



**Review of Economic Impact of
Queenstown Mountain Bike Trails**
Final Report 17 May 2017

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Executive Summary

The purpose of this report is to evaluate the likely economic benefits of the trail network maintained by the Queenstown Mountain Bike Club, estimating the economic impact of use on the trail by locals and visitors has on the Queenstown Economy.

This report was prepared following a survey of Queenstown Mountain Bike Club members and trail users. The survey received 770 responses between May 2016 and March 2017.

The results of the survey indicated extremely high levels of satisfaction with the Queenstown mountain biking experience, with only one response, by a local resident, indicating they would not recommend Queenstown to others for mountain biking. Queenstown's scenic attraction, the standard and quality of the trails, and the diversity of the trails were the highest rated aspects of the Queenstown mountain bike experience.

Respondents overwhelmingly desired more trails, and many respondents made note of the need for continued and increased maintenance of the existing trails.

The survey data was used to provide input into modelling of the economic impact of mountain biking in Queenstown. The modelling indicates that:

- » a total of \$64.95 million is spent by mountain bike trail users each year
- » 297.2 direct jobs are generated as a result of spending by mountain bike trail users
- » 38.1 indirect jobs are generated as a result of employee expenditure by those working in jobs servicing the trails visitors
- » the trails generate a total of \$25.12 million in income¹ for the Queenstown region annually.

Of the total spend of \$64.95 million, \$60.12 million is spent by visitors to the region. This equates to approximately 2.8% of total tourism spend in the region.

¹ Income includes wages from jobs generated by spending by mountain bike trail users, and business profits. Spending by mountain bike users that is not retained within the region is excluded from this figure.

The Destination

Queenstown sits on the shores of Lake Wakatipu, surrounded by the dramatic mountain peaks. It is well known as an adventure destination and offers a huge range of outdoor adventure activities. The District is experiencing rapid growth in both tourism and population.

The population of the Queenstown Lakes District, which includes Queenstown, Arrowtown, Frankton and Wanaka is about 28,000 people.² The population is growing, showing a 22.9% increase between the 2006 Census and the 2013 Census.

Tourism to the region is also growing rapidly. The destination receives about 1.8 million and 1.1 day visitors a year³. Annual spend on tourism in the District is the third highest in New Zealand, with total annual spend just over \$2 billion per year⁴. The annual tourism spend is growing with an increase of 66% between the end of February 2013 and the end of February 2017, representing a compound annual growth rate of 14%. Much of the increase has been from international tourists, with the annual spend by international tourists increasing an enormous 89% over the five years over this period.

The Trail network

The Queenstown Trail network consists of over 250km of trails⁵ in a number of locations and bike parks within half an hour of Queenstown.

The **Queenstown Bike Park** has about 32km of singletrack, with beginner, intermediate and expert tracks, accessed by the Skyline Gondola.

Wynyard Bike Park is located in the middle of Queenstown and is a downhill track which incorporates a jump park.

Coronet Peak has seven tracks that appeal to both gravity, XC, Enduro and DH riders. Rude Rock, Corotown, Zoot and Pack Track and Sack are recent additions to the network at Coronet Peak.

The **7 Mile Bike Park** is a singletrack park graded at a difficulty of 3-5. Most routes are one directional and all paths lead to either Eagle's Nest or the Hub.

The **Queenstown Trail** is also utilised by many mountain bike riders, with 440 respondents indicating they used the Queenstown Trail.

Queenstown Mountain Bike Club

The QMTBC has been instrumental in the development of mountain bike areas since its formation in 2003. Trails maintained by the QMTBC cater to all levels of riding, from freestyle and downhill to cross country, BMX and family. It has grown since its establishment in to now have over 700 members. The club has a management committee of eight individuals who volunteer to organise and run the club. Membership of the club is \$40 per adult, \$25 per child of \$80 for a family.

² www.stats.govt.nz/Census/2013

³ Destination Queenstown, April 2017

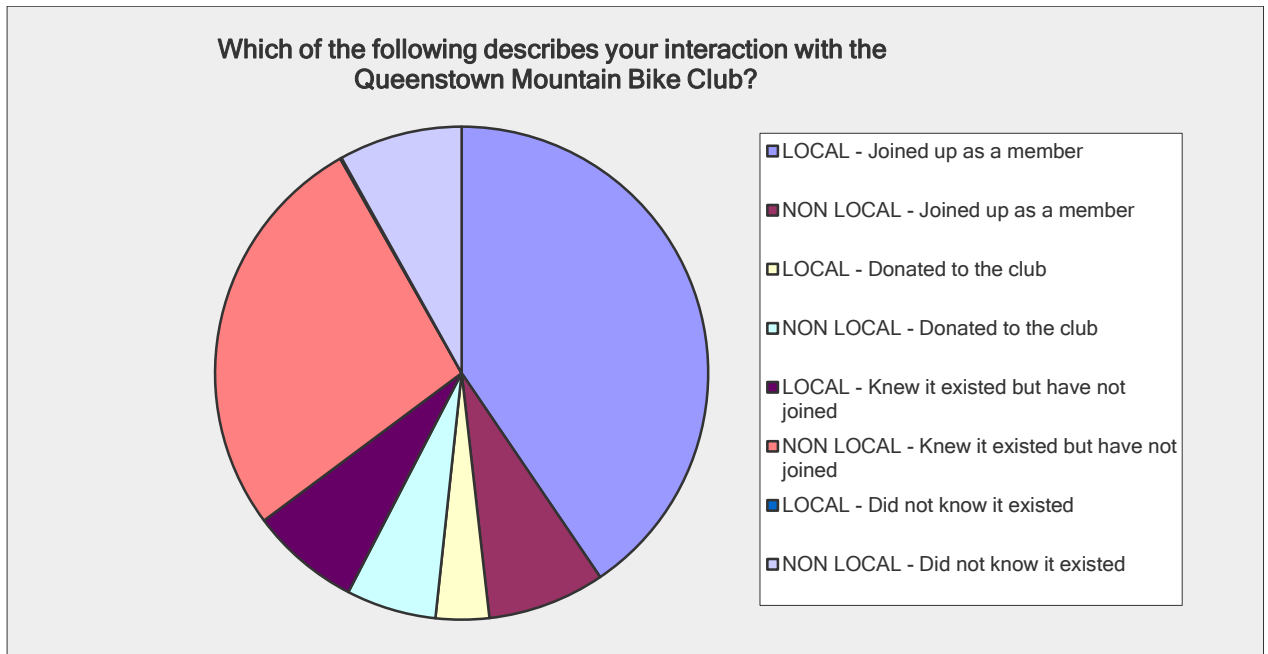
⁴ <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/monthly-regional-tourism-estimates/annual-spend-grouped-by-rto-country-of-origin-and-product-category>

⁵ www.singletracks.com

The Survey

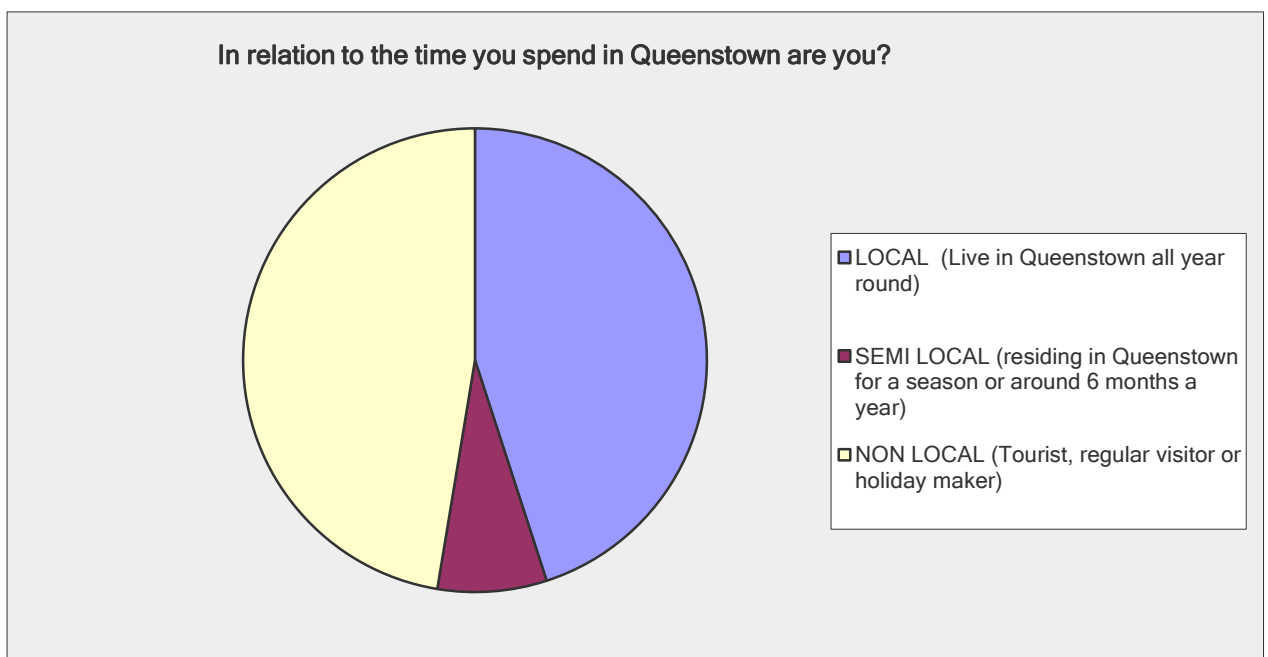
The Mountain Bike Trails Economic Impact survey was open from May 2016 until March 2017. Email addresses were collected from QMTBC members, local businesses, and on trail collection. A total of 770 responses to the survey were collected.

