

The background of the slide is a dark, blue-tinted photograph. On the left, there is a calm body of water, likely a lake or a wide river. In the foreground and middle ground, a paved path winds through a grassy area. Two people are riding bicycles on the path; one is in the foreground, and another is further down the path. The sky is overcast with soft, diffused light. The overall mood is serene and active.

IMPACT ASSESSMENT

TAUPŌ DISTRICT OFF-ROAD RECREATIONAL CYCLING

FINAL REPORT YE DECEMBER 2022

Prepared for Bike Taupō
June 2023

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INTRODUCTION

Background

Bike Taupō is a cycling advocacy group, formalised in 2002 to represent the interests of cyclists in the Taupō District. As set out in the group's 2022/23 Strategic Plan, Bike Taupō aims to **encourage** and **enable** cycling for active transport and recreation through a range of advocacy and promotional work.

Bike Taupō commissioned this impact assessment to provide members and other interested parties with a better understanding of the value of off-road recreational cycling to the Taupō District and the specific impacts that it has had on local businesses, communities, and visitors in the calendar year 2022. The findings will be used to support new and existing investment in trails.

Objectives

The research was designed to measure and to demonstrate the value of off-road recreational cycling to the Taupō District, considering:

- the direct economic impact of expenditure by visitors attracted to Taupō to participate in off-road recreational cycling;
- the indirect impacts that arise from the development of local businesses and the employment they create; and
- the wider (social/community) benefits of off-road cycling facilities and services in the Taupō District and the value these create for the Taupō District.

The specific scope of this work is off-road recreational cycling (i.e., all non-commuter cycling undertaken off-road for recreational purposes). This includes cycling on mountain bike trails and recreational paths (such as the Great Lake Pathway) and events where biking is a key component (on- and off-road and including multisport events). In all other respects, road cycling is considered out-of-scope, as is use of trails for walking, running or other purposes.

Methodology

The research involved a mix of desk research, new research with cyclists and local business owners/operators/other stakeholders, data analysis and reporting. Designed in consultation with Bike Taupō, the four main components of research are described further overleaf.

INTRODUCTION (CONT.)

DESK RESEARCH (INCLUDING EXISTING TRAIL DATA)

The desk research included a review of existing data and research on in-scope cycling activity in the Taupō District. This included EIA data, survey results from Bike Taupō's membership survey, regional economic data, data relating to tourism activity in the District and trail user survey data for the Great Lake and Waikato River Trails.

EVENT ORGANISERS

Information on relevant events was also gathered via email and phone contact with event organisers and Taupō District Council.

SURVEY OF TRAIL STAKEHOLDERS

An online survey of stakeholders was designed to complement the trail user survey and to capture the data needed to assess both economic and wider community impacts. A database was compiled by Bike Taupō including key partners, sponsors other stakeholder groups (businesses providing products/services for people using the trails; local government entities; local schools, sporting and recreation groups; and other community groups.)

All stakeholders were emailed (by Bike Taupō) with a personal invitation to complete the online survey. Two generic survey links were also provided for wider distribution to trail users and the business community.

Data for the impact assessment is based on a final sample of n=44 stakeholders, or which n=8 were local businesses. This sample of local businesses is insufficient for robust statistical analysis and only general comment can be made about the economic contribution of off-road recreational cycling to Taupō District beyond the direct impact of visitor expenditure.

SURVEY OF TRAIL USERS

An online survey of trail users was undertaken to gather information on trail use and expenditure by visiting trail users. For the purposes of this survey, 'trail users' were defined as people who had cycled, off-road for recreational purposes in the Taupō District in the last 12 months (and were aged 15 years or more).

The data used for the impact assessment is based on a final survey sample of n=739 trail users.

Several methods were used to reach out to potential participants and to encourage broad community and visitor participation. Angus & Associates worked with Bike Taupō to develop communications about the research which was publicised across Bike Taupō's communication channels and information about the research was also distributed to Bike Taupō partners and local businesses. All communications invited trail users to register for the research via a dedicated URL (www.angusassociates.co.nz/bikeTaupōBT) and a linked QR code.

Bike Taupō also emailed all members, key partners, sponsors and other stakeholder groups informing them of the two surveys (Trail User and Stakeholder surveys) and asking them to complete the survey/s and forward the links to their own databases, colleagues, family, whānau and friends.

A prize draw incentive was offered to those who responded to the survey.

It is noted that much of the Trail User survey fieldwork was undertaken immediately following Cyclone Gabrielle and this is likely to have affected response to some extent. Previous research has indicated that a high proportion of visitors to the Taupō District for off-road recreational cycling purposes are from areas that were directly affected by the Cyclone, including Bay of Plenty and Hawke's Bay. Response rates from both regions are likely to be lower than would otherwise be expected although the impact of this on survey findings cannot be quantified.

EXECUTIVE SUMMARY

This report outlines the findings of research undertaken to measure the value of off-road recreational cycling to the Taupō District. It focusses on the 12-month period to December 2022 and the nine trails that make up the majority of the District's off-road cycling network: Craters Mountain Bike Park, Huka Trails, the Great Lake Trail, the Waikato River Trail, the Great Lake Pathway, Waihaha Hut Trail, Te Iringa Trail and Pillars of Hercules Trail/Tree Trunk Gorge.

A combination of desk research - including counter data and other estimates of activity supplied by Bike Taupō - stakeholder interviews, and new survey data has been used to estimate the direct economic contribution made by qualifying visitors to Taupō District (those visiting for the purpose of off-road recreational cycling or extending a visit planned for other reasons to participate in a cycling experience).

Based on this analysis, we have estimated that: -

- A total of at least **55,000 visitors** to the Taupō District in 2022 can be attributed to off-road recreational cycling.
- These visitors collectively stayed more than **80,000 nights** in the District and spent **almost \$19 million in total** (an average of \$340 per person per visit).
- The great majority of this contribution accrued from people visiting Taupō District only/mainly for the purpose of off-road recreational cycling, and spending average of 2.3 nights in the District.
- While expenditure on accommodation, food/meals/drinks and local transport accounts for the largest share of visitor spend, **many sectors of the economy benefitted to some extent.**

- Based on our analysis of several cycling events, we estimate that at least another **\$1 million** accrued to the Taupō District from event-related activity that was attributable to off-road recreational cycling in the District.
- By summing the above - visitor expenditure + other event-related expenditure - a reasonable estimate of the direct economic contribution made by off-road recreational cycling to the Taupō District in the year ending December 2022 is **\$20 million.**

The estimated direct economic contribution of off-road recreational cycling to the Taupō District in 2022 was \$20 million

Indirect economic contribution also accrues from jobs created/sustained and the flow-on effect that results from re-spending of money by households and **businesses** within the local economy. Based on our analysis of secondary data, we estimate that off road recreational cycling **supports 175 full-time equivalent jobs in the Taupō District.**

As an indication of other indirect impacts, stakeholder survey data shows that:

- Off-road recreational cycling has been a factor in the development of new enterprises in the Taupō District: five of the eight 'new' businesses that responded to the stakeholder survey (those established since 2009) indicated that the growth and increased popularity of off-road recreational cycling was a factor in the establishment of their business.

(The stimulatory effect of off-road recreational cycling can also be seen in information supplied by Bike Taupō: this shows that of 16 specifically bike-related businesses in the Taupō District, 13 had been established following the growth in popularity of off-road recreational cycling.)

EXECUTIVE SUMMARY

- Off-road recreational cycling has also led to the expansion of businesses that predated growth in off-road recreational cycling: six of the eight businesses established prior to 2009 had expanded or added new services solely or partly in response to growth in the recreational cycling market.
- Six of these eight established businesses also indicated that the increased popularity of off-road recreational cycling had led to an increase in expenditure by their own business – pointing to flow-on effects benefitting other local businesses.
- On average, the 16 businesses participating in the stakeholder survey attributed a significant **32% of their annual turnover** to off-road recreational cycling (an average of almost \$1.9 million per business).
- Off-road recreational cycling has created **new employment** in Taupō District: as well as the new enterprises that have been developed, two of the eight businesses that predated 2009 had increased their full-time staff as a result of growing demand from the off-road recreational cycling market; two of these businesses had increased their part-time staff.
- As well as the economic contribution made by off-road recreational cycling, there are a **range of 'felt social benefits' for residents of the Taupō District.**

The facilities and services developed to support off-road recreational cycling are not only valued by the local community but far-reaching in their impact: for example, making the District a more vibrant and appealing place to live; increasing the profile of the District; creating greater understanding of the area's natural environment; delivering valuable off-peak visitors for local businesses; providing new 'active transport' options for local residents; and attracting people to live, study, work and play in the Taupō District.

