

Convention Delegate Survey

Year ending June 2012

Prepared for

Ministry of Business, Innovation and Employment
Convention Bureaux New Zealand

Authorship

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Contents

Executive Summary	1
1 Introduction	2
2 Summary of Results	3
2.1 Delegate Activity	3
2.2 Delegate Expenditure	4
2.3 Comparison across years	7
Appendix	8

Executive Summary

This report presents data from the third year of the Convention Delegate Survey (CDS). The CDS is the 'demand-side' component of the Convention Research Programme (CRP) and its purpose is to measure the economic impact of multi-day conventions in New Zealand.

The results in this report apply to the 12 regions that participate in the Convention Activity Survey (CAS), and will therefore understate national totals by a small amount. The expenditure estimates are based on a survey of 3,137 multi-day convention delegates.

The key results of the CDS for the year ending June 2012 are outlined below.

- A total of 2,346 multi-day conventions were hosted in CAS regions in the year ending 30 June 2012. These events hosted 258,834 delegates, down 3% from 265,970 in 2010/11.
- These delegates generated 788,942 visitor nights in New Zealand, down 1% from 794,592 in 2010/11. Around 74% (583,812) of these nights were spent in the region that hosted the event, and the remaining 26% (205,130) were spent in other regions.
- Domestic delegates spent an average of 3.2 nights away from home (2.9 in the host region and 0.3 in other regions), while international delegates spend an average of 8.5 nights in New Zealand (5.0 in the host region and 3.4 in other regions). Average length of stay for international delegates increased by 1 night relative to 2010/11.
- Multi-day convention delegates spent a total of \$439 million in the New Zealand economy, down 7% from \$472 million in 2010/11. This includes expenditure on international airfares that is likely to have accrued to the New Zealand economy. Domestic delegates accounted for \$176 million (40%) of this total, local delegates \$70 million (16%) and international visitors \$194 million (44%).
- On average each international delegate spent a total of \$3,094 in New Zealand, down 7% from \$3,335 in 2010/11. If international airfares are included spend per delegate fell 6% from \$4,119 to \$3,866. Spend per domestic delegate was relatively unchanged at \$1,545 while spend per local delegate increased by 5% to \$734.
- International delegates spent an average of \$365 per night in New Zealand, down 18% from \$447 in 2011/12. If international airfares are included spend per night decreased 17% from \$552 to \$457, returning to a figure more similar to 2009/10 (\$468).
- Domestic delegates spent an average of \$482 per night, up 3% from \$467 in 2010/11.

1 Introduction

The Convention Research Programme (CRP) was established in 2009 through a partnership between Conventions and Incentives New Zealand (CINZ), Ministry of Business, Innovation and Employment (previously Ministry of Tourism) and Convention Bureaux New Zealand. The objectives of the CRP are to:

1. Monitor convention activity in New Zealand; and
2. Estimate the contribution multi-day conventions make to the New Zealand economy.

Activity levels are monitored through the Convention Activity Survey (CAS) which is an online benchmarking programme involving more than 150 professional convention venues in the following 12 regions:

- Auckland
- Hamilton & Waikato
- Bay of Plenty
- Rotorua
- Taupo
- Hawke's Bay
- Manawatu
- Wellington
- Nelson
- Canterbury
- Queenstown
- Dunedin

The Convention Delegate Survey (CDS) collects profile and expenditure information from a sample of local, domestic and international multi-day convention delegates through an online survey. A link to the survey is emailed to delegates post-event by the event organiser.

The survey has been aligned as closely as possible with existing tourism surveys such as the International Visitor Survey (IVS) and the Domestic Travel Survey (DTS). A total of 3,137 delegates who attended a multi-day convention between 1 July 2011 and 30 June 2012 completed the CDS. The sample consisted of 625 local, 2,066 domestic and 446 international delegates attending multi-day conventions. Sample breakdown by event region is shown in Table 8 in the Appendix.

The economic contribution of multi-day conventions has been estimated by weighting the CDS expenditure data up to the population of multi-day convention delegates. The population of local and domestic delegates is derived from the CAS, and the population of international delegates is derived from International Visitor Arrival data provided by Statistics New Zealand.

The expenditure for local and domestic delegates has been scaled up to the population of the 12 CAS regions, rather than the national total which is currently unknown. The results in this report will therefore understate the national totals for these segments by a small amount. The CDS results for international visitors have been scaled up to the population of international visitors that reported conference/convention as their main reason or visiting New Zealand on their arrival card.

This report presents the results of the CDS for the year ending June 2012.

2 Summary of Results

2.1 Delegate Activity

According to the CAS, a total of 2,346 multi-day conventions were hosted in CAS regions in the year ending 30 June 2012. These events involved 258,834 delegates, including 95,115 (37%) who travelled less than 40km to attend the event (local), 113,607 (44%) who travelled more than 40km within New Zealand (domestic) and 50,112 (19%) who travelled from overseas (international).

