The New Zealand Cycleway

Market Research

September 2009

Prepared for

Ministry of Tourism

Prepared by

Tourism Resource Consultants

EXECUTIVE SUMMARY

New Zealand Cycleway market research project

The New Zealand cycleway market research project was commissioned by the Ministry of Tourism (TMT) to gain a better understanding of the scope, size and characteristics of cycling markets, both domestically and in New Zealand's key international markets (e.g. Australia, UK, North America).

Tourism Resource Consultants (TRC) undertook to define visitor demand for cycling experiences within New Zealand, identify the key segments of the market, analyse existing research on cycle tourism and recreational cycling and identify potential areas for growth.

This report identifies current knowledge about the New Zealand and international cycling markets and provides a baseline for future research on these markets.

Methodology

TRC reviewed over 70 current research documents, data analysis and case studies, ran a focus group consisting of cycling experts and stakeholders to explore market segments and identify further research needs, and interviewed key agencies.

Current research on cycle tourism products, participation and market segmentation in New Zealand is limited. Where data does exist, small sample sizes mean it is often difficult to determine trends and characteristics between on-road and off-road cycling activities.

The New Zealand Cycleway experience

Currently in New Zealand there are a number of cycling opportunities for visitors to enjoy ranging from undefined road touring routes to well-serviced rides such as the Queen Charlotte Track and the Otago Central Rail Trail, day trips and cycle events. Rides can be taken on disused rail trails, stopbanks and mountain bike tracks. These experiences are highly diverse and the factors influencing them include:

- Length and difficulty of ride
- Trail structure
- Support services

- Equipment availability
- Safety and security
- Linkages and synergies with other trails
- Available information.

Any new cycleway developments in New Zealand must consider terrain, land ownership, and distance from populated settlements. As a result there will be constraints on the number of ‘Great Rides’ developed. However, opportunities to enhance existing trails and create new links will add considerable value and strengthen New Zealand’s overall cycling product.

With good management and design, future trails will have the capacity to handle significant volumes of cyclists each season and provide an exceptional cycling experience for a wide range of abilities.

Global cycling trends

Global participation in cycling activities is increasing. In New Zealand, there has been a 5.3% increase in recreational road cycling since 1997/98. However, in the last two years mountain biking in the USA has grown by 10% annually. The highest use and growth in cycling occurs on traffic-free routes, with mountain bikes the largest single specialty bike category in the USA (29% market share).

There is strong growth in rail trails and similar cycling products internationally, with over 100 existing and 23 proposed trails in Australia, and a network of trails in the UK. One of these, the Bath to Bristol trail, attracts over one million visits per annum. In New Zealand there are over 50 mountain bike parks and an increasing number of cycle tour operators offering adventure cycling activities.

There is a strong demand for cycle events, such as Canada’s Crankworx festival (55,000 visitors) and the Great Victorian Bike Ride (between 3,500 and 8,100 riders per year). Cycle events are key drivers for attracting cyclists to a destination and often have major economic spin-offs. In New Zealand, events such as the Karapoti Classic (over 1,200 participants) and the Lake Taupo Cycle Challenge (over 10,000) attract large numbers of cyclists and spectators.

In New Zealand there is also strong demand for family based cycling activities and products. Events such as the Meridian Kids’ Bike Jams attracted over 3,250 children across several events in 2009.

There is an increasing focus on cycle planning by local and regional governments throughout New Zealand. Over 45 have prepared cycling or combined cycling and walking strategies.

Photo: Ric Balfour

Comparing domestic cycle tourists with international cycle tourists

The number of current tourists, both international and domestic that ride a bicycle while in New Zealand is over 300,000 per year (this includes domestic day trippers not featured in the table below). The following table shows the number and value of international and overnight domestic cycle tourists.

	Domestic (cycle tourists)	International (cycle tourists)
Data Source	DTS, YE December 2008	IVS, YE March 2009
Volume	219,000	51,000
Total annual expenditure (NZ$)	$82.7 million	$222 million
Average expenditure per trip (NZ$)	$378	$4,391
Average expenditure per day (NZ$)	$105	$97
Average length of Stay (nights)	3.6	45.1

DTS – Domestic Tourism Survey, IVS – International Visitor Survey, all references to international expenditure exclude international airfares.

Domestic cyclists occur in higher numbers than international cyclists, but contribute only 27% (or $82.7m) of the total expenditure of all cycle tourists ($304.7m). Domestic cycle tourists spend slightly more on average per day ($105) than their international counterparts ($97).

Most domestic cycle tourists come from the larger population centres of Auckland, Canterbury, Otago and Wellington and participation in cycle activities by domestic tourists has increased by 67.4% in the five years since 2004.

International visitors from the UK (24%), Australia (23%) and the USA (11%) make up the largest share of all international cycling tourists from 2004-2009. These are also New Zealand's three largest international visitor markets. However, those international tourists with the highest participation rate in a cycling activity come from Switzerland (10% participating from this market), the Netherlands (9%), Ireland (8%), Germany (7%) and the UK (5%), although the figures for Switzerland and Ireland are calculated from low sample sizes.

In addition, international cycle tourists spend 1.5 times as much per trip compared with the average international visitor, stay twice as long and visit twice as many destinations.

62% of international cycle tourists are under 35 years of age, whereas only 36% of all domestic cycle tourists are under 35. This impacts on travel party dynamics – domestic cycle tourists are most likely to travel with families (37%), while international cycle tourists are more likely to be travelling alone (48%) or with partner/spouse (25%).

Current market segments

Segmenting recreational and tourism cycling markets is a challenging task. The two are not mutually exclusive and there is considerable overlap between segments. However, market segments can be a useful tool to help regions form marketing strategies and develop products and experiences.

The market for cycleway experiences is a combination of cycle tourists, recreational cyclists and the broad potential market consisting of those who do not currently cycle (see following table).

Segments	Cycle Tourism			Recreation	Other
	Touring cyclists	Cycling holidays	Location-based cyclists	Sport & Recreation Cyclists	Potential Cyclists
					
Cycling as a motivator	Primary	Primary or Secondary	Primary or Secondary	Primary or Secondary	Secondary
Current size of the market (estimate)	< 1,000	< 25,000	>270,000 (>75,000 mountain bikers)	1,100,000 (>200,000 adult mountain bikers)	Large
Character-istics	•Age 20-45 yrs •Mainly European •Some domestic on short tours	•All ages, but more 40-65 yrs •Domestic and international	•All ages •Novice to expert •Some families •Cycling one of many activities	•All ages •Novice to expert •Ride for exercise and enjoyment •Road and off-road riding •A lot of families and children	•All ages, especially women •Haven't ridden a bike since school •Enjoy walking
Barriers	•Speed and volume of traffic •Hills •Signage and information •Weather •Road safety	•Safety and security •Lack of experience •Bike hire	•Safety and security •Distance to trails •Bike hire	•Safety and security •Easy access to trails	•Safety and security •Lack of experience and fitness •Image of cycling
Frequency	•Regular cyclists •Commuters	•Combination of regular and infrequent cyclists	•Combination of regular and infrequent cyclists	•Combination of regular and infrequent cyclists	•Haven't ridden a bike for many years
The trail	•Good paved and off-road routes •Low volumes of vehicle traffic	•Rail trail or similar •Average gradient 2-3º and max of 5° •Width over 1.5m •2 to 5 days •Subgroup looking for more adventurous rides, gradients can exceed 5º	•Variety of trails and grades •Accessible •Width and gradients will vary depending on trail difficultly	•Variety of trails and grades •Easily accessible on urban fringe	•Off-road/no traffic and easy •Average gradient 2-3º and max of 5° •Width over 2m

Segments	Cycle Tourism			Recreation	Other
	Touring cyclists	Cycling holidays	Location-based cyclists	Sport & Recreation Cyclists	Potential Cyclists
Mountain biking	• n/a	•A range of easy to intermediate off-road trails •Some more challenging/ adventurous routes	•A progression of purpose built biking trails •Beginner to advanced	•A progression of purpose built biking trails •Some challenge	•Easy, wide, low gradient off-road trails
Events	✓	✓	✓✓✓	✓✓	✓✓
Other activities	✓✓	✓✓✓	✓✓✓	✓	✓✓✓
Essential services	•Backpackers accomm-odation •Designated cycle routes •Signage and maps	•Guided or independent •Shuttle service •Bike hire •B&B/higher end accomm-dation	•Range of accomm-odation •Other activities •Bike hire and repairs	•Signage and information •Bike shops	•Other activities •Accomm-odation •Bike hire •Guided services

✓ Somewhat important ✓✓ Important ✓✓✓ Very important

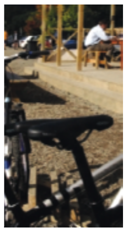
Although recreational cyclists are the largest market segment, their activities are almost exclusively restricted to day rides within reach of their homes. The largest cycle tourism group, 'Location-based Cyclists', generally stay in commercial accommodation in one town for the majority of their holiday and go on day rides from this base (e.g. Rotorua). This market has the largest economic growth potential due to its size and use of commercial accommodation.

