



Tourism in Fiordland and Southland

New Zealand – A Smorgasbord of Wonder

Tourism in New Zealand is successful because we have so much to offer pristine environments, unique wildlife, abundant natural resources, worldly sophistication or thrills that take visitors to the limit.

This smorgasbord of wonder entices people to visit and encourages them to stay.

Tourism is an exhilarating industry, with an exciting future. Over 1.4 million international visitors landed on New Zealand soil in 1998, accounting for almost 16% of total foreign exchange earnings. Half of the visitors came purely to holiday, the rest added this country's

incredible attractions to their business trip or visited friends and family.

It is an industry on the move. The number of international visitors recorded in 1998 was twice that recorded a decade ago. Better still, New Zealand's tourism industry was solid enough to emerge strongly from the 1997 'Asian crisis' and current trends show renewed growth.

More and more New Zealanders are also exploring their own country and are the 'bread and butter' of many tourism ventures.

Twin Jewels – Fiordland and Greater Southland

Southland is a region with unique tourism properties some well known and some just being discovered. This means there is a strong element of market reliability in the region's icon destinations, and new, exciting opportunities in greater Southland.

The most well known destination is the international tourism icon, Milford Sound. Over 320,000 people visit Te Anau and Manapouri, en-route to the Sound annually, many on package tours. This makes the much photographed Fiordland sub-region a dynamic and reliable tourism product.

The remainder of Southland attracts approximately 188,000 tourists each year - half

of these international tourists and half travel loving Kiwis.

Visitors to Southland are drawn to the Southern Scenic Route, the Catlins, Stewart Island and a host of new and exciting regional attractions. They are mostly independent travellers seeking to discover the country at their own pace.

There has never been a better time to take advantage of this expanding industry.

Southland has the attractions, the infrastructure and strong market growth to take an even greater share of this phenomenon.

This is Southland

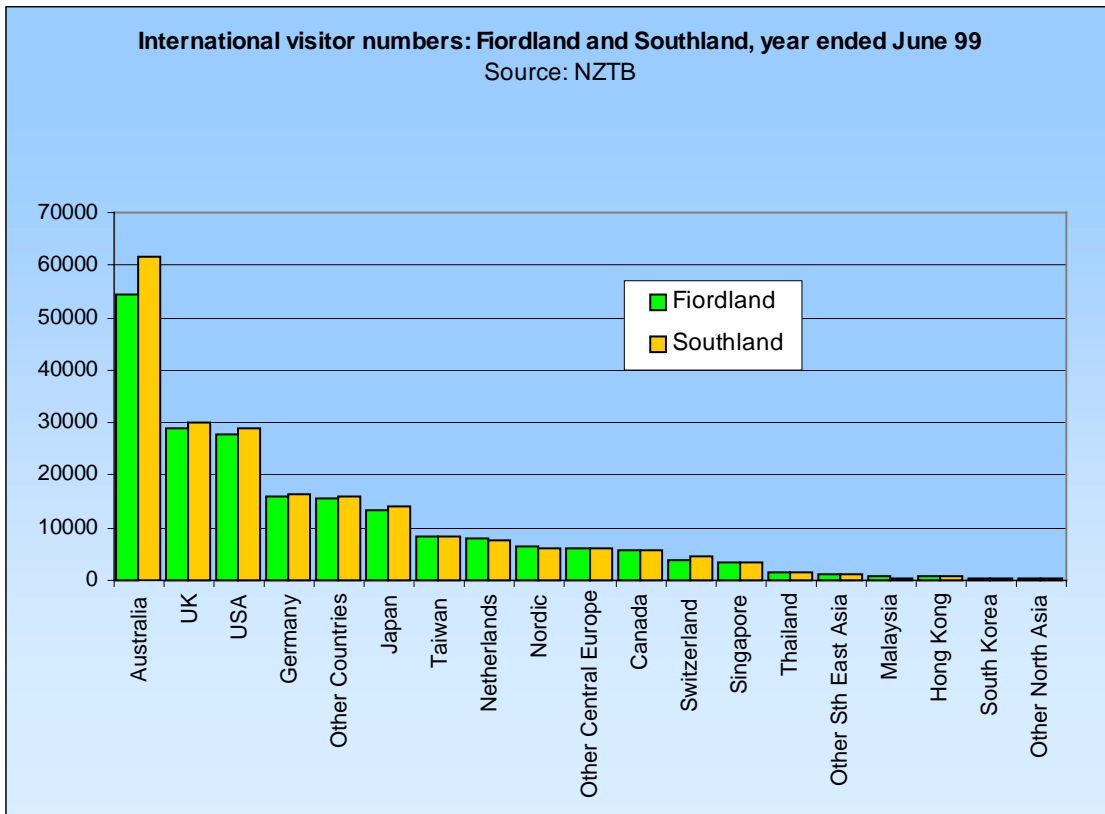
Southland has a population of 97,000, and is New Zealand’s most southern region, with the longest summer daylight hours, a gateway to the islands of the Southern ocean, and perhaps the last bastion of true Kiwi hospitality.

Invercargill’s (Southland’s ‘capital’) climate is one of its best-kept secrets, having more in common with balmy Gisborne than the rainier Auckland and Wellington. It is a green and pleasant land with low variability in its seasonal weather.



A Burgeoning Market: Fiordland

New Zealand has only a few destinations significant and recognisable enough to be called icons. These are the places that every visitor sees in brochures they collect at airports, on posters they see on the London Underground and are told about by fellow travellers. They are the 'must see and do' attractions: Rotarian's geysers, bungy jumping, jet boating, Queenstown, Huka Falls, Waitomo Caves, West Coast Glaciers, and Fiordland's Milford Sound. The latter is perhaps the best known, attracting 320,000 people annually.



A mature tourism destination:

Destination Fiordland (whose core funding is provided by the Southland District Council) co-operatively markets Fiordland, with additional funding for promotional activities from industry members.

Accommodation and Food Services

With a concentration of beds in Te Anau, a full range of prices and levels of service is offered from camping to four-star hotels.

Possessed by a Professional Attitude

The region's service economy is firmly based on tourism, and all service providers including restaurants, shops and transport understand the part they play in the tourism industry. For

example, shop opening hours are based on the needs of travellers.

Subject to Healthy Competition

Quality and reliability is assured by the nature of local competition. This secures a high level of faith on the part of tour wholesalers. They know they will get what they are promised and customers will return with their expectations met.

Internationally Recognised Conservation Status for Natural Resources

The World Heritage status of Fiordland National Park is a stamp of authenticity and sustainable management, this is a mark of quality recognised around the world.

Closely Associated with Queenstown

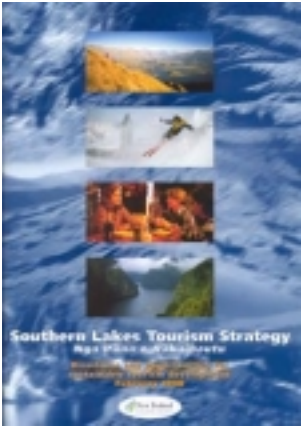
Much of Fiordland’s visitor traffic is based on coach tours from Queenstown. This means the marketing impact of the area is doubled, promoted by both Fiordland and Queenstown

interests. The two destinations are able to complement each other, as the chart below shows, the Fiordland experience is predominantly a day trip while Queenstown is an overnight destination.

Southern Lakes Tourism Strategy

In 1998 the New Zealand Tourism Board released a visionary document for marketing and developing the tourism industry in the Queenstown Lakes District and neighbouring Central Otago and Southland tourism destinations encompassing Te Anau and Milford.