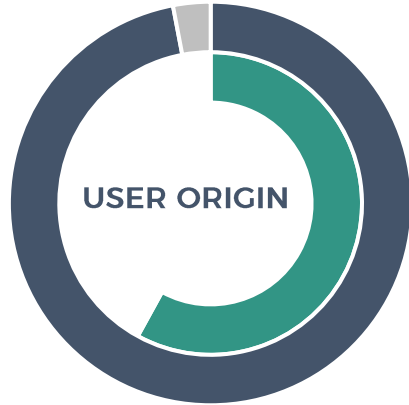


Craters MTB Park

TRAIL USAGE



TRAIL USER PROFILE



Data provided by Bike Taupō indicates that, in the year ending December 2022, there were a total of 291,300 trips taken on qualifying off-road recreational cycle trails in the Taupō District.¹ By extrapolating 'last trip' trail user survey data to total trips taken in 2022, we have estimated that: -

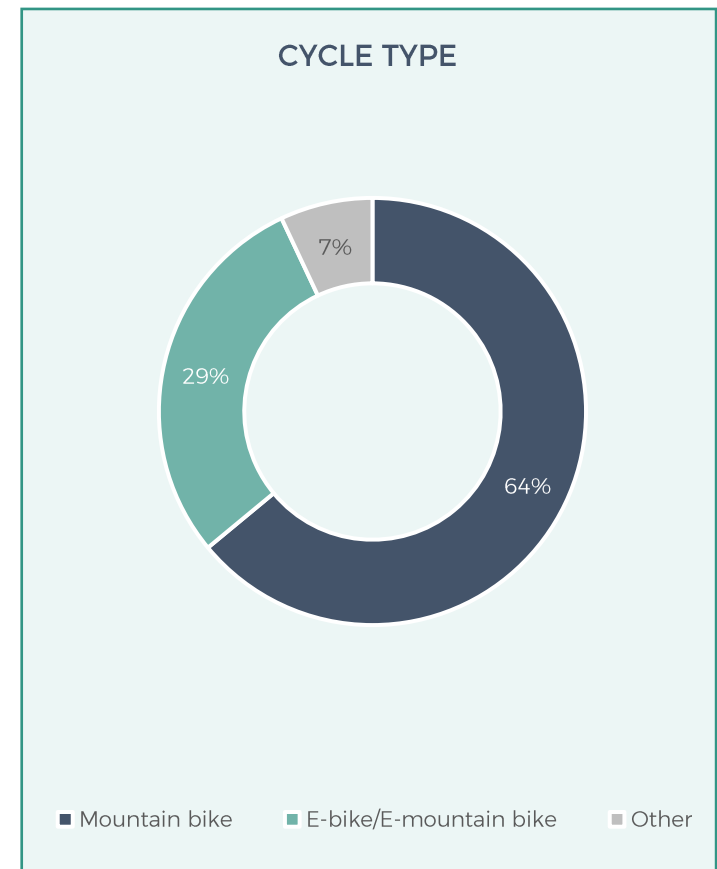
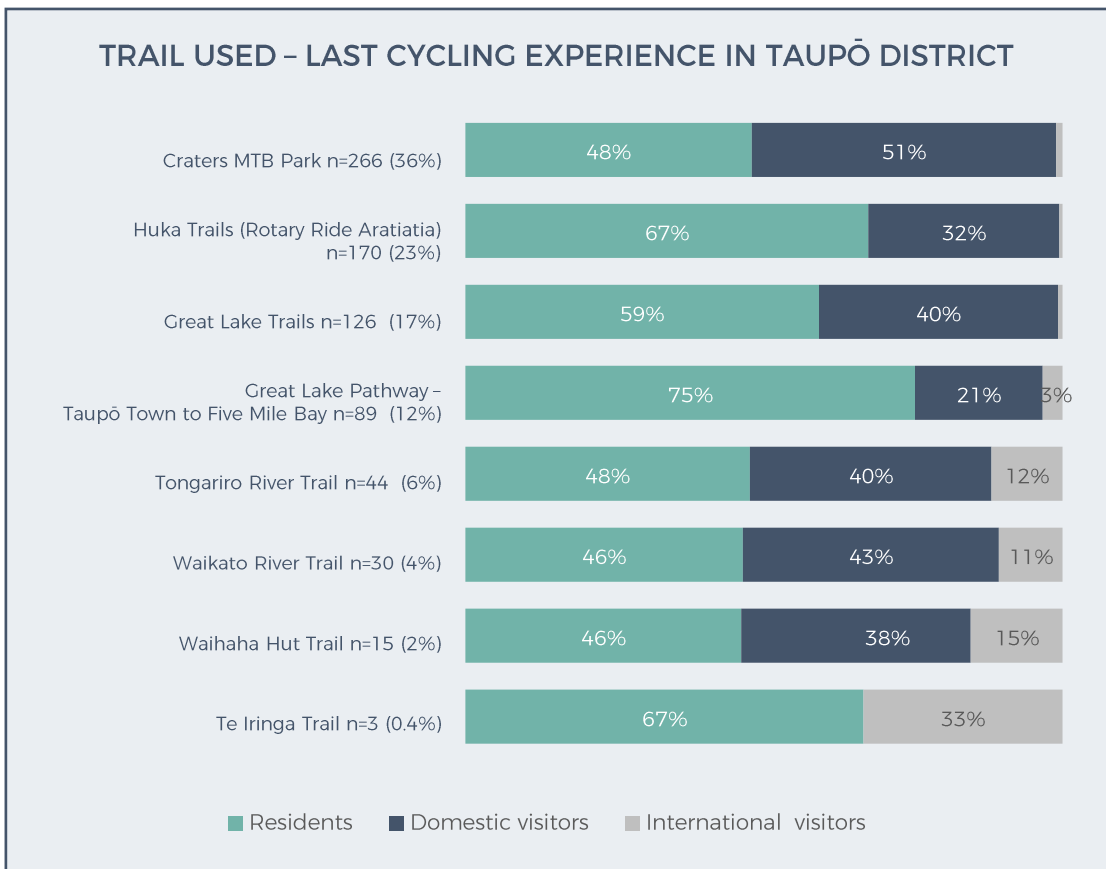
- 168,954 trips (58%) were made by residents of Taupō District and the remaining 121,379 (42%) by visitors.
- 282,561 trips (97%) were made by New Zealand residents (including Taupō residents). The largest groups of domestic visitors originated from Auckland (23%) or Wellington (21%), with Bay of Plenty (14%) and Waikato (12%) also important source markets.
- International visitors accounted for just 3% of all trips.
- Three out of five trail users were male.
- More than half of trail users were aged between 40 and 59 years.
- A typical group participating in off-road recreational cycling in the Taupō District comprised 3-4 people (an average of 3.8) and included three adults and one child aged 14 years or less.



TRAIL USAGE

Based on 'last trail used', the survey data indicates that Craters MTB Park is the most popular of the trails considered in this research, with 36% of all survey respondents having used Craters MTB Park on their most recent cycling experience in Taupō District. Other popular trails were Huka Trails (23%), Great Lake Trails (17%) and the Great Lake Pathway (12%). Huka Trails and the Great Lake Pathway catered primarily for local users, while Craters MTB Park, the two Great Rides (Waikato River Trail and Great Lake Trails), and Tongariro River Trail all attracted a high proportion of visitors to the Taupō District.