Location-based Cyclists are largely novice/intermediate cyclists and families and are concentrated in the major urban centres. Generally, there is a lack of easy access to flat, off-road cycle routes near this market.

Mountain bikers are an important sub-group of the cycle tourism and recreational markets. Mountain bikers are generally 30-50 years old, mainly male and range in ability from novice to expert. They require many of the same services and facilities as other cyclists. However, mountain bikers place greater emphasis on the quality of the trail, and welcome more of a challenge.

It is important to recognise that the size of the potential market is directly related to the ability of the cycling audience, there are more novices than experts. Furthermore, the demands and needs of experienced cyclists are not always the same as those of the less experienced cyclists. Therefore, any future cycleway planning must reflect these differing needs and abilities.

Lessons learned

Case Studies						
Otago Central Rail Trail	Rotorua	Hutt River Trail	Murray to Mountains, NSW	Munda Biddi, WA	Whistler, Canada	7stanes, Scotland
						

The case studies show that the entire visitor experience is important, not just the cycling aspect. This is particularly true for those markets whose primary motivation is not cycling. Accommodation, services, information, scenic values and other activities combine to make the experience more appealing to a broader range of visitors.

Successful projects need financial strategies in place to support the costs of maintenance, upgrades, infrastructure such as signage and water provision to name a few. There are many different models for this e.g. user-pays, trust-based models, sponsorship and local government funding.

Ongoing maintenance, trail upgrades and good information/signage all result in a better visitor experience. Multiple access points and a range of trail difficulty should result in broader usage. It is particularly important to provide safe, easy trails for beginners and families. Wide trails (e.g. over two metres) where cyclists can ride two or three abreast enhance the social aspect of the cycle experience.

The success of off-road trails depends on their ability to offer cyclists a safe, traffic-free environment. Easier trails will have a broader user appeal, but progression and challenge are important factors for a smaller segment of the market.

What the market is looking for

In general, international cycle tourists want easy multi-day trips with good supporting services or events. The holidays can also be location-based and utilise nearby trail networks. They require trips that take in New Zealand's landscape, natural environment and culture.

Domestic cycle tourists and recreational riders are not primarily focused on cycling but on the broader experience. This group is likely to be older or consist of families rather than single visitors or couples.

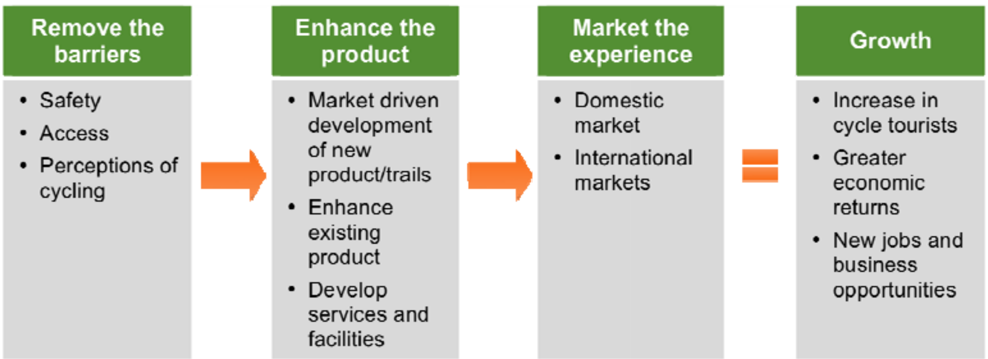
Both markets are looking for easy access to safe and traffic-free trails. For the domestic market in particular, there is often limited opportunity for this within their local region.

Trail gradient is a critical factor in successfully designing a trail for a specific market or type of rider. For a large portion of the location-based cycling and cycling holiday market average trail gradients of 2-3° are required. However, New Zealand's landscape and topography can often make this difficult.

Mountain bikers are generally more experienced cyclists. Although there is already a wide range of trails available to them in many regions, they also want to see services that can complement their experience and better linkages to longer riding opportunities.

Opportunities for growth

New Zealand has great potential to grow its international and domestic cycle tourism markets if it can deliver in three key areas: remove the barriers to participation (e.g. safety), enhance the product and market the experience.



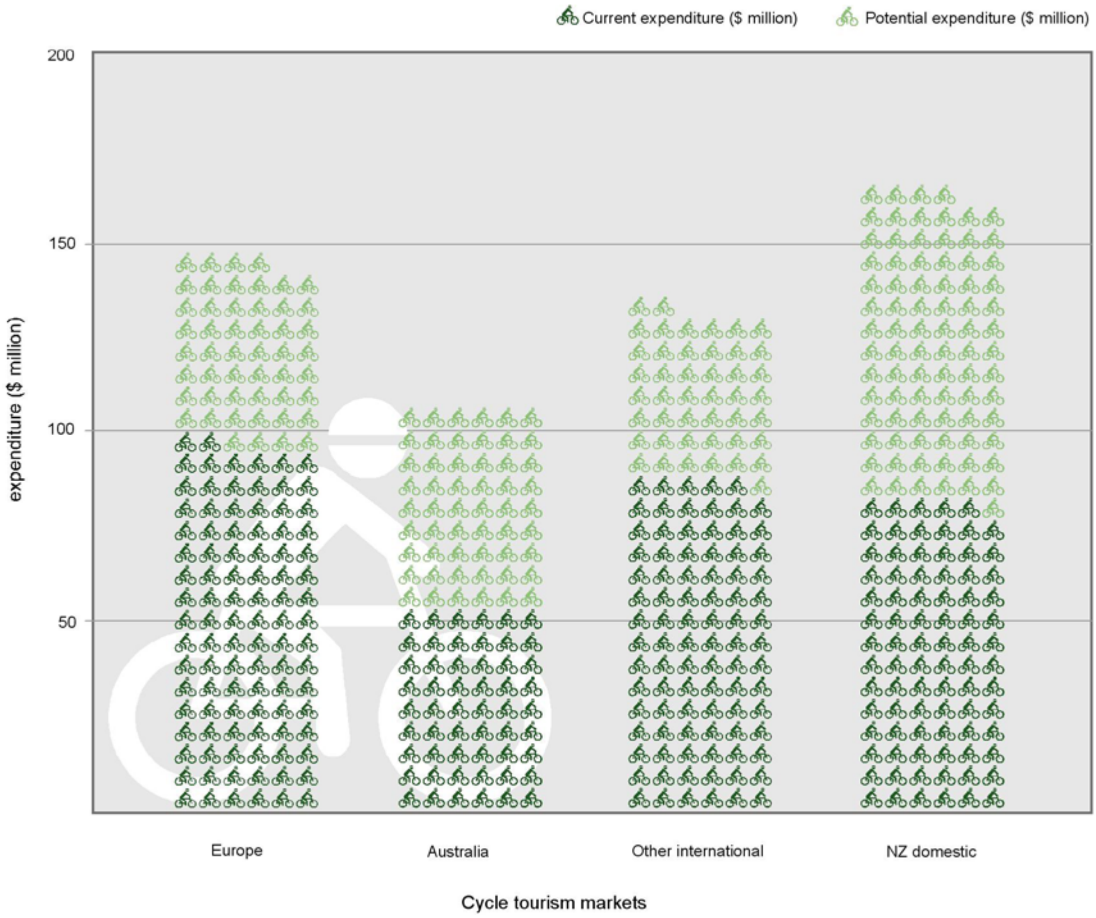
International visitors from the UK, Australia and the USA make up the largest share of all international cycle tourists. These are also New Zealand's key visitor markets and the potential to leverage off existing awareness in these markets is huge.

