

22 August 2024

Status report regarding a campsite price review

Status Report MOC 33 - week beginning 26 August 2024

Campsite Price Review

This item updates you on a review of campsite pricing that is underway.

These prices are reviewed on a rotation at least every three years, and all prices are reviewed for stand out revenue opportunities or required adjustments every year.

This is part of DOC's wider focus on improving visitor revenue generation which is forecast to have delivered an increase of \$4.7 million per annum since 2019.

This review will recommend updates to pricing by service category and high-demand campsite fees including seasonal prices and day-of-week prices.

The last campsite review was completed in 2021 and had a forecasted impact of \$0.7 million annually through service category fee increases and the introduction of seasonal pricing at several high-demand campsites.

Fee changes factor in changes to the Consumer Price Index (CPI), competitor campsite pricing (e.g. council campsites), facility demand and occupancy.

To optimise revenue, strategies such as minimum night stay restrictions and a minimum campsite occupancy are used at some high-demand campsites on peak dates.

This year, we will also explore how to charge for DOC's 350+ free huts and campsites.

The review is expected to result in increased campsite revenue of \$0.5-1.0 million annually

Next steps

We will commence targeted external consultation 23 August 2024.

We will provide an update on review recommendations in January 2025 for prices that will be implemented from 1 July 2025.

13 February 2025

Status report regarding reviews of campsite fees

Status Report MOC 50 - week beginning 17 February 2025

Campsite Price Review

This item updates you on a review of campsite pricing that was completed in January.

DOC undertakes recreation facility price reviews on a three-yearly cyclical basis. This financial year, campsite prices were scheduled for review.

The review covered 271 non-Great Walk campsites and, drawing on industry revenue management techniques, considered a range of factors including market analysis of other campsite prices (e.g. council campsites), CPI inflation since the last review, campsite demand/occupancy, and seasonality.

The review recommended:

Price increases of 11-67% for 169 DOC campsites

Where practical, fees to be introduced at DOC's 71 basic campsites which are currently free

That DOC's monthly campsite pass be discontinued, and the price of the 12-month campsite pass increased from \$195 to \$295

Continuation of High Demand Pricing and Seasonal Pricing, Minimum Occupancy, and Minimum Stay Restrictions to maximize revenue at high demand campsites and over peak periods

These price changes are forecast to increase total campsite revenue by \$1.8-2.3M annually from 2025/26.

We consulted with, and received submissions from, organised stakeholder groups including the New Zealand Motor Caravan Association (NZMCA) and others. There was broad support for these changes but some voiced concerns regarding affordability for families and low-income visitors.

To mitigate this risk, we will review the effectiveness of the current 25% discount we introduced this season for Community Service Card holders.

Next steps

We will answer any questions you may have on campsite pricing at our next officials meeting.

DOC will announce the agreed changes in April ahead of next season's bookings opening in May 2025.