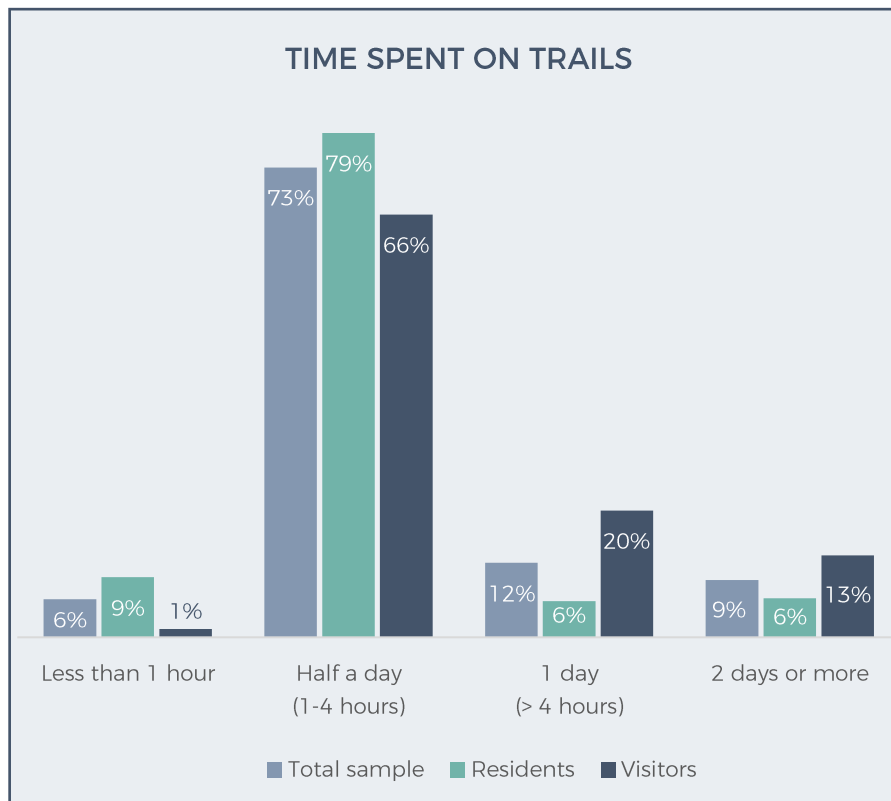
Nearly two-thirds (64%) of trail users rode a mountain bike on their most recent cycle trip and almost one third (29%) rode an e-bike or e-mountain bike.



TRAIL USAGE (CONT.)

'Last trip' survey data indicates that nearly three quarters (73%) of all trail uses involve an experience of half a day or less (1-4 hours) although visitors typically spend longer on-trail than residents. This is most likely a factor of the trails chosen, as residents make up a very high proportion of those using the more accessible trails – such as the Great Lake Pathway and Huka Trails – and a smaller proportion of the Great Rides and other remoter access trails.

Not surprisingly, visitors are more likely than residents to use local facilities and services in association with their trail experience (especially food and beverage services, accommodation and other activities on/near their chosen trail) although almost 40% of residents also combine a trail experience with use of food/beverage services.



FACILITIES/SERVICES USED

	Total Sample	Residents	Visitors
Food and beverage services on/near the trail	55%	39% ▼	77% ▲
Accommodation on/near the trail	20%	4% ▼	42% ▲
Other activities on/near the trail	15%	5% ▼	28% ▲
Bike shuttle or other transport to/from the trail	6%	5%	8%
Bike hire	5%	4%	6%
Other facilities or services	3%	3%	4%
Guide	2%	1%	2%
None of these	34%	51% ▲	10% ▼
Base:	n=739	n=426	n=313

REASON FOR USE

Almost three-quarters (73%) of trail users reported that exercise/improving physical fitness was the reason for their last off-road recreational cycling experience. Other common reasons for off-road recreational cycle trail use are spending time/socialising with family, spending time outdoors/in the natural environment, improving overall physical health, and for relaxation/peace/mental health. Event-related activity is also significant: 11% reporting that ‘training for an event’ was a reason for their last off-road recreational cycling experience and 2%, participating in an event.

While similar for the most part, there are some differences in the motivations of local and visiting trail users. Spending time outdoors/in the natural environment and sightseeing are both significantly more important to visiting trail users than to residents, while exercise/improving physical fitness is more often a motivation for local users than visitors.



	Total Sample	Residents	Visitors
For exercise/improving physical fitness	73%	77% ▲	69% ▼
Spending time/socialising with friends or family	54%	52%	57%
Spending time outdoors and in nature / in the natural environment	50%	43% ▼	60% ▲
To improve physical health	45%	46%	43%
For relaxation/peace and quiet/mental health	45%	45%	44%
Sightseeing	15%	8% ▼	23% ▲
To experience or learn about the natural environment	14%	14%	14%
Training for an event	11%	12%	9%
To experience or learn about the local culture and heritage	5%	6%	5%
Participating in an event	2%	1%	3%
Other (please specify)	4%	4%	5%
Base:	n=739	n=426	n=313

OVERALL SATISFACTION

Off-road recreational cycle trail users express very high levels of satisfaction with their trail experiences in the Taupō District, with more than half (59%) rating their experience 9 or 10 on a 10-point satisfaction scale. The average satisfaction rating overall was 8.7.

	Total sample
10 (Very Satisfied)	37%
9	22%
8	24%
7	11%
6	4%
5	2%
4	0%
3	0%
2	0%
1 (Very Dissatisfied)	0%
Average	8.7




59% of users rate their trail experience 9 or 10 (out of 10)

- Visitors express slightly higher levels of satisfaction than residents, with an average of 8.8, compared with residents' 8.6 (out of 10).
- Older users are more likely to be satisfied with their trail experience than younger trail users.
- Those using the trails for sightseeing are the most satisfied, giving an average score of 9 out of 10.

NET PROMOTER SCORE

These very high levels of trail user satisfaction are reflected in a Net Promoter Score (NPS)* of +68.

		Total sample
Promoters	10 (Extremely likely)	56%
	9	18%
Passive	8	14%
	7	6%
Detractors	6	3%
	5	3%
	4	0%
	3	0%
	2	0%
	1	0%
0 (Not at all likely)		0%
NPS		+68



+68
Net Promoter Score

- The NPS is slightly higher amongst resident users (at +69) than visitors (+67).
- Corresponding with their higher levels of satisfaction, the NPS is higher amongst older users than younger ones.
- Corresponding with age profiles, those using e-bikes/e-mountain bike or hybrid bikes give a higher NPS (+75 and +71 respectively) than other riders.
- Those who use the trails for spending time/socialising with friends or family or spending time outdoors and in nature/in the natural environment, give a higher NPS (at +76) than those using the trails for other reasons.

* Net Promoter Score (NPS) is an indicator used globally to measure customer engagement and advocacy, based on the likelihood of a customer recommending a given product or service. Any positive score means there are more loyal advocates willing to recommend the product or service (promoters) than unhappy critics (detractors). A passive customer is satisfied, but unenthusiastic. A high score of +100 means that every customer is a promoter, while a low score of -100 means that every customer is a detractor.

ECONOMIC IMPACT

The background image is a blue-tinted photograph of a coastal scene. In the foreground, a paved path leads towards the right, where two cyclists are riding. To the left of the path, there are several palm trees and other coastal vegetation. In the middle ground, a large body of water, likely a lake or bay, stretches across the frame. In the far distance, a range of low mountains or hills is visible under a clear sky. The overall mood is serene and active.

ECONOMIC IMPACT

Direct Economic Contribution

Off road recreational cycling makes a **direct economic contribution** through the expenditure of visitors who might not otherwise have travelled to Taupō, and by encouraging those visiting for other reasons to stay longer to experience a trail while they're there.

Events are a significant driver of visitation, attracting not only event participants, but accompanying 'supporters', and people involved in the delivery of events (including staff, volunteers, officials, representatives of sponsor organisations and others).

In-district expenditure by event organisers – for example, on transport services, advertising and signage, or equipment hire – can also be counted as a direct contribution to Taupō's economy if the funds used are sourced from outside the District (for example, from entry fees paid by people living in other regions, or sponsorship by organisations based elsewhere).

Similarly, in-district expenditure on trail development and maintenance can be considered a direct contribution to Taupō District's economy if the funds used are 'new expenditure' (i.e., not simply diverted from another local use) or sourced from outside of the District. It is noted that this information has not been included in the current impact analysis owing to complexities in disaggregating expenditure to support off-road recreational cycling from expenditure to support other modes of use.

Indirect Economic Contribution

Indirect economic contribution refers to the jobs created and the flow-on effect that results from the re-spending of money by households and businesses within the local economy. Also referred to as 'the multiplier effect', this is the additional economic impact created as a result of the direct economic contribution made.

