

GREAT LAKE TAUPO

Subregional Tourism Strategy

This report contributes to the Bay of Connections Regional Tourism Strategy

FINAL report 1 November 2017 prepared by TRC Tourism



TRC



EXECUTIVE SUMMARY

This strategy builds on the existing tourism strategy for the Taupō Subregion. It identifies the key infrastructure requirements for the subregion that are necessary to achieve the tourism ambition for Taupō:

“Reposition Lake Taupō in the hearts and minds of New Zealanders and our international visitors as a special and distinctive, must see destination”

WHAT IS THE REGION

Great Lake Taupō is the southernmost subregion in the wider Bay of Plenty region. It has been a highly desirable domestic tourism destination for a long time and has an international reputation based around the Tongariro Alpine Crossing, adventure activities, its trout fishing, and luxury lodge accommodation.

The visitor experiences largely relate to Lake Taupō (a 616km² lake in the middle of the district), the Waikato River that flows from the lake and the Tongariro River which flows from Tongariro National Park. Approximately half of Tongariro National Park is encompassed within the Taupō District.

Taupō is the main township, and alongside Turangi are the main visitor destinations. However, there are many other smaller lakeside settlements around Lake Taupō and the hydro lakes on the Waikato River, which are important domestic tourism destinations.

The regional performance

Domestic visitors comprise around 66% of the total visitor nights to the district, being mainly from Auckland, Wellington and the surrounding areas. International visitors are mainly from Australia, UK, Europe and the USA, although Chinese visitation is growing.

Total direct visitor spend in the region is estimated at \$600M which, when combined with indirect expenditure comprises around 28% of regional GDP.

The future aspiration for the region

The future direction for investment and infrastructure is predicated on the long-term destination aspiration for the Taupō District

Taupō has recently developed its long-term tourism strategy (Great Lake Taupō: The Next Big Thing) for the next decade to 2026 and a district economic strengthening document.

Tourism has been identified by the community as a key pillar for economic growth in the region. These strategies set out the future directions for tourism in the subregion with four key objectives:

- Diversifying what we do and the markets we reach to achieve growth in both international and domestic visitor numbers
- Create a thriving year-round tourism destination by filling capacity in quieter times and locations
- Encourage and support new investment in product development
- Sustain delivery of a world class visitor experience for increasing numbers of domestic and international visitors.

Effective execution of the strategy will require investment in infrastructure and product development in particular, with both industry and government needing to contribute to the necessary future destination development and marketing.

Strengths of the region

Great Lake Taupō has a unique opportunity in that it can offer a year-round proposition beyond the traditional summer period. The region has an aspiration to position itself as an international quality resort style destination, with distinct summer lake and river experiences and winter (ski) offerings as the gateway to Tongariro National Park.

The district has a diversity of geothermal tourism experiences ranging from Orakei Korako in the north to Tokaanu at the southern end of Lake Taupō. There is potential for upgrading these experiences, plus greater exploitation of spa / wellbeing as a component of the resort offering of the district. This will enable the wider Taupō district to position itself in a distinctly different way.

The region has a unique cultural history that is not currently interpreted nor easily accessible for tourism. Ngāti Tuwharetoa, have a rich and deep connection to the mountains, the lake and the surrounding area and this history plays a key role in the Taupō story. This story, the creation of the mountains and the lake, has the potential to add to existing experiences and would create a unique identity for the region and connect to the wider Bay of Plenty theme which could be leveraged internationally. This would be best developed for the region at a more bespoke level consistent with the experiences already on offer in the wider region.

The recreational pursuits of cycling, walking and hiking are increasingly popular activities in the region. Existing facilities are mainly targeted at adventure travellers, and the district needs to appeal to a broader market with more passive traveller/soft adventure opportunities that align with a resort style experience. This requires expanding the urban and off-road cycling/walking product. Free draining pumice soils mean that outdoor activities like cycling and golf can be undertaken all year round, supporting the off-season attractiveness of the region. There are many future growth opportunities within the region, with the most significant being a shared use track on the eastern edge of Lake Taupō. Long term this would link Taupō and Turangi townships, (“T2T”) but the initial goal would be developing a shared trail from Turangi to Stump Bay and then on to Motuoapa.

Great Lake Taupō has always been recognised as a visitor destination because of its iconic natural attractions. In particular, Huka Falls and the Tongariro Alpine Crossing are some of the most recognised icons of New Zealand tourism. New and improved management and additional development of these and other iconic sites are major opportunities to enhance the quality of the visitor experience and will enable significant visitor growth at these sites. Careful planning, design and development is required to sustain a world class experience for a greater number of visitors.

Managing Growth

It is recognised that if growth continues without additional development and management there is potential for significant capacity issues at the key iconic attractions, reserves and infrastructure across the district. To fulfil the region’s growth aspiration while ensuring a continued world class experience, three key areas of focus have been identified:

- Providing a quality experience for the current level of demand
- Enabling future growth
- Developing additional world class experiences

Providing a quality experience for the current level of demand (Coping)

With current growth in visitation to the subregion there are many areas of visitor infrastructure that are starting to be overwhelmed. The most substantial issues exist around the Tongariro Alpine Crossing with anywhere between 80-110,000 walkers per year. However, other popular sites such as Huka Falls, Hipapatua (Reids Farm), Otumeheke Stream (Spa Park) and Te Poroporo/Bulli Point are exceeding capacity during peak seasons.

Venue and hotel capacity is limiting conferences, events, group travel and business growth following a

rapid increase in visitation and off-peak occupancy over the last two years.

Roading access to and within the region is a constraint as traffic volumes grow throughout the country. Sections of SH1 north of Taupō and between Taupō and Waiouru have been identified by NZTA as priority areas for improvement based on accident rates and closure frequency. However limited investment in roading improvement is proposed in the next decade.

Aviation connectivity is also a key challenge for the Taupō district. At present, there is very limited connectivity to the south and inadequate terminal facilities for other existing and predicted services. Additional flight capacity will be required between the region and Auckland in the future (based on forecast growth predictions).

Ageing and expensive lines infrastructure across both Ruapehu and Turangi is a barrier to investment. The existing visitor information infrastructure at the southern end of the lake is also reaching the end of its useful life and current services and new ways of providing quality information for visitors is required. In some parts of the district broadband and cellular services already restrict tourism businesses and are unlikely to be improved in the short term.

Enabling future growth

While Taupō has largely been an independent drive destination with visitors travelling to the region as part of a broader North Island itinerary, the future aspiration as an international resort destination will require further investment and new infrastructure.

Linking Taupō to the rest of the subregion and further afield will require the identified improvements in core transport infrastructure of roading and aviation already highlighted.

In addition, the destination itself will require a new perspective on the visitor experience and meeting those expectations. This means a reorientation and refocusing of existing retail centres in the district especially Taupō and Turangi, and offering a quality experience that is consistent with the expectations, seasonality and activities of visitors. Investment in upgrading the retail precincts and service levels and hours will be necessary as visitor numbers expand. Greater connectivity between the retail hubs and the natural features that are the drawcards of the region is required. New accommodation that offers high standards, is close to the CBD and capable of servicing more groups and conference and business travellers will also be needed.

Growing the scale of existing business as well as increasing the diversity of the offer in the destination will be key to enabling future growth.

Developing additional world class experiences

While there has been little transformational investment in new tourism product over the last two decades, there is renewed interest in new investment in the sector due to good visitor growth in the last 2 years.