Over half of the respondents (51.8%) were not members of the mountain bike club.

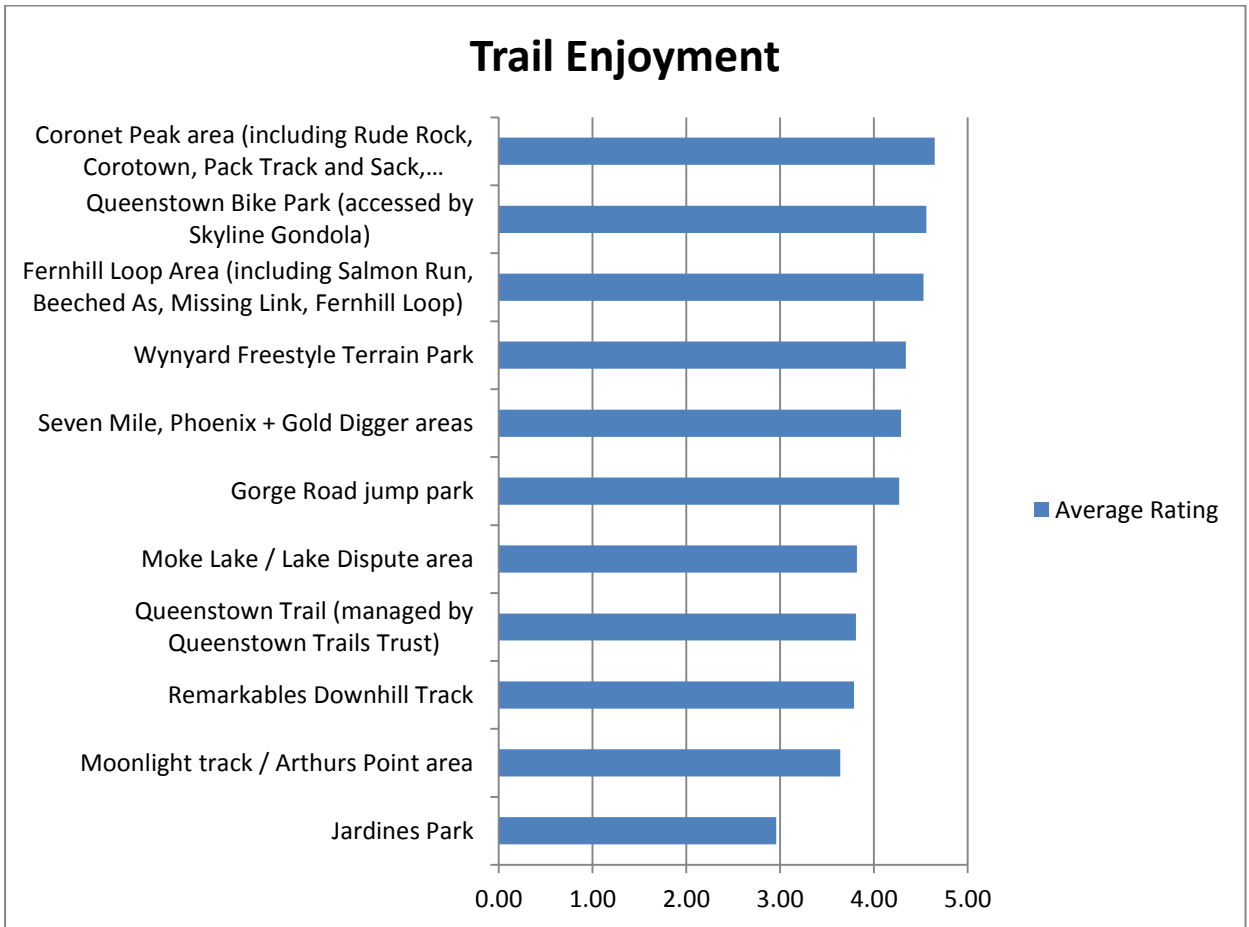


User Types

Forty five percent of respondents were locals, 47.4% were visitors or regular visitors, and 7.6% of respondents classified themselves as semi-local.



Trail Use, Satisfaction and Enjoyment.



Very few of those surveyed (less than 1%) wanted easy to ride trails. Easy to intermediate trails were of most interest to 42.7% of respondents and advanced to 56.6%.

The area with the highest enjoyment rating was Coronet Peak area with an average rating of 4.65, followed by Fernhill Loop Area. The lowest was Jardines Park, with an average rating of 2.96.

Visitors to Queenstown were unanimous in their agreement that they would recommend the destination, with a 100% YES response to the question “Would you recommend Queenstown to others for Mountain Biking”. Locals were almost unanimous, with only one respondent stating they would not recommend Queenstown to others. Their motives for doing so were not disclosed.



Overall satisfaction rates with the Queenstown Mountain Bike Experience were high. The response rate to this question was high, with 670 responses. The average overall experience rating was 4.64.

The aspects that received the lowest ratings were support facilities, with only 109 respondents giving an exceptional rating and 4 giving a terrible rating.

Future Investment

The majority (82.5%) of trail users, would like to see future investment in more trails. Much smaller numbers want to see investment in more events (9.2%) and more facilities such as jump parks and pump tracks (8.6%).

The dominant suggestion for other investment in mountain biking was for more investment in maintaining the trails. Intermediate trails or less technical trails were also requested by multiple respondents, as well as more cross country.

Events

The question regarding events was answered by 688 respondents. About 30% did not participate in any events. Enduro events were most popular with 38.7% participating, followed by cross country. Many respondents participated in more than one type of event.

Other types of events participated in included freeride, slopestyle, adventure racing and dirt jumping.



Group Size

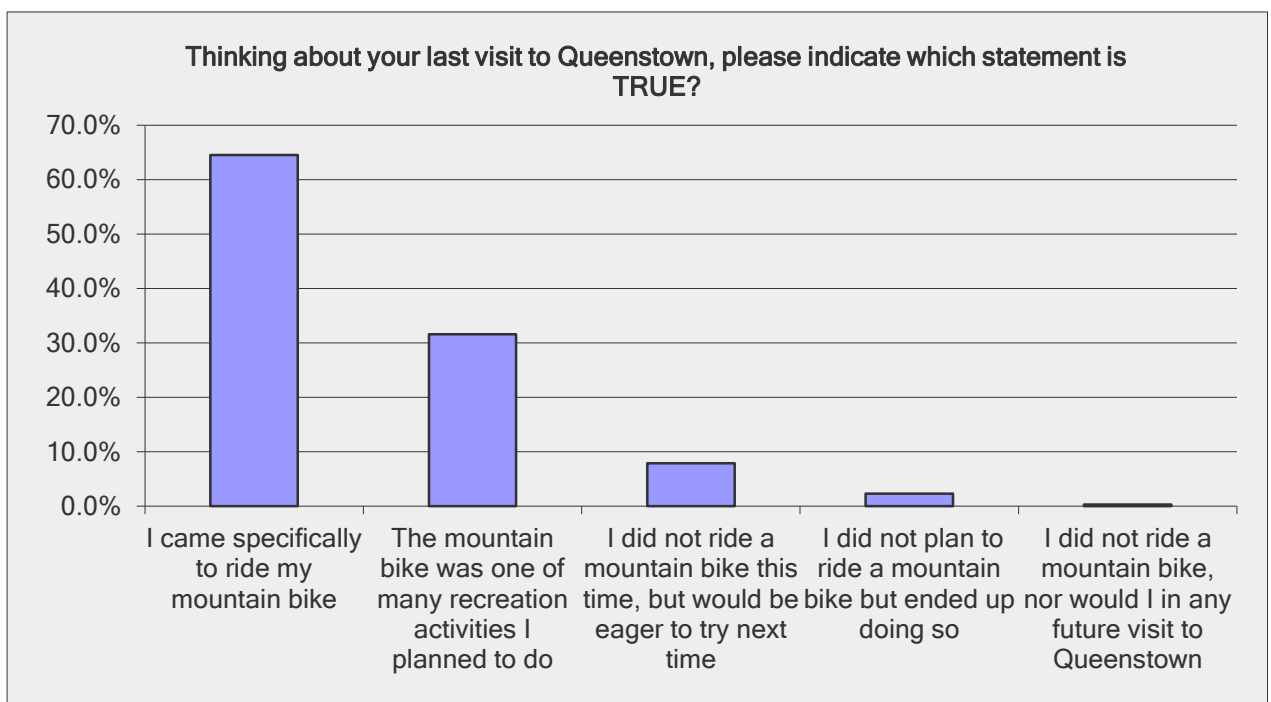
The average group size for visitors was 5.65 people and the most common group size was 2. Three large groups of 200, 150 and 130 inflated the average group size. With these large groups removed from the sample the average group size was 3.91.

