

Partnership Wellington Trust Monitoring Sub-Committee Report December Quarter 2006

Executive Summary

Performance against the Business Plan is strong. Most Key Performance Indicators are on target.

Key Performance Indicators

Measure	Frequency of measure	Target 2006/07	Current status
International market share (numbers and nights)*	Quarterly	Maintain market share in US, UK and Australian markets	US market: decrease 9.84% UK market: decrease 12.53% Australia market: decrease 11.02% (all figures at YE September 2006 and compared to the same period 2005)
International visitor numbers and nights	Monthly	Maintain 2005/06 numbers and nights	Numbers (people): increase 1.3% Nights: increase 4% (all figures at YE September 2006 and compared to the same period 2005)
New Zealand market visitor numbers and nights	Monthly	Domestic numbers and nights 1% above 2005/06	Increased 11.14% compared to the same period 2005
Partner hotel occupancy (capacity aligned)	Monthly	1% above 2005/06	Increased 20% compared to the same period 2005
Downtown market growth*	Quarterly	Maintain 2005/06 levels	Increased 0.09% as at December 2006
i-SITE turnover	Quarterly	Maintain 2005/06 turnover	Increased 16.1% compared to December 2005

Key achievements in the December 2006 quarter:

- Ongoing research into the domestic and Australia marketing campaigns
- Marketing and media support for Golden Oldies Rugby Festival, the Elton John concert, Sam Taylor-Wood and Egypt: Beyond the Tomb exhibitions at City Gallery and Te Papa respectively
- Positively Wellington Tourism hosted the largest ever family of Australia and New Zealand event managers/specialists. \$1 million in business was secured from this family
- Continued review of location options for i-SITE Visitor Centre
- Texture.co.nz went live (soft launch) in late December
- Refinement of Downtown campaign
- Continued development of team culture through the JRA Best Places to Work process
- 86 meetings with wholesalers in Asia at the Kiwi Link Asia tradeshow. As part of this tradeshow, 80 reservation and frontline staff were trained in Hong Kong and 240 in China
- First joint venture with Qantas Holidays on a Gourmet Touring Campaign, which included a feature on the Today Show in Sydney with a competition driving the call-to-action.
- Convention Bureau domestic and international leads increased 18% and 4% respectively, compared to the same period last year.
- Total visits to WellingtonNZ.com for the quarter were 466,093. This is a 15% increase on the same quarter in 2005. Year to date there have been 950,959 visits. This is a 20% increase on last year.
- WellingtonNZ.com sales for the December quarter total \$173,320 (excl GST). This is a 89% increase on the same period in 2005. Year to date sales reached \$364,626, an increase of 94% on the same period in 2005.
- A business and technical case have been developed and meetings have been held with all airlines on the initial target list. Discussions are continuing with a number of airlines, with progress being made.

Activities in the next quarter

- Continue Long Haul Strategy development
- Initiate phase two of Australian consumer campaign
- Complete next phase of Visitor Centre relocation project
- Relaunch Downtown campaign
- Partnership renewal
- Business Planning process
- Appointment and induction of new Trustees and Chairman

Future considerations

- Tightening inbound market likely to impact on growth
- Continued need for product development and attraction investment
- Wellington Regional Strategy and its impact on tourism
- Sustainability of the tourism sector in relation to global warming
- Maintaining revenue and profit targets at the i-SITE Visitor Centre
- Maintaining partner support in face of potential Wellington City Council funding cuts
- Maintaining Downtown market share
- Refine e-commerce and e-marketing programmes
- Maintaining focus on Long Haul opportunity

- Reduction in Trans Tasman air capacity

Financial Report (spreadsheets attached)

- Partnership Wellington Trust December 2006 Statement of Financial Position
- Partnership Wellington Trust December 2006 Quarter Statement of Financial Performance
- Wellington Visitor Information Centre December 2006 Quarter Statement of Financial Performance
- Partnership Wellington Trust December 2006 Quarter Statement of Cash Flows

Partnership Wellington Trust's financial performance for the December 2006 quarter is a surplus of \$194,184 against a budgeted surplus of \$176,244 a variance of \$17,940.

The total expenditure was under spent by \$33,532, which is a 10% variance on the budgeted total expenditure of \$3,253,607 for the quarter.

A detailed breakdown of variances is provided in the financial performance section in this report.

A reforecast has been made for the year ended 30 June 2007. We are forecasting a deficit of \$235,400 for the year end. The reforecast is included in the Statement of Financial Performance which is attached.

Issues/Risks

There are no issues or risks that we need to bring to your attention.

The Trust has a six-year rental agreement for its office space in Grand Plimmer Tower. The annual rental is \$94,600 + GST with two rights of renewal for three years at the Trust's discretion.

The Trust has a six-year rental agreement for its Visitor Centre office space in the Wellington City Council Civic Administration Building, expiring in December 2006. We are renegotiating the lease on the current premises for a further two years to August 2009. The annual rent has been increased to \$100,370.92. We will continue our negotiations with Te Papa in relation to the possibility of the i-SITE Visitor Centre being located there in the future.

Partnership Wellington Trust has two three-year leases on two cars that expire in April 2007 and July 2009. The annual cost of the leases are \$15,526 + GST.

Partnership Wellington also has a range of employment agreements with its employees.

Other Items

Nil

Statement of Financial Performance

The significant Income Variances for the December quarter are:

Visitor Centre Income \$110,460

Visitor Centre income is above budget by \$110,460. Bookrite/Internet bookings contribute \$164,880 to this additional income which is offset by lower than expected over the counter sales at the Visitor Centre.

Partner Income (\$55,100)

Partner Income is below budget by \$55,100. This is due to a large number of International Marketing Group members electing to pay their membership fees in two instalments which was not budgeted. Long Haul income is down by \$21,000 due to one partner not participating in the project.

The significant expenditure variances for the December quarter are:

International	(\$48,654)
Conventions	(\$38,506)
Long Haul	(\$143,848)
Downtown	\$44,278
Domestic	\$159,276

International Expenditure is below budget \$48,654

- International expenditure is below budget as a result of the later than budgeted implementation of the Touchpoints strategy. Commencement of the strategy is contingent on the airport refurbishment. In addition, a motivational video had been budgeted to be completed and work will start on this project in February.

Conventions expenditure is under budget by \$38,506 due to

- Cancellation of the Wellington Weekender program has reduced expenditure in Conventions.

Long Haul expenditure is below budget \$143,848

- Long Haul expenditure is contingent on negotiations with airlines.

Downtown expenditure is above budget by \$44,278 due to

- Texture website development costs are currently being incurred. A proportion of these costs will be capitalised in February.

Domestic expenditure is over budget by \$159,276 due to

- The budget was finalised prior to the completion of the Domestic strategy which is now being reflected in the timing of expenditure. The campaign is on target to come in on budget over the twelve month period.