A key project is the recent and planned investment in further developing the Tongariro National Park ski fields (particularly at Whakapapa). These developments have the potential to transform the region and significantly improve seasonality, by building strong winter demand which centres around Taupō as the après ski destination.

New developments and infrastructure at key icon sites will be essential to create a critical number of attractions. A typical project that would facilitate greater profile and is an existing major visitor attraction would be the redevelopment of Huka Falls. With over 1million visitors per annum, an iconic position, and significant opportunities for both public and private entities to develop the facilities. There is the potential to rival any similar international natural attraction, and the redevelopment of parking, walking, cycling, interpretation and dining at this location would reaffirm its status as a “must see” experience.

Redevelopment would also enable better integration of Huka Falls into the existing wider Wairakei Tourist Park suite of visitor experiences.

There is significant unrealised potential around other natural assets such as the Tongariro River, the Tokaanu Thermal area and Mount Tauhara. These sites, if appropriately developed and monetised, would meet and then stimulate growing visitor demand.

Connectivity between the Taupō CBD and the lake, development of hotel and conferencing facilities, and continued development of the civic centre will ensure that the built environment delivers on the brand promise of an international style resort destination.

However, achieving these growth aspirations will be reliant on the need for the tourism sector to have skilled staff to deliver a quality visitor experience. The region is likely to generate an additional 1750 jobs over the next decade. Training and skill development to present quality and authentic services will be vital to deliver sustainable tourism growth in the region.

Conclusion

In addition to infrastructure, there are other enabling changes that will be important to transform Great Lake Taupō tourism. Having a comprehensive suite of experiences which are developed to meet the needs of visitors and reflect the environmental and cultural attributes of the region and are monetised is important to ensure that the travel trade promotes the region as a destination for all visitors. Industry will have to play their part by investing in the attractions and activities that will connect with what future visitors want and which represent the regions attributes.

To enable industry to invest there is a parallel requirement on central and local government to enable the timely development and implementation of a wide range of infrastructure and core facilities. This is paramount to ensure that investment meets the quality and quantity requirements that are forecast for the region.

Increased awareness of the extraordinary range and attractiveness of what the region already has to offer - by significantly investing in market development and promoting awareness of Great Lake Taupō attractions and experiences is critical to future success.

Great Lake Taupō’s growth ambition will only be realised if there is a significant improvement in the quality and quantity of key infrastructure to support existing visitation and enable further growth. This will be achieved by increased investment by the public and private sector. To support this infrastructure investment, a step change in marketing effort will be necessary at both the destination level and as part of the broader central North Island tourism proposition.

REGIONAL PERFORMANCE

Market Profile Overview (YE December 2016)

TAUPO SUBREGION



28% GDP

Gross Domestic Product



>3M

Visitor nights



2/3

Are domestic visitors



18% growth

Between 2009-2016

Average p.a. **2.4%**

When compared with other destinations in the wider Bay of Plenty Region, Taupō District:

- Receives a high proportion of international visitors from western source markets, reflecting a long history as a backpacker destination.
- Has experienced the lowest historical growth rate (spend and guest nights) when compared to other destinations in the Bay of Plenty, reinforcing the need for an increased international marketing effort/resourcing so the subregion is not left behind.¹
- Receives lower international visitation than Rotorua, but significantly above developing parts of the region like the Eastern Bay of Plenty.
- Has a relatively small number of operators working with the travel trade, when compared to more established visitor destinations like Rotorua.
- Has a comparatively low number of visitors from China and other Asian countries. However, this market is set to increase over the coming 5 years, with an expected increase from 400,000 to around 1,000,000 visitors to NZ, from China alone
- Is a relatively strong domestic destination, but will need to work hard to retain this market share given increasing competition from surrounding regions
- A higher domestic net promoter score than any other destination in the Bay of Connections region².
- Facilitates roughly one third of guest nights in commercial accommodation, with the remainder in private (mainly holiday home) accommodation and freedom camping. The Taupō subregion has the highest percentage of rental holiday homes in the wider region.

¹ This comparatively low growth rate reflects the low visitation by Asia international markets and the comparatively consistent domestic visitor performance over the last decade

² The domestic Net Promoter Score (NPS) is calculated by asking AA Traveller respondents how likely they are to recommend the destinations they visited within the Bay of Connections region as places to visit

SWOT Analysis

The SWOT analysis below provides a summary of the responses grouped under key themes, for use as an indicator of the sorts of feedback received about the challenges and opportunities facing the regional visitor economy. The aim of the SWOT is not to provide a comprehensive assessment of the issues and opportunities, but rather to reflect the most commonly raised issues across the region and concerns through the consultation process.



LEVERAGING GROWTH

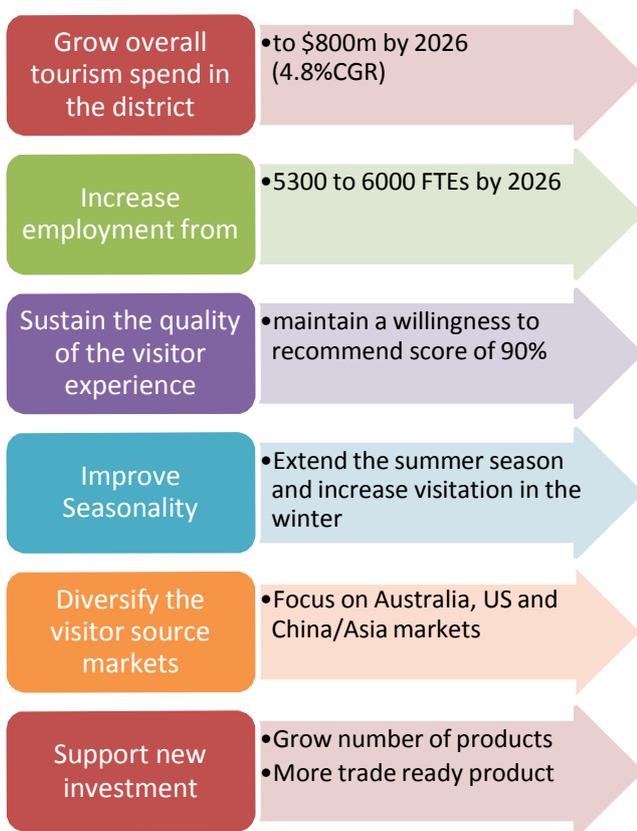
New Zealand's domestic tourism market, which comprises over 65% of total visitor spend is also increasing with population growth and strong inward migration. New Zealand is also going through a period of tourism growth, fuelled by increased international arrivals.

Despite this increase, in the last two years Great Lake Taupō has yet to fully capitalise on, or benefit from this international growth.

MBIE forecasts predict that China will soon overtake Australia as New Zealand's largest market by spend, although Australia will remain the largest by number. Great Lake Taupō must position itself to take advantage of this change in visitor demographics by providing facilities and activities specific to the typical Asian tourist experience.

Great Lake Taupō: The Next Big Thing (long-term tourism strategy) sets out the following tourism growth targets for the destination.

GROWTH TARGETS



Investment in infrastructure will be critical to the subregion, both to sustain the existing level of visitor experience as well as enable future growth to occur. Realising the Great Lake Taupō tourism aspiration will require a high level of government investment in required infrastructure. In addition, there is a need to private investment to develop and sustain new visitor infrastructure, accommodation and experiences to meet new demand.

