

## **2023 Cruise Visits Economic Impact Report**

9 October 2023

**14**

Timaru experienced a record cruise ship season in 2022/23, with 14 cruise ships calling at PrimePort Timaru.

**10,000**

It is estimated that the cruise ships brought nearly 10,000 passengers during the season, with just over 3,000 of them going on excursions in the district.

**\$2.80m**

In a report produced by economic analysts Infometrics for Venture Timaru, it is estimated that \$284 per passenger was spent in Timaru, amounting to a total of \$2.8m for the 2022-2023 season.

The estimated spend per cruise passenger is based on Stats NZ's *Cruise ship traveller and expenditure statistics: Year ended June 2019* and *New Zealand Cruise Association's Cruise Tourism Economic Overview 2020*. Infometrics has used these reports to calculate the estimated total revenue per passenger at each New Zealand port, and then updated this to reflect 2022 prices. This is an interim approach, until these two publications are updated for the 2022/23 season.

The spend per port varies widely from \$225 per passenger at the Bay of Islands, through to \$1,212 at Auckland. The range reflects the breadth of services available to passengers, crew and vessels at each port, and the difference in spend between a transit port (where visitors disembark and reembark) and a turnaround port (where visitors start or end their cruise).

Infometrics has used Picton as a proxy for Timaru's cruise spend, as neither destination are transit ports or major resupply points. The average spend per cruise passenger includes purchases by the passengers and crew as individuals, as well as supply of goods and services for the ship such as berthage to the port company.

Predications are also made that with 12 ships now scheduled for 2023-2024 season with a greater number of passengers due primarily to the repeat visits by Noordam, the estimated spend for 2023-2024 is \$3.7m. The figures are based on 77% occupancy of the ships, as experienced in the 2022-2023 season.

Alongside the economic analysis, Venture Timaru has also surveyed the local community to assess the social impact of cruise visits on the region and to gauge local residents feelings regarding the cruise ship visits.

The feedback in the survey was overwhelming positive, with 93 percent supporting the cruise sector coming to Timaru and further, respondents would welcome growth in the sector and are keen to see more ships calling.

For the community, the key benefits identified were that the cruise visits are good for business, promote the district and bring more international visitors to district.

A second survey of businesses and tourism operators involved in the cruise visits for 2022-2023 similarly supported the cruise sector and are keen for it to grow.

Neither group considered there were significant negatives in having cruise visit to Timaru.

#### **Summary of community survey comments:**

- Anyone who visits South Canterbury has to be positive, as long as they have a great experience when they are here.
- Brings people into the district and hopefully some travellers will spread the word or come back again themselves.
- I think it's good for people to be able to explore Timaru. Most of the people I spoke to loved it!
- Having more visitors to our district has to be positive not just what they may spend but if we look after them well they become ambassadors for future visitors.
- Putting Timaru on the map.
- Enjoyed having them here. Loved their comments on Timaru.
- I love seeing the ships come into our port. It's awesome to see the town buzzing with extra people and great for our local retail shops and our restaurants/cafes.
- The cruise ships make South Canterbury feel noticed and residents excited. The season is talked about long after it ends in a positive fashion.

#### **Plans for 2023-2024 season:**

The current schedule for cruise visits for the coming season will see 12 ships call, with nine of the vessels having capacity to carry between 1400 – 1900 passengers.

In the coming season there will once again be:

- Regular communication with wider CBD area on timings/size of ships.
- Proactive promotion via social media, information drops into shops regarding the cruise visits.
- Lions Club helpers as community navigators
- Extension of the partnership between PrimePort and Venture Timaru to ensure all cruise visitor experiences are second to none.
- Enhancement of the array of experiences on offer to all cruise passengers.