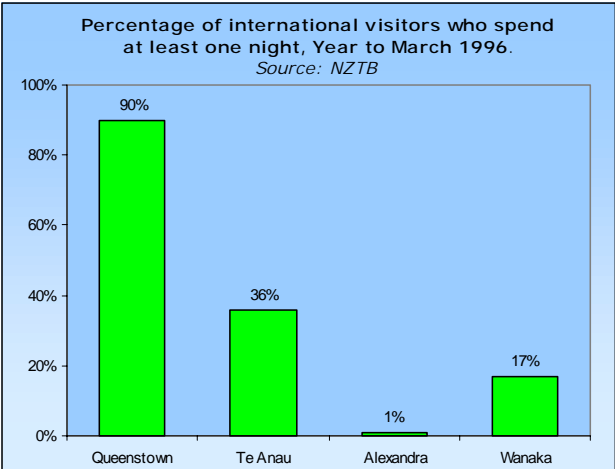
The strategy covers an area which hosts one million visitors annually, and where 75% of the workforce relies on tourism.



There are three main thrusts to the strategy. These are:

- ◆ A marketing strategy, recommending target markets, product development and promotion initiatives.
- ◆ An infrastructure and land use strategy presenting recommendations for the provision of adequate infrastructure, safe and efficient access and sympathetic management of land use.
- ◆ An implementation strategy for the above recommendations.

The strategy advocates a regional approach as the best way to improve industry performance, region wide benefits and environmental quality acknowledging that international tourists do not differentiate their destination by local authority boundaries.



Product development opportunities identified by the strategy include:

- ◆ Guided two to three day mountain biking trips.
- ◆ Tours to a range of gardens.
- ◆ Slower, more scenic rafting trips.
- ◆ Nature tours to Department of Conservation (DOC) management areas for rare plants and animals.
- ◆ Half day visits to a working farm.
- ◆ Day trips to a high country station by aeroplane.

Case Study: Fiordland Travel

Fiordland Travel is the largest tourist operator in Southland, having modest beginnings as the Manapouri Doubtful Sound Travel Company. In 1954 Les and Olive Hutchins began four day guided walks and launch excursions from Manapouri to Doubtful Sound. The clientele was relatively small and mostly domestic, with a few Australian visitors.

After ten years of operation a road built to support the Manapouri hydroelectric power project replaced the track. Les and Olive recognised the potential presented by the hydroelectric power project and the company underwent major expansion when contracts were won to transport workers and freight to the construction site in 1963.

In 1966 they purchased Fiordland Travel, a small company that ferried walkers to the Milford Track and operated excursions to the Te Anau Glowworm Caves, and Fiordland Travel Limited was formed.

The company then extended to Queenstown with the purchase of the heritage steamship TSS Earnslaw and from 1969 Fiordland Travel began chartered excursions primarily for visitors. After 14 years a major refit of the vessel was undertaken in recognition of its new tourism role.

In 1970 the company began operations on Milford Sound, taking visitors on the now world famous cruises.

Today the company remains a family business with Bryan Hutchins, son of Les and Olive, serving as Chief Executive. Fiordland Travel currently operates a wide range of state-of-the-art modern vessels as well as TSS Earnslaw and a fleet of purpose built coaches. It also operates joint ventures in Queenstown with Queenstown Rafting and Milford Sound Flight seeing.

“There are no negatives to operating in Southland”, according to Bryan.

“There are three elements to our business. The first is the product, the National Park and its surrounding environment. The second is the equipment and infrastructure necessary for people to enjoy that environment. The third is the staff, operating the equipment, meeting visitor needs and providing the finishing touch to the experience. The physical dimension - the environment is there. It is up to us to get the other two factors right, and we do.”

“Tourism in Fiordland is successful because visitors are attracted by its wilderness scenery and activities. Southland also fulfils our other requirements. We build all our boats here and we source our staff here. The staff available and the industry infrastructure, such as the sub-contractors we require to build vessels are excellent. Basically there are no constraints.”

Exciting Changes – New Opportunities

Stewart Island is destined to be New Zealand’s newest national park. The Department of Conservation (DOC) is examining the potential for changing the conservation status of most of Stewart Island from a mix of nature reserves and scenic reserves to a National Park. This will have significant impacts on the visitor numbers to the Island.

The road through the Catlins will be completely sealed in the near future encouraging greater use of the Southern Scenic Route increasing the number of visitors to the Catlins and lengthening their stay in the region.

The 14,000 hectare Awarua Wetlands, administered by DOC, are the largest protected wetlands in Southern New Zealand. Their significance is being recognised as an international resource by DOC in an

application to the World Conservation Union (IUCN) to classify the area as a Wetland of International Importance under the Ramsar Convention. This will enhance the level of protection for the wetland and raise its profile as an international visitor destination.

Southland: New Zealand’s Best Kept Secret

More than 100,000 domestic and international visitors take time out in Southland each year. This number is relatively small compared with the 300,000 visitors to Milford Sound, but represents an enormous opportunity for a dynamic tourism operation. A key reason is the type of market that Southland attracts.

wholesalers because they cannot make a commission on a free activity.

Fiordland is home to the icon destination Milford and supports a wide range of commercial developments suited to pre-booked tours (where a travel wholesaler benefits via commissions on sales). Although greater Southland has a variety of free and accessible attractions there is less interest from tour

Free Independent Travellers (FITs) and backpackers together make up almost one-third of all international visitors to New Zealand, and the majority of international visitors to Southland. They seldom book ahead and they stay longer than tour group travellers and they travel more widely (for example, they make up a significant proportion of the 30,000 annual visitors to Stewart Island). While they usually spend less on accommodation than those on pre-booked tours, they look for character and high quality activities, all of which Southland offers.

What is so good about this market?

The Low Cost of Entry for Investors

FITs are not seeking mass produced services. They are seeking quality and variety which they only get from attractions found in places like regional New Zealand. Farm and home host accommodation is ideal, and small group guided tours of natural attractions arouse their

interest. It is unlikely that this market will create overnight millionaires, but it is likely that local people can enjoy diversification of current business activities and the development of lifestyle businesses provided a quality service can be maintained.

Suitability for Southland

Southland offers a broad range of visitor attractions. These are suited to visitors with their own transport and an independent mind. They include the Catlins, Stewart Island, Bluff

and tramping tracks like the Hump Ridge Track.

Southland is also the ‘road less travelled’, an appealing thought to an independent mind.

How is Southland capturing this market?

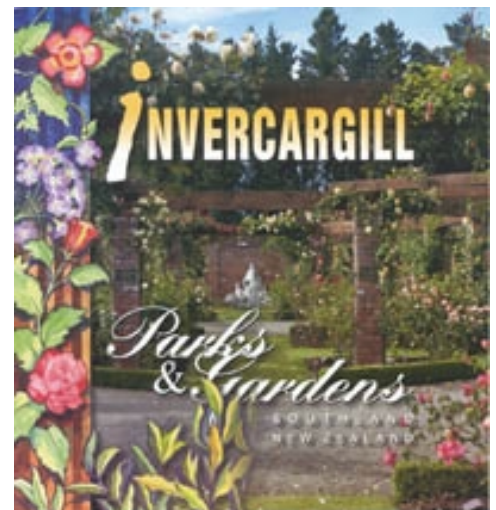
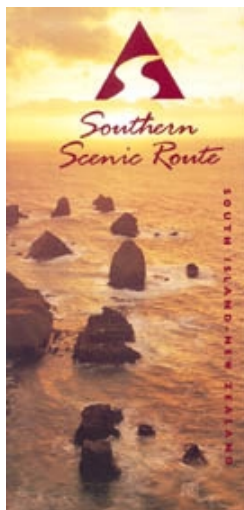
Product Development

A successful new tourism product is the Southern Scenic Route. This stands out as proof of the benefits of regional co-ordination.