PRIORITY INFRASTRUCTURE REQUIREMENTS

The subregion has identified a significant suite of infrastructure projects that are necessary to effect tourism economic growth for the region and these are set out in the section "critical infrastructure for tourism growth". Applying a priority lens over this suite of necessary actions and development options gives a number of critical priorities that are both urgent and important. Many of the most urgent actions are required now to address increasing pressure on resources, amenities and built infrastructure to meet current visitor demand and quality expectations. The importance of the projects is assessed as the degree to which effective implementation of the infrastructure proposal will contribute to the achievement of the Taupō visitor strategy over the next decade. Eight priority areas have been identified as vital through this assessment and they all require attention to enable the tourism growth for the region. These priorities are:

Roading

Roading access to and within the region as traffic volumes grow to enable efficient travel to the destination from the key source markets and arrival points for visitors. While sections of SH1 north of Taupō are the most important, the route from south to north between Waiouru and Taupō is important for improved travel times as well as safety. However, at present limited investment in roading improvement is proposed in the next decade.

Aviation

Aviation connectivity is also a key challenge for the Taupō District. At present, there is very limited connectivity to and from the south and inadequate terminal facilities for existing and predicted services. Additional flight capacity will also be required between Taupō and Auckland in the future (based on forecast growth predictions).

Skills and Training

Overlaying the physical infrastructure constraints in the region is the need for the tourism sector to have skilled staff to deliver a quality visitor experience. The region is likely to generate an additional 1750 jobs over the next decade. There are existing tertiary training institutions both in the Great Lake Taupō subregion and in the wider Bay of Connections region that provide a range of training opportunities for the tourism industry. Greater connection with the needs of the industry and scaling up to meet future demand is going to be required to ensure that the regional tourism offer is genuine and delivers to a world class standard.

CBD Revitalisation

Development of the civic centre in Taupō and sustaining the viability and vibrancy of retail centres in Taupō and Turangi will ensure that they are attractive destinations for a diversity of visitors and deliver on the brand promise of an international quality resort style destination. Improving accessibility and the retail offer in both locations will also be necessary to providing the expected level and range of services.

Infrastructure and amenities on public land

Presently there has been unprecedented demand for facilities and use of the regions public amenities, reserves and national parks. The demand is particularly apparent over the key summer period and has resulted in significant overcrowding and acceptance issues. To cope with existing demand as well as ensuring adequate facilities for future growth, there needs to be improved facilities at the Tongariro Crossing, Hipapatua, Huka Falls, Otumehke Stream and Bulli Point. Infrastructure is not the only requirement for effective management of the visitors at these facilities, but also active management to smooth demand and manage the effects of significant increases in visitor numbers.

Accommodation and venue improvements

The region offers a central location for many business and conference meetings. However, the existing infrastructure has not kept pace with the frequency or scale of demand required for current conferencing. The district also has limited international branded hotel capacity and does not have the desirable conference/hotel connection for larger scale conferences. There is a significant development opportunity for additional hotels as well as additional conferencing facilities. Connecting these facilities with the lake and river would also enhance the amenity and utility of existing attractions and gateways to tourism experiences.

Product Development

While the recent developments at the Tongariro National Park ski fields (particularly at Whakapapa) have the potential to transform the region and significantly improve seasonality, there are many more opportunities across the region for additional product development.

New developments and infrastructure at key icon sites will be essential to create a critical number of attractions to improve length of stay. At present the region does not have a strong international profile because there is insufficient volume of monetised attractions (relative to other destinations) for the travel trade to actively promote the region.

Key projects that would facilitate greater profile include redevelopment of Huka Falls, additional winter and wet weather products and also improvements to the scale of existing tourism experiences, particularly in Wairakei Tourist Park. There are also significant unrealised potential around existing district assets such as Lake Taupō, the Tongariro River, the Tokaanu Thermal assets, Otumehke Stream/Spa Park and Mount Tauhara. These sites, if appropriately developed and monetised, would meet and then stimulate growing visitor demand.

The district has a diversity of geothermal tourism experiences ranging from Orakei Korako in the north to Tokaanu at the southern end of Lake Taupō. There is potential for upgrading these experiences, plus greater exploitation of spa / wellbeing as a component of the resort offering of the district. This will enable the wider Taupō district to position itself in a distinctly different way.

Further to this, the region has a unique cultural history that is not readily accessible for tourism. Ngati Tuwharetoa, have a rich and deep connection to the mountains, the lake and the surrounding area and this history plays a key role in the Taupō story. This story has the potential to add to existing experiences and would create a unique identity for the region which could be leveraged internationally.

Digital capability and connectivity

The Taupō subregion has tourism experiences widely distributed across the whole region. There are areas where a large number of visitors go which presently do not have high quality digital services. Tourism businesses are constrained in their ability to offer quality services by this lack of capability.

Marketing the destination and wider coordination with surrounding regions

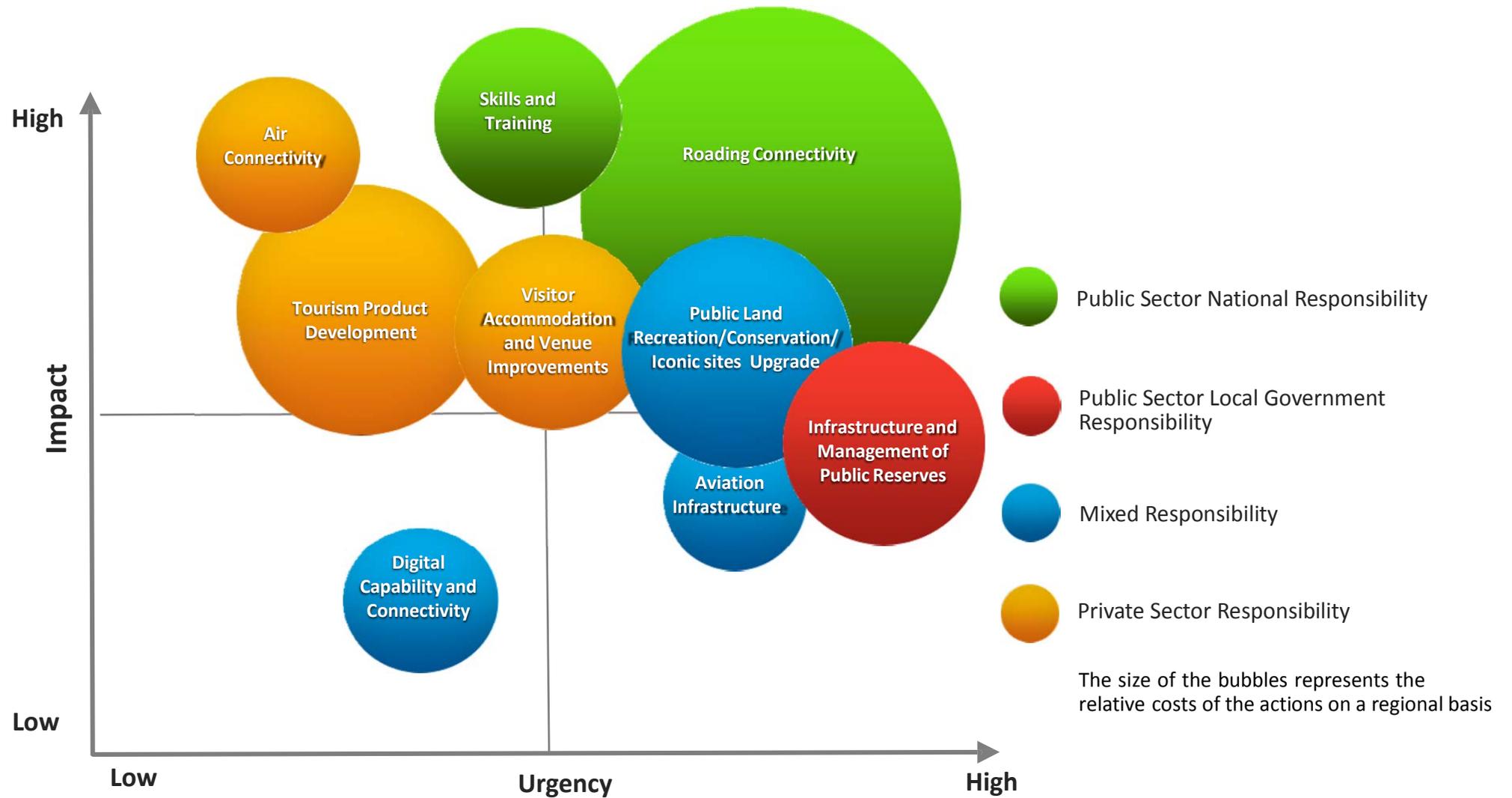
While infrastructure development is vital to the continued growth and development of the Great Lake Taupō subregion, so too is the integrated marketing and promotion of the specific attractions of Taupō district with the wider Bay of Connections region.