Visitor expenditure
(including by trail users, event participants, accompanying supporters, people involved in event delivery)

+

Expenditure by event organisers
(where funds are generated from outside of the District but spent within the District)

+

Expenditure on trail development and maintenance
(where funds are 'new' or sourced from outside the District)

Employment

+

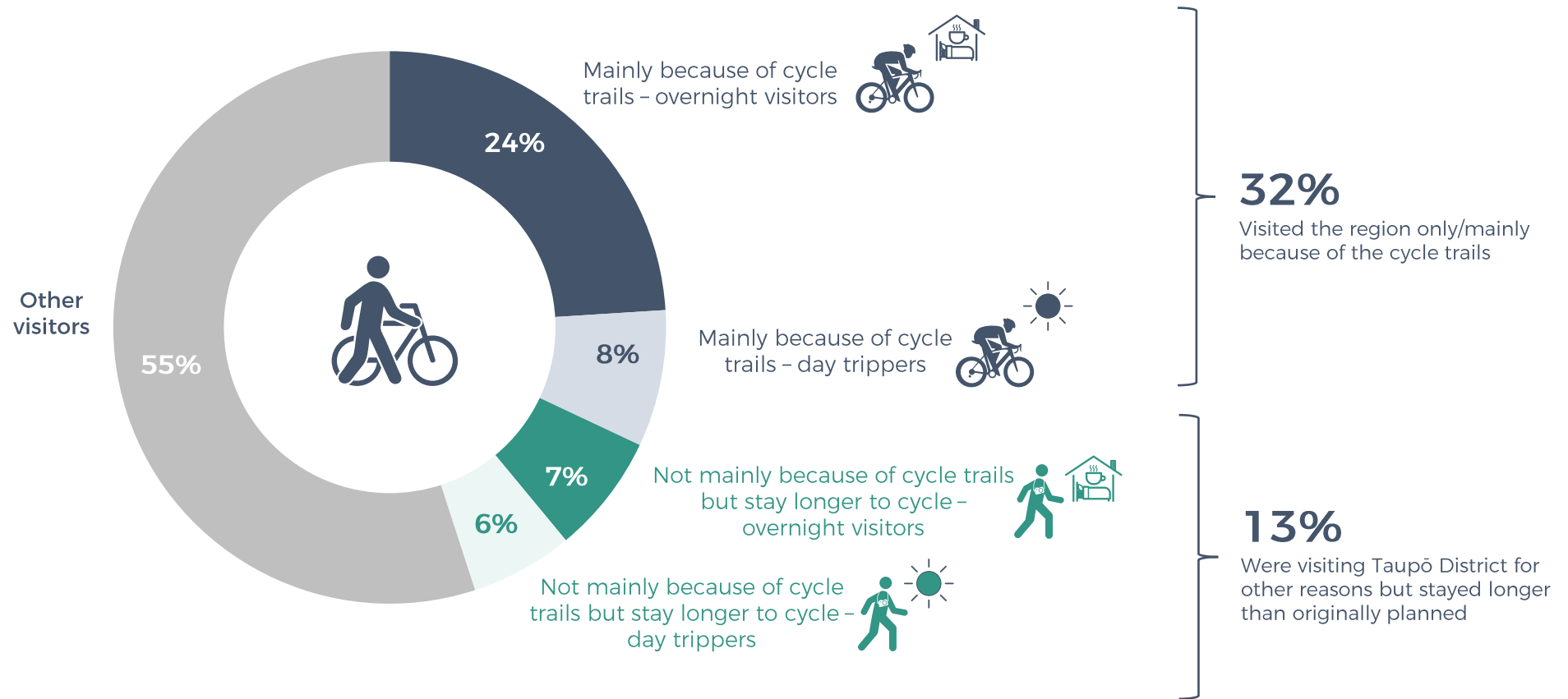
Other flow-on effects of expenditure

DIRECT ECONOMIC CONTRIBUTION – VISITOR EXPENDITURE

Visitors Attributable to Off-Road Recreational Cycling

As noted on page 8, visitors account for 42% of trail uses in the Taupō District. Economic impact accrues from the expenditure of trail users who visit Taupō District **only or mainly to participate in off-road recreational cycling** AND from those who visit for other reasons but then **stay longer than planned in order to take part in an off-road cycling experience**.

Trail user survey data shows that **almost a third of the trail users** visiting Taupō District in 2022 were doing so only/mainly to participate in off-road recreational cycling. A further 13% were visiting for other reasons but decided to extend their stay to cycle an off-road trail. Three-quarters of the former group stayed overnight in the District, while the latter group included a more or less even split of overnight and day visitors.






DIRECT ECONOMIC CONTRIBUTION – VISITOR EXPENDITURE (CONT)


Visitor Nights Attributable to Off-Road Recreational Cycling

Given this, a total of 39,151 visitors to the Taupō District in 2022 **can be directly attributed to off-road recreational cycling in the District** (almost 30,000 overnight visitors accounting for more than 67,000 visitor nights in the District, and almost 10,000 day visitors).

A further 15,905 visitors extended their stay in the area in order to participate in off-road recreational cycling experiences, accounting for an extra 12,846 nights in the District.

In total then, **more than 55,000 visitors and 80,000 visitor nights** can be attributed to off-road recreational cycling in Taupō District.

 Visitors	Mainly because of cycle trails	Not mainly because of cycle trails but stayed longer to cycle	TOTAL
Day trip 	9,788	7,341	17,128
Overnight 	29,363	8,564	37,927
Total visitors	39,151	15,905	55,056

 Visitor nights	Mainly because of cycle trails	Not mainly because of cycle trails but stayed longer to cycle	TOTAL
Average per person	2.3	1.5	
Total nights	67,535	12,846	80,381

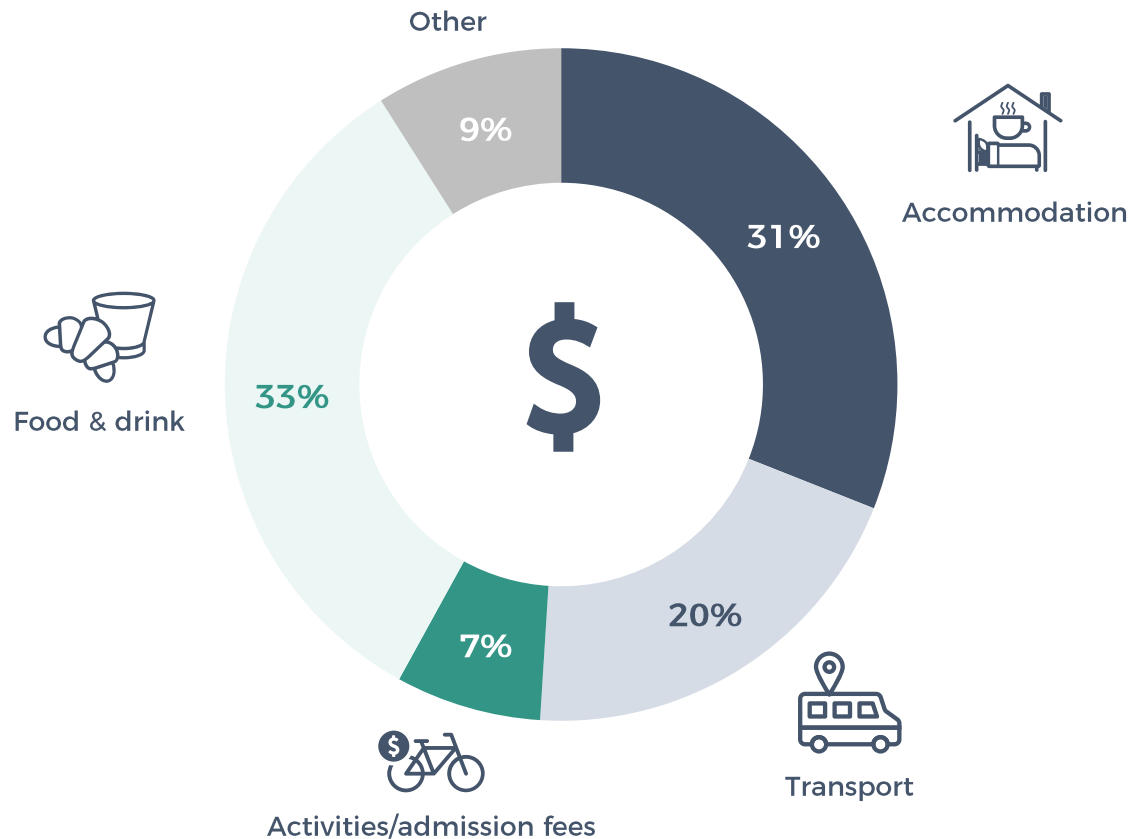
DIRECT ECONOMIC CONTRIBUTION – VISITOR EXPENDITURE (CONT)

Visitor Expenditure Attributable to Off-Road Recreational Cycling (visitors travelling to Taupō only/mainly for this purpose)

Using a combination of trail user survey data and counter data, we estimate that those who visited the Taupō District **only/mainly because of the cycle trail network** contributed more than \$15 million in new expenditure to the District in 2022.¹ Accommodation and food/meals/drinks accounted for the largest proportions of expenditure.