It is easy to recognise in Southland a string of quite incredible attractions linking Dunedin, the Catlins, Invercargill, Tuatapere, Manapouri and Te Anau. By working with the Dunedin City Council and Clutha District Council, Southland District Council and Invercargill

City Council have created a product with an identity that can be effectively marketed. In this case the product enables the region to 'sell' numerous attractions.

The Tuatapere Hump Ridge Track is another example of a new product suited to the FIT and backpacker markets (see the case study) and many other new opportunities exist (see the following page).



Marketing

Tourism Southland (see later in this document for a full description) produces a number of resources to market the region's attractions on a collective basis. This is in support of the marketing done by individual agencies.

Visitor Information Centres are located in Gore, Invercargill, Te Anau and on Stewart Island, all these provide essential guidance for the independent traveller.

Facts and Trends

Tourism has had its ups and downs over the past few years. Strong growth in the early 1990s was followed by a decline in Asian visitors towards the end of 1997. More recent figures have shown renewed success, 1.607 million overseas visitors arrived in New Zealand in the year 1999 up 9.7% on the previous year.

Also, and this is of great benefit to Southland the FIT market is predominantly made up of the New Zealand, European, American and Australian markets, which have been more stable over time (the international visitor mix is shown to the right). Between October 1998 and October 1999, 409,100 people visited Southland.

Tourist accommodation

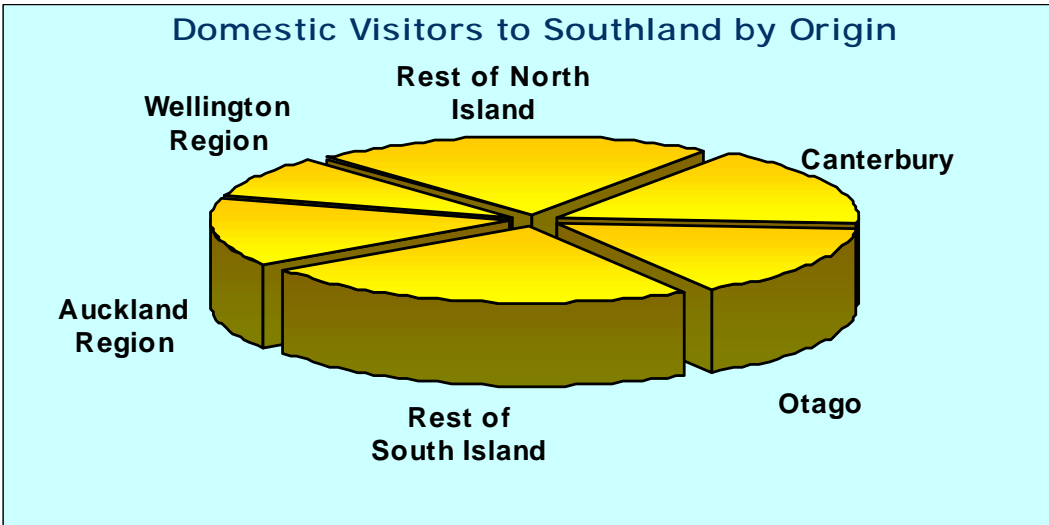
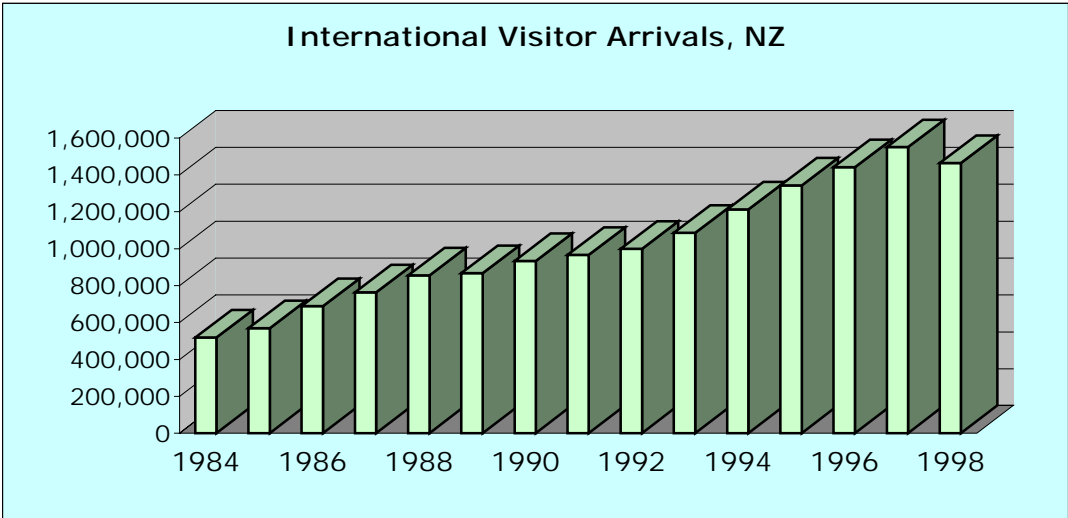
Occupancy Rates, January 1999 Southland:

- 45.1% in hotels.
- 63.7% in motels.
- 31.4% hosted.
- 14.7% in caravan parks.

(Source: Statistics New Zealand)

Of all the accommodation nights spent in New Zealand by international visitors in the year ending June 1998, an estimated:

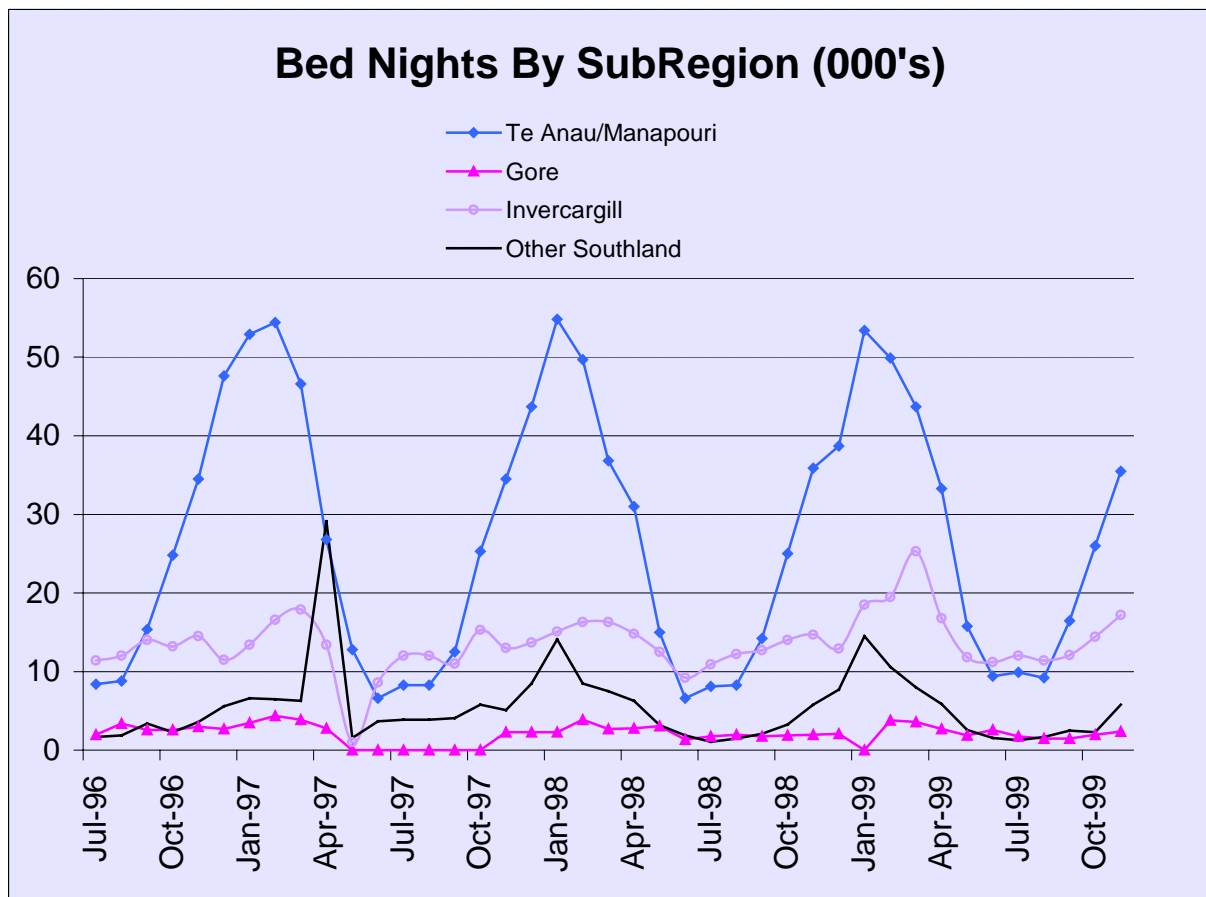
- 40% were spent in private homes.
- 16% in hotels.
- 12% in backpacker hostels.
- 11% in motels.
- 7% in student accommodation.
- 7% in campervans or camping grounds.
- 4% in rented homes or time shares.
- 2% in farm or homestays.
- 0.4% in luxury lodges.
- 0.3% in National Parks.



