what this destination is as it is interesting to understand who our main competition is.

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

- INFRASTRUCTURE CONSTRAINTS
- BUDGET CUTS

Reasons for Incentive

- RATES TOO HIGH
- PCO LOST THE BUSINESS

QCB Report
Activity

Activity Summary

Sales calls were conducted in:

Sydney – met with key buyers and industry partners

Melbourne – sales calls conducted in conjunction with CINZ, met with 10 clients over 2 days and secured 2 leads from these calls. Also 2 days of sales calls with the ATEED Australian BDM. We met with a number of key PCOs and spent time discussing joint activity we would like to undertake this financial year – sales calls and client entertaining from a dual-destination perspective.

Brisbane – 12 meetings

Taiwan – Air NZ and 5x key incentive agents

Singapore - more than 20 key incentive decision makers

Shanghai – a two day forum educating more than 30 agents and 30 accounts managers.

Auckland – combination of PCOs, Corporates and industry partners were met

Los Angeles – met with a DMC with a confirmed piece of business for Queenstown

Mumbai and Delhi - combination of corporate companies and industry partners

Tradeshows the QCB attended:

Prevue Visionary Summit, Los Angeles, 9-10 July – 28 meetings

Get Global, Sydney, 20 July – 34 meetings

Office and PA Show, Auckland, 19-20 September – 32 meetings

Convene South, Christchurch, 25 September – 14 meetings

The site inspections included:

- An Australian based PCO hosting their corporate client
- An Association
- A direct corporate client
- 3 x NZ based PCOs hosting their corporate clients

Famils in this quarter include TNZ/AuSAE Famil (12), Pre Convene Famil (2) and TNZ Indonesia Famil (10).

Additional activity included attending the AuSAE/LINC Conference in Auckland, a full day strategy meeting with Auckland Convention Bureau and a TNZ Association workshop which covered topics on Impact vs legacy, developing framework for impact / indicators for measurement, association personas and structures, understanding association bidding, association challenges, changes and innovation.

Summary Overview

	AUSTRALIA	NEW ZEALAND	REST OF WORLD	Q1 18–19 TOTAL	ANNUAL KPI 18–19
SALES CALLS	34	6	27	60	165
TRADE SHOW APPOINTMENTS	36	46	28	93	190
SITE INSPECTION PARTICIPANTS	2	10	2	14	25
FAMIL PARTICIPANTS	6	6	10	22	95

QUEENSTOWN CONVENTION BUREAU

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.

OCT-DEC 2018	5 EVENTS	665 ATTENDANTS	$1 170 020
JUL-SEPT 2019	8 EVENTS	1985 ATTENDANTS	$3 286 580
JAN-MAR 2019	3 EVENTS	230 ATTENDANTS	$72 098
OCT-DEC 2019	2 EVENTS	550 ATTENDANTS	$905 650
APR-JUN 2019	2 EVENTS	300 ATTENDANTS	$639 600
JAN-MAR 2020	0 EVENTS	0 ATTENDANTS	$0 000 000
TOTAL	20 EVENTS	3730 ATTENDANTS	$6 073 948

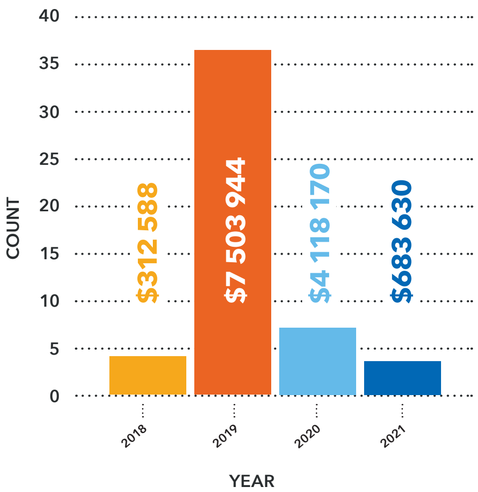
QCB Report
Pipeline

QUEENSTOWN CONVENTION BUREAU

Prospective Events

This table shows there are currently 49 pieces of prospective business still in the pipeline for Queenstown with an estimated economic value of over $12.5milion.

Clearly there are still a lot of leads pending for 2019 but it is great to see there are enquiries going into 2020 and even 2021. We will endeavor to grow this pipeline continuously.



TOTAL COUNT = 49
TOTAL VALUE = $12 618 332

Calendar of events

OCT 2018	3 OCT	CINZ/TNZ BUREAU UPDATE	VARIOUS	QUEENSTOWN	CINZ/TNZ/AIR NZ
	15 OCT	DQ CHINA MISSION	CHINA	SHANGHAI	TNZ/AIR NZ
	16-18 OCT	IMEX	N AMERICA	LAS VEGAS	TNZ
	31 OCT 1 NOV	CINZ CONFERENCE	VARIOUS	AUCKLAND	CINZ
	2 NOV	TNZ ASSOC WORKSHOP	INTL	AUCKLAND	TNZ
NOV 2018	12 NOV	TNZ ADVOCACY EVENT	VARIOUS	QUEENSTOWN	TNZ
	26 NOV	PCO ASSOCIATION CONFERENCE	AUSTRALIA	MELBOURNE	
	TBC	SALES CALLS	NZ	WELLINGTON	
DEC 2018	1-4 DEC	AUSTRALIAN FAMIL	AUSTRALIA	QUEENSTOWN	AIR NZ
JAN 2019	TBC	SALES CALLS	AUSTRALIA	SYDNEY	
FEB 2019	TBC	SALES CALLS	NZ	AUCKLAND	
	21 FEB	AIME LUNCHES	AUSTRALIA	MELBOURNE	
APR 2019	TBC	DOMESTIC FAMIL	NZ	QUEENSTOWN	
MAY 2019	24 MAY	PRE-MEETINGS FAMIL	AUSTRALIA	QUEENSTOWN	CINZ
	28 MAY	MEETINGS 2019	ALL	AUCKLAND	CINZ
JUN 2019	12 JUN	AUSAE ACE CONFERENCE	AUSTRALIA	BRISBANE	