BREAKDOWN OF VISITOR EXPENDITURE



¹ Combined expenditure by overnight and day visitors for whom off-road recreational cycling was the main/only reason for their visit to Taupō District. Total expenditure of each group is calculated by taking the total number of visitors in that group and multiplying this number by the average per person expenditure reported by respondents to the Trail User survey. Source Trail User Survey - Sample: visiting the region mainly/only because of the cycle trails (n=100).

DIRECT ECONOMIC CONTRIBUTION – VISITOR EXPENDITURE (CONT)

The expenditure of those who visited the Taupō District only/mainly to participate in off-road recreational cycling is spread across all sectors of the economy, suggesting that the economic impact of this activity is widely felt.

In-region expenditure averaged \$476 per overnight visitor in 2022, and \$110 per day tripper.

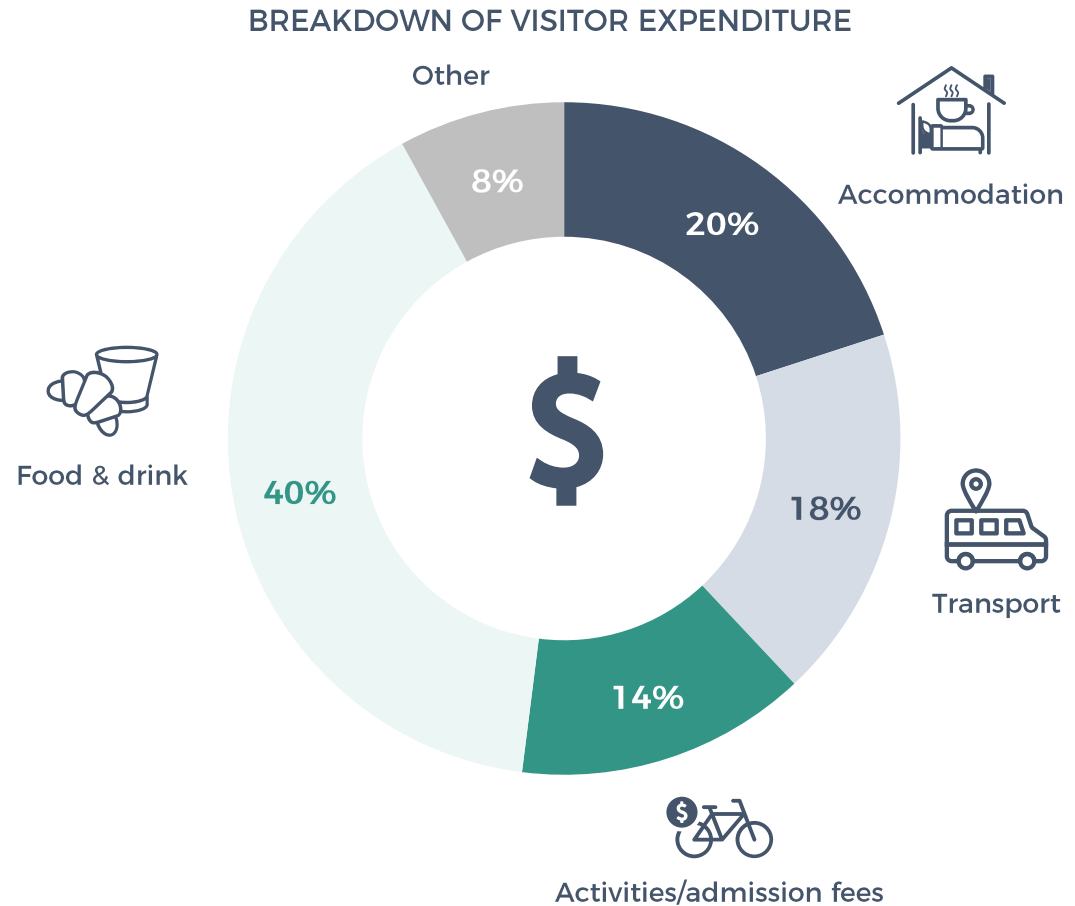
In-region expenditure	Overnight visitors 		Day trippers 	
	Average Spend ¹	%	Average Spend ¹	%
Accommodation	\$160	34%	-	-
Petrol/fuel	\$60	13%	\$25	23%
Transport to/from the trail	\$20	4%	\$9	8%
Other transport	\$9	2%	\$2	1%
Activities/admission fees	\$12	2%	\$9	8%
Other activities/admission fees	\$19	4%	\$9	8%
Cafes/restaurants/bars/eating out	\$102	21%	\$32	29%
Snacks/groceries	\$53	11%	\$13	12%
Other expenditure	\$41	9%	\$13	12%
Total Expenditure	\$476		\$110	

¹ Average expenditure reported per person by respondents to the Trail User survey. The average is calculated separately for overnight visitors and day trippers and taking into account expenditure for adults (each adult assigned a value of 1 in the calculation) and children (each child assigned a value of 0.5 in the calculation). Data is collected for the individual respondent or group of which they are part (by respondent preference) and broken down across the range of categories shown. Source – Trail User Survey Sample: visiting the region because of a cycle trail (n=100).

DIRECT ECONOMIC CONTRIBUTION – VISITOR EXPENDITURE (CONT)

Visitor Expenditure Attributable to Off-Road Recreational Cycling (visitors extending their stay)

Using a combination of trail user survey data and counter data, we estimate that **those who stayed longer to cycle** (but for whom off-road recreational cycling was NOT the main reason for visit) contributed an additional \$3.7 million in new expenditure to the District in 2022.¹ The largest proportion of this additional expenditure attributable to off-road recreational cycling was spent on food/meals/drinks.





¹ Combined expenditure by overnight and day visitors. Total expenditure of each group is calculated by taking the total number of visitors in that group and multiplying this number by the average per person expenditure reported by respondents to the Trail User survey. Source Trail User Survey - Sample: visiting the region mainly/only because of the cycle trails (n=41).

DIRECT ECONOMIC CONTRIBUTION – VISITOR EXPENDITURE (CONT)

The expenditure of those not visiting Taupō District only/mainly to participate in off-road recreational cycling but choosing to stay longer in order to do so is also spread across all sectors of the economy, although concentrated in the accommodation and hospitality sectors.

In-region expenditure in this group averaged \$305 per overnight visitor in 2022, and \$147 per day tripper.

In-region expenditure	Overnight visitors 		Day trippers 	
	Average Spend ¹	%	Average Spend ¹	%
Accommodation	\$77	25%	-	-
Petrol/fuel	\$32	11%	\$29	20%
Transport to/from the trail	\$11	4%	\$2	2%
Other transport	\$8	3%	-	-
Activities/admission fees	\$16	5%	\$9	6%
Other activities/admission fees	\$24	8%	\$12	8%
Cafes/restaurants/bars/eating out	\$66	22%	\$50	34%
Snacks/groceries	\$47	15%	\$28	19%
Other expenditure	\$23	8%	\$17	11%
Total Expenditure	\$305		\$147	

¹ Average expenditure reported per person by respondents to the Trail User survey. The average is calculated separately for overnight visitors and day trippers and taking into account expenditure for adults (each adult assigned a value of 1 in the calculation) and children (each child assigned a value of 0.5 in the calculation). Data is collected for the individual respondent or group of which they are part (by respondent preference) and broken down across the range of categories shown. Source – Trail User Survey Sample: visiting the region because of a cycle trail (n=41).

DIRECT ECONOMIC CONTRIBUTION – VISITOR EXPENDITURE (CONT)

Combined, the direct economic contribution made by visitors attributable to off-road recreational cycling in Taupō District was **almost \$19 million in 2022**.