Statement of Financial Position

Total accumulated funds are currently \$685,067. Of these accumulated funds, \$139,200 is represented by fixed assets.

Cash at the bank and short-term deposits were \$3,895,705 as at 31 December 2006.

Accounts payable as at 31 December 2006 were \$974,383.

Statement of Cashflows

Attached

Capital Expenditure

Capital expenditure of \$32,278 occurred during the December quarter- year to date spend is \$59,280. The capital items purchased were:

Visitor Centre leasehold Improvements	\$6,230
Overhead Furniture and Fittings and phones	\$8,097
Visitor Centre Furniture and Fittings	\$17,951

Signed: _____

Date:

Philip Shewell
Chairman
Partnership Wellington Trust

i-SITE Visitor Centre

Performance Indicators	
<p>Customer satisfaction at consistently high levels</p>	<p>Result</p> <p>Status Ongoing</p> <p>Comments Specialised sales training completed for all full time staff. Staff continue to update their product knowledge via weekly individual team presentations.</p> <p>A daily staff sales target has been set for the group to achieve as a team and staff members are aware of individual achievements on a daily basis.</p> <p>A second Mystery Shopper programme has been initiated and results will be received late January.</p>
<p>Lead role in the i-SITE Visitor Centre development/review programme</p>	<p>Result</p> <p>Status Ongoing</p> <p>Comments A series of potential sites for relocation have been investigated. This has taken into consideration our current rental costs and anticipated rent review, market rental of alternative sites, venue size/opportunity for growth, parking, foot traffic and sub tenants.</p> <p>At this point in time Te Papa remains the most favourable option but considerable due diligence would need to be conducted in order to ascertain if this is a viable option. The immediate intention is to renew the current lease for the final term of two years.</p> <p>The Visitor Centre will continue to enhance its customer service and capitalise on the i-SITE brand to attract other commercial business to the premises – eg Datatrax and Wellington City Council - Migrant Settlement Services.</p>
<p>Increase sales of Wellington activities and attractions by 10%</p>	<p>Result</p> <p>Status On target</p> <p>Comments Attractions/Activities: 86% growth on December quarter last year.</p> <p>Accommodation: 77% growth on December quarter last year.</p>

<p>Turnover maintained at 2005/06 levels Small surplus produced</p>	<p>Result</p> <p>Status Partially achieved</p> <p>Comments Turnover for the quarter was \$1,781,462, up on the same period last year of \$1,534,112. This is a 16% increase.</p> <p>The result for the quarter was a loss of \$7,556 versus budgeted loss of \$8,863. Initiatives are underway to increase revenue and decrease costs.</p>
---	---

Arts and Education

Performance Indicators									
<p>25% of all Positively Wellington Tourism marketing promoting arts and culture</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>On target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2"> <p>All international marketing is focused around the four attributes; arts and culture, city excitement, urban nature and nationhood and heritage. All domestic marketing is focused entirely on arts and culture and city excitement.</p> <p>Specific arts events are a permanent feature in all domestic marketing magazine and online advertising.</p> <p>The Constable TVC while produced in the last financial year, did run for one week during July. This exhibition achieved in excess of 90,000 visitors putting it into the 'blockbuster' category.</p> <p>The Egypt: Beyond the Tomb TVC aired in the last week of November and the first week of December. 42,104 visitors had already been to the exhibition as at 15 January 2007, 54% ahead of projected visitor numbers for this period. The exhibition is due to close at the end of April.</p> </td> </tr> </table>	Result	Status		On target	Comments		<p>All international marketing is focused around the four attributes; arts and culture, city excitement, urban nature and nationhood and heritage. All domestic marketing is focused entirely on arts and culture and city excitement.</p> <p>Specific arts events are a permanent feature in all domestic marketing magazine and online advertising.</p> <p>The Constable TVC while produced in the last financial year, did run for one week during July. This exhibition achieved in excess of 90,000 visitors putting it into the 'blockbuster' category.</p> <p>The Egypt: Beyond the Tomb TVC aired in the last week of November and the first week of December. 42,104 visitors had already been to the exhibition as at 15 January 2007, 54% ahead of projected visitor numbers for this period. The exhibition is due to close at the end of April.</p>	
Result	Status								
	On target								
Comments									
<p>All international marketing is focused around the four attributes; arts and culture, city excitement, urban nature and nationhood and heritage. All domestic marketing is focused entirely on arts and culture and city excitement.</p> <p>Specific arts events are a permanent feature in all domestic marketing magazine and online advertising.</p> <p>The Constable TVC while produced in the last financial year, did run for one week during July. This exhibition achieved in excess of 90,000 visitors putting it into the 'blockbuster' category.</p> <p>The Egypt: Beyond the Tomb TVC aired in the last week of November and the first week of December. 42,104 visitors had already been to the exhibition as at 15 January 2007, 54% ahead of projected visitor numbers for this period. The exhibition is due to close at the end of April.</p>									
<p>Research indicating arts and culture as a key driver for visitation to Wellington</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>On target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2"> <p>Domestic campaign research completed in July revealed culture and arts is a spontaneous message outtake of the campaign and that Wellington has a competitive edge in terms of being associated with arts and cultural activities. (TNS July 2006)</p> </td> </tr> </table>	Result	Status		On target	Comments		<p>Domestic campaign research completed in July revealed culture and arts is a spontaneous message outtake of the campaign and that Wellington has a competitive edge in terms of being associated with arts and cultural activities. (TNS July 2006)</p>	
Result	Status								
	On target								
Comments									
<p>Domestic campaign research completed in July revealed culture and arts is a spontaneous message outtake of the campaign and that Wellington has a competitive edge in terms of being associated with arts and cultural activities. (TNS July 2006)</p>									
<p>The Arts Map distributed to appropriate venues throughout the city</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td>Achieved</td> <td></td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2"> <p>The Arts Map is distributed in 35 sites such as Wellington Airport, arts organisations, partner hotels, the i-SITE Visitor Centre, ferry terminals and cruise ships. 40,000 have been distributed year to date.</p> </td> </tr> </table>	Result	Status	Achieved		Comments		<p>The Arts Map is distributed in 35 sites such as Wellington Airport, arts organisations, partner hotels, the i-SITE Visitor Centre, ferry terminals and cruise ships. 40,000 have been distributed year to date.</p>	
Result	Status								
Achieved									
Comments									
<p>The Arts Map is distributed in 35 sites such as Wellington Airport, arts organisations, partner hotels, the i-SITE Visitor Centre, ferry terminals and cruise ships. 40,000 have been distributed year to date.</p>									

<p>Education Guide published and advertising budgets met</p>	<p>Result</p> <p>Status On target</p> <p>Comments The 2007 Education Guide has been published and will be distributed to all schools in the first week of term one. Advertising income of \$30,700 exceeded the target of \$26,300.</p>
<p>Arts Wellington self sufficient</p>	<p>Result Achieved</p> <p>Status</p> <p>Comments Arts Wellington has extended it lease of Positively Wellington Tourism office space and has become a self-funded entity. It is planning to hold another arts public event and is co-ordinating the Arts Monitor.</p>