There is considerable potential to grow the Australian market due to its close proximity and similar market demand characteristics with regard to cycling participation, which grew by 21% in the last year (2007-2008).

Growth potential is also possible in those international markets that already have a higher likelihood to participate in cycling activities, for example Western Europe.

Participation levels for cycling by domestic tourists are currently around 1.5% in New Zealand. However, strong growth in cycling and participation rates of 23% for the adult population suggest there is considerable potential to increase cycling while on holiday

There is potential for New Zealand, with small increases in participation in key markets, to increase international cycle tourists' overall trip expenditures by $150 million and domestic expenditures by $83 million annually.



Note: the data sample sizes for some of the international visitor markets (e.g. in the IVS) are small and as a result these figures should be interpreted with a degree of caution.

These estimates are likely conservative and if New Zealand can get the product right, remove the barriers and invest strongly in marketing cycling tourism the expenditure from cycling tourists could more than double from $320 million to more than $640 million annually.

Greatest barriers

The greatest barriers to providing an exceptional cycling experience include:

- Road safety and visitor perceptions of safety while cycling in New Zealand
- Appropriate support services, such as accommodation, bike hire, transport, security
- Readily available information

- Trails suitable for a range of abilities

- Difficulty of transporting bicycles, especially on buses.

Next steps

Current research on cycle tourism products, participation and market segmentation in New Zealand is limited and data sample sizes are often small.

Possible future research and projects could include:

- Surveys/research at significant regional cycle events in New Zealand e.g. Auckland's Dual Challenge, Taupo Cycle Challenge, Wellington's The Big Coast

- A structured baseline research programme for the seven quick start projects and Otago Central Rail Trail looking at markets, regional indicators, potential demand for linkages, economic impacts

- Establishing guidelines for trail counters and economic impact assessments from trail development.

Photo: Colin Monteath

ACKNOWLEDGEMENTS

Tourism Resource Consultants (Dave Bamford, Jimmy Young and Antonia Westmacott) would like to acknowledge all those who took time to participate in this Cycleway Market Research Project and particularly the following:

- **Cycleway Focus Group** – for sharing their thoughts, ideas and expertise on cycling and providing a wealth of information, publications and reports (see list of participants in Appendix 1)

- **The Ministry of Tourism** – for providing cycle-specific analysis of their tourism databases that greatly informed the market segmentation

- **Sport and Recreation New Zealand (SPARC)** – for providing cycle-specific analysis of their Active New Zealand survey, which helped paint a picture of regional cycling participation in New Zealand

- **New Zealand Transport Agency (NZTA)** – for providing access to existing research and reports related to cycling

- **Kennett Brothers** – for peer reviewing the draft New Zealand Cycleway Market Research Report

- All those who provided photos to use in this report.

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1. BACKGROUND

1.1. The New Zealand Cycleway Project

The New Zealand Cycleway concept emerged from the Job Summit (February 2009) as a "Near Term and High Priority" idea. It is proposed as a means to stimulate jobs in the short term, while creating the best possible environment for businesses to prosper and provide long term economic benefits.

One of the ideas was the establishment of a cycleway running the length of the country. However, since the Employment Summit a number of options have been assessed and the concept of a network of Great Rides has emerged as a more feasible option.

The Great Rides will be based around New Zealand's iconic attractions and make use of infrastructure that already exists. They will tap into existing regional and local government community-based initiatives.

1.1.1. Objectives

The main objectives of the project are:

- **To create jobs** through design, construction and maintenance of the cycle network

- **To create a high quality tourism asset** that will enhance New Zealand's competitiveness as a tourism destination

- **To provide ongoing employment** and economic development opportunities for regional economies

- **To maximise the range of complementary benefits** that the cycle network provides to a wide range of New Zealanders, including events, recreation and health.

1.2. Cycleway Market Research

The development and design of regional cycleway projects needs to be informed by market research to ensure the product meets marketplace expectations.

The cycleway market research project was commissioned to:

- Gain a better understanding of the scope, size and characteristics of the cycling markets, both domestically and in New Zealand's key international markets (e.g. Australia, UK, North America).

- This research includes a review of recreational as well as cycle tourism information.

The cycleway market research project identifies and provides an initial analysis of what is currently known about cycle tourism and recreational cycling. It provides a baseline for clarifying what future research is needed to better understand and develop this niche sector.

1.3. Methodology

- Review of cycling related documentation (over 70 reports, see references)

- Focus group with cycling experts in Wellington on 24 June 2009 (see list of attendees in Appendix 1)

- Further interviews with key agencies: Ministry of Tourism, NZTA, BikeNZ, Sport and Recreation New Zealand (SPARC), and other individuals/experts

- Analysis of the International Visitor Survey (IVS), Domestic Visitor Survey (DTS), and Regional Visitor Monitor (RVM) to extract and review cycling related data

- Analysis of the SPARC recreational 'Active NZ' survey data to develop a profile of NZ recreational cyclists

- Case study research and some interviews to develop key lessons learned

- Peer review of the draft report by the Kennett Brothers.

Photo: Ric Balfour

2. SIZE AND CHARACTERISTICS OF THE EXISTING CYCLING MARKET

2.1. Types of Cycling

Cycling is a diverse activity with a number of different disciplines. Figure 1 below provides a simplified view of types of cycling experiences and how they relate to one another. There is a degree of overlap between many types of riding, for example, some people participate in road cycling as well as mountain biking.

Some basic definitions of the different types of cycling:

- **Road cycling** – skinny tires and only ride on sealed roads

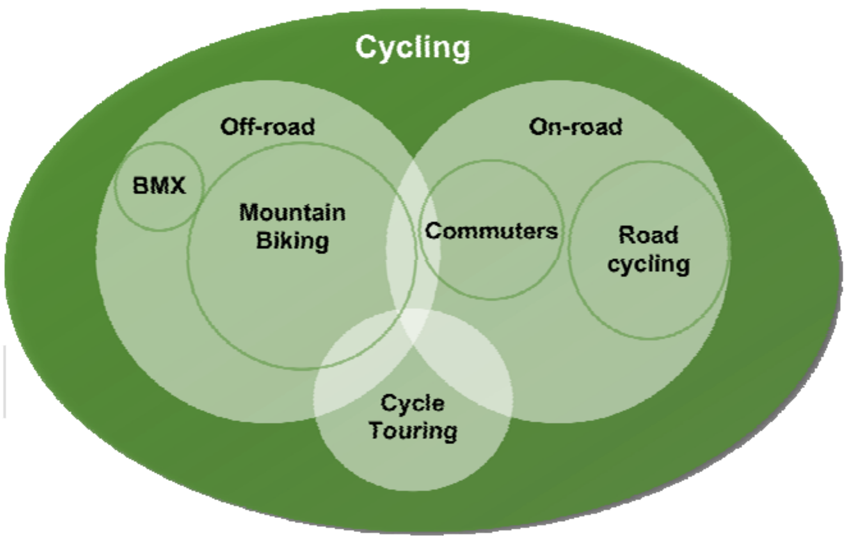
- **Mountain biking** – wider tires and mainly ridden off-road and on dirt trails, but also used on sealed roads

- **Touring cycling** – touring bikes or hybrid bikes and sometimes mountain bikes used on sealed roads, but are also capable of riding on gravel and dirt roads

- **BMX** – solely focused on track riding around a purpose built course with jumps and tight-banked corners (e.g. berms).

The drivers for participating in cycling are both cycling related (e.g. fun, competition and exercise) and non-cycling related (e.g. spending time with family and friends).