The average group size for local riders was 3.43; like visitors the most common size group to ride with was 2.

Visitor Data

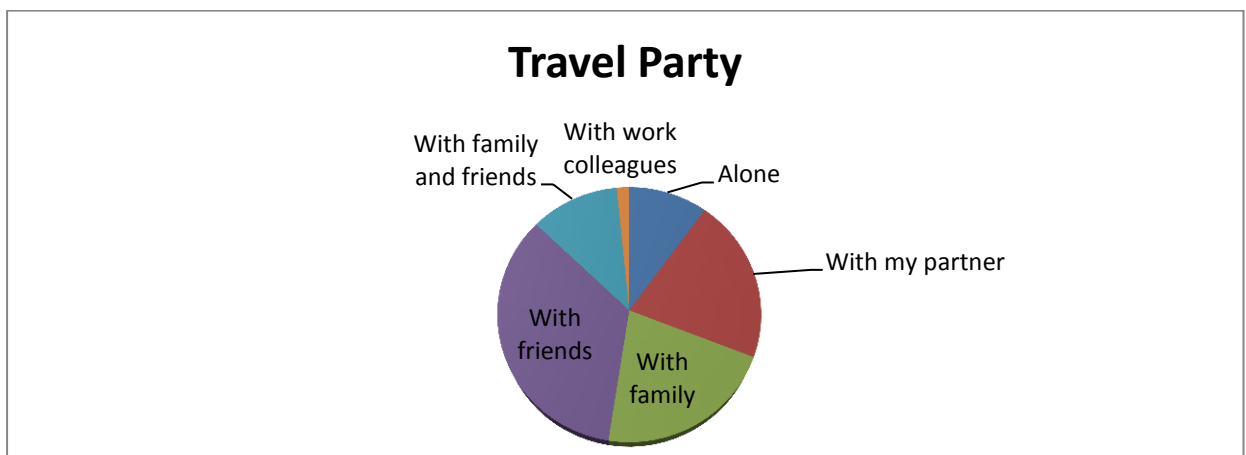
Purpose of visit

When visitors were asked about their use of the trails on their last visit to Queenstown 64.5% of respondents indicated they came specifically to ride their mountain bike. For 31.6%, mountain biking was one of many recreation activities they planned to do.



Group Types

Most visitors (35%) were travelling with friends, 21% were with family, 21% with their family and 11% with family and friends.



Average Length of Stay

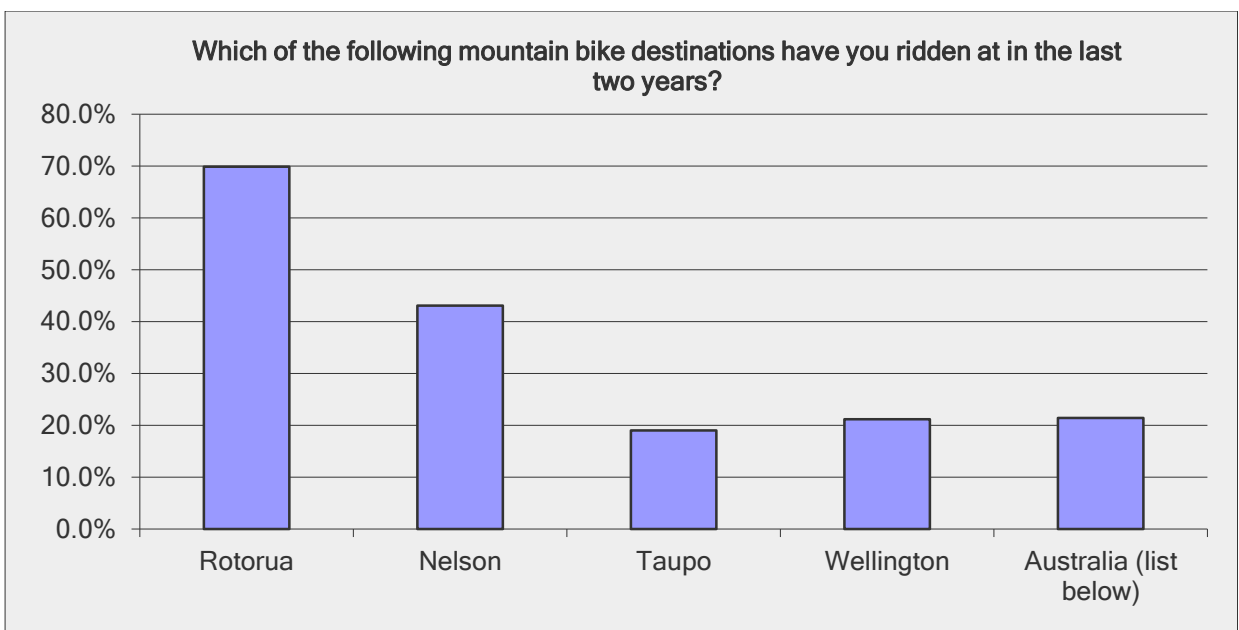
The average length of stay for those visiting was 4.7 nights.

Average Spend

The total average spend for those who answered based on their own spend was a total of \$1155.10 on travel costs and \$677.66 on bike expenditure. For those answering on group spend (74 responses answering for 228 adults and 49 children) the total average spend on travel costs was \$835.30 and \$296.90 on bike related expenditure.

Other Destinations

Almost 70% of the 448 respondents to this question had ridden at Rotorua in the last two years. Nelson was the second most visited, followed by Australia.



Markets

There are two distinct visitor markets that include more niche 'destination mountain bikers' and the much larger 'mountain bike while on holiday' market. The markets can also be assessed geographically: national and international.

Destination Mountain Bikers

These riders are typically male, 30-50 years old, well-educated and from high-income brackets¹⁰. This market largely mirrors the existing MTB event market in Queenstown.

Destination Mountain Bikers have intermediate to more advanced riding skills and regularly travel to mountain bike and would likely have visited other New Zealand or international MTB destinations.

These riders seek high quality trails with good supporting infrastructure in scenic/natural locations.

Mountain Bike Riding while on Holiday

This segment may include experienced mountain bikers but are generally categorised as beginner to intermediate. They view mountain biking as a secondary motivation for their visit, will bring their bikes on holidays or hire bikes, may place less emphasis on the trail and more on the setting and nearby attractions and amenities.

Economic Impact Modelling

This section provides an economic impact assessment of the mountain bike trails in Queenstown. This has involved estimating and modelling mountain bikers in 3 categories – local residents, overnight visitors (domestic and internationals) and day visitors.

It should be noted that the modelling of the trails users and their spending is based on a number of assumptions and estimation, which uses some aggregate visitor data, as direct information on user types and their spending is not available. The Queenstown Mountain Bike online survey findings have been used as a basis for estimating spending patterns and levels, with adjustments made for each of the user groups.⁶

- » The mountain bike trail users (for each visitor category) were estimated using data on the proportion of persons in each category, who mountain bike and expenditure in Queenstown was estimated using data that was derived from the online survey of trail users.⁷
- » For each group – three categories of riders were identified: High Level Enthusiasts (Advanced); Enthusiasts (Intermediate); and Casual User. This was derived from the survey results.
- » For overnight visitors and day visitors (domestic and international), total annual visitor data was used. The estimates of mountain bike trail users in these categories take account that
- » the trails are closed for a period of 15 weeks (from last week of May till mid-September) or approximately 30% of the year. To take account of this closure, we have reduced the annual visitor numbers by 30%, and used this reduced number as the base for estimating mountain bike trail users.