Australian Sales & Marketing

Performance Indicators	
<p>Deliver spring and autumn campaign in Sydney and Brisbane</p> <p>Secure \$300,000 partner funding</p> <p>Secure \$100,000 in contra support</p>	<p>Result</p> <p>Status On target</p> <p>Comments \$350,000 secured in partner funding.</p> <p>Tourism New Zealand's contra is in addition to this and is worth \$250,000 including design and production and media rebates.</p> <p>Positively Wellington Tourism secured \$40,000 in December 2006 with another airline for JV marketing.</p> <p>Research was undertaken via Tourism New Zealand to gauge awareness levels of the 'What's On' campaign including the Wellington component. Results indicate awareness levels of Wellington and its offerings have been raised with 1 out of 10 recalling the 15 second Wellington TVC. This result compares favourably against Tourism New Zealand's media spend objectives.</p> <p>Activity for the next round of the campaign in March and April 2007 will include TV, online and magazine inserts.</p>
<p>Visit 25 wholesalers in Queensland, New South Wales and Victoria</p>	<p>Result</p> <p>Status On target</p> <p>Comments Meetings were held with 16 key Australian Product Managers in Brisbane, Sydney and Melbourne. Training was carried out with eight groups of wholesale reservation consultants. Te Papa, Museum Hotel and Bluebridge were participants in the sales visit.</p> <p>A significant success for the quarter was Positively Wellington Tourism's first joint venture with Qantas Holidays on a Gourmet Touring Campaign. This included 40,000 flyers being distributed to 4,600 agencies, press advertising, frequent flyer promotion, Red e-mail, Qantas club promotion, and a feature on the Today Show in Sydney with a competition driving the call-to-action.</p>

<p>30 media placements</p> <p>Host 10 trade famils</p>	<p>Result</p> <p>Status On target</p> <p>Comments 14 media results achieved for the second quarter. YTD 24 media results have been achieved.</p> <p>Hosted and familed three Australian media at Toast Martinborough.</p> <p>Hosted and familed six Product Managers and four Newmans Holidays reservation consultants.</p>
<p>Maintain market share in Australian market</p>	<p>Result</p> <p>Status On target</p> <p>Comments Wellington has seen a slight decrease in its share of Australian visitors. Wellington's market share at YE September 2006 was 11.02% compared to 11.04% for the same period in the previous year (IVS).</p> <p>Australian guest nights YE December 2006 declined 7.44% compared to the same period in 2005 (CAM). International Visitor Arrivals figures showed visitors to Wellington from Australia decreased by 0.04% YE December 2006.</p>

Communications

Performance Indicators	Result	Status
<p>10 campaign leveraging projects initiated</p> <p>8 major event leveraging projects initiated</p>	<p>Comments</p> <p>Three stories supporting campaign messages appeared in the December quarter, resulting from the WOW® media hosting in September. <i>Metro</i>, <i>Waikato Times</i> and the <i>Manawatu Standard</i> ran stories showcasing Wellington as a travel destination.</p> <p>Four campaign leveraging projects have been initiated year to date.</p> <p>Extensive PR support was given to the Golden Oldies World Rugby Festival, held in Wellington in late October 2006. Positively Wellington Tourism coordinated all local media coverage of the event, with over 40 stories appearing in local newspapers, the majority of which were positive.</p> <p>Positively Wellington Tourism hosted four drive range media for the Elton John concert in early December. The hosting also supported Wellington events on over summer, such as the Egypt: Beyond the Tomb exhibition at Te Papa and the Sam Taylor-Wood exhibition at the City Gallery.</p> <p><i>C4 Television</i> was hosted for a story about the upcoming Cuba Street Carnival. The three minute feature screened in late December. Positively Wellington Tourism will continue to extend PR support for the Carnival in early 2007.</p> <p>Six major event leveraging projects have been initiated year to date.</p>	<p>On target</p>

<p>Media profile of Positively Wellington Tourism and Wellington tourism issues 5% above 2005/06 levels</p>	<p>Result</p> <p>Status On target</p> <p>Comments The December 2006 quarter generated 640 media clippings, a decrease on the same quarter in 2005 from 705.</p> <p>Year to date media clippings stand at 1,242. The same period in 2005 was 1,209.</p> <p>65% of all media coverage in the 2006 quarter was positive, 18% neutral and 17% negative. Events such as the Golden Oldies World Rugby Festival and Elton John concert contributed to positive coverage. Negative coverage was generated around topics such as the cut in Trans Tasman Air New Zealand flights, the Marine Education Centre and Wellington transport infrastructure.</p>
<p>15 stories in drive range promoting Wellington tourism</p>	<p>Result</p> <p>Status On target</p> <p>Comments Media in the 1 – 5 hour drive range were targeted for the Elton John hosting. The media hosted were: <i>Hawke's Bay Today</i>, <i>Manawatu Standard</i>, <i>Taranaki Daily News</i> and <i>Wanganui Chronicle</i>. Four stories have resulted from the hosting, with more expected in coming months.</p> <p>A story on local tourism operator Wild About Wellington also ran in the <i>Manawatu Standard</i>, a result from hosting this journalist for the Montana World of WearableArt™ Awards Show.</p> <p>Year to date, nine stories have been generated in drive range media.</p>
<p>12 issues of Positively Informed produced and distributed</p>	<p>Result</p> <p>Status On target</p> <p>Comments Three issues of Positively Informed were produced and distributed during this quarter.</p>
<p>WellingtonNZ.com media sections updated fortnightly</p>	<p>Result</p> <p>Status On target</p> <p>Comments Media sections of WellingtonNZ.com were updated fortnightly during the December quarter.</p> <p>The Communications Plan was also updated and is due for completion in early 2007.</p>

Convention Bureau

Performance Indicators	
<p>8% increase in domestic leads</p> <p>4% increase in corporate conference market</p>	<p>Result Status On target</p> <p>Comments The December quarter showed strong growth in leads. YTD domestic leads are 18% ahead of last year (144 vs 122) and international leads are 4% up for the same quarter (25 vs 24).</p>
<p>Hold showcase event in Auckland in conjunction with IMG.</p> <p>Attend New Zealand based trade shows</p> <p>Sales missions held in Melbourne and Sydney with 5% increase in delegate attendance</p>	<p>Result Status On target</p> <p>Comments Sales calls were undertaken in Sydney and Brisbane with four Convention Bureau partners in October instead of showcase events.</p> <p>The next tradeshow is AIME in Melbourne in February. A record of five partners are exhibiting with Positively Wellington Tourism.</p> <p>An additional Mega Famil involving 20 clients from Auckland and 13 Convention Bureau partners has been proposed as alternative to the Auckland showcase. This would better showcase Wellington's conference venues and services.</p>
<p>20 NZ famils</p> <p>8 Australian famils</p> <p>2 sales visits to Australia</p> <p>500 sales calls in total</p>	<p>Result Status On target</p> <p>Comments In October the Bureau hosted its largest ever famil based around the Wellington Conference Expo. 26 guests were hosted by Bureau partners (12 Australians and 14 New Zealanders). More than \$1m worth of business has been secured from this exercise to date.</p> <p>Two other domestic famils were undertaken in the quarter taking the total number of domestic famils YTD to 16.</p> <p>130 sales calls made in the quarter. 274 sales calls year to date.</p>

