

GREAT WALKS DIFFERENTIAL PRICING TRIAL

2018/19 Season (October 2018 to April 2019)



Department of Conservation
Te Papa Atawhai

CONTEXT

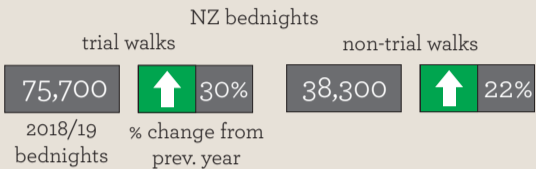
During the 2018/19 Great Walk season (October 2018 to April 2019), DOC trialled differential pricing on four of the most popular Great Walks. The trial provided valuable information on the effectiveness of pricing as a tool to manage visitor pressure. It was also part of DOC's work to set and maintain a fair pricing system for New Zealanders, recover costs and ensure the fees reflect the true value of these world-class walks.

The price increase set hut and campsite fees for international visitors at double the current price for Milford, Routeburn, Kepler and Abel Tasman Coast tracks. Fees for international children 0-17 years set to the same level as international adults on these Great Walks (New Zealand children are free of charge).

GREAT WALK NETWORK¹

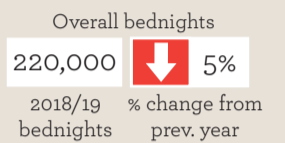
NEW ZEALANDERS

NZ bednights have increased, most notably on the trial walks².



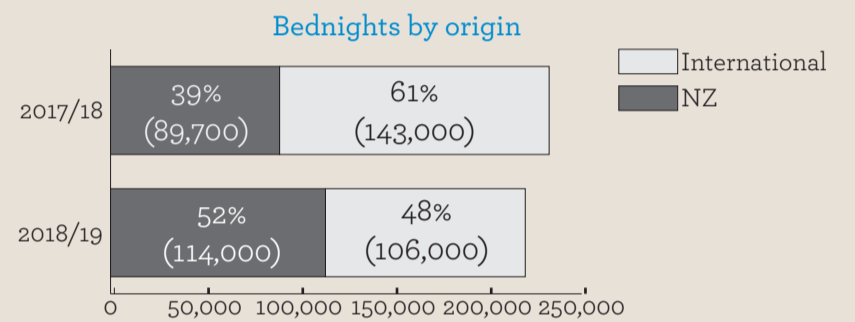
OVERALL PROPORTION

There is now a more equal distribution of NZ and international bednights. However, total bednights have slightly decreased (-5%).



INTERNATIONALS

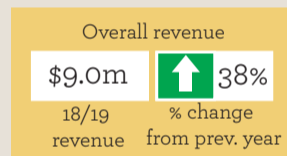
International bednights have decreased, most notably on the trial walks³.



REVENUE⁴

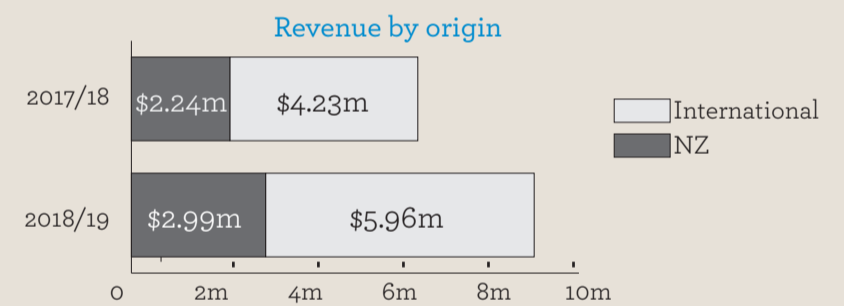
OVERALL REVENUE

Revenue has increased due to a higher international price on trial walks and increased NZ bednights across all Great Walks.



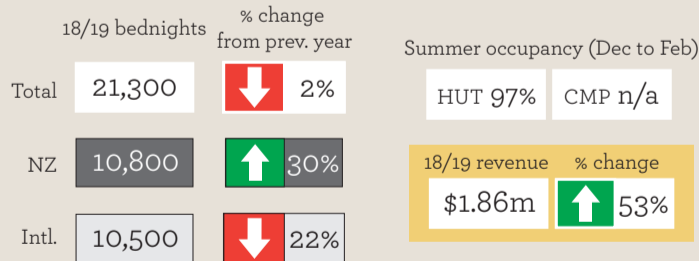
ADDITIONAL REVENUE GENERATED

To date an estimated \$2.4m additional revenue has been generated due to the differential pricing on the Great Walks.

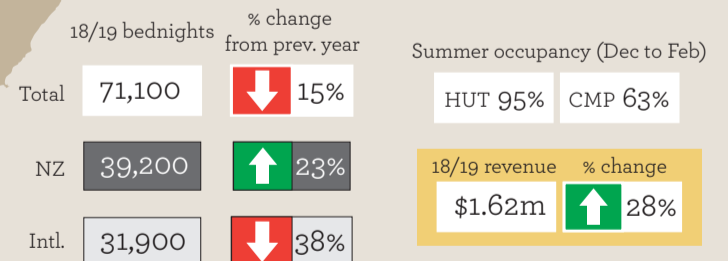


TRIAL WALKS

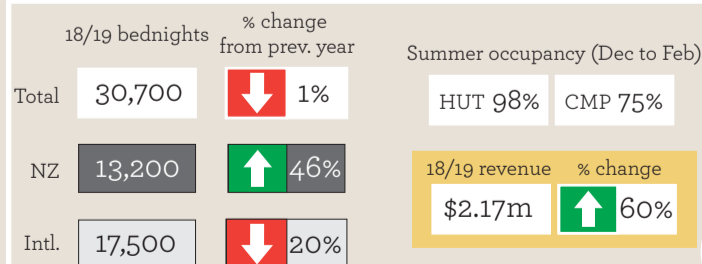
MILFORD TRACK⁵



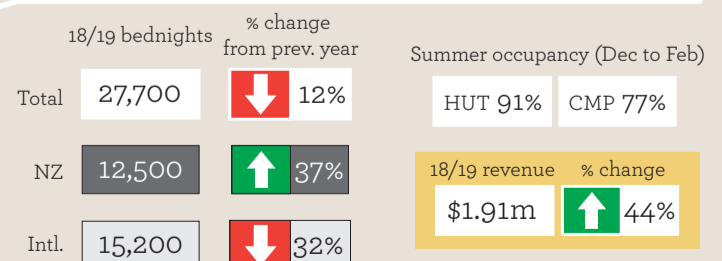
ABEL TASMAN COAST TRACK



KEPLER TRACK



ROUTEburn TRACK⁵



¹Revenue and bednights are for all Great Walks excluding Lake Waikaremoana.

²NZ children have increased by 13 per cent compared to 2017/18. NZ children have increased (+10%) on trial walks and (+21%) on non-trial walks.

³International children have decreased by 26 per cent compared to 2017/18. International children have decreased (-35%) on trial walks but have increased (+11%) on non-trial walks.

⁴Revenue is based on bed-nights multiplied by price (GST exclusive), and does not include revenue from cancellation fees.

⁵The Milford Track and Routeburn Track were closed for part of the trial period.