The assumptions used in modelling, and how visitor numbers and expenditure were estimated are detailed in Appendix 1.

⁶ Queenstown Mountain Bike Club Online Survey – 2016/2017

⁷ Queenstown Mountain Bike Club Online Survey – 2016/2017

1. Mountain Bike Trail Users & Spending

Trail Users

There were an estimated 56,632 users of the trails in the Queenstown area and these comprise:

- » Local residents - 2066 comprising: 930 High Level Enthusiasts (Advanced); 620 Enthusiasts (Intermediate); and 516 Casual User/Beginners. Based on assumptions in relation to the number of rides per year, these accounted for a total of 27,374 rides on the trails.
- » Overnight visitors (domestic and international) - 33,869 comprising: 15,421 High Level Enthusiasts (Advanced); 10,161 Enthusiasts (Intermediate); and 8467 Casual User/Beginners.
- » Day visitors (domestic and international) - 20,698 comprising: 9314 High Level Enthusiasts (Advanced); 6209 Enthusiasts (Intermediate); and 5174 Casual User/Beginners.

Details of how the numbers in each category of user were estimated are contained in Appendix 1.

Mountain Bike Trail Users by Category (estimates)

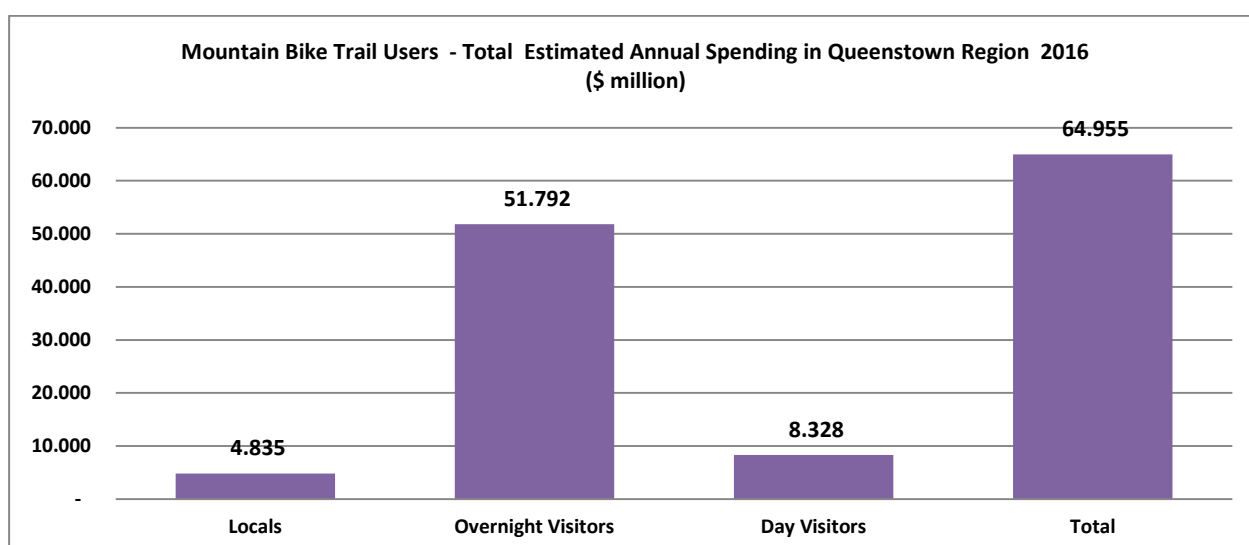
Mountain Biker - Categories	Riders Locals	Locals -ave rides per year	Total Locals - Rides per year	Riders Total Overnight Visitors	Riders Total Day Visitors	Total Riders
High Level Enthusiasts (Advanced)	930	20	18,594	15,241	9,314	25,485
Enthusiasts (Intermediate)	620	10	6,198	10,161	6,209	16,990
Casual User/Beginner	516	5	2,582	8,467	5,174	14,158
Total	2066		27,374	33,869	20,698	56,632

Source: MCA modelling and estimates May 2017

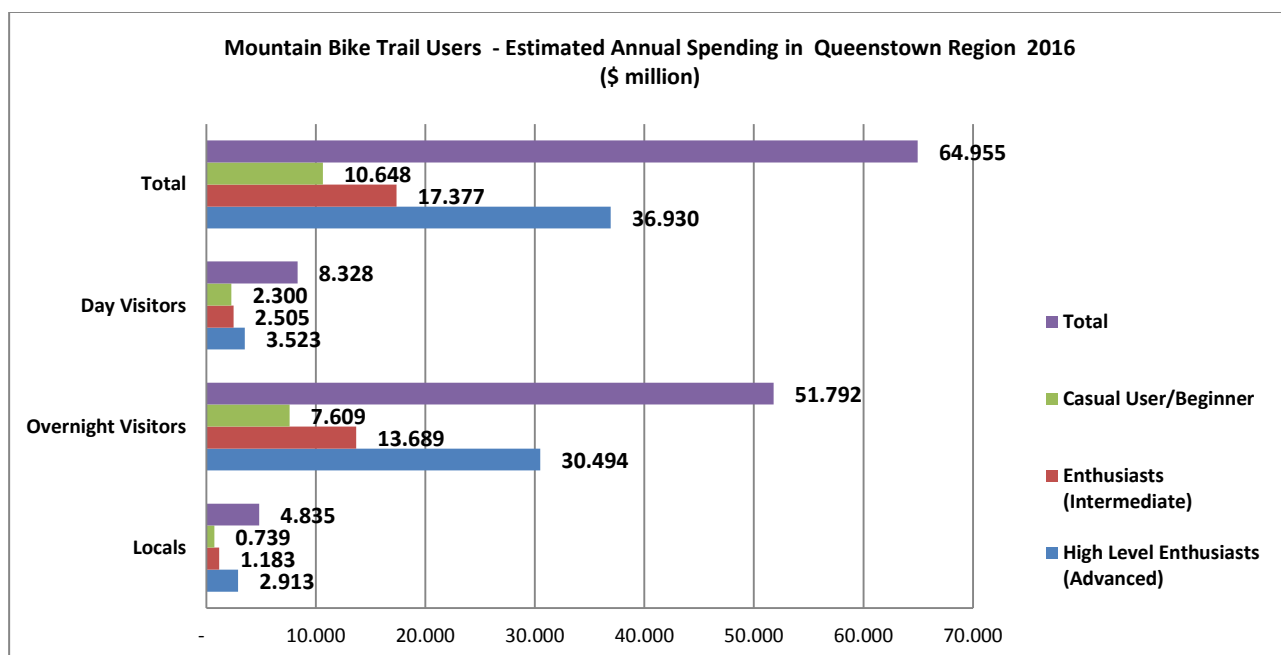
Spending in the Region

The mountain bike trail users were estimated to spend a total of \$64.955 million per year in the Queenstown region. This spending covered bike related expenses, food and beverages, other retail spending, other adventure tourism spending; and in the case of overnight visitors spending on accommodation.

Overnight visitors accounted for \$51.792 million of this spending, day visitors for \$8.328 million and locals \$4.835 million.



Source: MCA modelling and estimates May 2017



Source: MCA modelling and estimates May 2017

Estimated Spending in Queenstown Region by Mountain Bike Trail Users (Annual 2016)

Total Estimated Annual Spending 2016 \$ million) Mountain Bikers - Categories	Locals \$ m	Overnight Visitors <Domestic & Internationals> \$m	Day Visitors \$m	Total All Mountain Bikers \$m
High Level Enthusiasts (Advanced)	2.913	30.494	3.523	36.930
Enthusiasts (Intermediate)	1.183	13.689	2.505	17.377
Casual User/Beginner	0.739	7.609	2.300	10.648
Total	\$4.835	\$51.792	\$8.328	\$64.955

Source: MCA modelling and estimates May 2017

The following table shows the components of the estimated spending for each user group – locals, overnight visitors and day visitors.