<p>Partner funding increase to \$130,000</p> <p>Joint venture income increase to \$88,000</p> <p>8 domestic sales visits in New Zealand</p>	<p>Result</p> <p>Status On target</p> <p>Comments Partner funding of \$128,000 achieved.</p> <p>Joint venture budget total revised as \$40k income project was cancelled after discussions with the Bureau Steering Council. \$14k secured YTD with \$20k invoiced in January.</p> <p>One Auckland domestic sales visit took place this quarter incorporating 10 calls.</p> <p>Domestic sales calls to Auckland and Christchurch have been scheduled for January and February respectively.</p>
<p>15 bids for major conferences</p> <p>10% increase in association leads</p> <p>10 major conferences confirmed with total economic impact of \$8 million.</p>	<p>Result</p> <p>Status On target</p> <p>Comments Two bids have been submitted with three others under development. Five bids have been submitted year to date.</p> <p>31 pieces of business worth in excess of \$10 million YTD, of which over \$3m secured in the December quarter.</p>

New Zealand Marketing: Domestic Campaign

Performance Indicators													
<p>1% growth (visitor nights and numbers)</p> <p>1% growth in partner hotel occupancy (capacity aligned)</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>Exceeding target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">Domestic visitor nights at year end December 2006 increased 11.4% compared to the same period year end December 2005 (Commercial Accommodation Monitor).</td> </tr> <tr> <td colspan="2">Average occupancy of partner hotels increased 3% in December 2006 compared with December 2005.</td> </tr> <tr> <td colspan="2">These are very strong results in what is still a difficult trading environment.</td> </tr> </table>	Result	Status		Exceeding target	Comments		Domestic visitor nights at year end December 2006 increased 11.4% compared to the same period year end December 2005 (Commercial Accommodation Monitor).		Average occupancy of partner hotels increased 3% in December 2006 compared with December 2005.		These are very strong results in what is still a difficult trading environment.	
Result	Status												
	Exceeding target												
Comments													
Domestic visitor nights at year end December 2006 increased 11.4% compared to the same period year end December 2005 (Commercial Accommodation Monitor).													
Average occupancy of partner hotels increased 3% in December 2006 compared with December 2005.													
These are very strong results in what is still a difficult trading environment.													
<p>1% increase in VFR nights</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>Exceeding target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">VFR nights increased 9.6% in the December quarter 2006 compared to the same period in 2005.</td> </tr> </table>	Result	Status		Exceeding target	Comments		VFR nights increased 9.6% in the December quarter 2006 compared to the same period in 2005.					
Result	Status												
	Exceeding target												
Comments													
VFR nights increased 9.6% in the December quarter 2006 compared to the same period in 2005.													
<p>15% growth in online sales via WellingtonNZ.com</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>Exceeding target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">WellingtonNZ.com sales for this quarter total \$173,320.17 (ex GST). This is up 89% on 2005.</td> </tr> <tr> <td colspan="2">YTD sales total \$364, 626.13. This is an increase of 94% on this time last year.</td> </tr> </table>	Result	Status		Exceeding target	Comments		WellingtonNZ.com sales for this quarter total \$173,320.17 (ex GST). This is up 89% on 2005.		YTD sales total \$364, 626.13. This is an increase of 94% on this time last year.			
Result	Status												
	Exceeding target												
Comments													
WellingtonNZ.com sales for this quarter total \$173,320.17 (ex GST). This is up 89% on 2005.													
YTD sales total \$364, 626.13. This is an increase of 94% on this time last year.													
<p>Maintain partner funding</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>On target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">All partners were re-signed for the 2006/07 financial year resulting in total partner income of \$644,000. The Holiday Inn is due to come on board in January putting partner income ahead of last year.</td> </tr> </table>	Result	Status		On target	Comments		All partners were re-signed for the 2006/07 financial year resulting in total partner income of \$644,000. The Holiday Inn is due to come on board in January putting partner income ahead of last year.					
Result	Status												
	On target												
Comments													
All partners were re-signed for the 2006/07 financial year resulting in total partner income of \$644,000. The Holiday Inn is due to come on board in January putting partner income ahead of last year.													

<p>Deliver marketing for the ticket sale and event phases of Montana World of Wearable Art™ Awards Show and the New Zealand International Sevens</p>	<p>Result</p> <p>Status On target</p> <p>Comments Marketing for the ticketing phase of the NZI New Zealand International Sevens has been completed with tickets selling out in record time once again. The city excitement phase is well underway with a new creative execution to be used on all collateral and the website.</p> <p>The event phase of the Montana World of Wearable Art™ Awards Show 2006 has been delivered. Activity included banners, billboards, an airport display, a window dressing competition and street performers. Work on the ticketing phase for the 2007 show is well underway and will include television, online, magazine, event calendar and newspaper executions.</p>
<p>Significant input into event development</p>	<p>Result</p> <p>Status On target</p> <p>Comments Positively Wellington Tourism participated in an Events Review in November.</p>
<p>Joint market at least 5 key events and produce 2 event calendars</p>	<p>Result</p> <p>Status On target</p> <p>Comments The Event Calendar profiling the four months August to November was delivered to Auckland, Christchurch and the drive range, as well as Wellington city and region during July.</p> <p>The Event Calendar profiling the four months February to May has been produced and will be delivered during January.</p> <p>The events that have been marketed to date include;</p> <ol style="list-style-type: none"> 1. Constable 2. Brew NZ 3. Sam Taylor Wood 4. Golden Oldies 5. Egypt: Beyond the Tomb 6. Cuba Street Carnival 7. Wellington Fringe Festival 8. NZI Sevens <ol style="list-style-type: none"> 9. Vodafone X*Air 10. Asia Pacific Festival 11. Capital E National Arts Festival 12. Meridian Energy Summer City

13. Rebel Sport Super 14 Rugby Season
14. Telecom Prospect 2007: new art New Zealand
15. The Graduate
16. Armageddon
17. NZ Symphony Orchestra 2007 Season
18. World Cinema Showcase
19. Royal NZ Ballet: Meridian Energy Season of Swan Lake
20. Toi Te Papa Art of the Nation
21. Othello

Constable's performance as a visitor draw card outperformed all expectations and helped illustrate the impact of the 'Have a Love Affair with Wellington' campaign has on events like this and vice versa.