Table 1 Number of delegates attending multi-day conventions in CAS regions

	Count
Multi-day conventions	2,346
Multi-day convention delegates	258,834
Local	95,115
Domestic	113,607
International	50,112

Source: Convention Activity Survey & International Visitor Arrival Cards

The 258,834 delegates that attended multi-day conventions in CAS regions generated 788,942 visitor nights in New Zealand, comprising 364,644 (46%) by domestic visitors and 424,298 (54%) by international visitors. Around 74% (583,812) of these visitor nights were spent in the region hosting the event, with the remaining 26% (205,130) spent in other regions before and/or after the event.

Table 2 Visitor nights generated by CAS multi-day convention delegates

	Local	Domestic	International	Total	Share
In the event region	-	330,824	252,988	583,812	74%
Outside the event region	-	33,820	171,310	205,130	26%
Total	-	364,644	424,298	788,942	100%
Share	-	46%	54%		

Source: Convention Activity Survey, Convention Delegate Survey & International Visitor Arrival Cards

Domestic delegates who travelled more than 40km to attend a multi-day convention in a CAS region spent an average of 3.2 nights away from home (2.9 in the host region and 0.3 in other regions), while international delegates spend an average of 8.5 nights in New Zealand (5.0 in the host region and 3.4 in other regions).

Table 3 Average number of visitor nights generated by CAS multi-day convention delegates

	Local	Domestic	International
In the event region	-	2.9	5.0
Outside the event region	-	0.3	3.4
Total	-	3.2	8.5

Source: Convention Delegate Survey

2.2 Delegate Expenditure

Delegates who attended multi-day conventions in CAS regions in the year ending June 2012 spent a total of \$439 million in the New Zealand economy, including GST and international airfares that are likely to have accrued to the New Zealand economy. The main components of this expenditure were:

- \$170 million on registration fees, the majority of which is likely to accrue to the host region.
- \$151 million by delegates on goods & services in the host region, including \$72 million by domestic visitors and \$71 million by international visitors.
- \$44 million of tourism expenditure by delegates in other regions before or after the event, including \$8 million by domestic visitors and \$35 million by international visitors.
- \$36 million on domestic airfares and \$39 million on international airfares purchased from Air New Zealand.

Table 4 Total Spend in New Zealand by CAS multi-day convention delegates (\$NZm including GST)

	Local	Domestic	International	Total	Share
Delegate spend in event region	\$70	\$144	\$107	\$321	73%
Registration fees	\$61	\$73	\$36	\$170	39%
Accommodation	\$2	\$37	\$36	\$74	17%
Food & beverage	\$3	\$15	\$15	\$33	7%
Retail purchases	\$1	\$7	\$9	\$17	4%
Entertainment & activities	\$1	\$4	\$6	\$11	3%
Ground transport	\$2	\$8	\$5	\$15	3%
Other spend	\$0	\$0	\$1	\$1	0%
Other spend by delegates	-	\$31	\$87	\$118	27%
Spend in other regions	-	\$8	\$35	\$44	10%
Domestic airfares	-	\$23	\$13	\$36	8%
International airfares*	-	-	\$39	\$39	9%
Total (excl. international airfares)	\$70	\$176	\$155	\$400	91%
Total (incl. international airfares)	\$70	\$176	\$194	\$439	100%
Share	16%	40%	44%	100%	

Source: Convention Activity Survey & Convention Delegate Survey

* Only includes expenditure on airfares that is likely to have accrued to the New Zealand economy

Delegates attending a multi-day convention in a CAS region spent the following average amounts in New Zealand:

- Locals \$734
- Domestic visitors \$1,545
- International visitors \$3,094 (\$3,866 including international airfares)

Table 5 Average spend in New Zealand per CAS multi-day convention delegate (incl. GST)

	Local	Domestic	International
Delegate spend in event region	\$734	\$1,272	\$2,135
Registration fees	\$646	\$642	\$715
Accommodation	\$17	\$323	\$713
Food & beverage	\$28	\$135	\$292
Retail purchases	\$10	\$65	\$177
Entertainment & activities	\$14	\$37	\$116
Ground transport	\$17	\$67	\$107
Other spend	\$2	\$2	\$14
Other spend by delegates	\$0	\$274	\$1,731
Tourism spend in other regions	-	\$72	\$706
Domestic airfares	-	\$202	\$254
International airfares*	-	-	\$771
Total (excl. international airfares)	\$734	\$1,545	\$3,094
Total (incl. international airfares)	\$734	\$1,545	\$3,866

Source: Convention Delegate Survey

* Only includes expenditure on airfares purchased from Air New Zealand

Note: Spend on international airfares is calculated as purchases from Air New Zealand divided by total international delegates. If expenditure accruing to all countries is included the average spend on international airfares is \$1,701 per delegate.

On average delegates attending multi-day conventions in CAS regions spent the following amounts per night, excluding international airfares (which are generally excluded from average spend calculations):

- Domestic visitors - \$437 in the host region; \$242 in other regions visited during their trip; \$63 on domestic airfares; \$482 across their entire trip.
- International visitors - \$423 in the host region; \$207 in other regions visited during their trip; \$30 on domestic airfares; \$365 across their entire trip.

