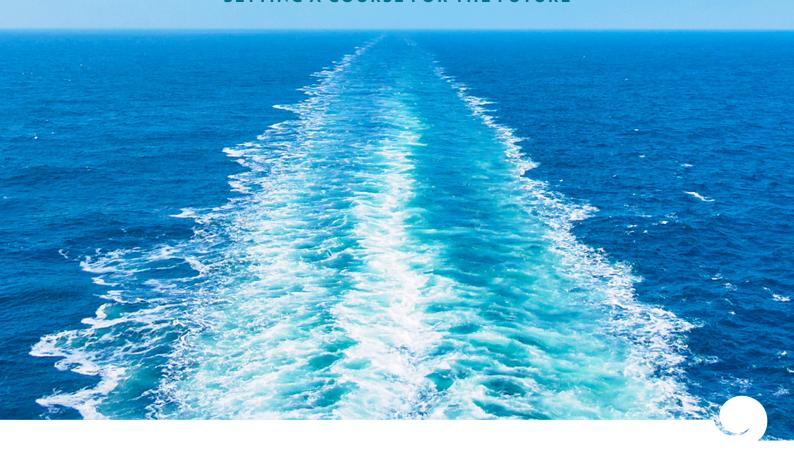
CRUISE AOTEAROA NEW ZEALAND 2040

HORIZON ONE PRIORITIES FOR ACTION

SETTING A COURSE FOR THE FUTURE





STRATEGY ON A PAGE | CRUISE AOTEAROA NEW ZEALAND 2040

HORIZONS



Evolution & Contribution

NOISIN

& Impact

CONTRIBUTIONS

A visitor focused cruise sector that makes New Zealand a better place by contributing to, and growing the value of economy, environment and community.



2040 ASPIRATIONAL GOALS

- **Economy**
- \$1 billion cruise expenditure contribution by 2040.
- **Environment**
- Net carbon zero tourism supply chain by 2040, and by 2050 for cruise lines.
- Zero waste to landfill by 2030 or as soon as possible before 2040.

- 90% of New Zealanders think cruise tourism is good for New Zealand.
 - Community
- Cruise tourism is good for Māori and iwi.
- Visitor
- 90% of international cruise visitors satisfied with experience.
 - 90% average NPS scores per region by cruise line.

HORIZON 01 OBJECTIVES

Unlock Data and Measurement

• Enable a cruise specific data and evidence base through partnership and integration

Develop a leadership position that builds

a positive cruise narrative

Activate Communications

Educate key stakeholders on the cruise

Enable deeper understanding between

destination and cruise lines

- Measure contribution 'pillars' economy, environment, community and visitor
- Make measurement widely available throughout the sector

Engage Government Stakeholders

- Build government alignment with cruise strategy, vision and goals
 - Engage advocacy and support of key
- Develop awareness and trust throughout government system - national, regional, and local

ntegrate National and Regional Operations **Build and Strengthen**

Partnerships

- Develop national cruise partnerships at multiple levels of the system
 - Grow capability to accelerate progress towards our future
 - cruise sector to deployment variability Mitigate vulnerability of New Zealand
- Enable best practice operations and integration for consistency and regional relevance
- Make ship visits better for communities. Improve the standard, consistency and distinctiveness of visitor experience

PRINCIPLES

HORIZON 1 - PRIORITIES FOR ACTION

There are five strategic priorities that are the focus for action in Horizon 1 to enable the alignment and momentum required to drive this strategy forward towards the future. They reflect our key principles and deliver to our contribution areas.

Unlock Data and	Activate	Engage Government	Build and Strengthen	Integrate National and
Measurement	Communications	Stakeholders	Partnerships	Regional Operations
01	02	03	04	05

01 Unlock Data and Measurement

Data is the great enabler for cruise – it's the unlock for measurement in all contribution areas, it's required for a consistent understanding of value, enables evidence-based decision making, provides substance for business cases for infrastructure and informs communications to facilitate a change in the narrative. There is currently a significant data gap recently exacerbated by Statistics New Zealand stopping the creation of regular cruise data reports. Our future requires measurement of value across all key contribution areas and both national and regional reporting. We support the establishment of the Tourism Data Leadership Group and the integration of cruise into the International Visitor Survey and seek deeper integration into the tourism data system and tools that enable measurement of progress and performance over time.