	Type of visitors	Expenditure	%
	Mainly because of cycle trails – overnight visitors	13,976,807	75%
	Mainly because of cycle trails – day trippers	1,076,645	6%
	Not mainly because of cycle trails but stay longer to cycle – overnight visitors	2,612,087	14%
	Not mainly because of cycle trails but stay longer to cycle – day trippers	1,079,092	6%
Total		18,744,631	

DIRECT ECONOMIC CONTRIBUTION - EVENTS

The Taupō District cycle trail network is used for numerous off-road cycling events, including the Lake Taupō Cycle Challenge, Craters Classic, The Taniwha and Poronui Passage, and The Volcanic Epic. Detailed information is not available to support a full impact analysis for every event, or to isolate the impact of **off-road recreational cycling** from on-road cycling or other modes of participant use (such as walking and running), but the following examples are indicative of impact.

Lake Taupō Cycle Challenge

Visitor Expenditure

- 2,877 participants, 2,704 from outside of Taupō District.
- 2,838 supporters/spectators from outside of Taupō District.
- Out of region participants and supporters/spectators spent on average of 2.17 nights per person in the Taupō District.
- Excluding event participants (already accounted for in visitor expenditure) and assuming average daily expenditure of \$291 per person per night for event supporters/spectators, this equates to a direct economic contribution to Taupō District of **\$1,792,112**.

Event Expenditure

- Not available.

Estimated Direct Economic Contribution (based on expenditure by event spectators only): \$1,792,112.

On the basis that 807 of 2,500 'finishers' (or 32%) were participating in the off-road event, it is estimated that 32% of this economic contribution can be attributed to off-road recreational cycling: **\$573,475**.

Craters Classic

Visitor Expenditure

- 504 participants, 398 from outside of Taupō District.
- An estimated 398 supporters/spectators from outside of Taupō District.
- Out of region participants and supporters/spectators spent on average of 2.17 nights per person in the Taupō District (estimate).
- Excluding event participants (already accounted for in visitor expenditure) and assuming average daily expenditure of \$291 per person per night for event supporters/spectators (as for the Lake Taupō Cycle Challenge) this equates to a direct economic contribution to Taupō District of **\$251,325**.

Event Expenditure

- \$50,000 sourced from outside of Taupō District, of which it is assumed that the majority was spent in Taupō (estimate 90%). This represents a further direct economic contribution to Taupō District of **\$45,000**.

Estimated Direct Economic Contribution (based on expenditure by event spectators and event expenditure): \$296,325

DIRECT ECONOMIC CONTRIBUTION – EVENTS (CONT.)

Run Taupō Series – 2022 (five events – cycling, walking and running)

Visitor Expenditure

- 5,849 participants, 5,206 from outside of Taupō District.
- 8,774 supporters/spectators, including 7,809 from outside of Taupō District.
- Out of region participants and supporters/spectators spent on average of 1.89 nights per person in the Taupō District.
- Excluding event participants (already accounted for in visitor expenditure) total spectator spend as reported in the TDC 2022 event report as **\$2,251,492**

Event Expenditure

- Total expenditure to produce event was \$320,000 but the proportion of funds sourced from outside of Taupō District, and the proportion of funds spent in Taupō District, are unknown. The direct economic contribution resulting from event expenditure is therefore unknown.

Estimated Direct Economic Contribution (based on expenditure by event spectators only): **\$2,251,492.**

On the basis that Taniwha event participants comprised 5% of all participants in the five Run Taupō Series events, it is estimated that 5% of this economic contribution can be attributed to off-road recreational cycling: **\$112,574**

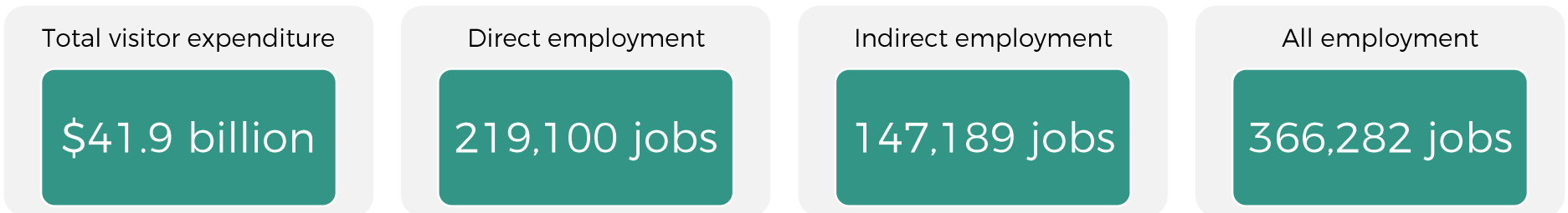


INDIRECT ECONOMIC CONTRIBUTION

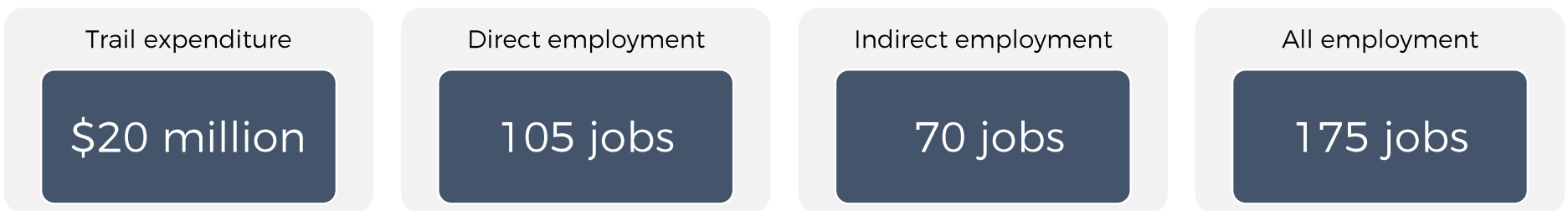
There is insufficient regional-level data available to support a comprehensive analysis of the indirect economic contribution made by off-road recreational cycling. However, by drawing upon data from the Ministry of Business, Innovation & Employment’s Regional Tourism Estimates¹ and data from Stats New Zealand’s Tourism Satellite Account², we have estimated that off road recreational cycling supports **175 full-time equivalent jobs in the Taupō District**: 105 directly (e.g. in accommodation services, tour guides) and 70 indirectly (e.g. in supermarkets and other retail stores). This is based on the relationship between tourism expenditure and employment (broadly one job for every \$114,392 of tourism expenditure) as measured prior to COVID.

Note that pre-COVID data was used to exclude skews relating to the closure of New Zealand’s international borders and the impacts of lockdowns etc on domestic travel patterns.

New Zealand



Taupō District (expenditure attributable to off-road recreational cycling)



NEW ENTERPRISE

Beyond visitor expenditure, the economic impact of off-road recreational cycling can also be seen in new business development and/or expansion in the Taupō District. While there were insufficient responses to the stakeholder survey to extrapolate findings to businesses across the District as a whole, the experience of participating businesses does provide some perspective on business activity created and/or sustained by off-road recreational cycling in the Taupō District.

Eight (of the 16 participating businesses) had been established following the growth and increased popularity of off-road recreational cycling in the Taupō District (from C. 2009). This growth in off-road recreational cycling was seen as **a factor in the formation of five of the eight new businesses**. The stimulatory effect of off-road recreational cycling can also be seen in information supplied by Bike Taupō: this shows that of 16 specifically bike-related businesses in the Taupō District, 13 had been established following the growth in popularity of off-road recreational cycling.



8 businesses were established since the growth and increased popularity of off-road recreational cycling

Operating Area	
Commercial accommodation	3
Cycle hire	2
Cycle transport/shuttle services	1
Food and beverage services	1
Other	1

REASON FOR BUSINESS ESTABLISHMENT



for **5 (out of 8) businesses**

the growth and increased popularity of off-road recreational cycling was one of the reasons the business was established

for **3 (out of 8) businesses**

this was not a factor

ENTERPRISE DEVELOPMENT

Eight (out of the 16 businesses responding to the stakeholder survey) had been established prior to the growth and increased popularity of off-road recreational cycling in the Taupō District (circa 2009). However, six (of these eight) had expanded/added new services subsequently, in most cases solely or partly **because of** the growth in off-road recreational cycling in the District.