Estimated Spending in Queenstown Region (by category) by Mountain Bike Trail Users (Annual 2016)

Expenditure by Mountain Bike Trail Users	Total Spending \$
Locals - Total Spending - All Categories (Annual) Persons =2066	
Tickets / gondola fees (including any booking fees)	888,610
Bike hire	47,187
Bike maintenance	929,984
Bike equipment purchased	1,947,898
Coaching, guiding or instruction in mountain biking	88,859
Other bike related purchases at Queenstown	932,275
Total Spending by All Locals	\$4,834,813
Overnight Visitors - Total Spending -All Categories (Annual) Persons=48,384	
Tickets / gondola fees (including any booking fees)	6,651,595
Bike hire	2,755,058
Bike maintenance	1,668,013
Bike equipment purchased	2,270,395
Coaching, guiding or instruction in mountain biking	763,911

Other merchandise purchased at Queenstown (not including food)	5,337,795
Other items/expenses incurred in association with your visit to Queenstown e.g. childcare costs)	944,194
Other local activities including adventure tourism activities	5,096,810
Transport to/from Queenstown	13,029,094
Accommodation Queenstown	7,657,420
Parking	152,643
Snack & Meals	5,464,988
Total Spending All Overnight Visitors	\$51,791,916
Day Visitors - Total Spending -All Categories (Annual) Persons = 29,568	
Tickets / gondola fees (including any booking fees)	1,759,296
Bike hire	383,175
Bike maintenance	316,347
Bike equipment purchased	1,109,971
Coaching, guiding or instruction in mountain biking	158,005
Other merchandise purchased at Queenstown (NOT including food)	492,375
Other items/expenses incurred in association with your visit to Queenstown e.g. childcare costs)	174,191
Other local activities including adventure tourism activities	444,960
Transport to/from Queenstown	2,388,667
Accommodation Queenstown	0
Parking	93,282
Snack & Meals	1,008,216
Total Spending All Day Visitors	\$8,328,485

Source: MCA modelling and estimates May 2017

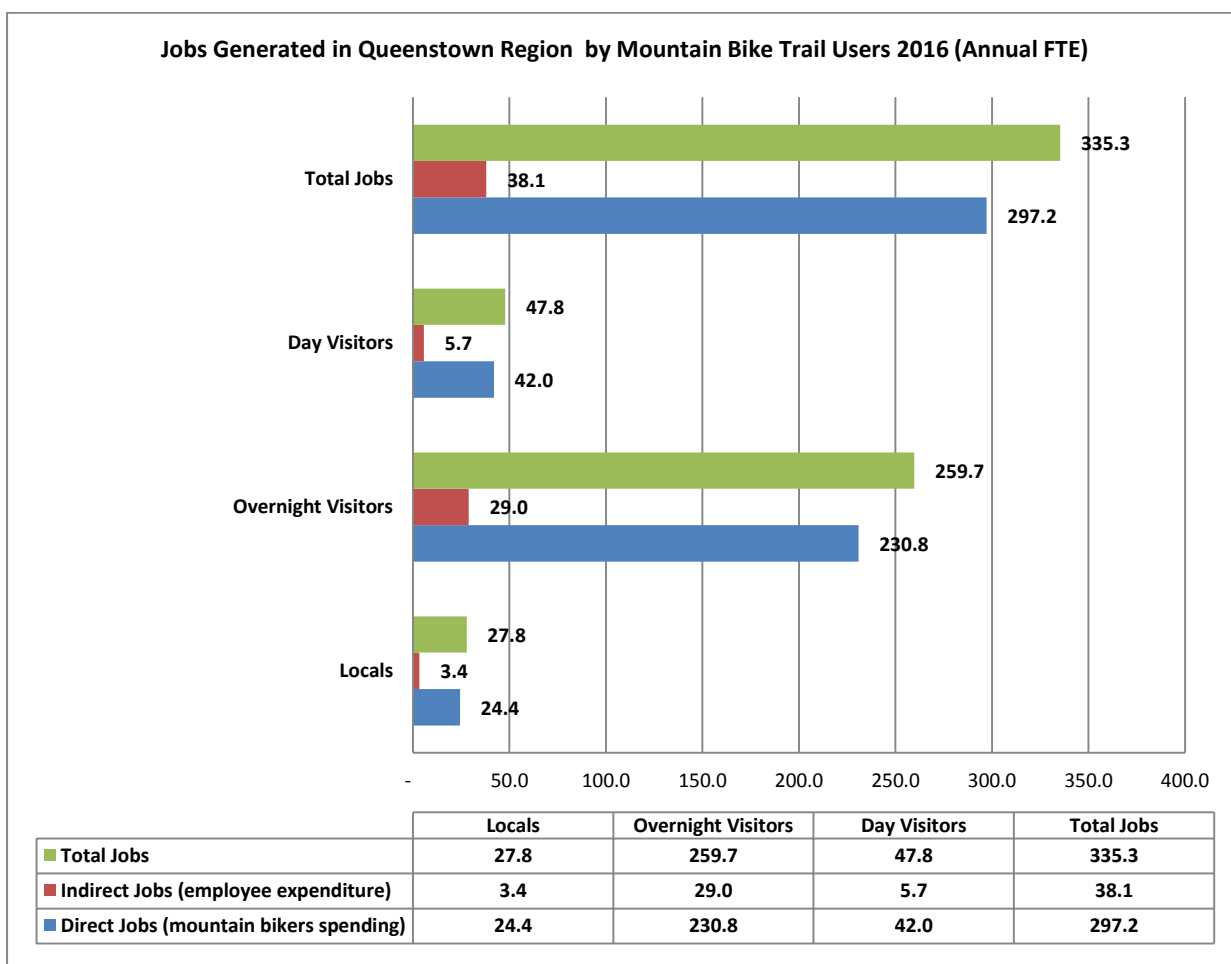
1. 2. Economic Impacts of Trails

The expenditure estimates were used in MCA’s economic impact model to derive the regional economic impact of the trails. The impacts are measured in terms of: full time equivalent jobs; and the level of regional income that is generated by trail users and their spending in the Queenstown Region.

Employment Impacts

The operation of the trails and the users are estimated to generate a total 335 FTE jobs in the region. These jobs are in two categories: direct jobs generated by the spending in the region by trail users; and indirect jobs which are generated by the local consumption spending of those persons in the direct jobs.

- » Most jobs (231 direct jobs) arise from overnight visitors who are staying in the region and spending on accommodation and meals as well as bike and trail related expenditure.
- » Of the direct jobs generated by trail users, the major areas are in: accommodation- 81 jobs; food service (cafes, restaurants) - 78 jobs; and recreation services (bike - sales, service, tours; adventure tourism) - 103 jobs.



Source: MCA modelling and estimates May 2017

Economic Impacts of Mountain Bike Trails - Employment in the Queenstown Region (Jobs FTE)

Impacts of Mountain Bike Trail Users- Employment -FTE Jobs (no.)	Mountain Bike Trail Users			
	Locals	Overnight Visitors	Day Visitors	Total
Direct Jobs (mountain bikers spending)	24.4	230.8	42.0	297.2
Indirect Jobs (employee expenditure)	3.4	29.0	5.7	38.1
Total Jobs	27.8	259.7	47.8	335.3

Source: MCA modelling and estimates May 2017

Economic Impacts of Mountain Bike Trails - Employment in the Queenstown Region by Industry (Direct Jobs FTE)

Impacts of Mountain Bike Trail Users Direct Jobs Generated by Mountain Bike Trails Industry Sector	Mountain Bike Trail Users			
	Locals	Overnight Visitors	Day Visitors	Total
Accommodation	0	80.7	0	80.7
Food & Beverage	7.3	58.3	12.5	78.0
Other Retail	4.4	23.3	7.5	35.2
Recreation Services (bike - sales, service, tours; adventure tourism)	12.8	68.5	22.0	103.4
Total Jobs	24.4	230.8	42.0	297.2

Source: MCA modelling and estimates May 2017

The following table shows the indirect jobs generated by the consumption spending (in the region) of employees (who are servicing the trails market). A total of 38 FTE indirect jobs are generated - these jobs are spread across a number of sectors reflecting the consumption patterns of employees (who are servicing the trails market), who are resident in the region.