Downtown

Performance Indicators											
<p>Downtown sales maintained at 2005/06 level</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>On target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">Spending in downtown Wellington for the YE Sept 2006 was unchanged compared with the same period 2005 (BNZ MarketView).</td> </tr> </table>	Result	Status		On target	Comments		Spending in downtown Wellington for the YE Sept 2006 was unchanged compared with the same period 2005 (BNZ MarketView).			
Result	Status										
	On target										
Comments											
Spending in downtown Wellington for the YE Sept 2006 was unchanged compared with the same period 2005 (BNZ MarketView).											
<p>Win a retail marketing or electronic marketing award</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>Ongoing</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">Texture has been entered into the tourism category of The Webby Awards - called the "Oscars of the Internet" by the New York Times. The Webby is the leading international award honouring excellence in Web design, creativity, usability and functionality. Nominees will be announced in April, and winners will be unveiled in June 2007.</td> </tr> </table>	Result	Status		Ongoing	Comments		Texture has been entered into the tourism category of The Webby Awards - called the "Oscars of the Internet" by the New York Times. The Webby is the leading international award honouring excellence in Web design, creativity, usability and functionality. Nominees will be announced in April, and winners will be unveiled in June 2007.			
Result	Status										
	Ongoing										
Comments											
Texture has been entered into the tourism category of The Webby Awards - called the "Oscars of the Internet" by the New York Times. The Webby is the leading international award honouring excellence in Web design, creativity, usability and functionality. Nominees will be announced in April, and winners will be unveiled in June 2007.											
<p>Maintain Wellington city retail market share of Wellington region at no less than 50%</p>	<table border="0"> <tr> <td>Result</td> <td>Status</td> </tr> <tr> <td></td> <td>Behind target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">Wellington city's retail market share was 49.75% for YE October 2006. This is a decrease of 1.9% market share from the same period last year (Statistics NZ). This is likely due to population growth outside of Wellington City and the redevelopment of Westfield Queensgate.</td> </tr> <tr> <td colspan="2">Total Wellington city retail sales for the year end October 2006 did increase by 2.71%.</td> </tr> </table>	Result	Status		Behind target	Comments		Wellington city's retail market share was 49.75% for YE October 2006. This is a decrease of 1.9% market share from the same period last year (Statistics NZ). This is likely due to population growth outside of Wellington City and the redevelopment of Westfield Queensgate.		Total Wellington city retail sales for the year end October 2006 did increase by 2.71%.	
Result	Status										
	Behind target										
Comments											
Wellington city's retail market share was 49.75% for YE October 2006. This is a decrease of 1.9% market share from the same period last year (Statistics NZ). This is likely due to population growth outside of Wellington City and the redevelopment of Westfield Queensgate.											
Total Wellington city retail sales for the year end October 2006 did increase by 2.71%.											

<p>Increase the KNOW database to 10,000 people</p> <p>Below-the-line marketing initiatives effectively operating</p>	<p>Result</p> <p>Status On target</p> <p>Comments The KNOW database is currently 5,211.</p> <p>One third of the database recently responded to a survey which showed 90% of respondents always (60%) or mostly (30%) read or scan KNOW and 76% have actually acted as a direct result of seeing information in KNOW.</p> <p>Texture.co.nz went live (soft launch) on 21 December. There are 87 members registered to date. During January there has been 609 unique visitors to the site making 1152 visits. 11.1% of visitors are currently spending 2 – 5 minutes on the site per visit while 15.1% are spending between 5- 15 minutes on the site per visit. Feedback from industry has been extremely positive. Below the line marketing initiatives are due to commence in February.</p> <p>The Downtown marketing strategy for 2006/07 has been finalised and it includes a number of above and below the line initiatives to drive spend in the downtown area. The strategy has been discussed with WCC and the NZ Retail Association and will be presented to downtown stakeholders in February.</p>
<p>The Fashion Map and the Downtown Year Planner published and advertising budgets met</p>	<p>Result</p> <p>Status On target</p> <p>Comments</p> <p>The 2007 Year Planner has been produced and distributed.</p> <p>Work on The Fashion Map is due to begin in January.</p>

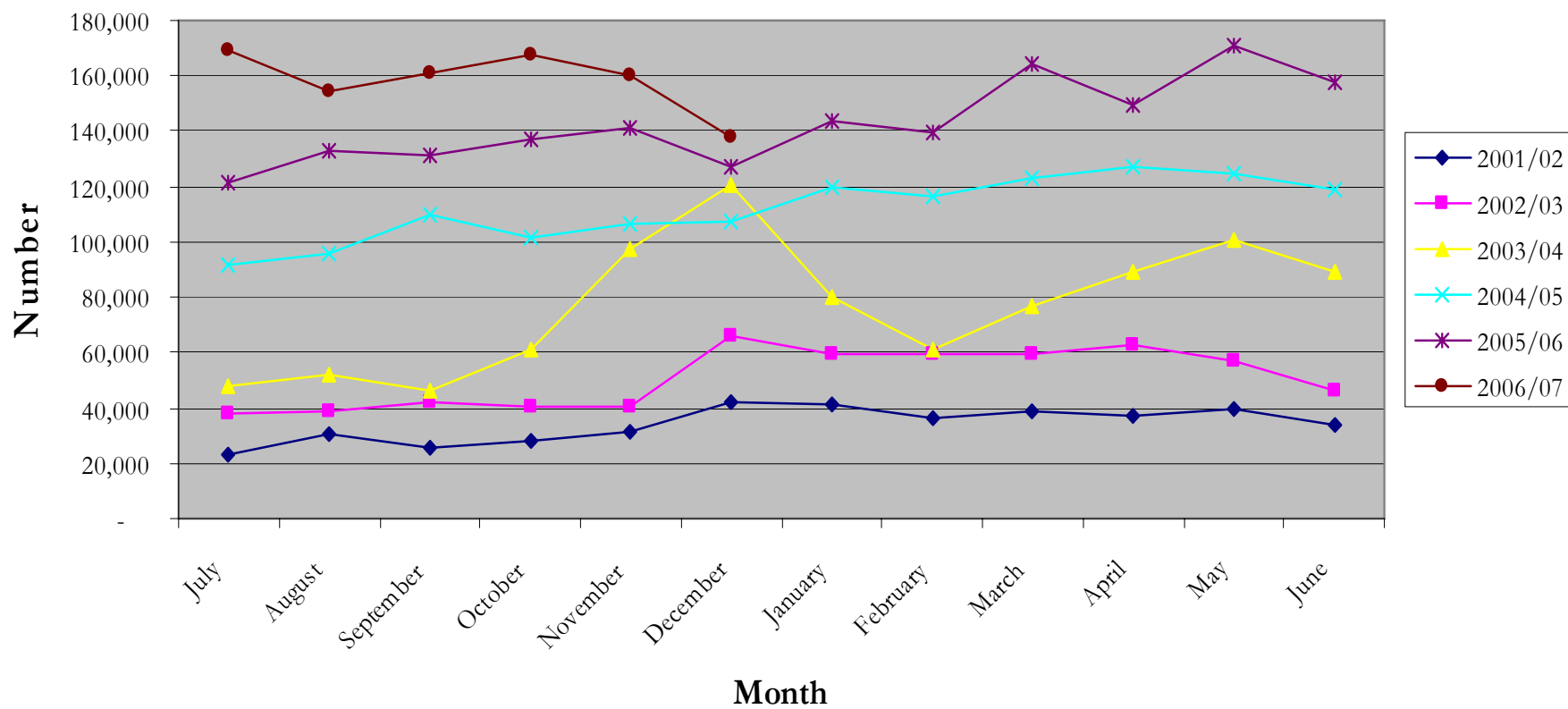
<p>Visit 60 US wholesalers</p> <p>Visit 40 UK wholesalers</p> <p>Train 250 frontline staff in UK</p> <p>Train 300 frontline staff in US</p>	<p>Result</p> <p>Status On target</p> <p>Comments 40 UK wholesalers YTD 0 US wholesalers YTD 176 UK & European frontliners YTD</p> <p>66 Dutch and UK agents were trained during sales calls in September. The other major initiative in this quarter was the European mega-famil training days. Seven Wellington and Wairarapa products took part and trained 70 agents and Air New Zealand staff from Central Europe, Benelux (Belgium, Netherlands and Luxembourg) and Scandinavia.</p> <p>Training calls in Ireland were undertaken as an extension to Tourism New Zealand's UK Marketing Alliance workshop, with 40 Dublin agents trained.</p> <p>Tourism New Zealand has cancelled plans to run a Kiwi Link UK in 2006/07 year so the target of 250 UK frontliners may not be met.</p> <p>The majority of North American activity will take place in April around Kiwi Link USA.</p> <p>Positively Wellington Tourism had a substantial presence at Kiwi Link and Frontliner Training Asia in November which is reported on separately in the Long Haul Quarterly Report.</p>
<p>Host 10 trade famils</p> <p>Host 20 media for the Montana World of WearableArt™ Awards Show (WOW®)</p> <p>Achieve 50 media placements through Tourism New Zealand's International Media Programme (IMP) and Travmedia</p>	<p>Result</p> <p>Status On target</p> <p>Comments Eight trade famils YTD.</p> <p>WOW target met in the first quarter.</p> <p>Ten European agents were familed in the region as part of the European mega-famil and 10 Latin American agents were hosted as part of an Air New Zealand famil.</p> <p>14 IMP files were hosted in this quarter and 24 results were received from international markets in the reporting period, including four from the USA, three from China and excellent broadcast and Mook guidebook print results from Taiwan. This brings the year to date total to 39.</p>