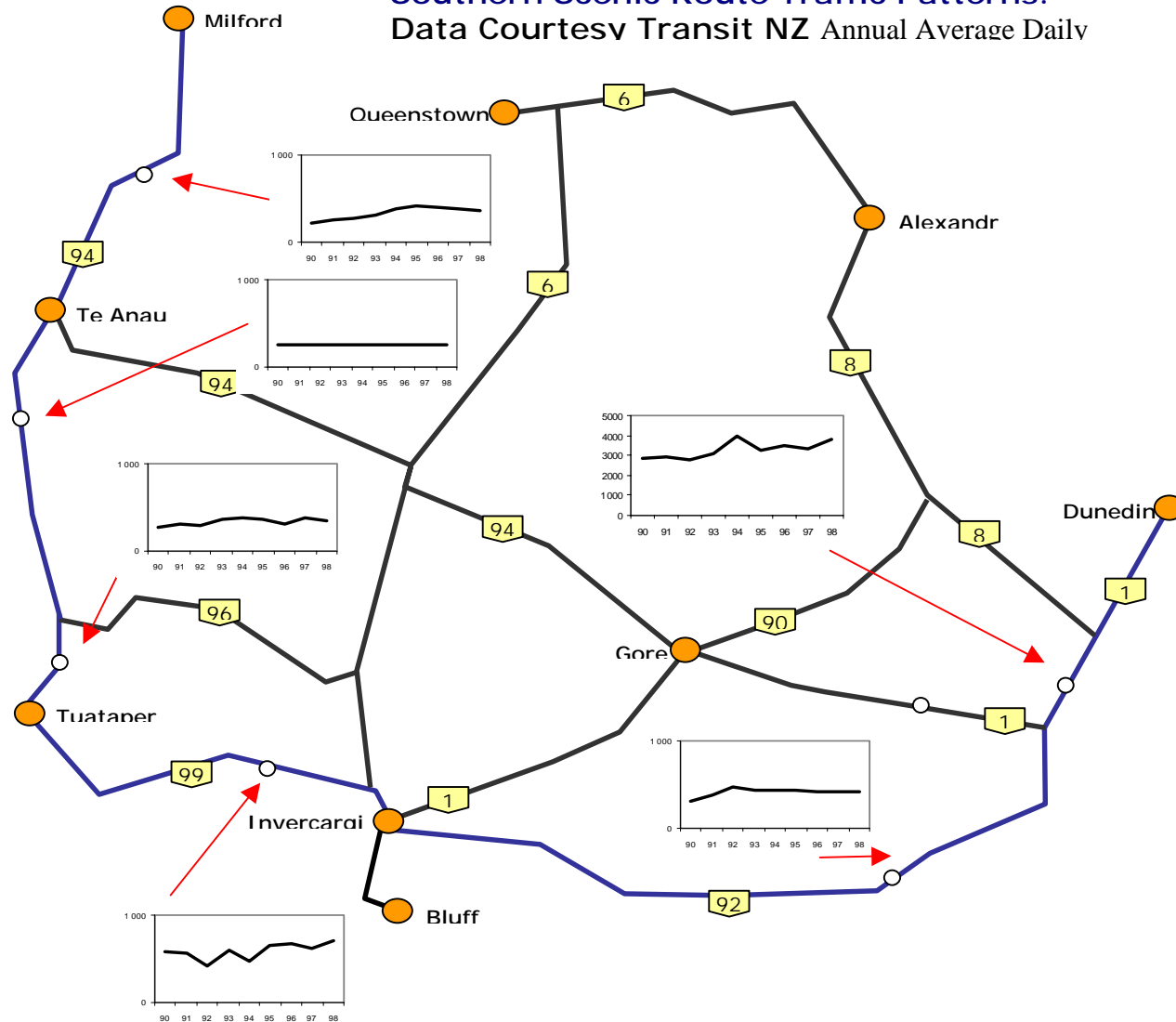
Transport

In the year ending June 1998 an estimated:

- 31% of international visitors used domestic air services.
- 26% took a coach tour.
- 25% hired a rental car.
- 20% borrowed a private car.
- 14% took a ferry trip.
- 8% used scheduled bus services.
- 6% used train services.
- 4% hired a campervan.
- 3% travelled on a backpacker bus.
- 1% travelled by cruise ship.
- 1% hitchhiked.



Southern Scenic Route Traffic Patterns.
Data Courtesy Transit NZ Annual Average Daily