Economic Impacts of Mountain Bike Trails - Indirect Jobs Generated in Queenstown Region by Industry (Jobs FTE)

Indirect Jobs (FTE) in Queenstown Region <generated by employee spending> Industry Sector	Locals	Overnight Visitors	Day Visitors	Total
Accommodation	0.5	4.5	0.9	5.9
Food & Beverage	0.2	2.0	0.4	2.7
Other Retail	0.2	1.7	0.3	2.3
Recreation Services	0.7	6.0	1.2	7.9
Housing Related Services	0.3	2.7	0.5	3.6
Health	0.3	2.2	0.4	2.8
Transportation	0.6	5.0	1.0	6.6
Communication	0.0	0.3	0.1	0.4
Education	0.2	1.5	0.3	2.0
Miscellaneous	0.3	2.9	0.6	3.9
Total Jobs	3.4	29.0	5.7	38.1

Source: MCA modelling and estimates May 2017

The following table shows total direct and indirect jobs by industry sector.

Economic Impacts of Mountain Bike Trails – Total Jobs Direct & Indirect Jobs Generated in Queenstown Region

Total All Jobs (Direct & Indirect) - FTE <generated by mountain bike activity> Industry Sector	Locals	Overnight Visitors	Day Visitors	Total
Accommodation	0.5	85.2	0.9	86.6
Food & Beverage	7.5	60.3	12.9	80.7
Other Retail	4.6	25.0	7.8	37.4
Recreation Services	13.5	74.5	23.2	111.3
Housing Related Services	0.3	2.7	0.5	3.6
Health	0.3	2.2	0.4	2.8
Transportation	0.6	5.0	1.0	6.6
Communication	0.0	0.3	0.1	0.4
Education	0.2	1.5	0.3	2.0
Miscellaneous	0.3	2.9	0.6	3.9
Total Jobs	27.8	259.7	47.8	335.3

Source: MCA modelling and estimates May 2017

Regional Income Impacts

The following table shows the regional income generated annually in the Queenstown Region by mountain bike trail activity and the spending of trail users.⁸ The trails generate a total of \$25.121 million annually (\$22.455 direct and \$2.666 million indirect/induced).

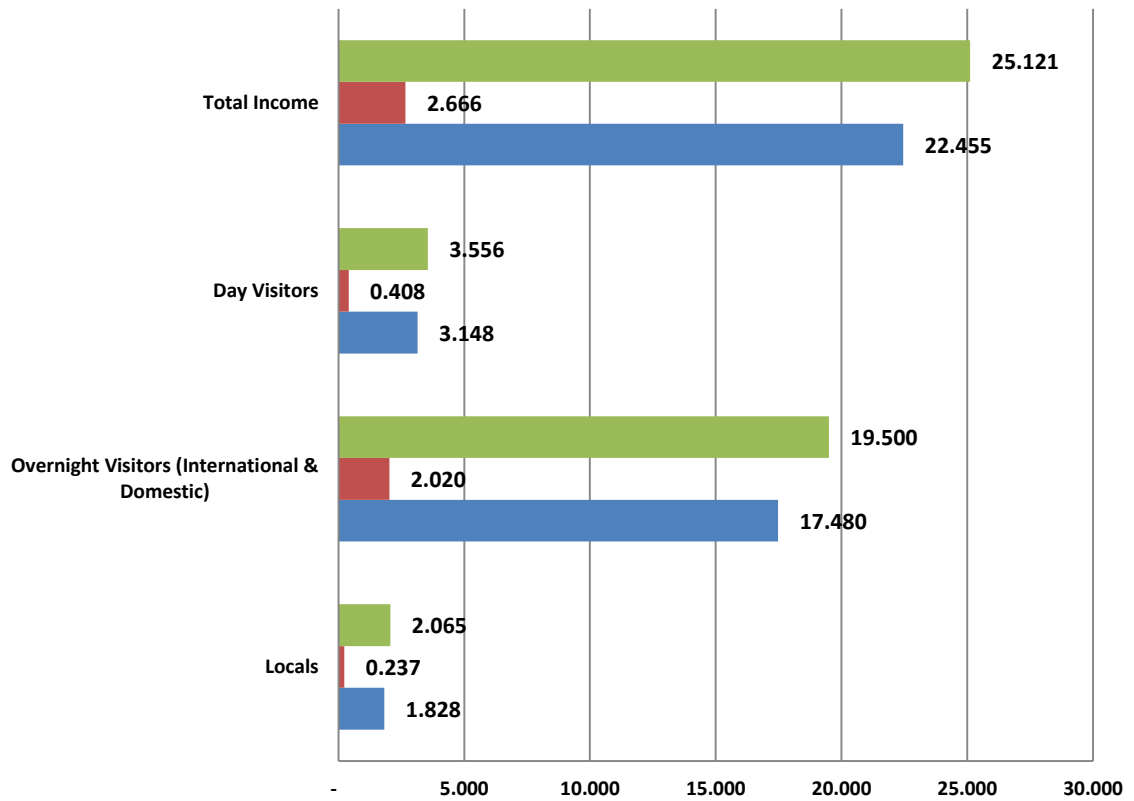
Economic Impacts: Annual Regional Income Generated by Mountain Bike Trails - Queenstown Region 2016 (\$million)

Impacts of Mountain Bike Trail Users- Regional Income - Annual (\$ million)	Mountain Bikers			
	Locals \$m	Overnight Visitors \$m	Day Visitors \$m	Total \$m
Direct Income (tourism sector – accommodation, food service, recreational services)	1.828	17.480	3.148	22.455
Indirect/induced Income (generated by employee spending)	0.237	2.020	0.408	2.666
Total Regional Income	\$2.065	\$19.500	\$3.556	\$25.121

Source: MCA modelling and estimates May 2017

⁸ Regional income is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income generated, income tax and GST on spending, are both treated as leakages from the region.

**Annual Regional Income Generated by Mountain Bike Trails in Queenstown Region 2016
(\$ million)**



	Locals	Overnight Visitors (International & Domestic)	Day Visitors	Total Income
■ Total Regional Income	2.065	19.500	3.556	25.121
■ Indirect Income (employee spending)	0.237	2.020	0.408	2.666
■ Direct Income (Tourism Sector)	1.828	17.480	3.148	22.455

Source: MCA modelling and estimates May 2017

Appendix 1.

This appendix provides details of the assumptions and estimates of mountain bikers and their expenditure in Queenstown. Estimation has needed to be used as the trails survey does not provide complete data on the number of users by type and expenditure. Nevertheless the survey has provided the foundation for estimating spending in the Queenstown Region by different categories of trail users.

Locals Residents

To estimate the number of local mountain bike riders a number of assumptions were made and these are outlined in the table below. Each of the rider categories has a different spending pattern.

- » Local mountain bikers =2066 – this is based on 7.3% of the population of 28,224.⁹
- » Categories of riders - % share was assumed for the modelling and was based on data from the online trail survey: High Level Enthusiasts (Advanced) (45%); Enthusiasts (Intermediate) (30%); and Casual/Beginner (25%).
- » Frequency of rides per year was assumed based on indicative data from the online trail survey.¹⁰
- » Based on the assumptions, the 2066 riders used the trails a total of 27,374 times in 2016.
- » Total annual spending by local residents (mountain biking) was estimated at \$4.835 million: High Level Enthusiasts (Advanced) (45%) - \$2.913 million; Enthusiasts (Intermediate) (25%) - \$1.182 million; and Casual/Beginner (25%) - \$0.739 million.¹¹

Estimate of Local Mountain Bike Riders

Estimate of Local Mountain Bike Riders		
Population Queenstown Lakes District (2013) ¹²	28,224	
% New Zealanders participating in MTB (last 12 mths)	6.1	
Assume Queenstown 20% higher		
% Queenstown participating in MTB (last 12 mths)	7.3	
No participating		
Mountain Bikers (based on NZ %)	1722	
Mountain Bikers (based on Queenstown %)	2066	
Assumptions		Share of users/ assumed mix) of riders
Frequency of Rides	Rides Per Year	
High Level Enthusiasts (Advanced)	20	0.45
Enthusiasts (Intermediate)	10	0.30
Casual User	5	0.25
		1.00
Estimated Mountain Bikers & Track Use	Estimated Riders No	Total Rides
High Level Enthusiasts (Advanced)	930	18,594
Enthusiasts (Intermediate)	620	6,198
Casual User	516	2,582
Total	2066	27,374

Source: MCa modelling and estimates May 2017

⁹ A 2009 study had the % of New Zealanders who mountain biked in the last 12 months was 6.1% and a figure 20% higher has been used for Queenstown (ie. 7.1%) <https://www.srknowledge.org.nz/research-completed/sport-and-recreation-profile-cycling-findings-from-the-200708-active-new-zealand-survey/>

¹⁰ Frequency derived from Queenstown Mountain Bike Club Online Survey – 2016/2017

¹¹ Expenditure patterns derived from Queenstown Mountain Bike Club Online Survey – 2016/2017

¹² www.qldc.govt.nz/planning/other-planning-information/population-and-growth/ 2013 Census data – Queenstown Lakes District.