<p>Reproduce motivational brochure</p> <p>Further develop the travel trade section of WellingtonNZ.com</p>	<p>Result</p> <p>Status On target</p> <p>Comments Consumer Visitor Guide delivered and distributed in December 2006.</p> <p>Reprinting of the motivational brochure will not take place in this financial year due to reprioritisation of financial resources.</p> <p>The travel trade section of WellingtonNZ.com continues to be updated and e-newsletters sent out on a quarterly basis.</p>
<p>Participate in joint sales visits with International Marketing Group (IMG) partners</p>	<p>Result</p> <p>Status On target</p> <p>Comments Represented Wellington & Wairarapa Marketing Alliance at Tourism New Zealand UK Marketing Alliance Workshop in December.</p> <p>Partnering with Te Papa and Duxton Hotels on North American call cycle in April.</p>

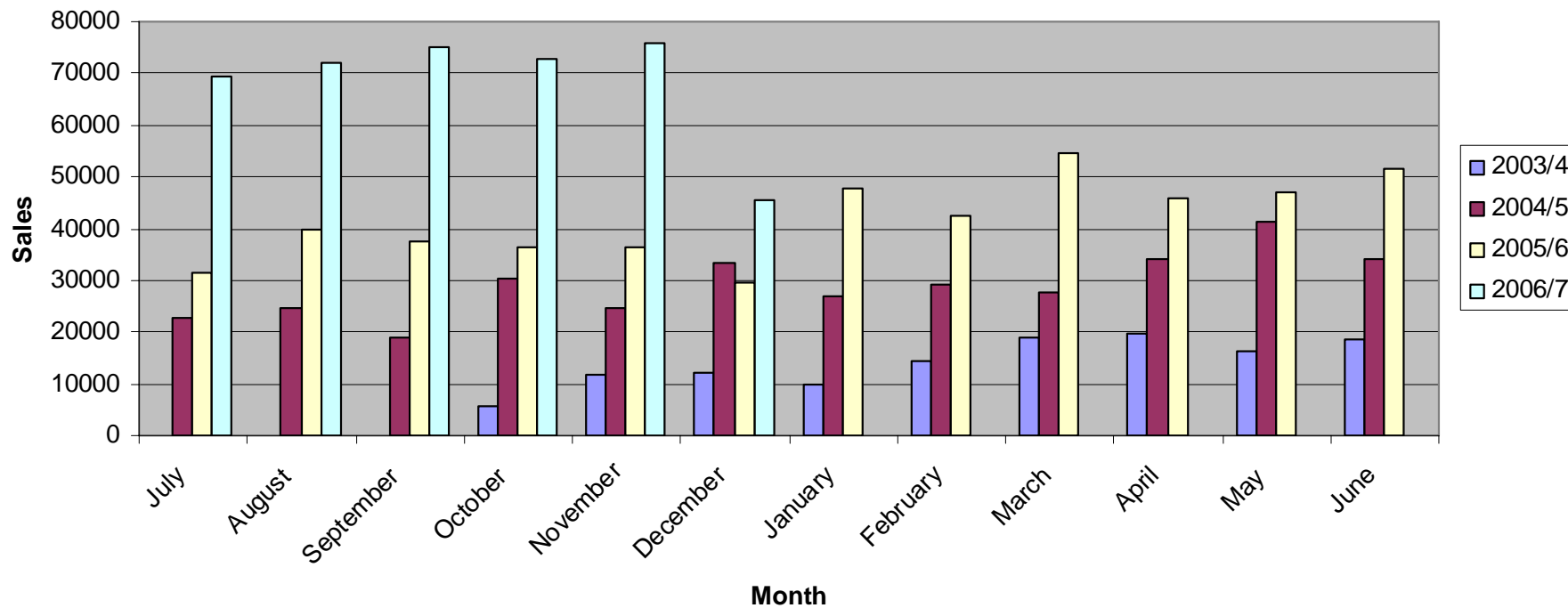
Online & IT

Performance Indicators	
15% growth in website visits	<p>Result Status On target</p> <p>Comments Total visits for the quarter were 466,093. This is a 15% increase on the same quarter in 2005. YTD there has been 950,959 visits to WellingtonNZ.com. This is 20% up on this time last year.</p>
Increase website Bookrite sales on WellingtonNZ.com by 15%	<p>Result Status On target</p> <p>Comments WellingtonNZ.com sales for this quarter total \$173,320.17 (ex GST). This is up 89% on the same period in 2005. YTD sales total \$364, 626.13. This is an increase of 94% on this time last year.</p>
Maintaining and increasing search engine results, key indicator search engines	<p>Result Status On target</p> <p>Comments WellingtonNZ.com's position in three of the five monitored search engines (AOL, Google, Yahoo) increased this quarter. It dropped a few places in the other two search engines (MSN, SearchNZ).</p>