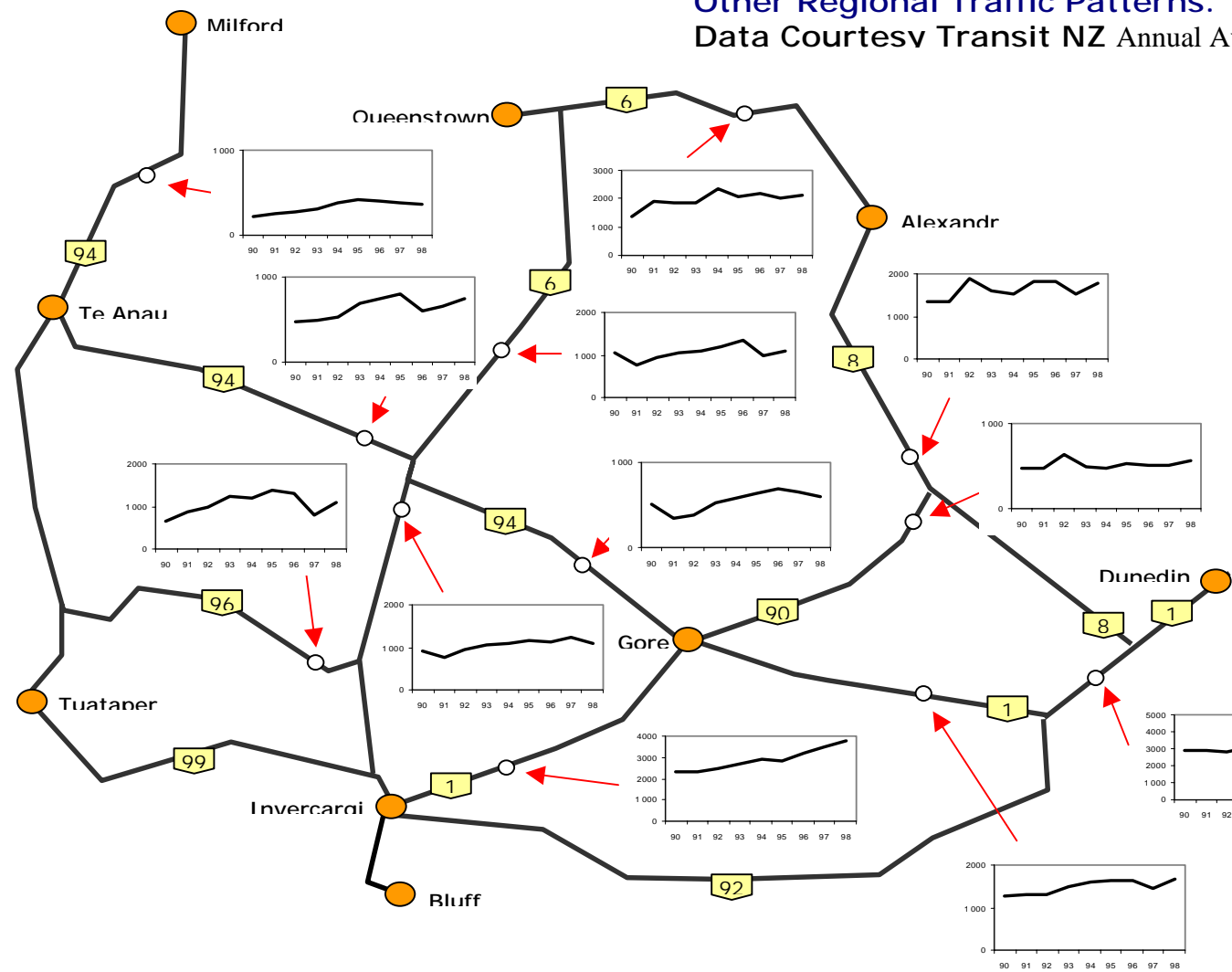


The Southern Scenic Route allows independent travellers to experience most of the region's premiere attractions. By showing a clear link between Dunedin and Milford, the route encourages visitors to visit locations they might otherwise overlook.

The level of traffic on the route has been showing a growth trend over the past decade. This is despite a reduction in the resident population in the region, and without any significant change in industrial developments along the route. There is likely to be a correlation between growth in traffic and tourism activity. This is supported by the growth in visitors to the region.

Of note is the similarity in vehicle numbers recorded between Tuataner and Te

Other Regional Traffic Patterns.
Data Courtesy Transit NZ Annual Average Daily Counts



The general trend for all routes in the region is for growth in traffic levels. The average for all counts, shown below, illustrates this trend and shows a slight dip in 1995, for no clear reason. The expected drop in traffic levels in 1997 (due to the Asian crisis) on the route between Queenstown and Milford Route is evident, as is a recovery.

Average for all routes

Regional Strengths

Southland and Fiordland abound with tourism development opportunities. These are based on a number of key regional strengths:

The Environment

Southland is majestic, diverse, accessible, unique, clean, green and sustainably managed.

A Range of Attractions

These include the jewels of Milford, Stewart Island and the Catlins, and new alternatives: Tuatapere Hump Ridge, a number of quaint small towns, Bluff (the beginning or end of State Highway One), and the southern lakes.

A Number of Activities

Wildlife watching, fishing, tramping, short walks, scenic flights, kayaking, an expanding restaurant scene in Invercargill, events, gardens and more, there is no shortage of things to do in the region and this means an ease of marketability.

People

The region offers a stable workforce of Southlanders. The people who greet visitors are locals and this means a lot when a tourism product is being regionally differentiated.

Room for Growth

There is ample room for more visitors and attractions particularly outside the Fiordland area.

Proximity to Queenstown

Southland is on the doorstep of a large domestic and international market. Queenstown is just two hours drive from Invercargill

Marketing Bodies

Destination Fiordland and Tourism Southland are undertaking research, producing marketing material, co-ordinating the industry and offering advice and support to tourism operators. In addition the regional branding campaign, 'Southland - New Zealand - Spirit of a Nation' has captured the imaginations of

industry operators, the people of Southland, and national and international visitors.

Conservation Management

The region's natural resources are under the stewardship of an internationally recognised conservation management agency, the Department of Conservation.

Word of Mouth Recommendations

Southland is currently attracting many of its visitors through personal recommendations, a powerful form of advertising.

A Range of Heritage Features

In addition to the region's natural features, Southland has a rich history which is made evident by a large number of heritage assets. These include the Port Craig viaducts, Croyden Aircraft Factory, Hokonui Moonshine Museum and Southland Museum and Art Gallery. Southland was also the scene for the last inter-tribal Maori wars (in 1837, at Tukurau) and gold was discovered in Waikaia in 1863.

Pervasive Imagery

Pictures of Milford and Doubtful Sounds, Te Anau and Stewart Island can be found in almost any picture book on New Zealand. Stewart Island especially is appearing more and more in 'coffee table' landscape publications. Fred and Myrtle's paua house, the road-end sign on State Highway 1, and the wildlife of the Catlins are all nationally recognised images.

A Growing Calendar of Events

Event tourism is a recognised way of attracting and especially satisfying the domestic market. Southland has a lot on offer, successful events include the Bluff Oyster and Southland Seafood Festival, the New Zealand Golden Guitar Awards, the Southland Festival of Gardens, the Tuatapere Wild Challenge, the Kepler Challenge and the Southland Celtic Festival.

Opportunities

Southland is one of the few regions in New Zealand where it is still easy to “get in on the ground floor” in the tourism sector. The increasing traffic and visitor numbers show that there is a clear potential for further tourism products to be developed. Increasing wholesaler interest in Southland, for example the new Guthrey’s Pacific Southland tour packages indicate Southland’s potential.



Tourism ventures have to come first, and there are plenty of opportunities, including:

Industrial Tourism

There are several ‘industrial’ sites with the potential to be visitor attractions currently operating in the region. With a little imagination, several tours with a true regional flavour could be developed.

Small-Scale, Short Duration Activities

A multitude of small scale and short duration activities are needed throughout the Southland region. There are a large number of visitor attractions particularly along the Southern Scenic Route, which could be developed such

as garden, golf and fishing tours. This would add value to any visit to the region and strengthen the entire industry. It is unlikely that any one service will be sufficiently large to support a stand alone business, and therefore this opportunity is most likely to appeal to current landowners seeking diversification.

Icons

Southland is yet to take full advantage of its regional icons. These include the signpost at the end of State Highway 1, the Catlins nature experience, the sub-Antarctic islands and the Tuatarium

Farm and Home Hosting

Southland's backcountry and high country offer many true heartland experiences that are normally inaccessible for many international visitors. The region's environment, coupled with its true Southland style hospitality encourages small-scale 'accommodation and experience' developments.

Fishing

Anglers have been shown to advance through several stages of maturation. New entrants to the sport want to catch the most fish. Slightly more mature anglers want to catch the biggest fish and experienced anglers want to catch the most difficult fish. The abundant rivers and lakes in Southland offer anglers whatever experience they seek. The benefit is that they will be fishing in locations that are accessible, raw, exciting and productive. Gore promotes itself as the 'Brown Trout Capital of the World', relying on the catchments of the Maitai, Oreti, Aparima and Waiau rivers to prove its point.

