

# Great Walks Differential Pricing Trial

2019/20 Trial Evaluation Factsheet (October 2019 to January 2020)

## Context

For the 2019/20 Great Walk season (October 2019 to April 2020), the Department of Conservation trialed differential pricing on four Great Walks. These walks are the Milford, Kepler, Routeburn and Abel Tasman Coast tracks. Under the trial, international visitor prices for huts and campsites were approximately double the prices paid by New Zealand residents.

This was the second year of the trial which began in 2018/19. The trial was run for a second year to improve the Department's understanding of the effects of differential pricing on the Great Walks.

The full 2019/20 evaluation report from Angus and Associates is available on the Department of Conservation website.

This factsheet details bednight and revenue figures from the 2019/20 trial evaluation period (October 2019 to January 2020). The factsheet compares revenue and bednights from this period in 2019/20 with the corresponding period in 2017/18. The 2017/18 season was the most recent season before the Great Walks Differential Pricing Trial began.

The focus of the factsheet is limited to information from the October 2019 to January 2020 period as data for the remainder of the season (1 February to 30 April 2020) was heavily distorted by closures due to the February 2020 flooding in Fiordland and COVID-19.

## Great Walk network - bednights and revenue<sup>1</sup>

### Overall bednights (October 2019 to January 2020)



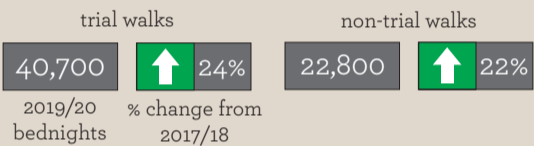
Total bednights for the October to January period decreased (-11%) compared with the same period in 2017/18.

### Overall revenue (October 2019 to January 2020)<sup>2</sup>



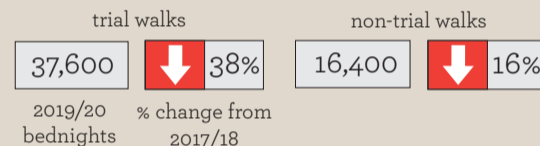
Revenue generated on the Great Walks was 32% higher than the same period in 2017/18 prior to differential pricing.

### New Zealand bednights (October 2019 to January 2020)<sup>3,4</sup>



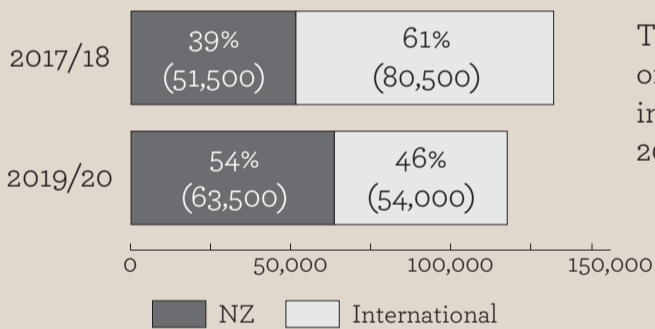
New Zealand bednights have increased, on both trial and non-trial walks.<sup>2</sup>

### International bednights (October 2019 to January 2020)<sup>5,6</sup>



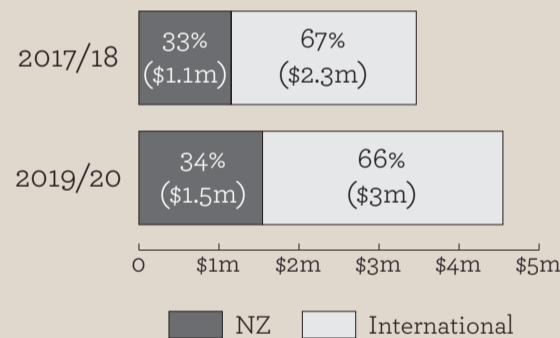
International bednights decreased on both trial and non-trial walks during the trial period.<sup>5</sup>

### Bednights by origin (October 2019 to January 2020)



The New Zealand share of total bednights increased between 2017/18 and 2019/20.