Figure 1: Relationships between the types of Cycling



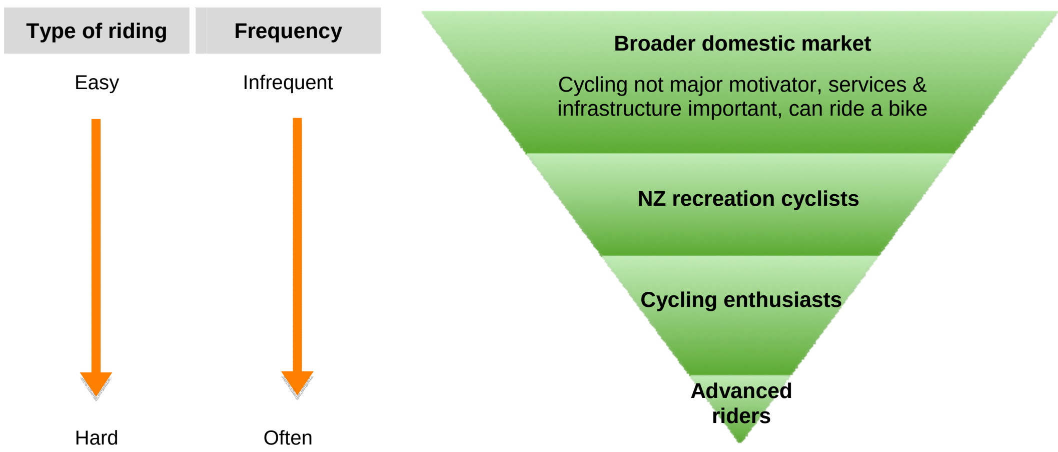
2.2. Defining the Cycling Markets

2.2.1. The Size of the Market

When defining the markets for cycling and subsequently developing cycling products it is important to be aware of the relationship between market size and the level of experience/ability. A person's ability is closely related to the frequency with which they ride.

The size of the potential market for cycling is directly related to the ability of the audience. For example, there are far more novice cyclists than there are expert cyclists and trails built should reflect this in their design (e.g. wide trails with easy gradients).

Figure 2: The New Zealand Cycle Market



2.2.2. Segmenting the Cycle Market

The cycling segments have been developed after reviewing more than 70 reports and papers from New Zealand and overseas. A wealth of anecdotal information and expert opinion was also gathered on cycle tourism and recreational cycling.

The market for cycleway experiences will be a combination of those who already cycle while away from home (e.g. tourists), recreational cyclists (e.g. those who cycle at home) and a broader potential market that does not cycle currently.

Cycle tourism

- Cycle tourism includes visits to places outside the home region for the purpose of holiday, pleasure or sport, where participation in cycling is either a primary or secondary activity

- It includes both domestic and international visitors, mostly staying overnight but can include day trippers.

- It includes cycle tourers, mountain bikers and road cyclists

The three Cycle Tourism Segments

- **Cycle Touring** – travelling on low traffic roads throughout the country on linear or circular routes. Generally staying in multiple overnight locations. Generally independent, younger and fitter.

- **Cycling Holidays** – travelling on traffic-free linear or circular routes. This group includes all ages and abilities. To some extent this is the larger and softcore end of the cycle touring market, who do not want to contend with the traffic and are more focused on the social aspect.

- **Location-based Cyclists** – based in one place for the majority of their holiday. Cycling is likely just one of many holiday activities. They seek easy access to day riding experiences in the region from an overnight accommodation base. This segment includes all ages and abilities and a large portion of mountain bikers.

Recreational Cycling

- Recreational cycling is described as cycling activity that takes place from home and does not involve an overnight stay away from home.

- There are a large number of recreational mountain bikers

The following table outlines the size and characteristics of the various market segments:

Table 1: Cycle Tourism Segments

Segments	Cycle Tourism			Recreation	Other
	Touring cyclists	Cycling holidays	Location-based cyclists	Sport & Recreation Cyclists	Potential Cyclists
					
Cycling as a motivator	Primary	Primary or Secondary	Primary or Secondary	Primary or Secondary	Secondary
Current size of the market (estimate)	< 1,000	< 25,000	>270,000 (>75,000 mountain bikers)	1,100,000 (>200,000 adult mountain bikers)	Large
Character-istics	•Age 20-45 yrs •Mainly European •Some domestic on short tours	•All ages, but more 40-65 yrs •Domestic and international	•All ages •Novice to expert •Some families •Cycling one of many activities	•All ages •Novice to expert •Ride for exercise and enjoyment •Road and off-road riding •A lot of families and children	•All ages, especially women •Haven't ridden a bike since school •Enjoy walking
Barriers	•Speed and volume of traffic •Hills •Signage and information •Weather •Road safety	•Safety and security •Lack of experience •Bike hire	•Safety and security •Distance to trails •Bike hire	•Safety and security •Easy access to trails	•Safety and security •Lack of experience and fitness •Image of cycling
Frequency	•Regular cyclists •Commuters	•Combination of regular and infrequent cyclists	•Combination of regular and infrequent cyclists	•Combination of regular and infrequent cyclists	•Haven't ridden a bike for many years
The trail	•Good paved and off-road routes •Low volumes of vehicle traffic	•Rail trail or similar •Average gradient 2-3º and max of 5° •Width over 1.5m •2 to 5 days •Subgroup looking for more adventurous rides, gradients can	•Variety of trails and grades •Accessible •Width and gradients will vary depending on trail difficultly	•Variety of trails and grades •Easily accessible on urban fringe	•Off-road/no traffic and easy •Average gradient 2-3º and max of 5° •Width over 2m

Segments	Cycle Tourism			Recreation	Other
	Touring cyclists	**Cycling holidays**	**Location-based cyclists**	**Sport & Recreation Cyclists**	**Potential Cyclists**
		exceed 5º			
Mountain biking	• n/a	•A range of easy to intermediate off-road trails •Some more challenging/ adventurous routes	•A progression of purpose built biking trails •Beginner to advanced	•A progression of purpose built biking trails •Some challenge	•Easy, wide, low gradient off-road trails
Events	✓	✓	✓✓✓	✓✓	✓✓
Other activities	✓✓	✓✓✓	✓✓✓	✓	✓✓✓
Essential services	•Backpackers accomm-odation •Designated cycle routes •Signage and maps	•Guided or independent •Shuttle service •Bike hire •B&B/higher end accomm-dation	•Range of accomm-odation •Other activities •Bike hire and repairs	•Signage and information •Bike shops	•Other activities •Accomm-odation •Bike hire •Guided services

✓ Somewhat important ✓✓ Important ✓✓✓ Very important

Photos: The Kennett Brothers, Rob Greenaway, Jimmy Young

Note that the markets identified in this section are not mutually exclusive and there is some overlap between the various tourism market segments. For example, domestic tourists who cycle while on holiday are also part of the recreational cycling market when riding from home.

The market segments provide a useful tool to help regions form marketing strategies and develop products and experiences.

2.3. Cycle Tourism Market Segments

2.3.1. Tourism research surveys

New Zealand tourism research focuses on several main visitor surveys, including the International Visitor Survey (IVS), Domestic Tourism Survey (DTS) and Regional Visitor Monitor (RVM). The surveys capture data about visitors who participate in cycling activities while on holiday in New Zealand.

- The IVS measures the travel patterns and expenditure of international visitors to New Zealand

- The DTS captures information on New Zealanders travelling within New Zealand

- The RVM examines the experiences of international and domestic travellers in six New Zealand regions (Auckland, Rotorua, Wellington, Christchurch, Dunedin and Queenstown). Results are combined for all regions, but are not necessarily nationally representative.

Some of these surveys differentiate between on-road and off-road cycling, however, sample sizes are very small especially for off-road cycle tourists and, therefore, are somewhat unreliable. Wherever possible, this report has distinguished between the characteristics of on-road and off-road cycle tourists.

2.3.2. Cycle tourists – current volumes

The maximum number of current cycle tourists (both international and domestic) is over 300,000 per year. The following table shows the maximum possible numbers under each category of cycle tourist.