Only through a coordinated and consistent approach to marketing to the current and new international markets will the increase in desired international visitation be achieved. While this requires the region to work closely together, it also requires a clear investment in changing the traditional visitor flows and seasonality patterns to adopt new and different experiences as part of the overall New Zealand visit.

Great Lake Taupō, as a mature domestic destination has the natural assets and the potential to be an integral part of new visitation experiences for our international visitors.



PRIORITISATION MATRIX FOR INFRASTRUCTURE IN THE TAUPO SUBREGION



CRITICAL INFRASTRUCTURE / DEVELOPMENT REQUIRED FOR GROWTH

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Aviation infrastructure						
<p>Improved terminal facilities to cater to increased aircraft size/volume and changing security requirements.</p> <p>With the increasing demand for air travel to Taupō there is a need to increase the size of the terminal and associated baggage facilities to meet the additional demand. In addition, general aviation demands from private aircraft have also grown, placing extra demands on facilities.</p> <p>Increased visitor experience/ quality of Airport terminal.</p>	<p>The Taupō Airport is a 50:50 partnership between the Crown and Taupō District Council. There are current plans for a terminal upgrade.</p> <p>The role of Taupō aviation connectivity is linked to the wider network and fleet operations of the airlines.</p>	<p>New facilities to meet additional volumes of visitors by air are estimated at ~\$10M</p> <p>Funding is expected to be required of the airport owners, being the Crown 50% and TDC 50%.</p>	TDC/ Ministry of Transport	<p>Critical / urgent</p> <p>Airport terminal is already suffering overcrowding / capacity issues and does not meet indicated future security requirements.</p>	<p>New terminal building.</p> <p>Expanded carparking.</p> <p>Greater linkages between skydive dropzone and airport terminal.</p> <p>Commercial activities / land developed around airport.</p> <p>Supplementary services enhanced including rental cars, café etc.</p>	<p>Constraint</p> <p>Enabler</p>
Aviation connectivity						
<p>Improved air connectivity from the south</p> <p>Improved air connectivity from the north</p>	<p>Air connectivity is reliant on the commercial decisions of the airlines serving Taupō. In general, airlines will respond to increased visitor demand and address increased seat demand through improved frequency or aircraft size.</p>	Unknown	<p>Air New Zealand</p> <p>Soundsair</p>	<p>High Priority</p> <p>(Important to support growth in international visitors).</p>	<p>Develop long term forecast of demand with AirNZ and other airlines.</p> <p>Develop partnership with airlines to increase frequency and capacity over the longer term including marketing campaigns.</p>	<p>Constraint</p> <p>Enabler</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Camping, reserves and amenity infrastructure at capacity						
Many of the smaller reserves around Taupō township are starting to reach peak capacity. The following work is required:						
Hipapatua (Reids Farm) Landscaping to form separated camping / day visitor areas and upgraded ablutions infrastructure.	Incorporate a long term investment approach into the TDC Long Term Plan. Make application to government tourism infrastructure funds.	\$3 million for Hipapatua (Reids Farm)	TDC	Critical / urgent (Infrastructure is rudimentary and not able to cope with visitor volumes.)	Implement upgrade plans in new Reserve Mgmt Plan	Constraint
Otumuheke Stream / Spa Park Landscaping, ablutions infrastructure and structures around the stream. At present this site has no facilities.	Incorporate a long term investment approach into the TDC Long Term Plan. Make application to government tourism infrastructure funds.	\$750k for Otumuheke / Spa Park	TDC / Tuwharetoa	Critical / urgent Significant upgrades are required	Upgrade site in accordance with concept plans.	Constraint
Taupō Landing Reserve Upgrades will be required to improve amenity at the site and to cope with large day and overnight visitor volumes.	Incorporate a long term investment approach into the TDC Long Term Plan. Engage with Ngati Tuwharetoa. Make application to government tourism infrastructure funds.	Upgrades will be required to improve amenity at the site and to cope with large day and overnight visitor volumes.	TDC / Tuwharetoa	High priority Upgrades will be required to improve amenity at the site and to cope with large day and overnight visitor volumes	Upgrade site in accordance with TUCSP	Enabler Constraint

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Whakaipo Bay A formal DOC (pay to stay) camp ground is proposed by the department.</p>	Link to DOC CMS process	Costs unknown	Dept of Conservation	High priority A formal DOC (pay to stay) camp ground should be installed, plus significant landscaping is required to open up lake access.	Upgrade in accordance with DOC Reserves Management Plan	Constraint
<p>5 Mile Bay Additional facilities are required to cope with visitor volumes. Note; ownership will change due to Treaty settlement.</p>	Incorporate a long term investment approach into the TDC Long Term Plan. Make application to government tourism infrastructure funds.	Costs unknown.	Dept of Conservation / TDC	High priority Additional facilities are required to cope with visitor volumes.	Develop plan/feasibility study	Constraint
<p>Stump Bay Facility upgrades are required at the site to cope with user volumes</p>	Incorporate a long term investment approach into the TDC Long Term Plan. Make application to government tourism infrastructure funds.	Costs unknown	TDC	High priority Facility upgrades are required at the site to cope with user volumes.	Develop concept plan	Constraint