WellingtonNZ.com Visits



Bookrite Web Sales Month on Month



Long Haul

Performance Indicators																							
<p>Sign 3 year Memorandum of Understanding with partners to secure funding.</p>	<table border="0"> <tr> <td style="width: 50%;">Result</td> <td style="width: 50%;">Status</td> </tr> <tr> <td></td> <td>Partially achieved</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">Total funding secured of \$455,000 for this financial year. This is made up of:</td> </tr> <tr> <td>Wellington City Council</td> <td>\$200,000</td> </tr> <tr> <td>Wellington Airport</td> <td>\$150,000</td> </tr> <tr> <td>Hutt City</td> <td>\$40,000</td> </tr> <tr> <td>Kapiti District Council</td> <td>\$20,000</td> </tr> <tr> <td>Wairarapa councils</td> <td>\$15,000</td> </tr> <tr> <td>Porirua City Council</td> <td>\$30,000</td> </tr> <tr> <td colspan="2">Upper Hutt City Council did not commit any funds.</td> </tr> </table>	Result	Status		Partially achieved	Comments		Total funding secured of \$455,000 for this financial year. This is made up of:		Wellington City Council	\$200,000	Wellington Airport	\$150,000	Hutt City	\$40,000	Kapiti District Council	\$20,000	Wairarapa councils	\$15,000	Porirua City Council	\$30,000	Upper Hutt City Council did not commit any funds.	
Result	Status																						
	Partially achieved																						
Comments																							
Total funding secured of \$455,000 for this financial year. This is made up of:																							
Wellington City Council	\$200,000																						
Wellington Airport	\$150,000																						
Hutt City	\$40,000																						
Kapiti District Council	\$20,000																						
Wairarapa councils	\$15,000																						
Porirua City Council	\$30,000																						
Upper Hutt City Council did not commit any funds.																							
<p>Deliver on Long Haul Strategy as agreed by funding partners</p>	<table border="0"> <tr> <td style="width: 50%;">Result</td> <td style="width: 50%;">Status</td> </tr> <tr> <td></td> <td>In progress</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">A strategy has been developed and phase one (airline calls) and two (market development) are now in progress.</td> </tr> <tr> <td colspan="2">There have been delays in airlines ordering the Boeing 787 and therefore 2011 is a more realistic date to aim for first services. Airbus's A350-XWB is likely to be delayed further given the issues with the delivery of the A380.</td> </tr> </table>	Result	Status		In progress	Comments		A strategy has been developed and phase one (airline calls) and two (market development) are now in progress.		There have been delays in airlines ordering the Boeing 787 and therefore 2011 is a more realistic date to aim for first services. Airbus's A350-XWB is likely to be delayed further given the issues with the delivery of the A380.													
Result	Status																						
	In progress																						
Comments																							
A strategy has been developed and phase one (airline calls) and two (market development) are now in progress.																							
There have been delays in airlines ordering the Boeing 787 and therefore 2011 is a more realistic date to aim for first services. Airbus's A350-XWB is likely to be delayed further given the issues with the delivery of the A380.																							
<p>Attend trade and consumer shows in key target markets</p>	<table border="0"> <tr> <td style="width: 50%;">Result</td> <td style="width: 50%;">Status</td> </tr> <tr> <td></td> <td>On target</td> </tr> <tr> <td colspan="2">Comments</td> </tr> <tr> <td colspan="2">86 meetings with wholesalers in Asia at Kiwi Link Asia. 80 frontliners were trained in Hong Kong and 240 in China.</td> </tr> <tr> <td colspan="2">A market visit was also undertaken to the Netherlands, Ireland and UK.</td> </tr> <tr> <td colspan="2">Work is continuing on a European marketing joint venture.</td> </tr> </table>	Result	Status		On target	Comments		86 meetings with wholesalers in Asia at Kiwi Link Asia. 80 frontliners were trained in Hong Kong and 240 in China.		A market visit was also undertaken to the Netherlands, Ireland and UK.		Work is continuing on a European marketing joint venture.											
Result	Status																						
	On target																						
Comments																							
86 meetings with wholesalers in Asia at Kiwi Link Asia. 80 frontliners were trained in Hong Kong and 240 in China.																							
A market visit was also undertaken to the Netherlands, Ireland and UK.																							
Work is continuing on a European marketing joint venture.																							

<p>Build business case with airlines</p> <p>Develop collateral and communication plan to support business case</p>	<p>Result</p> <p>Status On target</p> <p>Comments A business and technical case has been developed and meetings have been held with all the airlines on the initial target list. Discussions are continuing with a number of airlines, with progress being made.</p> <p>Chinese collateral has been developed.</p>
--	---

Overheads and Governance

Performance Indicators	
2007/08 Business Plan produced by March 2007	<p>Result On target</p> <p>Status On target</p> <p>Comments A first draft of the 2007/08 Business Plan was sent to Wellington City Council. Positively Wellington Tourism will produce a reforecast for the current financial year and this will enable an update of the 2007/08 Business Plan sent to Council in draft form in October 2006.</p>
11 Board meetings held 1 Audit Finance and Risk Subcommittee meeting held	<p>Result On target</p> <p>Status On target</p> <p>Comments Five Board meetings have been held this quarter and one Audit, Finance and Risk subcommittee meeting.</p>
Audited accounts and annual plan produced within 60 days of 30 June 2007 Quarterly reports to Wellington City Council delivered on time	<p>Result On target</p> <p>Status On target</p> <p>Comments Wellington City Council quarterly reports will be delivered on time.</p>
HR, Finance and IT policies and systems current and regularly reviewed.	<p>Result On going</p> <p>Status On going</p> <p>Comments Policies and systems are continually reviewed.</p> <p>The JRA Best Places to Work survey results were pleasing for Positively Wellington Tourism in the first year of participation. In the small organisation category (20-49 employees) Positively Wellington Tourism ranked 14th out of 48 eligible organisations. The survey also highlighted some areas for improvement and as such, the organisation will be having a team "Wellington Inspired" day in March 2007 to review these areas.</p>
Overhead cost below budget or no more than 5% over budget.	<p>Result On target</p> <p>Status On target</p> <p>Comments Overhead expenditure for the quarter is \$5k above budget, which represents a 1% overspend.</p>