Table 2: Maximum numbers for cycle markets

Cycle markets	Cycling primary motivator	Cycling secondary motivator	Total
Cycle Touring	<1,000	-	<1,000
Cycle holidays	<25,000		<25,000
Location-based cyclists	-	>270,000	>270,000
Total (possible maximum)	<26,000	>270,000	>300,000

2.3.3. Cycle tourism can be self-organised or packaged

In the last decade there has been an increase in the number of cycle tourism operators. These operators provide an alternative to independent holidays.

Across New Zealand there are 16 Qualmark endorsed visitor activities under the category of adventure biking, two of which have Enviro Logos. Four are based in North Island and 12 in South Island. Many of these offer guided tours along some of New Zealand's iconic routes, such as the West Coast, Molesworth Rainbow, Otago Central Rail Trail and Queen Charlotte Track.

Table 3: Self organised and packaged cycle tourism

Cycle markets	Self-organised	Packaged
Definition	*Visitors are Fully Independent Travellers (FIT) or Semi Independent Travellers (SIT) travellers, and organise their own trips along with the services required (e.g. bike hire, accommodation, shuttle transport from start/end of cycling experience)*	*Visitors are part of an organised guided trip, usually from a key destination*
Touring cyclists	Generally road-based trips from A to B or round/loop trips such as touring from Picton to West Coast, then catching the train across Arthur's Pass and cycling back up to Picton	Guided touring trips for 1-2 weeks along the West Coast, with meals and accommodation provided
Cycle holidays	Self-organised Otago Central Rail Trail trip. Pre-booked or pay as you go for shuttle services, accommodation, food, bike hire, and train	Guided trips along the Otago Central Rail Trail from Clyde to Middlemarch, with pick up/drop off options from Queenstown or Dunedin. Pre-booked package includes guide, accommodation, food, transfers, shuttle for luggage, bike hire, train
Location-based cyclists	Weekend trip to Rotorua, which is used as a hub for cycle rides during the day. (Mountain bike) Can also include event-based holidays, e.g. Lake Taupo Cycle Challenge (Road cycling)	Tailor-made itinerary of rides ex-Rotorua/Taupo with arranged accommodation, airport transfers and bike hire
Sub-group *(Mountain bikers)*	Self guided ride of 42nd Traverse ex-National Park or Ohakune with pre-booked shuttle service for start/end	Guided tours along the Queen Charlotte Track, ex-Picton (day or multi-day trips). Pre-booked package includes accommodation, food, water taxi transfers

Fully-independent travellers (FIT) - made and paid for all travel arrangements after arrival in New Zealand. Semi-independent travellers (SIT) - made and paid for at least one travel arrangement before arrival in New Zealand

2.3.4. Comparison of domestic and international cycle tourists

The following table compares the size and characteristics of domestic and international cycle tourists to New Zealand. All data is from the IVS (YE March 2009) and DTS (YE December 2008), unless otherwise specified.

Table 4: Domestic and international cycle tourists to New Zealand

	Domestic (cycle tourists)	International (cycle tourists)
Data Source	DTS, YE December 2008	IVS, YE March 2009
Volume	219,000	51,000
Total annual expenditure (NZ$)	$82.7 million	$222 million
Average expenditure per trip (NZ$)	$378	$4,391
Average expenditure per day (NZ$)	$105	$97
Average length of Stay (nights)	3.6	45.1
Regional Spread		16 trip legs in NZ
Age	36% under 35 34% aged 35-44	62% under 35
Gender	50% male 50% female	55% male 45% female
What is their main purpose of travel?	Holiday (79%); visiting friends and relatives (15%); Business (3%) (Refer to DTS 6 in Appendix 4)	Holiday (69%); visiting friends and relatives (16%); Business (4%) (Refer to IVS 9 in Appendix 4)
What accommodation do they stay in?	50% stay in privately owned dwellings; 18% in holiday parks/campgrounds; 15% in motels; 11% in rented dwellings (Refer to DTS 5 in Appendix 4)	51% stay in backpackers; 43% in privately owned dwellings; 29% in holiday parks/campgrounds; 28% in hotels (Refer to IVS 8 in Appendix 4)
Which regions do they visit?	Lake Taupo (11%) Rotorua (10%) Hurunui (10%) (Refer to DTS 3 in Appendix 4)	Canterbury (16%) Auckland (15%) Queenstown (14%) (Refer to IVS 6 in Appendix 4)
What other activities do they participate in?	Dining (48%) Walking and trekking (30%) Shopping (25%) Visiting friends and relatives (22%) (Refer to DTS 10 in Appendix 4)	Walking/trekking (91%) Sightseeing (land) (80%) Other scenic/natural attractions (74%) Dining (72%) Shopping (71%) (Refer to IVS 13 in Appendix 4)
Who do they travel with?	Most travel with families (37%) or in couples (19%) (Refer to DTS 7,8 in Appendix 4)	Most travel alone (48%) or with partner/spouse (25%) (Refer to IVS 11,12 in Appendix 4)

	Domestic (cycle tourists)	International (cycle tourists)
What transport are they using?	Over 90% travel by car/van. Similar patterns to all domestic tourists. (Refer to DTS 9 in Appendix 4)	Over 75% use car/van to travel around. Many cycle tourists are using scheduled coach services and commercial ferry/boat travel (Refer to IVS 14 in Appendix 4)
What are the most important deciding factors for cycle tourists when visiting the regions?	Take time out (64%) Have fun, socialise and enjoy (54%) Participate in another activity (48%) (Refer to RVM 1 in Appendix 4)	Have fun, socialise and enjoy (55%) See natural or other attraction (49%) Enjoy uniquely different places (44%) Experience local culture (42%) (Refer to RVM 1 in Appendix 4)
What are their most important expectations?	Over a third thought that scenery and a relaxing place to visit were important with regard to their expectations of the region. (Refer to RVM 2 in Appendix 4)	Over a third thought that scenery, friendly/welcoming people and a safe/secure place to visit were important with regard to their expectations of the region. (Refer to RVM 2 in Appendix 4)
What are they most interested to find out before they arrive in the region?	Accommodation (45%); activities and attractions (41%) and prices (32%) before they arrive. (Refer to RVM 3 in Appendix 4)	Activities and attractions (62%); accommodation (54%) and the weather or climate (43%) of their destination before they arrive. (Refer to RVM 3 in Appendix 4)
Sources used to find out about the region?	Other internet/websites (60%); advice from family or friends (50%) and guide books (30%). (Refer to RVM 4 in Appendix 4)	Guide books (68%); other internet/websites (54%); advice from family or friends (51%). (Refer to RVM 4 in Appendix 4)

Average expenditure per trip - is the expenditure on the entire trip (excluding international airfares for IVS).

Domestic cycle tourists occur in greater numbers but contribute less in terms of total expenditure compared to their international counterparts

- 219,000 or 1.5% of domestic tourists participated in cycling as an activity while on a trip within New Zealand

- 51,000 or 2% of international tourists participated in a cycling as an activity while in New Zealand. A similar number of tourists participated in golf, horse trekking/riding and motor sports

- The numbers of international cycle tourists participating in on-road and off-road cycling are split evenly (26,000 on-road and 26,000 off-road)

- Despite their greater numbers, domestic cycle tourists contributed only 27% (or $82.7m) of the total expenditure of all cycle tourists ($304.7m). Domestic cycle tourists spend slightly more on average per day ($105) than their international counterparts ($97), but holiday for shorter durations.