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Tongariro National Park Infrastructure						
Tongariro Alpine Crossing Infrastructure improvements						
<p>The Tongariro Alpine Crossing currently has over 120,000 visitors undertaking the crossing per annum.</p> <p>A changed management regime would both improve the visitor experience and the carrying capacity of the current crossing infrastructure.</p> <p>Develop park and ride facilities in Turangi and Taupō and introduce shuttle only restrictions on Mangatepopo and Ketetahi road ends (during peak periods), to enable pulsing of visitors and track restrictions should this be required.</p> <p>Changes such as a shuttle only service would potentially have the effect of reducing visitor usage, but also raising revenue. Potential revenue includes transport revenue of \$6M, guiding service of \$2.4M and additional stay benefits.</p> <p>Upgrade track facilities/assets to cope with user volumes.</p> <p>Install cultural interpretation at transport hubs and the track start to enhance the visitor experience</p>	<p>Transport infrastructure and in particular, SH1 between Taupō and Turangi to shorten the travel time.</p> <p>“Park and Ride” would require improvements to the visitor infrastructure in Turangi</p> <p>Facilities on the mountain would also need to be improved (toilets, waste water and water supply).</p> <p>Integration with the longer term Department of Conservation national park management plan will be required.</p>	<p>Costs are estimated in the \$5-10M range depending on the spectrum of facilities that might be provided.</p>	<p>Dept of Conservation</p>	<p>Critical / urgent (At critical capacity)</p>	<p>Upgrade track facilities/assets to cope with user volumes.</p> <p>Introduce shuttle only restrictions on Mangatepopo and Ketetahi road ends to enable smoothing of visitor flows</p> <p>Develop park and ride facilities in Turangi and Taupō.</p> <p>Install cultural interpretation at transport hubs and the track start to enhance the visitor experience.</p>	<p>Constraint</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Ski Resort Developments						
<p>The objective of this development is to “recover” over 160,000 skier days that have been lost</p> <p>A second objective is to expand the attractiveness of the mountain and the recreational opportunities to a wider visitor audience, in terms of time of visit and also type of visitor.</p> <p>Potential benefits are of the order of \$40 - \$50M/annum to the wider region</p>	<p>Prioritise transport improvements on SH1 between Taupō and Turangi to reduce the travel time to the ski fields.</p> <p>Transport hub / park and ride facility in Turangi to connect to transport services/shuttles.</p> <p>Ongoing marketing support/investment to promote North Island ski proposition, particularly in to Australia.</p> <p>Develop investment prospectus to encourage additional (international quality) hotel accommodation.</p>	<p>The Ruapehu Alpine Lifts investment is proposed to be \$100M of capital investment between the Whakapapa and Turoa ski fields.</p>	<p>Ruapehu Alpine Lifts</p>	<p>High Priority (Potential for transformational impact for Taupō, Turangi and Ruapehu)</p>	<p>Develop business case for central government support for infrastructural projects on Whakapapa Ski field.</p> <p>Prioritise transport improvements on SH1 between Taupō and Turangi to reduce the travel time to the ski fields.</p> <p>Transport hub / park and ride facility in Turangi to connect to transport services</p> <p>Ongoing marketing support/investment to promote North Island ski proposition, particularly in to Australia.</p> <p>Develop investment prospectus to encourage additional (international quality) hotel accommodation.</p> <p>Major events funding support for a programme of events to help activate winter and support the winter alpine resort theme</p>	<p>Enabler</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Huka Falls and Wairakei Tourist Park – Taupō tourism adventure park						
<p>Huka Falls</p> <p>Around 900,000 visitors go to Huka Falls annually. Visitor numbers at the site are creating significant crowding issues, particularly in the car park and toilets.</p> <p>There is currently a temporary kiosk that sells tourism product and souvenirs. Otherwise this free attraction comprises parking and limited signage.</p> <p>Options for the site will need to include upgrades to the bridge and viewpoints; expanded carparking; development of café/ satellite i-SITE; and enhanced linkages to Taupō township.</p> <p>The potential is to develop additional facilities on the site including food and beverage offering, improved interpretation and guiding, possibly a night time experience and other offers.</p> <p>There is a potential revenue increase offer of around \$5M from additional services provided at the site.</p> <p>There is complexity with this site, as the true left bank will return to Ngati Tuwharetoa via the treaty settlement process. It is unclear, therefore, who will fund required upgrades.</p>		<p>Costs are estimated in the \$2-\$5M range depending upon the scale of offer.</p> <p>In addition, there may need to be a reconsideration of the parking options and experience at the falls themselves.</p> <p>Funding could be either as a private sector initiative or a combination of Government (DOC Visitor services) and private development</p>	Tuwharetoa / Dept of Conservation / LINZ	Critical / urgent Site already suffering significant congestion issues	<p>Develop feasibility study to look at carparking and other infrastructure.</p> <p>Upgrade bridge and viewpoints.</p> <p>Develop café/ satellite i-SITE.</p> <p>Enhance physical and signage linkages to the broader Wairakei Tourist Park.</p>	Constraint Enabler

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Wairakei Tourist Park</p> <p>The wider Wairakei Tourist Park also offers considerable opportunities for additional tourism product and experiences to create a comprehensive tourism precinct</p>		Unknown	Tuwharetoa / LINZ / TDC	Priority Important long-term project	<p>Develop feasibility study to look at carparking and other infrastructure.</p> <p>Enhance physical and signage linkages to the broader Wairakei Tourist Park.</p> <p>Promote vacant land for additional tourism ventures (to create critical mass and scale)</p> <p>Enhance signage / interpretation.</p> <p>Enhance physical connections within and to the site.</p> <p>Put in place enhanced public transport services from Taupō township to the park.</p> <p>Key requirements will be core infrastructure, parking, signage and land access.</p>	Enabler

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Improved Roading infrastructure / connectivity:						
Improved road safety at blackspots such as Bulli Point, the Tauranga Taupō and Tongariro River bridges and the Desert Road.		Corner improvement works, and rest area development at Bulli Point	NZTA	Critical / urgent Significant visitor safety issue on SH1	Engage with NZTA on business case development for road improvements. Develop feasibility study for rest area, toilets, carparking and other facilities to support water access at Bulli Point.	Constraint
Improved connectivity within the region, especially Taupō to Turangi (in the short term passing lane improvements are required on this route)	Improved connectivity between the Taupō subregion and northern and southern locations have been supported for development of the business case by NZTA as part of its planning process ³ .	Bridge improvement / replacement on Tauranga Taupō and Tongariro River bridges.	NZTA	Critical / urgent Significant visitor safety issue on SH1	Engage with NZTA on business case development for road improvements.	Constraint
Improved connection from the North	Connectivity from the North involves assessment of the Piarere to Taupō SH1 link.	Piarere – Taupō is estimated at \$730 – 1050M	NZTA	Priority Important long term project	Engage with NZTA on business case development. In particular tourism trends and visitor requirements.	Enabler

³ <http://www.nzta.govt.nz/planning-and-investment/our-investments/investment-decisions/board-decisions/portfolio-of-inter-regional-business-cases-north-island/>
Taupō – Subregional Strategy FINAL report, prepared by TRC Tourism 01112017

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Improved connection from the South	Connectivity from the south involves Waiouru to Taupō SH1 link.	Taupō – Waiouru is estimated at \$700-900M	NZTA	Priority (Important long term project)	Incorporate tourism growth and travel patterns into planning Engage with interim measures to improve travel times such as passing lanes where change is decades away	Enabler
Connectivity and Basic Services Infrastructure						
<p><i>Information Infrastructure Provision</i></p> <p>I- SITE facilities at Turangi currently offer a complete visitor service, but it is in need of redevelopment. In addition, new tourism services proposed in the district also require improved facilities for ticketing/parking and collection and transfer of visitors.</p>		Potentially \$2-4M inclusive of improved parking facilities	TDC		Review funding model to establish a sustainable mechanism – draw on future visitor requirements and trends Develop best case infrastructure plan	