Objectives

- Enable a cruise specific data and evidence base through partnership and integration
- Measure contribution 'pillars' economy, environment, community, and visitor
- Make measurement widely available through the sector

Key actions

1. Leverage cruise industry partnerships and measurement

- a. Annual economic and environment reporting through partnership with CLIA. An annual economic study has been jointly commissioned by CLIA in collaboration with Australian Cruise Association (ACA) to measure the economic impact assessment of cruise tourism in Australia. A similar study would be commissioned for New Zealand through a partnership with CLIA.
- b. Seek to develop an environment impact measures annual report as a priority potentially through a partnership with CLIA.
- c. Explore cruise line sharing of visitor NPS regional scores. Cruise lines measure performance of visitor experience by regional destination visited but the data is not well shared or available to enable regions to understand how to improve their performance. We will seek to get this measurement shared regularly to enable continuous visitor experience improvement.

2. Advocate for full integration into the tourism data system

a. Inclusion of Cruise into the TDLG recommendations.
Integration of cruise data into the tourism system is an opportunity to leverage wider solutions through an established forum and funding system.

b. Integration of Cruise into New Zealanders Views of Tourism survey. TNZ, TIA and DOC currently run a regular survey to measure New Zealanders perception of tourism. We propose cruise integration into the partnership and for cruise specific questions to be included into the survey to enable measurement at a national

c. Integration into IVS Survey enabling reporting nationally and regionally. IVS now includes cruise related questions. We want to ensure the questions enable measurement that informs our visitor contribution pillar at a national and regional level.

d. Integration of cruise into revised MRTE's and/or TECT data when available.

3. Develop new or replacement data and measurement tools

and regional level on an annual basis.

a. Investigate requirements to reinstate or replace Stats NZ type cruise statistics as required.

To fill any gaps that may be left between the new 'annual economic study' and detailed reporting previously provided by Stats NZ, advocate for reinstatement of regular Stats NZ cruise data or explore funding options to take methodology from Stats NZ to facilitate reliable reproduction through data consultancy. We will seek funding to enable this as recommended by MBIE.

b. Investigate development of measurement dashboard.

Consider development of a 'balanced scorecard' dashboard that measures contributions at a regional and national level and is widely available.



02 | Activate Communications

Cruise needs to take control of its own narrative and tell a consistent, positive story through all stakeholder voices to help shift understanding and perceptions over time. Cruise is currently on the back foot because of misconceptions, misinformation, and media stories based on historical activities, isolated incidents or speculation that occurs in the absence of reliable information. The story requires the solid evidence base that can be provided by a consistent and reliable data and measurement programme while communicating progress and actions across priority areas over time. The future story of cruise and its progress on sustainability is particularly important to communicate. Cruise is complex and not well understood by many players in the wider ecosystem and there is a need to educate the public, operators, new-to-cruise regions, and others.

Objectives

- Develop a leadership position that builds a positive cruise narrative
- Educate key stakeholders on the cruise ecosystem
- Enable deeper understanding between the destination and cruise lines

Key Actions

1. Develop and implement a communication strategy

a. Secure funding support for an ongoing communications specialist resource.

Agency or headcount resource to drive an ongoing communications and education programme. Consider a membership drive, review of membership fees structure and/or funding applications.

b. Develop and implement a communications/ engagement strategy and plan

- Establish a lead narrative, stories and supporting messages
- Identify key stakeholders, their needs and priorities
- Roll out the programme starting with lead stakeholders/ thought leaders to share responsibility and build momentum and consistency of storytelling
- Become a key enabler of the Tiaki promise by working as a connection point between Tiaki Promise Governance Group and visiting cruise lines. Advocate for integration of the Tiaki Promise into all Cruise line pre-arrival communications.

2. Develop an ongoing education programme

- a. Develop tools and resources for operators, new to cruise regions and others
- b. Identify and activate channels for communication e.g. webinars, website, workshops.

3. Facilitate workshops between cruise regions, cruise lines and other key stakeholders

Enable information sharing, mutual understanding, product development, passenger insight and visitor experience improvement opportunities.

03 Engage Government Stakeholders

Building the profile of cruise, understanding of its value and ongoing recognition through engagement with key politicians such as the Minister of Tourism will be a priority to keep cruise on the agenda for funding, resources and global cost competitiveness. Similarly, building strong relationships and trust with key government agencies and regional and local governments will facilitate understanding, opportunities, and prioritisation through all levels of the government system.