Participation in cycling has increased for domestic cycle tourists but decreased for international cycle tourists

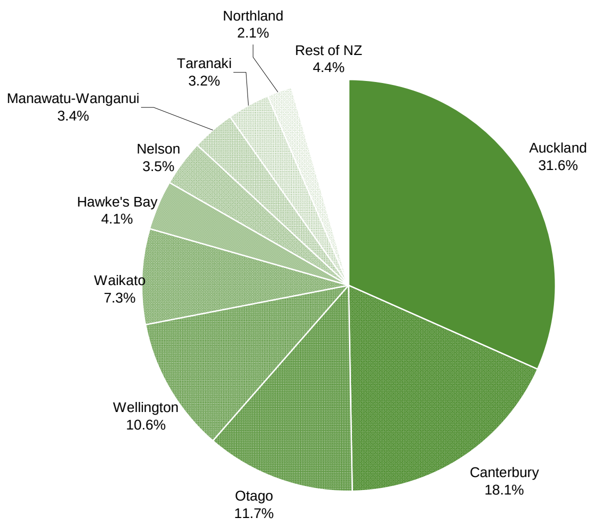
- Participation in cycle activities by domestic tourists has increased by 67.4% in the five years since 2004. Refer to DTS 1 in Appendix 4

- International tourists' participation in cycle activities while in New Zealand has decreased by 23% in the five years since 2004, likely influenced by a decrease in cycle touring and New Zealand's poor road safety reputation. Refer to IVS 1, 2 and 3 in Appendix 4.

Most domestic cycle tourists are from Auckland, Canterbury, Otago and Wellington

Residents from Auckland (32%), Canterbury (18%), Otago (12%) and Wellington (11%) made up the largest share of domestic cycle tourists (2004-2008). This generally reflects the large population centres.

Figure 3: Origin of domestic cycle tourists (2004-2008)



Source: DTS, YE December 2004-2008

The UK, Australia and USA provide the largest share of international cycle tourists

International visitors from the UK (24%), Australia (23%) and the USA (11%) make up the largest share of all international cycling tourists between 2004-2009. Refer to IVS 4 in Appendix 4. This reflects the position of these markets as New Zealand's three largest international visitor markets.

The Swiss, Dutch, Irish, German and UK markets are most likely to participate in cycling activities

International tourists with the highest likelihood to participate in a cycling activity came from Switzerland (10%), the Netherlands (9%), Ireland (8%), Germany (7%) and the UK (5%).

International cycle tourists are younger than domestic cycle tourists

- 62% of international cycle tourists are under 35 years of age, whereas only 36% of all domestic tourists are under 35 years of age. Refer to IVS 7 in Appendix 4

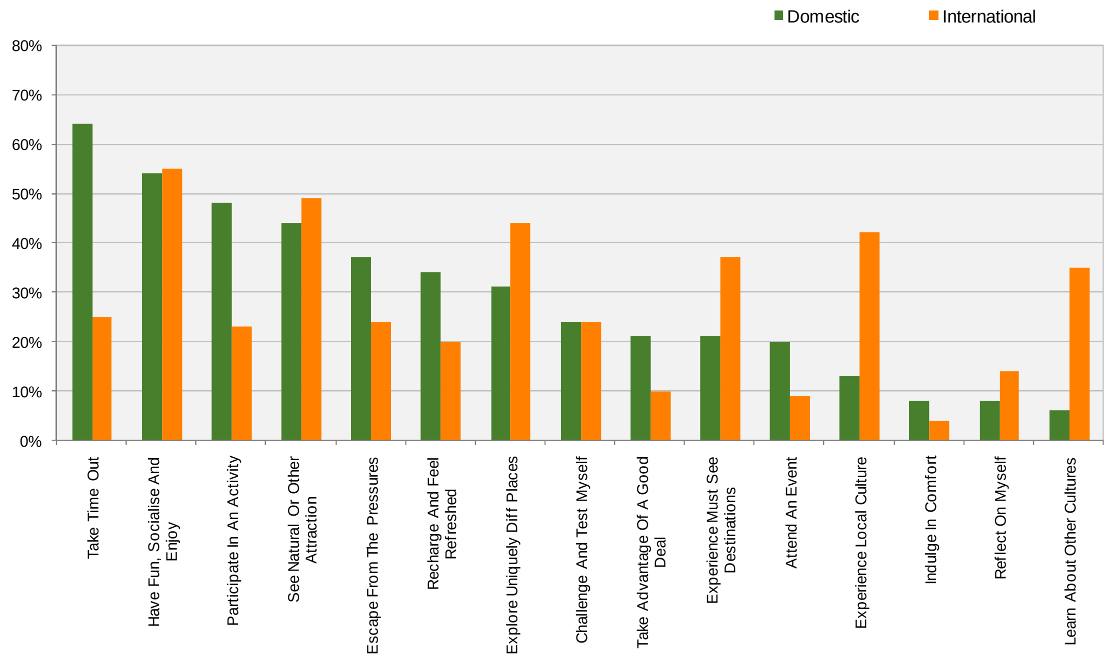
- There is a higher proportion of 35-44 year old domestic cycle tourists than for all domestic tourists (34% compared to 20%). Refer to DTS 4 in Appendix 4

- Age impacts on travel party dynamics – domestic cycle tourists are more likely to travel with families (37%), whereas international cycle tourists are more likely to be travelling alone (48%). Refer to DTS 7 and IVS 11 in Appendix 4

What is important to visitors varies between domestic and international cycle tourists

Taking time out and participating in an activity are more important to domestic cycle tourists than international cycle tourists. On the other hand, exploring a unique place or must-see destination, experiencing local culture and learning about other cultures are all more important to international cycle tourists than their domestic counterparts.

Figure 4: Decision to visit (domestic versus international cycle tourists) 2006-2008



Source: RVM YE Sept 2006-2008

The majority of international cycle tourists are independent travellers

- The majority of international cycle tourists are independent travellers (93% are FIT and SIT, compared with 84% for all international tourists). Refer to IVS 10 in Appendix 4.

2.4. Recreational Cycling

2.4.1. New Zealand Sport and Recreational Cycling[1]

Sport and Recreational cycling is cycling activity that takes place from home and does not involve an overnight stay. This market segment includes New Zealand residents only.

[1] SPARC, 2008 & 2009

Photo: Kennett Brothers

Sport and recreational cyclists are a large market

Sport and recreational cyclists are the largest market segment for cycling with an estimated 1.1 million in New Zealand: this figure includes 745,000 adults, plus an estimated 360,000 children aged 5 to 15 years[2].

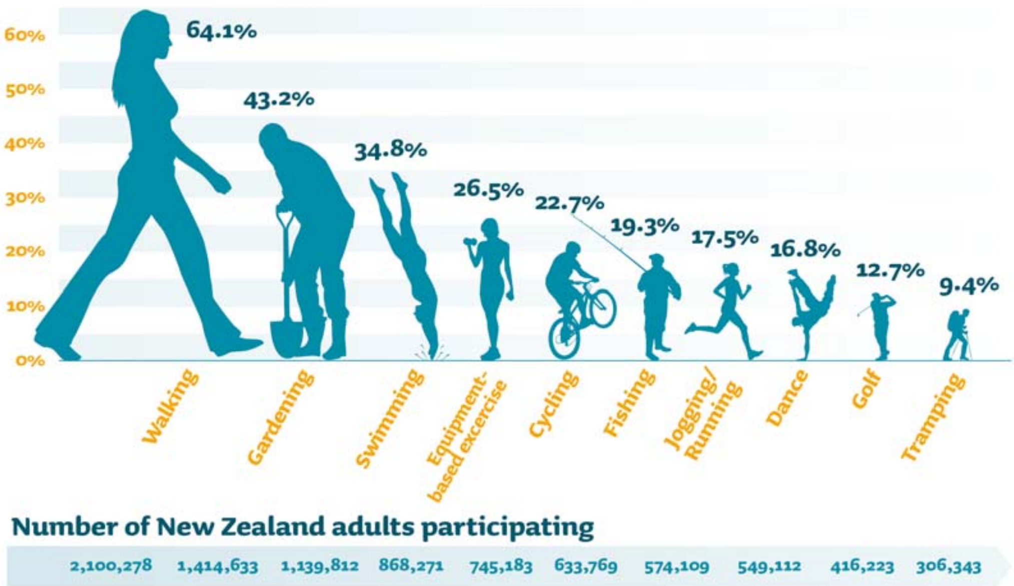
The latest SPARC Active NZ survey estimated there were 745,183 New Zealand adults (e.g. 16 years and older) participating in both on-road and off-road cycling in 2007/08 over a 12 month period. This is equivalent to 22.7% of the adult population.