Conferences and Conventions

A recent survey indicated that Invercargill attracts 1% of the country's association conferences and 1% of corporate conferences. This is a good start and a substantial income opportunity for the region. It is also an ideal opportunity to show case the region's attractions with pre and post conference packages. These could include the new conference facilities on Stewart Island and those proposed at Te Anau. The Winton area lends itself to providing half day tours from Invercargill with the development of a heritage trail, its selection of gardens, shopping and cafes

Walking and Tramping

With the opening of the Tuatapere Hump Ridge Track the focus for tramping will begin expanding from the traditional group of tracks around Queenstown, Milford and Te Anau. Those key tracks (Kepler, Milford, Routeburn) will maintain their massive pulling power for the more adventurous visitor. In addition, the

strength of short walks cannot be denied, hence the Department of Conservation's interest in managing the 'front country' experience.

Soft-Adventure and Ecotourism

With the abundance and diversity of environmental assets in Southland there is large demand for close to nature experiences. There is also increasing demand for resources that include native forest, wildlife and regional heritage. This can be provided for through museums and education centres, such as the proposed 'Living Fiordland' in Te Anau.

Night Time Activities

There is a clear opportunity for providing night time activities in Southland for youth and adults. One is in the promotion and utilisation of Southland's clear night skies and night time scenes (ie nocturnal flora and fauna). There is also scope for more night time youth oriented activities. At the moment there are a growing number of cafes, restaurants and night clubs in Invercargill. The market for this type of activity has grown since the drinking age was lowered in December 1999, and the Invercargill inner city upgrade currently being undertaken has given support to this development.

Cultural Attractions

The people of Southland have a predominantly Scottish ancestry. The excellence of the region's farmers owes a lot to the Scottish traditions of animal husbandry. Their heritage is now being promoted through the Southland Regional Identity "Southland - New Zealand - Spirit of a Nation" and will be further promoted through the annual 'Southland Celtic Festival' commencing in the year 2000.

There are also a number of specialised Heritage Trails that highlight Southland's rich history and heritage. An opportunity exists to develop attractions based on Southland's heritage, epitomising Southlanders' tendency towards independence, fierce determination, and their strong sense of community.

Accommodation

Southland provides an excellent opportunity for visitors to stay either on a farm or in the homes of local people. Southland is renowned for its warm and friendly hospitality. Northern Southland lends itself to the backcountry or high country experience. In addition, the proposed National Park status of Stewart Island will increase the profile of this island and create demand for additional accommodation.

Invercargill as a Hub

There are several exciting development opportunities in Invercargill and in the immediate area. The number and quality of day trips including the Catlins and Stewart Island is growing. There are many advantages in further developing operations in the city to take advantage and to encourage these opportunities.

Case Study: Tuatapere Hump Ridge Track

The Hump Trust is a non-profit organisation working to complete one of Southland's most exciting and imaginative tourism developments: A 54 kilometre long track incorporating historic Port Craig (a former sawmilling site in the earlier part of the century) and the famous Percy Burn, Edwin and Sandhill Burn Viaducts. Included are the Waitutu Forests that have recently been added to Fiordland National Park and the already popular South Coast Track. Since the restoration in 1994 of the Percy Burn Viaduct, the number of walkers on the South Coast track has increased from 1,000 per annum to more than 3,500. It is now the fourth most popular track in Southland following closely behind the Routeburn, Milford and Kepler Tracks.

An independent assessment of the proposal reported that the route was, "extremely diverse, if not the most diverse, of the major walking tracks in New Zealand. The experiences for the user would include landscapes ranging from coastline, Podocarp and beech forest to alpine settings. Where else on a walking circuit in New Zealand could one expect to see kea, seals and Hector's dolphins."

"This trip would include outstanding scenic qualities, special ecological values and a rich history of both Maori and European endeavour including the historic Port Craig viaducts located in a remote and wild part of New Zealand."

The Hump Trust has been working consistently towards their objective, with the following stages complete:

- 1990 The Tuatapere and Districts Promotions initiated preliminary investigation of the Hump Ridge Track proposal.
- 1992 Tuatapere and District Promotions presented an outline of the proposal to Southland Conservation Board and support in principal was given to the project.
- 1994 Southland's Port Craig Viaducts Trust completed the restoration of the Percy Burn Viaduct (at a cost of \$350,000).
- 1995 Environmental Impact Assessment (EIA).
- 1995 Department of Conservation completed an audit of the Environmental Impact Assessment.
- 1996 Track prescription completed (Engineering assessment of track and accommodations).
- 1997 Feasibility study (cost/benefit analysis).
- 1998 Concession to build and operate the track granted by DOC.
- 1998 Project Management Team appointed.
- 1999 Facility Planning completed. Resource Consent Planning completed

Proposals are now in place to fund and complete the tracks and huts. This will be an award winning development.

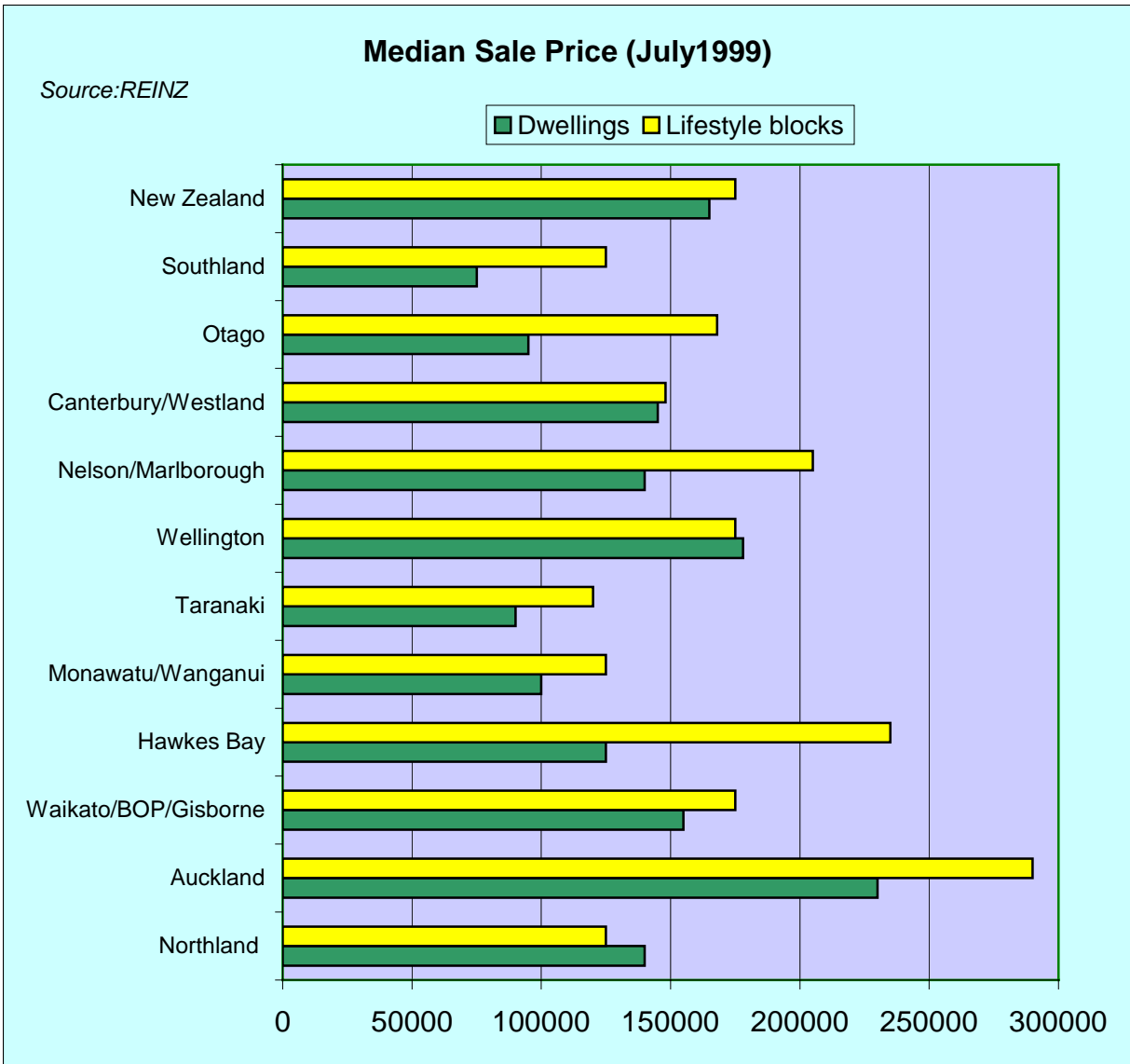
A Lifestyle Choice: The \$50 Million Dollar Question

A tourism industry workshop was staged in Invercargill in 1999 to analyse and discuss options for the future of tourism in Southland. The team was asked, “If you had \$50 million to invest in tourism development in Southland, where would you spend it?”