Objectives

- Build long term government alignment with cruise strategy, vision and goals.
- Engage advocacy and support of key government agencies e.g. MPI, Maritime NZ, MoT and MBIE.
- Develop awareness and trust throughout the government system national, regional and local.

Key Actions

1. Establish a strong voice in government for Cruise

- a. Targeted stakeholder engagement of key politicians across multiple parties to build relationships, communicate strategy, vision and goals.
- b. Establish cruise as potential support for emergency response.
- c. Advocate for acceleration of the decarbonisation of maritime transport including access to sustainable marine fuels.

2. Develop a national support network of government agencies

- a. Regularly engage MBIE, MPI, Maritime New Zealand and others as required.
- b. Share strategy, communicate progress and identify opportunities.

3. Extend engagement to local and regional government bodies

- a. Gain local understanding of issues.
- b. Seek alignment and support for vision, goals and strategy to enable regional progress.
- Advocate for careful management of port related costs for cruise ships including notice periods for change and a fair value proposition for any proposed increases.

...building strong relationships and trust with key government agencies

04 Build and Strengthen Partnerships

Our intention is to be a leader in cruise. We can accelerate our progress to leadership and activate more resources by establishing, improving or fully realising partnerships that leverage the capabilities of others. In doing so we create more robustness in the New Zealand cruise system. These partnerships driven at a national level can create greater long-term capability and contribute to mitigating the risk that comes with being a somewhat isolated destination in a global industry where alternative destinations can quickly become more attractive when the cost/benefit equation changes for cruise lines.

Objectives

- Develop national cruise partnerships at multiple levels of the system
- Grow capability to accelerate progress towards our future
- Mitigate vulnerability of New Zealand cruise to deployment variability

Key Actions

1. Develop cruise industry partnerships with CLIA and priority cruise lines

- a. Develop a partnership with CLIA to initially enable an annual report for economic value and environmental performance and use a platform for potential future partnership developments
- b. Identify priority cruise lines and build partnerships that enable:
 - Alignment with vision and strategy to get the right ship, in the right place at the right time
 - Regenerative commitment to a region or multiple regions per cruise line
 - Connection to global best practice and systems
 - Deeper understanding of visitors/passengers including regional sharing of NPS scores
 - Knowledge sharing opportunities to improve understanding, product development opportunities and visitor experience
 - Provision opportunities at bulk supply, emergency supply/ top ups or specialty cuisine level.

2. Explore a long-term regional alliance with Australia/ Oceania counterparts

- a. Work together with the Australian Cruise Association and others in the Pacific and explore the establishment of a charter or accord that focuses on alignment/enabling of demand consistency.
- b. Communicate and gain alignment with national strategy.

3. Build and deepen New Zealand tourism system partnerships based around national strategy

- a. Strengthen and fully leverage Tourism New Zealand partnership. Build on the existing MOU to explore extensions to the partnership including:
 - Alignment on building brand, target audiences and trade channels
 - TNZ strategy reflects commitment to cruise and cruise strategy reflects alignment to TNZ
 - Re-establishing the cruise module in the 100% Pure NZ Specialist Programme
 - Exploring establishing a cruise module for Qualmark for consistency of operator standards
 - Integration of cruise opportunities into selling to agents in key markets e.g. USA.
 - Guidance for regions and operators for new experiences and product development opportunities

b. Consider formalising a TIA partnership

- Mutual organisation membership
- Integration and recognition of cruise on the TIA agenda
- Sign up to the Sustainability Commitments to signal alignment and intent
- Explore mutually beneficial net carbon zero and zero waste to landfill opportunities.

c. Explore partnership with New Zealand Māori Tourism

- Develop connections and understanding
- Explore areas for alignment.

d. Explore an Air New Zealand partnership

• Consider integration opportunities at turnaround ports.



05 Integrate National and Regional Operations

Through multiple ports across multiple diverse regions there is a mix of priorities, processes and operational standards for cruise resulting in uneven visitor experiences and flow on effects for community and other stakeholders. Establishing national standards and processes while enabling regional adaptation and leverage to suit circumstances and needs will lift efficiency, reduce community impact and most importantly raise the quality of visitor experience nationwide to build value over time.