Cycling (including road cycling and mountain biking combined) is the 5th most popular sport and recreational activity for New Zealand adults after walking, gardening, swimming and equipment based exercise. It is more popular than jogging/running (see figure 5).

Mountain biking is also a popular sport and recreational activity for New Zealanders. An estimated 202,237 New Zealand adults (6.1% of adult population) took part in mountain biking in 2007/08.

[2] The Ministry of Transport, 2008

Figure 5: The 10 most popular sport and recreation activities participated in over 12 months



Note: Cycling includes road cycling and mountain biking

Source: SPARC

Cycling participation has increased since 1997/98

Recreational road cycling activity in New Zealand has increased by 5.3% since the 1997/98 when 14.1% of the New Zealand population participated in cycling. Participation rates for many recreational activities have declined over this period. Mountain biking participation rates have remained stable since 1997/98.

More men participate in cycling than women

Out of those who participate in cycling, 59.6% are men and 40.4% are women.

Cycling most popular among 35-49 year olds

The largest proportion of cyclists is the 35-49 year old group (32.0% or 302,583 of total cyclists). This corroborates evidence from the DTS showing a higher proportion of domestic cycle tourists in the 35-44 age group.

Table 5: Numbers and proportions of recreation cyclists by age group

Age Group	Projected Number of cyclists in NZ Population	Percentage (%) of population
16-24 years	123,471	22.5%
25-34 years	146,086	26.8%
35-49 years	302,583	32.0%
50 years +	173,042	14.0%

Cycling participation levels varied by socio-economic group

Those with lower socio-economic status were less likely to cycle (participation ranged from 14.4-15.7%) than those with the highest socio-economic status where participation was 24.2%.

Cyclists are active and more likely to participate in other activities

Adults who participated in cycling took part in 7.4 different sport and recreation activities over 12 months. The national average for participation was 4.6 activities.

A large proportion of adults who participated in cycling also participated in walking and swimming.

Only a small proportion of cyclists had participated in an organised competition or event

Among adults who cycled at least once in 12 months, 10.2% (or 76,013) had participated in an organised competition or event.

2.4.2. Regional trends for recreational cyclists[3]

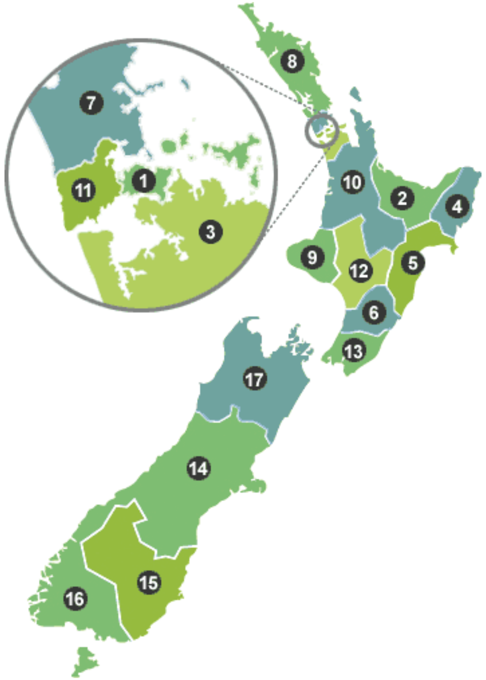
The following table shows the proportion of the regional population who cycle and how popular cycling is in that region.

It also compares cycling participation with swimming and walking as large numbers of adults who participate in these activities also participate in cycling.

The table references the regions as per the numbers in the map:

[3] SPARC, 2009

Figure 6: Map of sports regions and classifications for Active NZ Survey



Source: SPARC

Table 6: Regional popularity of cycling and participation in cycling and other activities

Region	Map key #	Swimming (#)	Walking (#)	Cycling (#)	% of population cycling+	Cycling popularity
Gisborne	4	14,767	29,219	13,386	37.0%	4
Southland	16	25,399	51,080	32,395	36.4%	3
Tasman	17	48,781	82,372	43,618	36.2%	4
Otago	15	55,212	112,222	47,593	30.0%	4
Canterbury West Coast	14	154,009	292,606	133,076	29.6%	4
Wellington	13	137,497	259,997	107,799	28.7%	5
Taranaki	9	23,251	52,467	22,077	24.8%	4
Waikato	10	102,797	182,036	70,891	23.6%	6
Hawkes Bay	5	24,146	74,849	28,294	23.1%	4
Manawatu	6	39,043	89,375	28,972	22.4%	5
Bay of Plenty	2	75,661	121,610	41,716	20.1%	6
Wanganui	12	18,143	39,094	11,797	19.0%	6
Northland	8	45,693	78,775	21,112	17.7%	7
Greater Auckland++	1, 7, 11, 3	375,414	634,578	142,458	13.9%	8
TOTAL NZ		**1,139,812**	**2,100,277**	**745,184**	**22.7%**	**5**

+ Percent estimates have been weighted to the New Zealand population, but have not been age standardised. Age distributions vary across regions.

++ Greater Auckland = Auckland city, North harbour, Waitakere, Counties Manakau

Source: SPARC, 2009

The main centres have the largest volume of cyclists but not necessarily the highest tendency to cycle

Not surprisingly, the regions with the main centres of Auckland, Christchurch and Wellington had the highest volume of cyclists (383,333 or 51% of all cyclists in the country).

However, despite the high volume of cyclists in these regions, the likelihood of cycling was not necessarily as high. Only 13.9% of Aucklanders participated in cycling, however, 30% in the Canterbury West Coast region and 29% of Wellingtonians cycled.

Cycling was most popular in the Canterbury West Coast region (4th most popular activity), 5th most popular in Wellington and 8th most popular in Auckland.

Regions with the highest tendency to cycle were Gisborne, Southland and Tasman

In the Gisborne region there were 13,386 adults participating in cycling (37% of the region's population). It was the 4th most popular activity in the region after walking, gardening and swimming.

In the Southland region there were 32,395 adults participating in cycling (36.4% of the region's population). It was the 3rd most popular activity after walking and gardening.

In the Tasman region there were 43,618 adults participating in cycling (36.2% of the region's population). It was the 4th most popular activity after walking, gardening and swimming.

The percentage of adults participating in cycling was also high for Otago (30%), Canterbury West Coast (29.6%) and Wellington (28.7%).

Cycling was least popular in Northland and Auckland

Only 17.7% (21,112) of adults in Northland and 13.9% (142,458) of Aucklanders participated in cycling. Cycling was the 7th most popular activity in Northland and the 8th most popular in Auckland. Activities that were more popular were walking, gardening, swimming, fishing, equipment-based exercise, dance, and jogging/running, the latter being more popular than cycling for Auckland but not for Northland.

Similar regional participation patterns for recreational cyclists and domestic cycle tourists

The regions that have a high proportion of domestic cycle tourists are similar to those for recreational cyclists. The DTS data shows that most domestic cycle tourists are from Auckland (31.6%), Canterbury (18.1%), Otago

(11.7%) and Wellington (10.6%). Most sport and recreational cyclists are from Auckland, Canterbury West Coast and Wellington[4].

2.4.3. The Australian market

The Australian recreational cycling market displays many of the same characteristics and trends as New Zealand. This is a strong indicator for increasing Australian visitors' participation in cycling while on holiday in New Zealand.

Some key points from the Australian research[5] are:

- Cycling increased by 34% between 2001 and 2008, with the majority of this growth from 2007-2008. It was the fourth most popular physical activity with a participation rate of 11.1% or 1.9 million Australians aged 15 year and over.