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Cellular and Digital connectivity</p> <p>High speed fibre to enhance digital connectivity is a prerequisite to enable growth in the current economy.</p> <p>UFB for Taupō Airport, Taupō fringe and Turangi are proposed to be provided in the second tranche of the UFB rollout. This is anticipated to be completed by 2022. No actual date for provision can be provided at this time.</p> <p>Mobile blackspots are being progressively addressed. Current target areas for which bids have been sought in the district include Kuratau, Pureora Forest.</p>		Depends on the scale of service provision	Central Govt/ private sector providers		<p>Continue to advocate for roll out and take up of fibre</p> <p>Investigate free Wi-Fi around Turangi i-site and tourist precincts, e.g. Huka Falls and Wairakei Tourist Park.</p> <p>Identify tourism business that are not covered</p> <p>Develop map of future requirements</p> <p>Seek additional service suppliers or alternative means of service provision</p>	
<p>Basic services infrastructure</p> <p>Lines charges issue for Turangi. The cost is significant and potentially prohibitive to new business investment.</p> <p>Water availability for any new largescale businesses in Taupō.</p>					<p>Partner with other commercial users Seek reprioritisation of rollout</p> <p>Utilities charging regimes are determined by the individual providers.</p>	

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Vibrant town centre						
There is a need for the centres of both Taupō and Turangi to be refreshed – to make them more welcoming and better able to provide the services expected by visitors.						
<p>Taupō CBD enhancement – Civic Heart</p> <p>Taupō CBD must maintain its place as the heart of the city with vibrant offerings for visitors.</p> <p>Accessibility, adequate parking and a connected, compacted feel will be the cornerstone of the area.</p> <p>In addition, there is the opportunity for a major refocus of the town towards the lake with better connection to the lake and boat harbour.</p> <p>The CBD lakefront from the water treatment plant to the landing reserve is a prime opportunity for meaningful redevelopment to create a world class attraction.</p>		<p>Much of the cost of sustaining Taupō township will be part of future development options in the long-term plan. Reorienting the town towards the lake and improving connectivity would require adjustments to the roading network and costs would be in the order of \$5 – 30M depending upon scale of connection desired.</p>	TDC	High Priority (As identified in TUCSP)	<p>The Taupō Urban and Commercial Structure Plan 2012 sets out the vision for the CBD and its implementation over the decade 2012 – 2022.</p> <p>Alter roading network to create a pedestrian friendly CBD core.</p> <p>Reorient Tongariro domain to enhance connections between the CBD and boat harbour.</p> <p>Pedestrian and other amenity enhancements to the lakefront.</p>	Enabler
<p>Turangi redevelopment</p> <p>Turangi as a town centre does not meet current day requirements for retail or to meet visitor needs. Redevelopment and meeting the needs of current day visitors is required.</p>	<p>These opportunities have been identified through the draft Turangi Economic Development Strategy.</p>	<p>Planned economic development strategy for the town will define the opportunities and potential costs. Costs are estimated at \$5M+</p>		High priority (As identified in Turangi ED strategy)	<p>Structural changes to CBD to create a visitor focus.</p> <p>A CBD revitalisation strategy will be the initial priority.</p> <p>New i-site facilities</p>	Enabler

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
Commercialisation, other development and product development requirements						
<p>Lake Taupō commercialisation</p> <p>Lake Taupō has numerous commercial boat operations, working almost exclusively out of Taupo township. There is significant additional potential for commercial activities on the lake (particularly along the urban interface), given the size of the waterbody.</p>	<p>One opportunity is to develop the Taupō CBD to better engage with both Taupō Boat Harbour and the Lake. This could then include promenade developments.</p>	<p>Reorienting the town towards the lake and improving connectivity would require adjustments to the roading network and costs would be in the order of \$5 – 30M depending upon scale of connection desired.</p>	<p>Taupō District Council.</p>	<p>Priority</p>	<p>See actions for Taupō CBD.</p>	<p>Enabler.</p>
<p>Greater commercial development of natural assets like the Tongariro River and the Kaimanawa Ranges.</p> <p>The Kaimanawa Ranges and Tongariro River Corridor are largely undeveloped natural areas. There is mix of conservation and Māori land. There is potential to develop further back country wilderness experiences and luxury/high end accommodation in these sites.</p>		<p>Unknown.</p>	<p>Private landowners</p>	<p>Priority.</p>	<p>Work with owners to determine potential development options.</p>	<p>Enabler</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p><i>Tokaanu redevelopment</i></p> <p>A key attractor for Southern Lake Taupō is the Tokaanu hot pool complex. However, the complex is dated and requires significant investment.</p> <p>This site is currently owned by the Department of Conservation but is to be transferred to Ngati Tuwharetoa through the treaty settlement process.</p>	<p>This opportunity has been identified through the draft Turangi Economic Development Strategy.</p>	<p>Upgrade is estimated at \$2-5M.</p> <p>Thermal walk upgrades estimated at \$0.5M - 1.0M</p>	<p>Tuwharetoa / Dept of Conservation</p>	<p>Priority</p> <p>(As identified in Turangi EDS)</p>	<p>Pool upgrades to provide a more contemporary bathing experience.</p> <p>Upgrades to facilities on thermal walk.</p>	<p>Enabler</p>
<p><i>Opotaka / Lake Rotoaira</i></p> <p>Lake Opotaka is the home of the kamate kamate haka, and there is a significant cultural tourism opportunity at the site.</p> <p>There is also scope to reroute the Lake Rotopounamu track to start/finish at Opotaka, making a nucleus of activity/visitation.</p>		<p>Plan track changes with the Department of Conservation (estimated \$500,000 - \$1,000,000).</p> <p>Develop enhanced carparking/pa interpretation (\$500,000)</p> <p>Feasibility Study \$30,000</p>	<p>Tuwharetoa / Dept of Conservation</p>	<p>Priority</p> <p>(As identified in both Turangi EDS and Ruapehu Visitor Action Plan)</p>	<p>Reroute Lake Rotopounamu track to Lake Rotoaira carpark to enhance safety</p> <p>Develop enhanced carparking facilities/interpretation at Opotaka Pa.</p> <p>Investigate recreation of historical village (or replica of it) on the island in Lake Rotoaira.</p> <p>Investigate cultural tourism opportunities at site, including waka tourism on the lake with associated jetty facilities</p>	<p>Enabler</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Mount Tauhara biodiversity, conference and recreation facilities</p> <p>Develop a tourism, recreation and hospitality experience.</p> <p>Mount Tauhara is multiple owned Māori land. The trustees are looking at options to develop the site.</p>	Linkages to MBIE funded work initiated by the Tuwharetoa Maori Trust Board.	Funding may be sourced from private investors.	Landowners / trustees	Priority (Develop when landowners have developed their own plans/aspirations for the site).	Feasibility study	Enabler
<p>Mt Pihanga</p> <p>The upper part of Mt Pihanga is part of the Tongariro National Park, however the flank of the mountain is private farmland. There is potential for development of a tourism, recreation and hospitality experience on this farmland, to take advantage of outstanding views from this location.</p>	There are similarities between this site and Mount Tauhara.	Funding may be sourced from private investors.	Landowners / trustees	Priority (Develop when landowners have developed their own plans/aspirations for the site).	Feasibility study	Enabler
<p>All Weather/winter product development</p> <p>One of the significant deficits in the Taupō subregion is a lack of a comprehensive suite of all-weather/winter product, suitable for a wide range of visitors.</p>		Depends on the proposed product offer. Private Sector investment	Private sector	Priority	Develop prospectus of opportunities	Enabler