Objectives

- Enable best practice operations and integration for national consistency and regional relevance
- Improve the standard, consistency and distinctiveness of visitor experience
- Make ship visits better for communities

Key Actions

1. Develop national guidelines and processes

- **a. Create a national/regional framework** outlining guidelines, roles and responsibilities at both a national and regional level including local adaptation areas.
- **b. Investigate** an integrated port booking protocol and platform.
- **c. Facilitate** consistent information flow about vessel bookings and arrivals to ensure all key regional stakeholders have the same information at the same time.
- d. Enable consistent regional access to key data and measures to enable decision making.
- **e. Consistent** approach for regional integration into national cruise attraction marketing activity.
- **f. Regional commitment** to align with cruise national strategy and direction from Port, RTO, regional and local councils.
- g. Facilitation of knowledge and best practice sharing across regions.

2. Consistency of regional operations

- a. Each region creates a cross functional cruise team to guide long term direction, target setting, and enable fundamental alignment between port, cruise lines and community (to include RTO, councils, businesses, transport, community and isite).
- b. Each region team agrees and sets data driven, evidence-based goals and targets for number, type and timing of ship visits aligning with national strategy goals, considering optimisation of port facilities across the cruise season and in consultation with cruise lines for transparency and alignment. This is communicated via a consistent national protocol to port booking agents.
- **c.** A regional operations group facilitates seamless activation for every cruise ship visit including pre and post season meetings/briefings.
- d. Each region develops and operates from a playbook for cruise that aligns all impacted stakeholders (port, RTO, councils, tourism operators, retail businesses, transport, isite, public) and leverages best practice from other regions. Its reviewed and improved annually.
- **e.** Each region identifies and leverages local value drivers based on national guidelines and partnerships to optimise holistic value per vessel.
- **f. Consultation and sharing of data** including economic data, environmental data, community engagement (social licence), visitor experience impact across stakeholders.

APPENDIX A

Risk Analysis

RISK	IMPACT	LIKELIHOOD	MITIGATION
Priority Risks			
Cost benefit equation changes for cruise lines because of macro and micro factors meaning costs of operation outweigh destination appeal	High	High	Advocate for national and regional governments (and Ports) to carefully manage costs and maintain global competitiveness; work with Oceania regional partners; work with CLIA and cruise lines in partnership approach.
There is no change, unrestricted growth occurs and there is long term damage to industry (and destination).	High	Medium	Develop direction and strategy in collaboration; gain commitment from key stakeholders as priority
Stakeholder commitment – stakeholders aren't aligned or don't deliver	High	Medium-High	Prioritise stakeholder engagement and strategy buy in for first 6 to 12 months
Access to substantive supply of sustainable marine fuels is not achieved	High	Medium-High	Make engaging Government stakeholders a key priority; enlist support of key partners to build support and pressure
Losing community social licence in important locations which affects national narrative, public acceptance and government perspective	High	Medium	Develop communications strategy; support engagement with community together with industry; take feedback on board and facilitate change; measure social licence for cruise annually
Milford Opportunities Project effects a blanket ban on cruise	High	Medium	Continue to build relationship and keep communication lines open; reflect environment as priority in strategy; adapt to feedback
Change in Government creates uncertainty – potential lack of supportt	High	Low-Medium	Build relationships with new Tourism Minister and others; advocate via new strategy
Implementation resourcing for strategy is unavailable; too many tasks for NZCA	High	Medium-High	Review strategy and ensure responsibilities are balanced and achievable

APPENDIX B

Acronyms & Abbreviations

CLIA Cruise Line Industry Association

DMP Destination Management Plans

DOC Department of Conservation

ITP Industry Transformation Plans

IVS International Visitor Survey

Lower berths Standard measure of passenger capacity. Assumes two passengers per cabin.

MBIE Ministry of Business, Innovation and Employment

MoT Ministry of Transport

MPI Ministry for Primary Industries

MRTE Monthly Regional Tourism Estimates

NPS Net Promoter Score

NZCA New Zealand Cruise Association

Pax Passengers

RTO Regional Tourism Organisation

Stats NZ Statistics New Zealand

TDLG Tourism Data Leadership Group

TIA Tourism Industry Aotearoa

TNZ Tourism New Zealand

UN United Nations

APPENDIX C

Approximate Cruise vessel fees and levies - per visit to NZ (as of June 2024)