Several interesting ideas were raised, but the group quickly focused on the basic premise that \$50 million was probably far too much for any economically viable development in the region. While destinations like Te Anau have good potential in all visitor markets,

investments in development opportunities such as accommodation, activities, food, were already being made. For the remainder of the region the consensus was that there was both a need and opportunities for small-scale developments best suited as diversification for other commercial activities, such as farming.

For many investors in tourism in Southland the lifestyle is a significant factor, and this is ideal if the choice involves diversification from an existing operation.



Natural Resources

Southland and Fiordland rely on natural resources for all key tourism activities, for example, Fiordland National Park. The conservation status is its marketing strength. Fiordland's status as a World Heritage Site puts the entire region on the world map. There is even a breed of tourists who 'tick off' World Heritage Sites. An uncontrolled avalanche of visitors, or the sustained impacts of a limited number of people could easily threaten these natural resources. To avoid such an outcome the Department of Conservation (DOC) has a mandate to manage National Parks and other reserves primarily for conservation values.

The Conservation Act 1987 gives a clear hierarchy for the Department's management approach:

"To the extent that the use of any natural or historic resource for recreation or tourism is not inconsistent with its conservation, to foster the use of natural and historic resources for recreation, and to allow their use for tourism."

The Department's statutory role is one of 'allowing' tourism where it does not adversely affect other values. In Southland the Department strives to positively manage the natural tension between developers of tourism product and conservation.

Legislation ensures all visitors to national parks are allowed freedom of access.

However, the same legislation allows DOC to control many forms of access, including commercial activities. To operate a business within a park such as a guided walk, a concession is required. This is a licence to operate on public land and is aimed at controlling and limiting impacts on the environment and other visitors. Concession fees help pay for the management of the resource. The world famous guided walks on Milford Track are operated under a concession agreement.

To secure a concession, an applicant must make themselves familiar with DOC's policies and procedures. In all cases an environmental impact assessment must be completed before an application for a concession can proceed, and the application must be compliant with the Department's published policy documents. This includes national park management plans, the conservation management strategy, and any relevant reserve management plans. An application fee is payable and a resource rental will be negotiated. In some cases the Department will tender a concession opportunity.

In many situations, the Department will set a limit to the number of concessions available for an area, and limit the number of people or trips that can be taken. These limits represent the Department's desire to manage and sustain our natural resources.

Case Study: Catlins Wildlife Trackers

According to Mary Sutherland, joint owner of Catlins Wildlife Trackers, "the Catlins has everything but snow and boiling mud pools."

Mary and her husband Fergus operate the oldest full time ecotourism operation in the Catlins area. Clients stay for two or four days and explore the area's coast, rain forests, and wetlands with Fergus and observe the local wildlife. This includes New Zealand's rarest species of dolphin, sealion and penguin.

Their business has twice won the New Zealand Tourism Board Awards. In 1993 it was the Ecotourism Award, and in 1996 the Activity and Adventure category.

Originally from Invercargill, Mary and Fergus were working in Dunedin when they decided to look for new business opportunities.

“We both had successful individual careers, but wanted to work together,” recalls Mary. “We thought about our personal strengths and the things we liked doing. We had a strong conservation background, so the opportunity to move into ecotourism was quite logical. For many years we had been saying that visitors would pay to experience the wonderful forests and other natural features of the Catlins.”

The couple converted their holiday house for tourist use in 1990 and set up their base in Papatowai. At the time the tourist facilities in the Catlins consisted of three motels, four camping grounds and an occasional guided tour. Now there are at least ten regular guided tour operators, eight motels, and 12 backpacker hostels, along with the four camping grounds.

New Zealanders make up 20% of the Sutherland’s guests. The rest are evenly spread between the USA, the United Kingdom, Germany and the remainder of the world. Visitor numbers are steadily growing.

“When we first started our guests were mostly backpackers, but this has changed with up-marketing and developing competition. This suits us fine as we are constantly looking at new ways to improve our operation and keep up the changing nature of the business.”

A new business like Fergus and Mary’s takes time to grow, but persistence leads to rewards in independence, lifestyle and income.

According to Mary the Catlins is developing into an effective tourism destination. “The businesses are small, personal and homely, which is appropriate for the region. The natural resources here are quite spectacular and rare. Mass tourism would threaten that resource and destroy their attractiveness, but small groups being given a personalised experience works very well.”

Tourism Southland

Tourism Southland is the regional tourism organisation for Southland (excluding Fiordland which is the responsibility of Destination Fiordland), and is jointly funded by the Invercargill City Council, Southland District Council and the Gore District Council. Based in Invercargill the four strong team is led by manager Marijke Schiphorst, who is responsible for implementing the organisation’s mission and assisting tourism operators in the region with their marketing.

Mission: To actively market and promote Southland as a quality visitor destination in a positive and efficient way.

Vision: A thriving tourism industry, which operates in harmony with the physical and social environment and provides economic benefits and diverse employment opportunities for all sectors and communities in Southland.

The organisation’s key activities include:

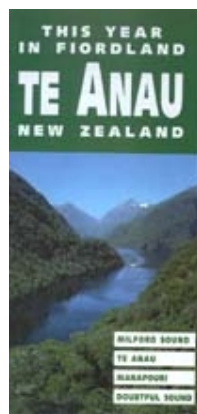
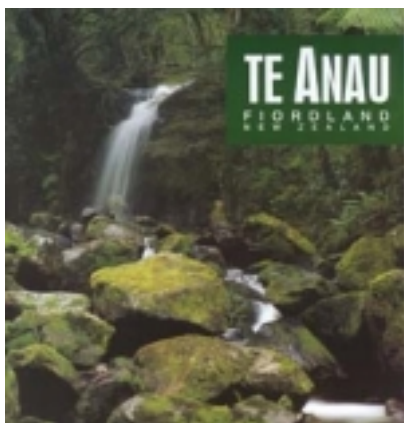
- ◆ The publication and distribution of several promotional brochures, including comprehensive attractions, activities and accommodation guide to the region (right), an events calendar and industry newsletter.
- ◆ Promotion of the region by attending trade fairs, and liaison with international travel wholesalers and inbound tour operators.
- ◆ The maintenance of a web site (www.southland.org.nz) launched in 1996. In its first year the site gained 750 ‘successful requests for pages’ per month. This has risen to over 8,500 per month in 1999.
- ◆ Tourism Southland has hosted international visiting media in conjunction with the NZTB. For example, in late 1999 Ernie Dingo of the Australian ‘Great Outdoors’

- ◆ programme was hosted for several days. The media exposure from this one trip was estimated at \$1.5 million in advertising value for the region.
- ◆ Working on several joint ventures with other RTOs to promote Southland internationally, including the Southern Scenic Route Marketing Group and the South Island Marketing Alliance.
- ◆ Organising Southland familiarisations for travel wholesalers, inbound operators and international and national media.
- ◆ Tourism Southland operates strategic plans for both the region's domestic and international markets.