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Cultural tourism development</p> <p>There is also a significant deficit of cultural product / storytelling suitable for a wide range of visitors.</p> <p>Develop story telling project, to link key sites.</p> <p>Install interpretative material and pou/carvings at key sites.</p>	<p>Develop additional products, interpretation and ensure storytelling is enhanced across the region.</p>	<p>Unknown</p>	<p>Tuwharetoa</p>	<p>High priority</p>	<p>Initiate feasibility study</p> <p>New product development. Story boarding</p> <p>Cultural centre</p> <p>Museum upgrade/expansion</p>	<p>Enabler</p>
<p>Geothermal / Spa Development</p> <p>There are significant opportunities to develop existing geothermal assets that already exist around the district.</p> <p>Redevelop Tokaanu walk and pool complex.</p> <p>New facilities at Otumuheke Stream/Spa Park</p> <p>Taupō lakefront hot water beach infrastructure.</p> <p>Additional developments at existing commercial hot pool complexes.</p>		<p>Private sector and crown / iwi funding for some assets.</p>	<p>Various landowners</p>	<p>Priority</p>	<p>Develop feasibility studies for each option</p>	<p>Enabler</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Cycling Development</p> <p>While Taupō now has a significant mountain bike visitor experience offering there remains potential to expand the current network, improve the connectivity with other attractions and increase the quality and diversity of the existing infrastructure to attract a wider range of riders.</p> <p>The most compelling project is the opportunity for a Turangi to Taupō shared use trail on the eastern edge of Lake Taupō. This would create a grade 1 cycling/walking opportunity, would connect Turangi to the tourism flows of Taupō, and would enable development of significant areas of Māori land.</p>	<p>There are some infrastructure dependencies that additional mountain biking opportunities rely on.</p> <ul style="list-style-type: none"> Improved parking at road ends Improved shuttle services (on water and road) Connectivity and dependency with SH1 proposals between Taupō and Turangi SH1 Realignment past Bulli point increasing safety <p>Grade improvements on existing tracks.</p> <p>Ensure that commercial opportunities are identified for private land blocks as part of trail development.</p>	<p>The Turangi to Taupō proposal is estimated to cost \$16M. However, a staged approach is expected with the initial stage estimated at less than \$8M</p>	<p>TDC / Independent trust</p>	<p>High Priority</p> <p>As identified in Turangi EDS and T2T feasibility study</p>	<p>Build new track connecting Turangi to Stump Bay.</p> <p>Build new track connecting Stump Bay to Motuoapa and new Marina facilities.</p> <p>Realign SH1 at Bulli point and create safe walking access from Motutere to Bulli Point.</p>	<p>Enabler</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Increased visitor experiences that are able to be marketed internationally</p> <p>While Taupō attracts a significant number of international visitors there is a shortage of commissionable product that can be marketed as an experience in the destination. Alternatively scaling existing products such as Jet boat, Prawn Park, Bungy, Lake Cruise etc, will be needed to meet growth projections. Soft adventure is likely to be attractive to the largest markets</p>		<p>New attractions can be developed within a range of costs from \$2-\$20M depending on complexity</p>	DGLT / EGLT	<p>High priority</p> <p>As identified in Great Lake Taupō Tourism Strategic Document</p>	<p>Work with travel trade and local operators.</p> <p>Develop prospectus of possible opportunities.</p>	Enabler
<p>Conferencing and Events facilities</p> <p>Taupō district has a strong reputation as an events destination. It also is a central destination for small to medium conferences. There are increasing opportunities for events and conferences and these require both indoor and outdoor spaces. To maintain and grow these visitor markets Taupō will need additional and larger facilities. Redevelopment of the Great Lake Centre is required.</p>		<p>Funding of increases in facilities for conferences and events may require either a new venue or increased scale of existing venues.</p> <p>Funding may be sourced from private investors, as part of a new development or from local government or a combination of these sources.</p>	Taupō District Council	<p>High priority</p> <p>GLC already at capacity for larger events.</p>	<p>Redevelopment of the Great Lake Centre.</p>	<p>Constraint</p> <p>Enabler</p>

Infrastructure Requirement	Linkage with other actions/programmes	Potential Costs (if known)	Lead	Priority	Action Plan Steps	Enabler / Constraint
<p>Hotel Development</p> <p>Taupō suffers from having limited hotel product and a limited ability to offer accommodation closely located near to the CBD. Need for more 4 star and above accommodation.</p> <p>Group business and coach tours are especially interested in this sort of offer and this is an unsatisfied gap in the visitor market.</p> <p>Improved conferencing facilities would also enable an expansion of this market for the Taupō sub region.</p>		<p>A hotel product cost depends on the size and quality offer that is viable from a return on investment basis. Assuming a moderate sized hotel and a quality offer, it is estimated that a hotel (without conferencing facilities would be estimated to require around \$50M.</p>	Private Sector	High Priority	<p>Develop prospectus of accommodation opportunities and incorporate as part of Project Palace.</p> <p>Ensure planning processes help facilitate appropriate hotel developments.</p> <p>Redevelop Taupō CBD to facilitate access to key parcels of land.</p>	Enabler
<p>Skilled Staff</p> <p>With a desired growth rate that is double that of the last decade Taupō district will require a significant increase in skilled staff at all levels and locations within the sector. Current employment is estimated at 3500. This will need to increase by over 50% to fulfil the growth requirements of the industry.</p> <p>1800 additional jobs will require significant investment by the tourism sector, educational institutions as well as private individuals.</p>	<p>Service IQ has completed a roadmap for the service sector that covers much of the tourism sector. Their detailed needs analysis requires implementation and acceleration in the light of recent growth in the sector.</p> <p>There are significant gaps in making the linkage between education and the workplace that would benefit from additional funding and skilled facilitators and ambassadors.</p>	<p>No specific cost estimate for overall implementation of the roadmap.</p> <p>Components such as gateway programmes and ambassadors to facilitate business: school interaction cost be estimated at 1800* \$100 = \$1.8M</p> <p>Other components would need to be costed.</p>	Various	<p>High Priority</p> <p>Labour force issues are already emerging</p>	<p>Partner with Service IQ and providers to develop funding case and seek additional funding from Education via tertiary institutes.</p> <p>Develop with industry the opportunities for engagement with a local tourism industry champion.</p> <p>Increased capacity in RTO for meaningful engagement to drive key education projects and integration for industry upskilling.</p>	Constraint

TAUPŌ OVERVIEW

The Taupō sub region covers a significant part of the central volcanic plateau. It spans from Mangakino in the north to the peak of Ruapehu in the south and stretches west to the Pureora Forest Park and east in to the Kaimanawa Ranges. The region encompasses Lake Taupō and its surroundings. The region is a long-established visitor destination with an international reputation for trout fishing, hiking and skydiving. It offers a wide variety of outdoor recreational attractions and sporting activities for visitors. The region continues to be a popular holiday destination for domestic visitors, with international visitors mainly coming from traditional markets. The unique attractions of the region include the Tongariro Crossing, the Taupō Trout fishery, Lake Taupō and Huka Falls.

THE TAUPŌ VISITOR ECONOMY

The Taupō subregion receives around 1 million visitors and 3 million visitor nights per annum.

Two thirds of visitor nights are generated by domestic visitors.

\$600 million was spent by visitors in the local economy in 2016⁴. Around two thirds of this spending is generated by domestic visitors.