8 businesses pre-dated the growth and increased popularity of off-road recreational cycling

Operating Area	
Commercial accommodation	2
Food and beverage services	1
Visitor activities or attractions	1
Other	4

Area of Expansion	
Visitor information services	3
Cycle hire	2
Retail	2
Commercial accommodation	1
Food and beverage services	1
Cycle transport/shuttle services	1
Specialised cycle tours	1
General sightseeing/tours	1
Visitor activities or attractions	1
Other	1

BUSINESS EXPANSION



6 businesses

Have expanded or added new services



3 businesses

Have expanded/added services solely because of the growth and increased popularity of off-road recreational cycling

3 businesses

Have expanded/added services partly because of the growth and increased popularity of off-road recreational cycling

ENTERPRISE DEVELOPMENT (CONT.)

When asked about the impact that growth in off-road recreational cycling had had on their business, six (of the eight businesses established prior to cycling's growth and increased popularity), reported a positive contribution in relation to the number of customers served. Five (of eight) had seen increased income/turnover and four (of eight) had seen both an increase in average customer expenditure and a positive contribution to their bottom line (business profit). As an indicator of flow-on effects, six (of eight) also indicated that their business expenditure had increased.

IMPACT OF OFF-ROAD RECREATIONAL CYCLING

(on businesses that pre-dated the growth and increased popularity off-road recreational cycling in the District)



6 businesses

Increased the number of
customers served by the business



4 businesses

Increased the average
spend per customer



5 businesses

Increased the income/turnover
generated by business



6 businesses

Increased expenditure by the
business



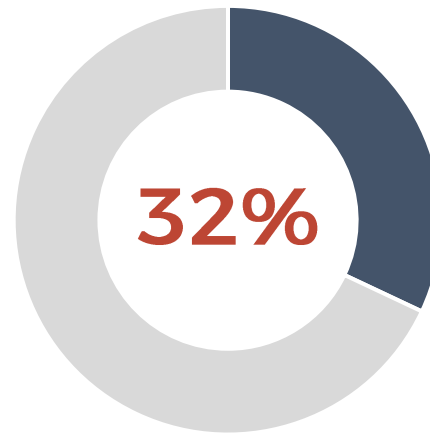
4 businesses

Increased their business' profit

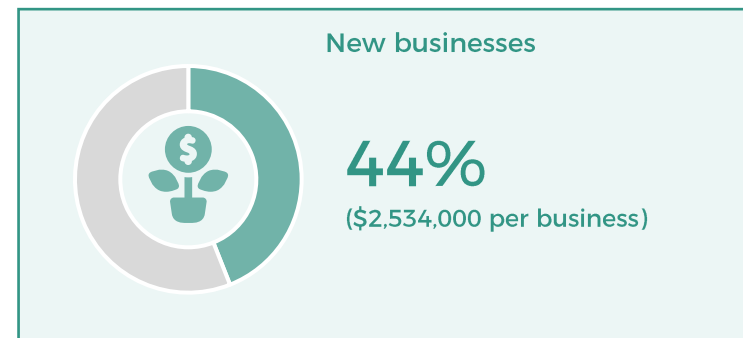
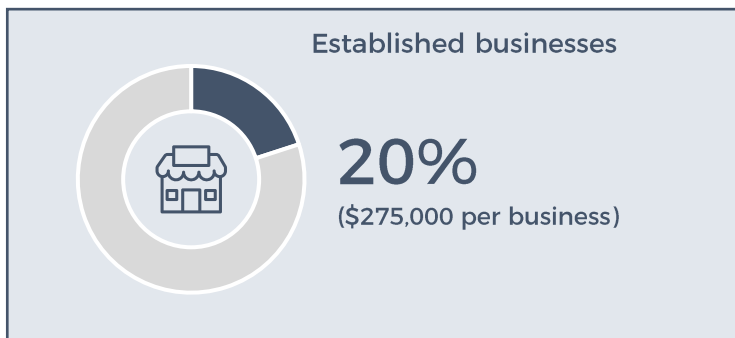
TURNOVER ATTRIBUTABLE TO OFF-ROAD RECREATIONAL CYCLING

On average, the 16 businesses participating the stakeholder survey reported that 32% of their turnover could be attributed to off-road recreational cycling in the Taupō District: equating to almost \$1.9 million per business.

At 44% and more than \$2.5 million per business, both the proportion and dollar value of turnover involved was significantly higher amongst the eight businesses that had been established following the growth and increased popularity of off-road recreational cycle (circa 2009).



of revenue attributed to off-road recreational cycling
(\$1,888,571 per business)



EMPLOYMENT

The 16 businesses that participated in the stakeholder survey (which provide products, services and/or activities for off-road recreational cyclists) employ an average of almost six people per business. Almost half (7) employ the same number of people year-round, while nine have some element of seasonality in their workforce.

Two of the businesses established prior to circa 2009 had increased full-time staff as a result of the growth in off-road recreational cycling; two had increased the number of part-time staff.



IMPACT OF CYCLE TRAILS ON ESTABLISHED BUSINESSES

2 businesses

Increased the number of full-time staff
(+2.5 full-time staff on average)

2 businesses

Increased the number of part-time staff
(+2.5 part-time staff on average)

	All Seasonal Businesses	Established	New
Full-time staff		Average of staff employed	
Peak season	7.3	13.0	2.8
Off-peak season	4.9	8.8	1.8
Part-time staff		Average of staff employed	
Peak season	4.3	6.0	3.0
Off-peak season	2.6	4.5	1.0
Base:	n=9	n=4	n=5

A typical peak season encompasses Dec-April.

OTHER IMPACTS

A blue-tinted photograph of a coastal scene. In the foreground, a paved path leads towards the right. Two cyclists are riding on the path. To the left of the path, there are several palm trees and some low-lying vegetation. In the background, a large body of water stretches across the middle ground, with mountains visible on the horizon under a cloudy sky.

OTHER IMPACTS

The impacts and benefits of cycling are widely known and have been well-documented in previous work, including the following local, national and international studies.

- A SWOT analysis completed as part of the Destination Great Lakes Taupō Tourism Product Audit identified the Taupō District's iconic walkways and cycleways as a key strength, while opportunities included enhancing & growing cycle tourism / niche hobby and recreation interest markets. (<https://onedrive.live.com/view.aspx?resid=73826976342DE1EC!12915&ihti nt=file%2cdocx&authkey=!AHGUzTXc1lpeg6E>)
- The Taupō District Council User Survey Report July 2021 found that 80% of respondents had used a walkway or biking track in the last 12 months. A third of respondents indicated they use walkways or bike trails daily and 34% use them weekly. Satisfaction is high, with 85% saying they are satisfied with the quality of walkways or bike trails, 86% saying they are satisfied with the availability of walkways or bike tracks and 83% saying they are satisfied overall with the facilities. (<https://www.taupodc.govt.nz/repository/libraries/id:25026fn3317q9slqygm/hierarchy/Council/Surveys/satisfaction-surveys/documents/Taupo%20DC%20Resident%20and%20Ratepayer%20Survey%20User%20Report%202021.pdf>)
- The benefits of cycling identified in reports by Waka Kotahi (New Zealand Transport Agency) include more livable towns and cities, improved conditions for travelling within towns and cities, stronger local economies, reduced costs for councils, less impact on the environment, and healthier and more productive people. (<https://www.nzta.govt.nz/walking-cycling-and-public-transport/cycling/workplace-cycling-guide/why/health-and-wellbeing/>)

- Specific health benefits from regular cycling, as identified by the Victoria State Government, include increased cardiovascular fitness; increased muscle strength and flexibility; improved joint mobility; decreased stress levels; improved posture and coordination; strengthened bones; decreased body fat levels; prevention or management of disease and, reduced anxiety and depression. (<https://www.betterhealth.vic.gov.au/health/healthyliving/cycling-health-benefits>)
- A 2021 evaluation undertaken by Angus & Associates to assess how the 22 Great Rides that make up Ngā Haerenga NZ Cycle Trails are impacting trail users, the communities in which the trails are located, and Aotearoa New Zealand as a whole., provides compelling evidence of the many ways in which Ngā Haerenga is having positive impact, and the sheer scale of that impact.. (<https://www.mbie.govt.nz/dmsdocument/19854-2021-evaluation-of-nga-haerenga-great-rides-of-new-zealand-pdf>)