Destination Fiordland

Destination Fiordland is a joint venture between the Fiordland Promotion Association (a body representing more than 140 tourism operators in the Fiordland region) and Southland District Council. The venture involves the Southland District Council meeting associated operational and overhead costs, including employing promotions staff, and Fiordland Promotions Association funding the promotional programme and associated costs.

An agreed programme is undertaken by the officers to implement a strategy promoting the distinct attractions of the Fiordland area. Based in the Southland District Council offices in Te Anau, the organisation is managed by long time tourism advocate Jan Wilson, who co-ordinates a wide range of marketing initiatives. These include:



- ◆ Producing and distributing a number of brochures including the award winning 'generic brochure', 10,000 of which are distributed to visiting media and the New Zealand Tourism Board's international posts each year. A further 50,000 copies of the privately produced booklet, 'This year in Fiordland', is distributed via Visitor Information and other information centres annually.
- ◆ A promotional video featuring Cliff Richard. The association estimates more than 100,000 people have viewed this over the past decade.
- ◆ The maintenance of a web site with links to a growing number of association members' sites (www.fiordland.org.nz).
- ◆ Promotion of the region by attending trade fairs and liaison with international travel wholesalers and inbound tour operators.
- ◆ Hosting and co-ordination of visiting media - This accounts for 50% of the manager's time with between two and six media teams in the region each week. From the Toronto Daily Sun to media teams from Israel, the region

attracts a diverse range of international media.

- ◆ Event marketing - Having recognised the value of special events in marketing the region, the association assists private agencies to stage events, and introduces and organises new events for the region (such as the Te Anau Street Harness Race).
- ◆ ‘In-house’ tourism awards to encourage excellence in service and product design within Fiordland.

- ◆ Co-operative marketing initiatives via the Southern Lakes Marketing Group (Southland District Council, Queenstown Lakes District Council and the Central Otago District Council). This includes using the marketing umbrella ‘Southern Lakes’ when representing the region at trade shows and following the recommendations of the New Zealand Tourism Board’s Southern Lakes Tourism Strategy (discussed earlier in this document).
- ◆ Encouraging the FIT Market into Fiordland.

Jan Wilson notes that bed and breakfast and farm-stays have increased significantly over the past decade and is keen to work with this market.

Events

Event tourism has proven a significant means of marketing a region’s features and in attracting visitors ‘on the day’. Southland offers several successful annual events, including:

- Bluff Oyster and Southland Seafood Festival - Showcase of Southland’s plentiful and varied seafood, presented in a novel, healthy and appealing manner, accompanied by fine Southern wines.
- New Zealand Gold Guitar Awards - New Zealand’s premier country music festival. The ten day festival opens with the New Zealand Line Dancing Championships and includes the Gold Guitar Queen Contest, a song writing contest, a Mardi Gras and the International Showcase before culminating in the Awards Night.
- Southland Festival of Gardens - A celebration of some of Southland’s finest gardens with a variation of formal, cottage, to gardens that specialise in certain types of flora.
- Kepler Challenge and Luxmore Grunt - A mountain run held on the Kepler Track, Te Anau.
- Tuatapere Wild Challenge - A 100 km endurance multi-sports experience made up of kayaking, running and mountain biking.
- Southland Celtic Festival - New in the year 2000, this festival features a Highland Games competition, piping, drumming and dancing demonstrations, a variety of local, national and international acts, stand-up comedians, markets, Celtic workshops and children’s entertainment.

What the NZTB is saying...

The following is extracted from the New Zealand Tourism Board's promotional website.

Southland and Stewart Island

Spirit of a Nation! If you are looking for a destination that offers quality against quantity then Southland is that destination.

Southland is ideal for those that want to escape the noise, hustle and bustle, pollution, high rise buildings, neon lights and thousands of visitors. It is a place to re-establish the special kinship between people and nature and restore the soul.

Rugged, natural, unspoilt, untouched, green and contrasting landscape all describe Southland. It is a fertile place of farmland and forest, laced with sparkling, clean waters and small towns. Craggy mountains loom on the west and northern horizons and rugged coastline forms our eastern and southern borders.

The Southern Scenic Route links Fiordland with the South Coast, Invercargill and the Catlins. Travelling this route, the visitor will experience contrasting landscapes from wild coastline to green lush farmland and the magical wonders of the Catlins. Stopping off along the way, take time to explore the ancient podocarp forest of the Waitutu and the Percy Burn Viaduct (the largest wooden viaduct in the world).

Nearby Riverton offers the opportunity to visit local craft establishments including a Paua Shell factory. The Catlins is renowned for its 180 million year old petrified forest along with wildlife, bush walks, spectacular waterfalls and peaceful surroundings.

The region's only city, Invercargill, offers excellent accommodation, shopping and restaurants and is centrally located midway along the Southern Scenic Route. While in the city a visit to the Southland Museum Art Gallery and Tuatarium is a must. The Tuatarium is the only place in the world where the small Tuatara reptiles can be seen at close range. Known as the friendly city, Invercargill earns its reputation from the incredibly hospitable Southland people.

Just 20 minutes by plane and one hour by catamaran is Stewart Island. Stewart Island is a naturalists smorgasbord of unspoilt inlets, bush clad hills and rugged coastline. Once you arrive in Halfmoon Bay you will know you have arrived in a very special place.

Stewart Island is a haven for native bird life including Sooty Shearwaters (Mutton Birds), Weka and the rare Kaka. Try your luck at Kiwi spotting (viewing Kiwis at night in their natural habitat). Stewart Island also offers many outdoor activities including kayaking, bush walking, sea fishing and launch cruises. Indeed, Stewart Island is the perfect place to getaway from it all.

Back to Southland and travel inland away from the rugged coast and discover the flat lush farmland that Southland is renowned for. Although sheep farming is still the predominate method of farming, the wide diversity includes dairy, beef, deer and grain.

Situated in the heart of rural Eastern Southland on the banks of the Mataura River is Gore, home of Brown Trout fishing and New Zealand's capital of country and western music.

The Mataura River has an international reputation for the quality of its fishing and attracts anglers from around the world as they seek the challenge of snaring a wily brown trout.

Northern and Western Southland are farming areas stretching from flat cropping and sheep land in the west, to the rugged mountains and high country farms in the north. The area has a strong farm hosting background and offers many rural experiences including garden tours and fishing in one of the many trout filled rivers.

Southland not only offers spectacular scenery but also presents local delicacies to tempt any palate. The most famous being the Bluff Oyster which is heartily sought after. The mutton-bird is another well known southern delicacy being harvested from the Titi Islands in Foveaux Strait (between Stewart Island and the South Island). Blue Cod freshly caught in southern waters features on many menus and a visit to Southland is not complete without sampling the regions excellent spring lamb.

Southland's scenery is spectacular, the atmosphere is refreshing, the food is delicious and the hospitality is the best you will find anywhere.

Endorsement

A multidisciplinary team of professionals including a research economist, a market researcher and a tourism planning specialist produced this profile with the support of the Southland District and Invercargill City Councils. The team relied on a structured qualitative research programme utilising personal interviews and focus group techniques, and an in-depth review of statistical data from leading New Zealand information agencies.

The researchers were especially impressed with the level of organisation and management sophistication observed in the Fiordland Tourism market particularly the synergies in operation with national tourism marketing agencies. They noted that the greater Southland market was carefully positioning itself in readiness for growth in visitor numbers to such locations as the Catlins and Stewart Island, and successfully developing a character and marketing strategy that is both unique from, and supportive of that of Fiordland. These are exciting tourism destinations with sustainable futures.

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