NZ Cruise Levy/Fee example (GST Exclusive)	sive)		Example Ves	Example Vessel Pax, Size, Weight	eight	
Based on 8 port visits (with Stewart		Passengers	3,000	2,000	1,000	200
Island and Fiordland) Passengers only, not staff or crew		Gross Weight Tonnage (GT)	110,000	000'06	50,000	40,000
Per voyage		Dead Weight Tonnage (DWT)	11,000	000'6	8,000	5,000
MPI and Customs						
Border Clearance Levy	\$22.06	Arrival per Pax	66,180.00	44,120.00	22,060.00	11,030.00
Once per Voyage based on actual pax count from arrival/departure API	\$4.55	Departure per Pax	13,650.00	9,100.00	4,550.00	2,275.00
		TOTAL	\$79,830.00	\$53,220.00	\$26,610.00	\$ 13,305.00
Martime NZ						
Marine Safety levy by MNZ per port (for every port visited)	\$2.58	per Pax	7,751.70	5,167.80	2,583.90	1,291.95
	\$0.13	x GT + GST	14,102.00	11,538.00	6410.00	5,128.00
	\$0.01	× DWT	115.50	94.50	84.00	52.50
Oil Pollution Levy per port by MNZ (for every port visited)	\$0.263	× GT	2893.00	2,367.00	1,315.00	1,052.00
		TOTAL 8 PORTS	\$198,897.60	\$153,338.40	\$83,143.20	\$60,195.60
Levys, Fees and Insurance						
Port Passenger levy - per pax on board*	U	Average per port + 15% Public Holiday Surcharge	36,300.00	24,200.00	12,100.00	6,050.00
Port Earthquake Insurance Levy (at some ports)	Variable	range NZD\$500- \$7000				
		TOTAL 8 PORTS	\$290,400.00	\$193,600.00	96,800.00	48,400.00
Stewart Island passenger levy	\$10.00	Per Pax			10,000.00	5,000.00
Fiordland - Environment Southland Marine fee	\$0.411	× GT	45,210.00	36,990.00	20,550.00	16,440.00
		TOTAL LEVY/FEE	\$614,337.60	\$437,148.40	\$237,103.20	\$143,340.60

^{*}Does not include marine service charges, berth hire, security and other additional port costs

 $^{{\}it C}$ - Commercially sensitive and not in public domain

APPENDIX D

Cruise Stakeholder Flowchart

	Redeployment	Securing Deployment	Redeployment to Australia or Nth Hemisphere for NZ winter. Return if season successful, and begin at 'Deployment Secured' Regular meetings, famils and sales calls required to maintain relationship
	In NZ Waters	Day in Port	Port - port ops, waste, bunkering, water RTO - product development, support contracting ShoreEx, coordination of regional groups, Ambassadors isite - Manaakitanga, maps, guides, tours on the day product sales, Ambassadors Local Government - traffic management plans, touting bylaws, Ambassadors Waka Kotahi - traffic management plans, Ground handler - ShoreEx, turnarounds and pre and post touring Tour operators - sold through ShoreEx, direct and/or at isite Transport providers - port to shore shuttle providers - port to shore shuttle providers, ShoreEx touring Retailers and hospitality/F&B providers - local businesses and markets Accommodation providers - pre and port touring and turnarounds ports touring and turnarounds Arroort - turnaround ports incoming/outgoing travel Provedor - stocking produce - local and imported
VESSEL JOURNEY		Activate ShoreEx	Ground Handler - contract tourism product, and pre and port touring options Transport provider Shuttle Provider Cruise Line ShoreEx Port H&S ShoreEx sold throughout voyage to NZ and each port
	Pre-Arrival in NZ Deployment Secured Activate Promotion Activate Operations	ent Secured Activate Operations	National Cruise Line Port Agent (itinerary planning) Port (bookings) MPI Customs/Immigration MaritimeNZ Harbour Master NZ Health Provedor Regional coordination groups step up consisting of: RTOs Port Local government site Business associations Community groups
		In source markets Cruise Line Travel Wholesaler Travel Agent/OTA Airlines TNZ Ground Handlers ShoreEx and pre/post open for purchase when booking passage	
-(1	Cruise Line Attraction	Securing Deployment	Cruise Line Port Agent NZCA TNZ Ground Handler Sales calls, Seatrade, in market meetings, familiarisations - long lead

PASSENGER JOURNEY	Passenger joins cruise and Passenger arrives in NZ Port, books ShoreEx on board, undertakes ShoreEx, visit F&B home an books an independent purchase goods/art/souvenirs/NZ and 609 tour direct or is FIT goods, wine etc	
	Cruise line promotes to passengers in key source markets directly, and through distribution channels, also promote ShoreEx, pre/post programmes	
	Cruise line confirms NZ itinerary for specific year/s	