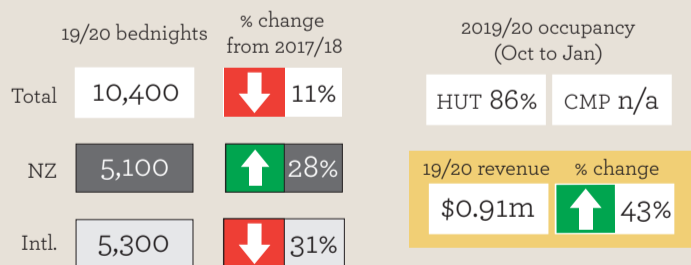
### Revenue by origin (October 2019 to January 2020)



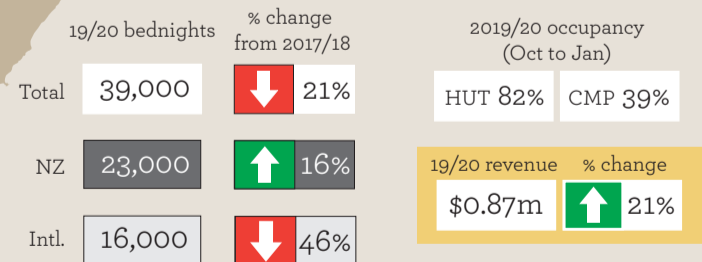
Overall Great Walk revenue has increased. Revenue from both New Zealanders and internationals has increased.

## 2019/20 Trial Results - October 2019 to January 2020

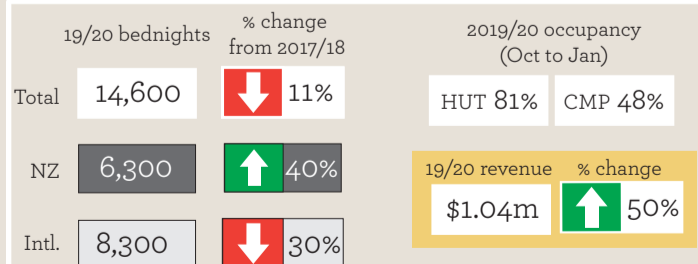
### Milford Track



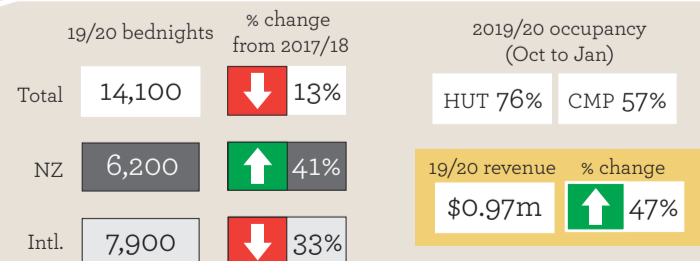
### Abel Tasman Coast Track<sup>7</sup>



### Kepler Track



### Routeburn Track



<sup>1</sup>Revenue and bednights are for all Great Walks excluding Lake Waikaremoana and the Paparoa Track.

<sup>2</sup>Revenue is based on realised bednights multiplied by price (GST exclusive). It does not include revenue received before 31 January 2020 for forward bookings after that date.

<sup>3</sup>The definition of New Zealand bednight changed from visitors identifying New Zealand as their nationality in 2017/18 to visitors "ordinarily resident" in New Zealand in 2018/19 and 2019/20.

<sup>4</sup>NZ children increased by 3% compared to 2017/18. NZ children have increased on trial walks (+1%) and on non-trial walks (+9%).

<sup>5</sup>The definition of international bednight changed from visitors not identifying New Zealand as their nationality in 2017/18 to visitors not "ordinarily resident" in New Zealand in 2018/19 and 2019/20.

<sup>6</sup>International children have decreased by 34% compared to 2017/18. International children have decreased on trial walks (-38%) and on non-trial walks (-19%).

<sup>7</sup>All trial walks information is from the bookable period. The bookable period ran from 23 October to 31 January, except for Abel Tasman Coast Track (1 October to 31 January).