Note that average expenditure on domestic and international airfares is calculated as total expenditure divided by total delegates. Not all delegates consume domestic flights; hence the average spend on domestic airfares is lower than the average amount spent by delegates who consume flights. Only spend that is likely to accrue to the New Zealand economy is included in the international airfares figure.

Locals do not generate additional visitor nights and are therefore excluded from this measure.

Table 6 Average spend in New Zealand per night by CAS multi-day convention delegates (incl. GST)

	Denominator	Domestic	International
Delegate spend in event region		\$437	\$423
Registration fees	Nights in host region	\$221	\$142
Accommodation	Nights in host region	\$111	\$141
Food & beverage	Nights in host region	\$46	\$58
Retail purchases	Nights in host region	\$22	\$35
Entertainment & activities	Nights in host region	\$13	\$23
Ground transport	Nights in host region	\$23	\$21
Other spend	Nights in host region	\$1	\$3
Spend in other regions	Nights in other regions	\$242	\$207
Domestic airfares	Total nights	\$63	\$30
International airfares*	Total nights		\$91
Total (excl. international airfares)	Total nights	\$482	\$365
Total (incl. international airfares)	Total nights	\$482	\$457

Source: Convention Delegate Survey

* Only includes expenditure on airfares purchased from Air New Zealand

2.3 Comparison across years

The number of delegates attending multi-day conventions in CAS regions fell by 3% from 265,970 in 2010/11 to 258,834 in 2011/12, and visitor nights fell by 1%. Total delegate expenditure (including international airfares) fell by 7% or \$33 million from \$472 million to \$439 million.

Spend per delegate increased for local delegates in 2011/12, while spend per delegate decreased for domestic and international visitors.

Table 7 Comparison across years

	2009/10	2010/11	2011/12	Change	% Change
Number of Delegates					
Local	100,224	94,954	95,115	161	0%
Domestic	128,137	116,033	113,607	-2,426	-2%
International	52,833	54,983	50,112	-4,871	-9%
Total	281,194	265,970	258,834	-7,136	-3%
Visitor Nights					
Local	n/a	n/a	n/a	n/a	n/a
Domestic	421,686	384,157	364,644	-19,513	-5%
International	475,660	410,435	424,298	13,863	3%
Total	897,346	794,592	788,942	-5,650	-1%
Total Spend (\$NZ millions)					
Local	\$77	\$66	\$70	\$4	5%
Domestic	\$191	\$179	\$176	-\$4	-2%
International (excl. intl. airfares)	\$184	\$183	\$155	-\$28	-15%
International (incl. intl. airfares)	\$223	\$226	\$194	-\$33	-14%
Total (excl. intl. airfares)	\$451	\$429	\$400	-\$29	-7%
Total (incl. intl. airfares)	\$490	\$472	\$439	-\$33	-7%
Visitor nights per delegate					
Local	n/a	n/a	n/a	n/a	n/a
Domestic	3.3	3.3	3.2	-0.1	-3%
International	9.0	7.5	8.5	1.0	13%
Spend per delegate					
Local	\$768	\$697	\$734	\$37	5%
Domestic	\$1,490	\$1,546	\$1,545	-\$1	0%
International (excl. intl. airfares)	\$3,476	\$3,335	\$3,094	-\$240	-7%
International (incl. intl. airfares)	\$4,212	\$4,119	\$3,866	-\$254	-6%
Spend per night					
Local	n/a	n/a	n/a	n/a	n/a
Domestic	\$453	\$467	\$482	\$14	3%
International (excl. intl. airfares)	\$386	\$447	\$365	-\$81	-18%
International (incl. intl. airfares)	\$468	\$552	\$457	-\$95	-17%

Source: Convention Activity Survey & Convention Delegate Survey

Appendix

Table 8 Share of delegates by event region for the population and sample

Region	Population (CAS)	Sample (CDS)
Auckland	22%	33%
Hamilton & Waikato	13%	7%
Bay of Plenty	2%	2%
Rotorua	11%	16%
Taupo	1%	3%
Hawke's Bay	3%	2%
Manawatu	9%	3%
Wellington	7%	21%
Nelson	1%	2%
Canterbury	8%	2%
Queenstown	14%	7%
Dunedin	6%	2%
Unknown	3%	0%

Source: Convention Activity Survey & Convention Delegate Survey

Table 9 Share of international delegates by country for the population and sample

Country	Population (IVA)	Sample (CDS)
Australia	60%	52%
United States	8%	13%
Other Asia	7%	6%
Other Oceania	6%	1%
Other Europe	4%	9%
China	3%	3%
Other Americas	3%	6%
United Kingdom	3%	4%
Rest of World	3%	3%
Japan	2%	2%
Germany	1%	1%
South Korea	1%	1%

Source: Statistics New Zealand & Convention Delegate Survey

Table 10 95% confidence intervals for total spend per delegate

	2010/2011	2011/2012
Local	\$697 ±8%	\$734 ±6%
Domestic	\$1,546 ±4%	\$1,545 ±2%
International (excl. intl. airfares)	\$3,335 ±7%	\$3,094 ±8%
International (incl. intl. airfares)	\$4,119 ±7%	\$3,866 ±8%

Source: Convention Delegate Survey