Estimate of Local Mountain Bike Riders Spending (Annual \$)

Expenditure - Locals (Annual)		
	Ave Per Person \$ <from survey>	Total Spending \$
High Level Enthusiasts (Advanced) Persons = 930		
Tickets / gondola fees (including any booking fees)	495.36	460,535
Bike hire	22.84	21,234
Bike maintenance	692.52	643,835
Bike equipment purchased	1257.12	1,168,739
Coaching, guiding or instruction in mountain biking	43.01	39,986
Other bike related purchases at Queenstown	622.41	578,654
Total Spending High Level (in Queenstown)		\$2,912,984
Enthusiasts (Intermediate) Persons = 620		
	Ave Per Person \$ <from survey/adjusted>	Total Spending \$
Tickets / gondola fees (including any booking fees)	\$399.00	247,300
Bike hire	\$22.84	14,156
Bike maintenance	\$346.26	214,612
Bike equipment purchased	\$785.70	486,975
Coaching, guiding or instruction in mountain biking	\$43.01	26,658
Other bike related purchases at Queenstown	\$311.21	192,885
Total Spending Intermediate Level		\$1,182,584
Casual Users Persons = 516		
	Ave Per Person \$ <from survey/adjusted>	Total Spending \$
Tickets / gondola fees (including any booking fees)	\$350.00	180,775
Bike hire	\$22.84	11,797
Bike maintenance	\$138.50	71,537
Bike equipment purchased	\$314.28	292,185
Coaching, guiding or instruction in mountain biking	\$43.01	22,215
Other bike related purchases at Queenstown	\$311.21	160,737
Total Spending Casual Users		\$739,245

Source: MCA modelling and estimates May 2017

Total Locals - All Mountain Bike Riders Spending (Annual \$)

Expenditure - Locals (Annual)	
Total Spending by Locals – All Categories (Annual) Persons =2066	Total Spending \$
Tickets / gondola fees (including any booking fees)	888,610
Bike hire	47,187
Bike maintenance	929,984
Bike equipment purchased	1,947,898
Coaching, guiding or instruction in mountain biking	88,859
Other bike related purchases at Queenstown	932,275
Total Spending by Locals	\$4,834,813

Source: MCA modelling and estimates May 2017

Overnight Visitors

To estimate the number of overnight visitors (domestic and international), who were mountain bike riders a number of assumptions were made and these are outlined in the table below. Overnight visitors were divided into rider categories, as each has a different spending pattern.

- » Overnight visitor mountain bikers = 33,869 - this is based on 2.7% of 1.260 million overnight visitors to Queenstown (70% of total overnight visitors of 1.800 million).¹³
- » Categories of riders - % share was assumed for the modelling and was based on data from the online trail survey: High Level Enthusiasts (Advanced) (45%); Enthusiasts (Intermediate) (25%); and Casual/Beginner (25%).
- » Length of stay was assumed based indicative data from the online trail survey.
- » Based on the assumptions, 33,869 riders (overnight visitors) used the trails and accounted for a total of 89,752 visitor nights in 2016.
- » Spending was based on the online survey and adjusted for spending patterns of the 3 mountain bike rider categories.¹⁴
- » Total annual spending by overnight visitors (mountain biking) was estimated at \$51.792 million: High Level Enthusiasts (Advanced) (45%) - \$30.494 million; Enthusiasts (Intermediate) (25%) - \$13.689 million; and Casual/Beginner (25%) - \$7.609 million.

For overnight visitors, total annual visitor data was used. The estimates of mountain bike trail users take account that the trails are closed for a period of 15 weeks (from last week of May till mid-September) or approximately 30% of the year. To take account of this the annual visitor numbers were reduced by 30% and this reduced number was used as the base for estimating mountain bike trail users.

¹³ Destination Queenstown overnight visitor data for 2016 (1.8 million visitors). Tourism New Zealand data (2012) indicates that 4% of international visitors to New Zealand cycled while on holidays and 48% of these did off road mountain biking – this means that 1.92% went mountain biking. <http://www.tourismnewzealand.com/media/1764/cycling-tourism-profile.pdf> For Queenstown we have assumed a 40% higher percentage (ie. 2.7% of visitors went mountain biking). The same percentages have been applied to domestic overnight visitors and international overnight visitors to Queenstown.

¹⁴ Expenditure patterns derived from Queenstown Mountain Bike Club Online Survey – 2016/2017.

Estimate of Overnight Visitor Mountain Bike Riders

Overnight Visitors Estimates	Total	
Queenstown Visitors overnight	1,800,000	
Numbers during period (70% of year) when trails are open (trails closed 15 weeks = 30% of year)	1,260,000	
% overnight visitors participating in Mountain Biking (New Zealand)	1.92	
Assume Queenstown 40% higher than national average		
% Queenstown overnight visitors participating in Mountain Biking	2.7	
No. participating		
Mountain Bikers (based on NZ %)	24,192	
Mountain Bikers (based on Queenstown %)	33,869	
Assumptions	Days/nights per visit	Share of users/assumed mix) of riders
High Level Enthusiasts (Advanced)	4	0.45
Enthusiasts (Intermediate)	2	0.30
Casual User/Beginner	1	0.25
		1.00
Estimated Mountain Bikers & Track Use	Estimated Riders No	Total overnight Stay/Rides
High Level Enthusiasts (Advanced)	15,241	60,964
Enthusiasts (Intermediate)	10,161	20,321
Casual User/Beginner	8,467	8,467
Total	33,869	89,752
Average Length of Stay (all overnights)	2.65 nights	
Expenditure Patterns in Queenstown	Online Survey \$	
Tickets / gondola fees (including any booking fees)	277.54	
Bike hire	112.2	
Bike maintenance	67.93	
Bike equipment purchased	223.45	
Coaching, guiding or instruction in mountain biking	27.76	
Other merchandise purchased at Queenstown (NOT including food)	237.89	
Other items/expenses incurred in association with your visit to Queenstown	42.08	
Other local activities including adventure tourism activities e.g. Bungee jumping etc.	343.97	

Source: MCA modelling and estimates May 2017

Estimate of Overnight Visitors - Mountain Bike Riders Spending

Expenditure - Overnight Visitors (Annual)		
	Ave Per Person/ Per Trip	Total Spending \$
High Level Enthusiasts (Advanced) Overnight		
Persons (4 nights/days riding) = 21,773	from survey	
Tickets / gondola fees (including any booking fees)	277.54	4,229,976
Bike hire	112.20	1,710,036
Bike maintenance	67.93	1,035,318
Bike equipment purchased	89.38	1,362,237
Coaching, guiding or instruction in mountain biking	27.76	423,089
Other merchandise purchased at Queenstown (NOT including food)	237.89	3,625,672
Other items/expenses incurred in association with your visit to Queenstown	42.08	641,340
Other local activities including adventure tourism activities	171.99	2,621,217
Transport to/from Queenstown	385.00	5,863,092
Accommodation Queenstown	341.00	5,201,267
Parking	5.00	68,689
Snack & Meals	244.00	3,712,067
Total Spending High Level (in Queenstown)	\$2000.79	\$30,494,000
Enthusiasts (Intermediate) Overnight		
Persons (2 nights /days riding)=14,515	from survey/ adjusted	
Tickets / gondola fees (including any booking fees)	\$180.00	1,828,915
Bike hire	\$56.10	570,012
Bike maintenance	\$33.97	345,106
Bike equipment purchased	\$55.86	567,599
Coaching, guiding or instruction in mountain biking	\$27.76	282,059
Other merchandise purchased at Queenstown (NOT including food)	\$118.95	1,208,557
Other items/expenses incurred in association with your visit to Queenstown	\$21.04	213,780
Other local activities including adventure tourism activities	\$171.99	1,747,478
Transport to/from Queenstown	\$384.69	3,908,728
Accommodation Queenstown	\$170.63	1,733,756
Parking	\$4.51	45,793
Snack & Meals	\$121.78	1,237,356
Total Spending Intermediate Level	\$1,347.27	\$13,689,139
Casual Users/Beginners Overnight		
Persons (1 nights /days riding) = 12096	from survey /adjusted	
Tickets / gondola fees (including any booking fees)	\$70.00	592,704
Bike hire	\$56.10	475,010
Bike maintenance	\$33.97	287,588
Bike equipment purchased	\$22.35	340,559
Coaching, guiding or instruction in mountain biking	\$6.94	58,762
Other merchandise purchased at Queenstown (NOT including food)	\$59.47	503,566
Other items/expenses incurred in association with your visit to Queenstown	\$10.52	89,075
Other local activities including adventure tourism activities	\$85.99	728,116
Transport to/from Queenstown	\$384.69	3,257,273
Accommodation Queenstown	\$85.32	722,398
Parking	\$4.51	38,161
Snack & Meals	\$60.89	515,565
Total Spending Casual Users/Beginners	\$880.74	\$7,608,777