Between 2009 and 2016 annual visitor spend grew by 18%. The compound annual growth rate was 2.4%.

The growth in visitation and spending is occurring largely through international visitors (10% and 17% respectively in each of the last two years), but domestic visitors are also growing at approximately 4-5% per annum⁵.

The main international markets are Australia, US and UK/Europe comprising around 75% of international visitor spend.

The main domestic visitor spend is generated by residents visiting Taupō from Auckland and Wellington with over 40% of domestic spend by visitors from these two centres. The surrounding regions of the Waikato, Bay of Plenty and Manawatu-Wanganui make up the majority of the rest of the domestic spend.

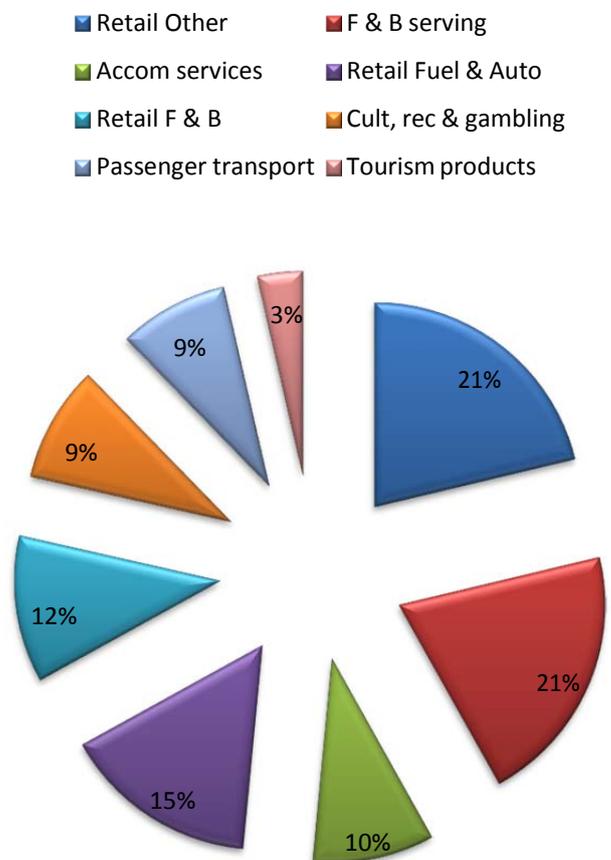
Spending patterns are strongly seasonal with a significant peak occurring over December – January with 27% of total spend occurring in this period. Taupō has traditionally experienced a low period over the winter months of May to October with small peaks during school holidays (although with investment on Mt Ruapehu this is expected to change). This trend is

even throughout the district, but seasonality is more pronounced in Turangi and other lakeside settlements.

Overall, the Taupō Subregion has a wide range of visitor products and services, well developed to service the targeted short break market, but heavily targeted to summer visitation.

There is significant infrastructure required to help unlock tourism potential of the region. However, growth will quite quickly overwhelm infrastructure at key attractions if investment is not made now to manage existing pressures in peak periods.

Spend Profile for the Taupō Subregion:



⁴ Monthly regional tourism estimates

⁵ Destination Great Lake Taupō Tourism Plan

ACCOMMODATION

Great Lake Taupō's visitor nights are spent in a mix of private and commercial accommodation. Roughly one third of guest nights are in commercial accommodation, with the remainder in private (mainly holiday home) accommodation, bed and breakfasts and freedom camping.

It is estimated Taupō's usual resident population can increase by 100 per cent at peak holiday times such as Christmas/New Year, Easter, school holidays and around events. During these times, holiday homes and commercial accommodation in the district are full.

The subregion has a large stock of motel accommodation most of which is 3-4 star. Anecdotal evidence suggests that some reinvestment is occurring in the hotel and motel accommodation but at a micro level. The subregion has a limited quantity of hotel accommodation with few internationally recognised brands. This limits the destination's ability to service the international and groups market at any volume. With a rapid increase in international guest nights over the last 12 months it is predicted that a significant increase in hotel capacity will be required. If this does not occur, it will both inhibit growth and impact on the regions ability to continue to attract significant events.

Taupō also hosts conferences and meetings, accounting for 5% of the national conference market (and 2% of the overall business events market). Growth in midweek occupancy from international visitors is already starting to inhibit expansion in this area.

There has been recent investment in holiday parks to develop a more resort type offer to increasingly discerning visitors.

The backpacker accommodation market has experienced a fall in occupancy/guest nights in recent times. This softening may be due to a growth in Airbnb as well as a significant increase in freedom camping, although some establishments linked with bus companies are growing.

ATTRACTIONS

Taupō district has a comprehensive mix of outdoor paid activities ranging from bungee, jet boat, lake cruising, fishing, rafting, guided alpine walks and ski. These attractions are largely located in four nodes, the Taupō Airport, the Taupō town centre, Wairakei Tourist Park and Turangi town centre. In all four areas additional activities/investment would be desirable to consolidate and provide critical mass.

The subregion lacks indoor, wet weather and passive activities both in diversity and scale. It is hoped that there will be more private investment in to large scale visitor attractions in the next five years. However, for this to occur, it will be critical that land and

infrastructure is made available to facilitate this.

Some of the iconic attractions around Taupō are starting to experience crowding issues at peak periods. Key sites including Huka Falls, Reids Farm, Spa Park and Bulli Point. The Tongariro Crossing and Whakapapa Village have similar issues. Infrastructure investment will be key to manage visitation at these sites.

Turangi township acts as a gateway to the Tongariro National Park and has a different visitor mix that has a focus on outdoor walking, fishing and nature based recreation activities.

Taupō has a large portfolio of events that draw a wide range of visitors to the destination. Some key iconic events such as Ironman and the Cycle Challenge fill the town and generate demand for additional accommodation, activities and key infrastructure to support growth. Infrastructure investment is key both to enable growth and avoid event fatigue in the community.

RETAIL AND RESTAURANTS

The subregion comprises Taupō township, Turangi, Mangakino and a number of smaller residential holiday home communities around Lake Taupō and the hydro lakes on the Waikato River.

The Taupō township has a compact retail offering that is seen as an attractive alternative to mall shopping. At present Taupō's retail precinct reflects its rural servicing heritage and does not make the most of the lake, boat harbour or the other scenic opportunities around the town.

Taupō has sufficient restaurants, but does not offer the range of cuisines that would match the future visitor profile (particularly as the importance of Asian markets increases). With much of the retail and dining options in a compact location, the town offers a resort style of experience to visitors. However limited opening hours reduces retail opportunities, especially during peak season.

The other townships in the district are considerably smaller in the range of services they offer, and many are small residential and holiday home communities with limited services.

Turangi offers the normal range of services or the visitor as well as a range of services targeted at boating and fishing. However, the town does not yet present a strong tourism offer to visitors and retail is currently in decline in the mall.

TAUPŌ'S DESTINATION APPEAL



Highly accessible and well-known sights and attractions (Huka Falls, Tongariro Alpine Crossing, Lake Taupō Cycling tracks)



World renowned trout fishery



Volcano and geothermal activity



Proximity to snow sports - Whakapapa Ski Area



Quality dining and retail opportunities



A strong seasonal events calendar



Popular for small to mid- sized conference market



Quality offering for premium market with some iconic offers.



Turangi is the northern gateway to the Tongariro National Park and Alpine Crossing