Product Development

Performance Indicators	
<p>Support the development of at least two major new visitor attractions</p> <p>Advance the development of the Karori Wildlife Sanctuary and the Marine Education Centre</p> <p>Viability of cultural tourism product determined</p> <p>Close working relationship with the Cable Car and Government precinct cluster</p>	<p>Result</p> <p>Status Ongoing</p> <p>Comments</p> <p>Positively Wellington Tourism has actively supported the Marine Education Centre proposal through the submission process. The Marine Education Centre was granted resource consent for its proposal in October 2006, however this has since been appealed and is before the Environment court.</p> <p>Positively Wellington Tourism has been engaged in the analysis and updating of visitor numbers and projections for Karori Wildlife Sanctuary's business case. Positively Wellington Tourism has assisted Karori Wildlife Sanctuary with their applications to the Environmental & Cultural Committee (Lottery Grants Board) and the Significant Community Based Projects Fund (Department of Internal Affairs).</p> <p>Positively Wellington Tourism has been working on determining the viability of the proposed cultural tourism product. Te Papa is currently assessing the viability of the proposed product.</p> <p>Positively Wellington Tourism has worked with Carter Observatory towards its redevelopment business case. Carter recently received a funding deal worth \$5.2m – the Government is contributing \$2.2m for the proposed redevelopment, while Wellington City Council is contributing \$300k per year for ten years, to assist with operating expenses.</p> <p>Positively Wellington Tourism has continued to work closely with Cable Car Tourism Precinct to progress the draft development plan and to coordinate marketing initiatives for 2006/07 summer.</p> <p>Positively Wellington Tourism has been engaging with the appropriate stakeholders as to the potential viability/possibility of creating a permanent film exhibition for the Lord of the Rings exhibition.</p>

<p>Take a lead role in the development of the tourism component of the Wellington Regional Strategy</p>	<p>Result</p> <p>Status Ongoing</p> <p>Comments Positively Wellington Tourism actively contributed to the development of the tourism component of the Wellington Regional Strategy and is continuing to do so on an ongoing basis.</p> <p>Positively Wellington Tourism is engaged extensively in the Wellington Regional Strategy process as it relates to tourism and branding. The development of the Long Haul Strategy and associated presentations was a focus during the year.</p> <p>Positively Wellington Tourism has compiled a comprehensive Product Development Plan, which sets out the pathway and priorities for product development until 2011. This has a strong link with the Wellington Regional Strategy and Positively Wellington Tourism's role in developing Wellington's product and infrastructure components of the tourism sector.</p>
<p>Work with Positively Wellington Business, New Zealand Trade and Enterprise and others to identify investment opportunities in Wellington tourism</p>	<p>Result</p> <p>Status Ongoing</p> <p>Comments This work links in with the Wellington Regional Strategy.</p>
<p>Assist in the prioritisation and research of the development of Convention Centre/Indoor Stadium</p> <p>Market feasibility for purpose built convention centre determined</p>	<p>Result</p> <p>Status Ongoing</p> <p>Comments Positively Wellington Tourism continues to work with Wellington Convention Centre on the potential development of a new Convention Centre.</p> <p>Positively Wellington Tourism is working with Wellington Convention Centre to undertake an Economic Impact Assessment of Myeloma Haematology Conference with the objective of incorporating the evidence into the long term investment plans for the Centre.</p>

Research

Performance Indicators	
Result	Status
<p>Manage annual domestic market research programme</p> <ul style="list-style-type: none"> • Domestic Travel Survey • Forecasts • Hotel Monitor • Commercial Accommodation Monitor • Domestic Visitor Profile • Visiting Friends and Relatives (VFR) Monitor • Regional Visitor Monitoring Programme (RVM) • Retail Trade Statistics • Downtown Wellington • Domestic Campaign Evaluation 	<p>Ongoing</p> <p>Comments</p> <p>Positively Wellington Tourism continues to manage the results and relationships related to its research programme.</p> <p>The first full year of the Regional Visitor Monitor (RVM) has been completed. Analysis will now focus on Wellington's performance (conducted on a quarter on quarter basis) as opposed to comparing results to the national benchmark.</p> <p>Following on from some variable results from the RVM, Positively Wellington Tourism has undertaken research for two specific areas of concern – tourism signage and campervan parking. Once finished, these papers will be presented to Wellington City Council to discuss findings, as well as the possible solutions/remedies.</p> <p>Positively Wellington Tourism has been working with McDermott Miller to devise a tourism attraction investment and market demand evaluation model. The aim of this is to accurately map the projected demand for new and upgraded visitor attractions in Wellington. The need for this model arose out of the frustration that Positively Wellington Tourism has been experiencing in not having an accurate system to understand, and therefore project, what certain attractions would attract in terms of visitor numbers. This is a significant project and will be undertaken on an ongoing basis.</p> <p>Due to the variability of the Ministry of Tourism's Domestic Travel Survey (DTS), Positively Wellington Tourism has been investigating the feasibility of constructing and implementing an internal DTS. The first version of this will be available by the end of January.</p> <p>December marks the first official month of the new Wellington Attraction and Activities Monitor. This monitor seeks to track the performance of Wellington's attraction market against other datasets. The results of the first month's data is proposed to be available by 26 January.</p>

<p>Manage annual international market research programme</p> <ul style="list-style-type: none"> • International Visitor Survey • International Visitor Arrivals • Commercial Accommodation Monitor • RVM Programme • Australian campaign set up and evaluation 	<p>Result</p> <p>Status Ongoing</p> <p>Comments Positively Wellington Tourism manages the international dataset and communicates this data through tourism 'snapshots' to internal staff on a regular basis.</p> <p>Positively Wellington Tourism has received the results of Tourism New Zealand's Campaign Development Research which evaluated the national and Wellington components of the initial stages of the Australian 'What's On' consumer campaign. (For results, refer to Australian report).</p>
<p>Contribute to improvement and delivery of national tourism data</p>	<p>Result</p> <p>Status Ongoing</p> <p>Comments Positively Wellington Tourism continually prompts the Ministry of Tourism to deliver datasets on time.</p> <p>The Ministry of Tourism is constantly advised when the dataset contains glitches.</p> <p>Positively Wellington Tourism contributes to improvement of RVM methodology through workshops.</p> <p>Positively Wellington Tourism is a member of the International Visitor Survey and Domestic Visitor Survey stakeholder groups that meet on a quarterly basis to discuss status and possible improvements to these datasets.</p> <p>Positively Wellington Tourism, in conjunction with McDermott Miller, is in the initial stages of establishing a model by which to test market demand for new or upgraded visitor attractions.</p>
<p>Construct and implement Mystery Shopper and training programmes at the i-SITE Visitor Centre</p>	<p>Result</p> <p>Status On target</p> <p>Comments Training programme and Mystery Shopper Programme implemented. Results to be received in late January 2007.</p>