Source: MCA modelling and estimates May 2017

Total Overnight Visitors - All Mountain Bike Riders Spending

Expenditure - Overnight Visitors (Annual)	Total Spending \$
Total Spending by All Overnight Visitors =33,869	
Tickets / gondola fees (including any booking fees)	6,651,595
Bike hire	2,755,058
Bike maintenance	1,668,013
Bike equipment purchased	2,270,395
Coaching, guiding or instruction in mountain biking	763,911
Other merchandise purchased at Queenstown (not including food)	5,337,795
Other items/expenses incurred in association with your visit to Queenstown	944,194
Other local activities including adventure tourism activities	5,096,810
Transport to/from Queenstown	13,029,094
Accommodation Queenstown	7,657,420
Parking	152,643
Snack & Meals	5,464,988
Total Spending All Overnight Visitors	\$51,791,916

Source: MCA modelling and estimates May 2017

Day Visitors

To estimate the number of day visitors (domestic and international), who were mountain bike riders a number of assumptions were made and these are outlined in the table below. Day visitors were divided into rider categories as each has a different spending pattern.

- » Day visitor mountain bikers were estimated at 20,698 - this is based on 2.7% of 770,000 day visitors to Queenstown (70% of total 1.1 million day visitors to Queenstown).¹⁵
- » Categories of riders – the % share was assumed for the modelling and was based on data from the online trail survey: High Level Enthusiasts (Advanced) (45%) 9314 riders; Enthusiasts (Intermediate) (25%) 6209 riders; and Casual/Beginner (25%) 5174.¹⁶
- » Spending was based on the online survey and adjusted for spending patterns of the 3 mountain bike rider categories.¹⁷
- » Total annual spending by day visitors (mountain biking) was estimated at \$8.328 million: High Level Enthusiasts (Advanced) (45%) - \$3.523 million; Enthusiasts (Intermediate) (25%) - \$2.505 million; and Casual/Beginner (25%) - \$2.300 million.

For day visitors, total annual visitor data was used. The estimates of mountain bike trail users take account that the trails are closed for a period of 15 weeks (from last week of May till mid-September) or approximately 30% of the year. To take account of this the annual visitor numbers were reduced by 30% and this reduced number was used as the base for estimating mountain bike trail users.

¹⁵ Destination Queenstown day visitor data for 2016 (1.1 million day visitors). Tourism New Zealand data (2012) indicates that 4% of international visitors to New Zealand cycled while on holidays and 48% of these did off road mountain biking – this means that 1.92% went mountain biking. http://www.tourismnewzealand.com/media/1764/cycling-tourism_profile.pdf For Queenstown we have assumed a 40% higher percentage (i.e. 2.7% of visitors went mountain biking). The same percentages have been applied to day visitors (domestic and international) to Queenstown.

¹⁶ Expenditure patterns derived from Queenstown Mountain Bike Club Online Survey – 2016/2017

¹⁷ Expenditure patterns derived from Queenstown Mountain Bike Club Online Survey – 2016/2017

Estimate of Day Visitor Mountain Bike Riders

Visitors (Day)	Total	
Queenstown Visitors day	1,100,000	
Numbers during period (70% of year) when trails are open (trails closed 15 weeks = 30% of year)	770,000	
% overnight visitors participating in Mountain Biking (New Zealand)	1.92	
Assume Queenstown 40% higher than national average		
% Queenstown overnight visitors participating in Mountain Biking	2.7	
No. participating		
Mountain Bikers (based on NZ %)	14,784	
Mountain Bikers (based on Queenstown %)	20,698	
Assumptions	Days per visit	Share of users/ assumed mix) of riders
High Level Enthusiasts (Advanced)	1	0.45
Enthusiasts (Intermediate)	1	0.30
Casual User/Beginner	1	0.25
		1.00
Estimated Mountain Bikers & Track Use	Estimated Riders No	
High Level Enthusiasts (Advanced)	9,314	
Enthusiasts (Intermediate)	6,209	
Casual User/Beginner	5,174	
Total	20,698	

Source: MCA modelling and estimates May 2017

Estimate of Day Visitors - Mountain Bike Riders Spending

Day Visitor Spending		
	Ave Spend Per Person/ Per Trip from survey	Total Spending
High Level Enthusiasts (Advanced) Person = 13,306		
Tickets / gondola fees (including any booking fees)	90.00	838,253
Bike hire	0.00	
Bike maintenance	20.38	189,808
Bike equipment purchased	67.04	624,359
Coaching, guiding or instruction in mountain biking	0.00	0
Other merchandise purchased at Queenstown (NOT including food)	23.79	221,569
Other items/expenses incurred in association with your visit to Queenstown	8.42	78,386
Other local activities including adventure tourism activities e.g. Bungee jumping, skydiving, rafting, 4WDing etc.	0.00	0
Transport to/from Queenstown	115.41	1,074,900
Accommodation Queenstown		0
Parking	4.51	41,977
Snack & Meals	48.71	453,697
Total Spending High Level (in Queenstown)	\$378.25	\$3,522,949

Enthusiasts (Intermediate) Persons = 8870	Ave Per Person/ Per Trip from survey/ adjusted	Total Spending
Tickets / gondola fees (including any booking fees)	\$90.00	558,835
Bike hire	\$33.66	209,004
Bike maintenance	\$20.38	126,539
Bike equipment purchased	\$44.69	277,493
Coaching, guiding or instruction in mountain biking	\$13.88	86,185
Other merchandise purchased at Queenstown (NOT including food)	\$23.79	147,713
Other items/expenses incurred in association with your visit to Queenstown	\$8.42	52,257
Other local activities including adventure tourism activities e.g. Bungee jumping, skydiving, rafting, 4WDing etc.	\$0.00	0
Transport to/from Queenstown	\$115.41	716,600
Accommodation Queenstown	\$0.00	0
Parking	\$4.51	27,985
Snack & Meals	\$48.71	302,465
Total Spending Intermediate Level (in Queenstown)	\$403.44	\$2,505,075
Casual Users/Beginners Persons = 7392	Ave Per Person/ Per Trip from survey/adjusted	Total Spending
Tickets / gondola fees (including any booking fees)	\$70.00	362,208
Bike hire	\$33.66	174,170
Bike maintenance	\$0.00	0
Bike equipment purchased	\$22.35	208,120
Coaching, guiding or instruction in mountain biking	\$13.88	71,821
Other merchandise purchased at Queenstown (NOT including food)	\$23.79	123,094
Other items/expenses incurred in association with your visit to Queenstown	\$8.42	43,548
Other local activities including adventure tourism activities e.g. Bungee jumping, skydiving, rafting, 4WDing etc.	\$85.99	444,960
Transport to/from Queenstown	\$115.41	597,167
Accommodation Queenstown	\$0.00	0
Parking	\$4.51	23,320
Snack & Meals	\$48.71	252,054
Total Spending Casual Users/Beginners (in Queenstown)	\$426.71	\$2,300,461

Source: MCA modelling and estimates May 2017

Total Day Visitors - All Mountain Bike Riders Spending

Total Spending by Day Visitors	Total Spending \$
Total Queenstown (all categories) Persons = 20,698	
Tickets / gondola fees (including any booking fees)	1,759,296
Bike hire	383,175
Bike maintenance	316,347
Bike equipment purchased	1,109,971
Coaching, guiding or instruction in mountain biking	158,005
Other merchandise purchased at Queenstown (NOT including food)	492,375
Other items/expenses incurred in association with your visit to Queenstown (e.g. childcare costs)	174,191
Other local activities including adventure tourism activities e.g. Bungee jumping, skydiving, rafting, 4WDing etc.	444,960
Transport to/ from Queenstown	2,388,667
Accommodation Queenstown	0
Parking	93,282
Snack & Meals	1,008,216
Total Spending All Day Visitors	\$8,328,485

Source: MCA modelling and estimates May 2017

Disclaimer

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