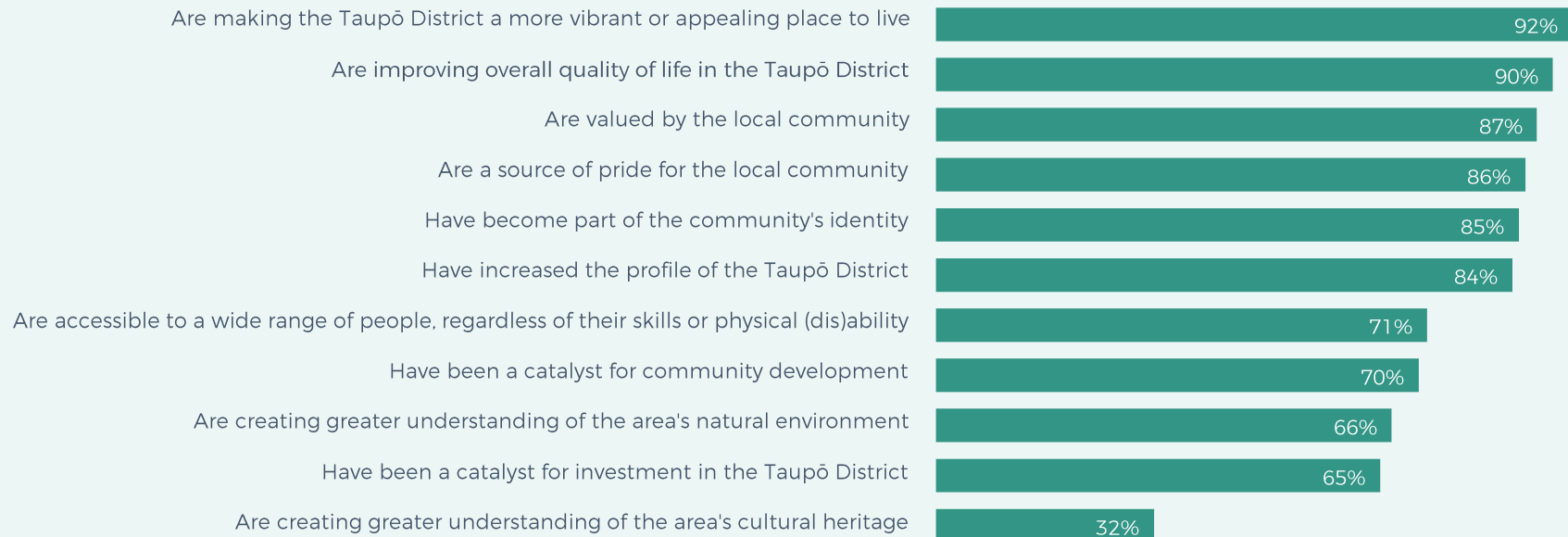
COMMUNITY IMPACTS – LOCAL TRAIL USERS

To understand other impacts, both trail users living in the Taupō District and trail stakeholders were asked to respond to a set of statements that described a range of ways in which off-road recreational cycling and the supporting infrastructure could affect the Taupō District and its residents. For each statement, local trail users and stakeholders were asked to identify the extent to which they agreed or disagreed, using a 10-point scale.

Local trail users are almost unanimous in their view that off-road recreational cycle trails make Taupō a more vibrant and appealing place to live and that they improve overall quality of life. These trails are also widely held to be valued by the community, a source of pride, part of the community’s identity and contributors to lifting the profile of the Taupō District.

The majority of trail users also see off-road recreational cycle trails in Taupō District as broadly accessible. While they are widely thought to create greater understanding of the area’s natural environment, just a third of local trail users see off-road recreational cycle trails as contributing to greater understanding of the area’s cultural heritage.

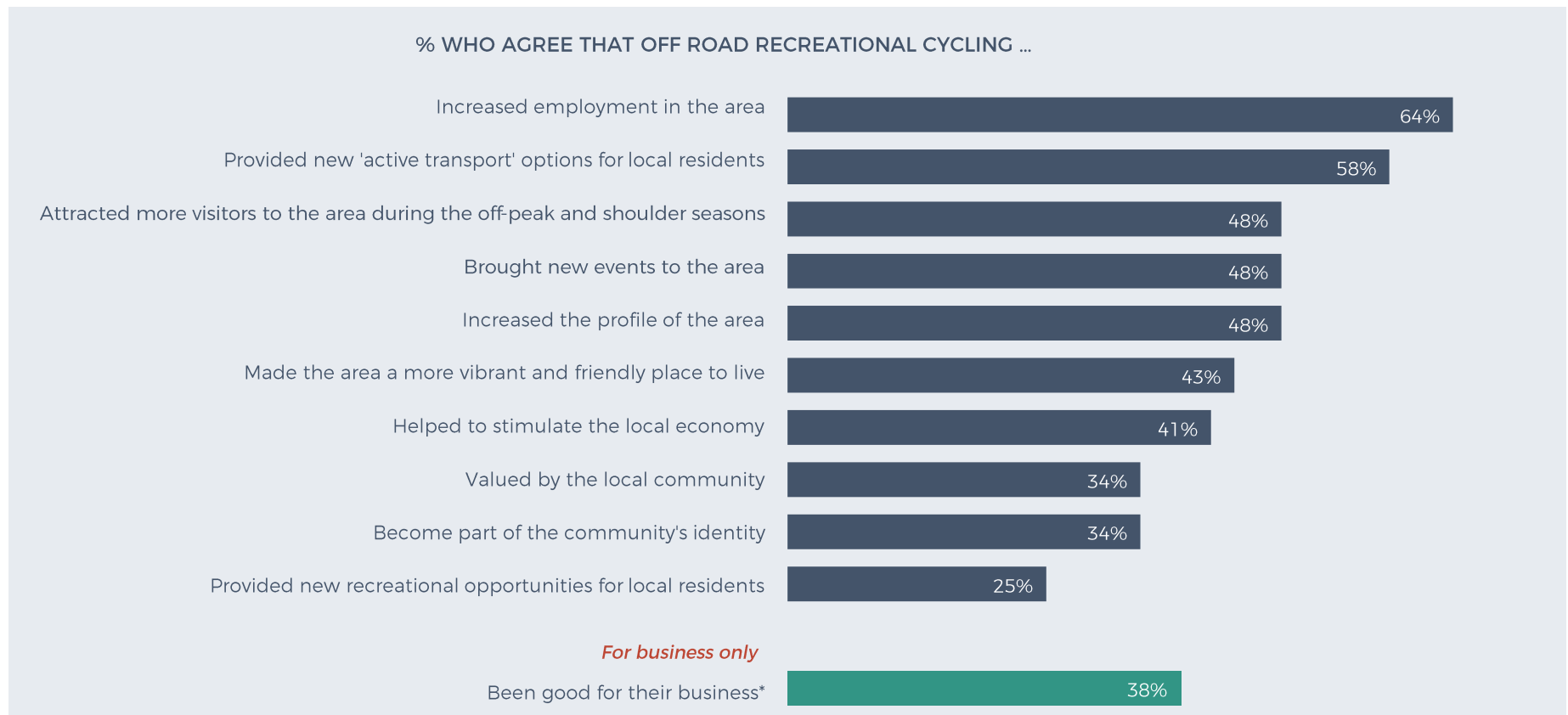
% WHO AGREE THAT CYCLE TRAILS IN THE TAUPŌ DISTRICT...



COMMUNITY IMPACTS – STAKEHOLDERS

Strong support for off-road recreational cycling is also evident in the views of organisations contributing to the stakeholder survey. Almost two-thirds believe off-road recreational cycling has increased employment in the area and more than half that it has provided new 'active transport' options for local residents. Importantly, off-road recreational cycling is thought to have provided valuable off-peak business, brought new events to the area and increased the profile of Taupō District.

Almost 40% of the businesses that contributed to the stakeholder survey agreed that off-road recreational cycling had benefited their business.



REGIONAL DEVELOPMENT - STAKEHOLDERS

Stakeholders were also asked to comment on the extent to which off-road recreational cycling in the Taupō District had been a factor in drawing people to live, work, study and/or play in the District.

Findings indicate that off-road recreational cycling is seen as a significant catalyst for regional development in all respects and especially in attracting people to do business or invest in the Taupō District (with a flow-on effect in terms of population growth).

% WHO BELIEVE OFF ROAD RECREATIONAL CYCLING IN THE TAUPŌ DISTRICT IS AN IMPORTANT FACTOR IN...



68%

attracting visitors
to the area



77%

attracting people to
live in the area



49%

attracting people to
study in the area



83%

attracting people to do
business or invest in the area