- Cycling is more popular among males (15.3% participation rate) compared to females (8.1%)

- Cycling is most popular in the middle age groups with the highest participation by 35-44 year olds (same as New Zealand domestic market), followed by 45-54 year olds. Participation in younger and older age groups is still high compared to many other activities

- Participation varies between states and territories (see following table)

Table 7: 2008 Participation rates in cycling by State / Territory in Australia

State / Territory	Participation rate in cycling	Cycling numbers (15yrs+)
Australian Capital Territory	18.2%	48,800
New South Wales	9.9%	539,600
Northern Territory	15.2%	23,800
Queensland	10.2%	333,300
South Australia	11.7%	148,500
Tasmania	9.6%	37,000
Victoria	13.8%	572,600
Western Australia	13.6%	224,600

[4] SPARC, 2009
[5] Australian Sports Commission, 2009

3. CYCLING TRENDS

3.1. Global Trends

There is increasing participation in recreational cycling – after declining for a number of years participation in bicycle riding in the US increased by 11.4% in 2008 to 44.7 million people seven years of age and older. Participation in mountain biking also increased by 9.6% to 10.2 million in 2008.

The UK National Cycle Network in 2006 experienced its seventh consecutive year of trip increases around the network. During 2006 there were over 338 million cycling (50%) and walking (50%) trips across the whole network, an increase of 45% from 2005[6].

The highest use and growth is on traffic-free routes – over a third of the UK's National Cycle Network is traffic-free, but this portion accounts for 83% of all network trips. Traffic-free routes also account for 14% of trips by people new to or returning to cycling, as opposed to 2% on-road routes[7].

The industry is strong, stable and innovative – bicycle and related parts sales is a $6 billion industry in the US. Bicycles sold (all types) have remained relatively stable over the last seven years at around 18 million annually. The industry today has a wider variety of products being sold to a greater range of consumers. Bicycles are now more comfortable, reliable and function specific[8].

The mountain bike success story - mountain bikes represent the largest single specialty bike category (29%) in the US and could also be combined with "comfort" and "hybrid" bikes to account for 50% of the market. While the majority of these bikes are ridden on paved roads, they provide an easy to use, comfortable bike that appeals to a wide range of users[9].

Photo: Ric Balfour

Participation by women in cycling is on the increase – there has been a marked increase in the number of women cycling both on and off-road. This is supported by an increase in bike manufacturers now offering women-specific mountain bikes and clothing and the emergence of bike clinics, camps and tours catering to women only.

[6] Sustrans, 2006
[7] Sustrans, 2006
[8] National Bicycle Dealers Association, 2008
[9] National Bicycle Dealers Association, 2008

The Gear Up Girl Challenge in Australia, a practical bike skills workshop, is a relatively new event but their four annual workshops each year have sold out. There have been over 800 riders participating in 2008 and 2009 events[10].

Strong growth in rail trails and other similar cycling products – many countries now have established rail and other long distance trails catering to recreational and cycle tourists. There are about 100 rail trails in Australia and about 23 proposed trails. These vary from trails that have a local focus to those with a broader tourism appeal with natural and cultural values. Victoria has the most developed rail trails, with 36 trails totalling 678km.

Rail trails have also developed in UK as part of a Sustrans trail network, with the Bristol to Bath 17-mile rail trail now attracting over 1 million visits a year.

Cycling events are a key economic driver – events and festivals centred on cycling build awareness for cycling and generate economic development opportunities. Canada's premier 10-day mountain bike festival Crankworx attracted over 55,000 unique visitors to the resort, 23,000 of those came solely to attend the festival. In 2006 Crankworx resulted in non-resident expenditure in excess of CAD11.5 million[11].

The Great Victorian Bike Ride is an annual participatory touring event run over 9 days by Bicycle Victoria. This event has been running since 1984 and regularly attracts between 3,500 to 8,100 riders. Total expenditure estimates for the 2005 ride (about 4,000 riders and over 400 volunteers) were around A$4 million[12].

Social and health benefits of cycling are increasingly important – recent Australian research indicated that cycling for recreation and commuting saves over A$220 million annually in health costs.

Increasing competition for activities and destinations – cycling tourism is under increasing pressure from a range of other new and innovative activities (e.g. bungy jumping). New Zealand as a destination faces increasing competition from well-established cycle tourism destinations in North America and Europe and emerging ones like Australia.

Cycle tourism growing strongly in New South Wales (NSW) – NSW received 33% of domestic cycle tourists and 52% of international cycle tourists in 2007[13]. Around 520,000 domestic and international visitors to NSW participated in cycling and the trend is growing - 18.5% more than in 2006 according to Tourism NSW.

Cycle tourists stayed an average of 5.1 nights in NSW, compared to an average of 3.5 nights for all tourists. They engaged in an average of 6 activities compared to 3 activities on average for all tourists to NSW.

[10] www.gearupgirl.com.au
[11] Western Canada Mountain Bike Tourism Association, 2006
[12] Faulks et al, 2007
[13] Tourism NSW, 2008

Increase in adventure travel – following on from increasing participation in outdoor recreation is an increase in travel with an adventure or outdoor recreation component. Walking and cycling holidays and related services have become familiar products in the tourism industry.

Current participation in on-road cycle touring is low, however there is an increase in recreational road riding - this shift will create significant demand for low traffic cycling routes, which has huge potential for many of New Zealand's quiet back country roads.

3.2. New Zealand Trends

New Zealand trends tend to follow the patterns in our key overseas markets such as North America and Europe. Increases in participation and the development of cycle tourism has already been identified in these markets and there are some national or state cycle tourism strategies in place.

More focus on being active – in 2006, SPARC launched "Push Play", a nationwide campaign to get more New Zealanders more active, more often. SPARC research noted that only 68% of New Zealanders are active and do at least 2.5 hours or more of sport and active leisure per week[14].

Participation in cycling is on the increase – the number of New Zealanders participating in recreational road cycling as an activity has increased 5.3%[15], while mountain biking has remained stable since 1997/98. Over 745,000 people over the age of 16 years participated in cycling over a 12 month period[16].

Strong demand for well organised events and activities – participation in biking events and the number of events on offer continues to grow. The Karapoti Classic mountain bike race is now in its 24th year and continues to attract a field of over 1,200. The new Dual running and biking race on Rangitoto and Motutapu Islands this year sold out with 1,450 competitors.

The Lake Taupo Cycle Challenge is New Zealand's largest cycling event attracting over 10,000 participants plus spectators. Over 90% of these come from outside the region. For the majority of participants this is not a competitive event.

Strong demand for family and kids' oriented biking – there is strong demand for annual events like the Meridian Kids' Bike Jams held in seven centres throughout NZ and attracting over 3,250 children in 2009. The Christchurch event attracted the largest number of young cyclists, with 860 children aged 4 to 13 years participating, followed by Wellington with over 700 children.

Around 70% of boys aged 5-12 years cycled at some stage in the last year, compared to 60% of girls in the same age category. These proportions are

[14] SPARC, 2001
[15] SPARC, 2009
[16] SPARC, 2008

also high for 13-17 year olds - around 60% of them have cycled in the last year. However, drop off rates especially for females 18 years and over are huge with less than 20% cycling in the last year[17].

Photo: Greater Wellington Regional Council

Bicycle imports over the last 8 years have doubled – excluding children's bikes and BMXs bicycle imports have, since 2003, remained over 200,000 annually and totalled 222,000 in 2008[18]. Though over 43% of bike owners do not use them at all, or 31% only occasionally[19].

Increased focus on cycle planning – local and regional governments throughout New Zealand are increasingly planning for both recreational and commuter cycling. Over 45 have prepared cycling or combined cycling and walking strategies.

Growth of mountain bike parks – mountain bike parks have grown worldwide over the last 15 years. New Zealand's first mountain bike park started in Rotorua in the mid 1990s. Currently, there are over 50 mountain bike parks in New Zealand, the leaders being Woodhill, Whakarewarewa, Eskdale and Makara. There are also many standalone, purpose built mountain bike tracks[20].

Cycling in the form of cycle touring has been a travel motivator in the past – it boomed most recently in the late 1970s to late 1980s. The most significant factor in its decline has been the volume and speed of traffic on our roads. It is likely it will boom again for the same reasons it did in the 1970s (e.g. petrol shortage or price and environmental concerns).

[17] The Ministry of Transport, 2008
[18] Bicycle Industry Association of New Zealand, 2008
[19] Land Transport NZ, 2006
[20] The Kennett Brothers, 2007 & 2008 www.mountainbike.co.nz/index.php/MTBParks

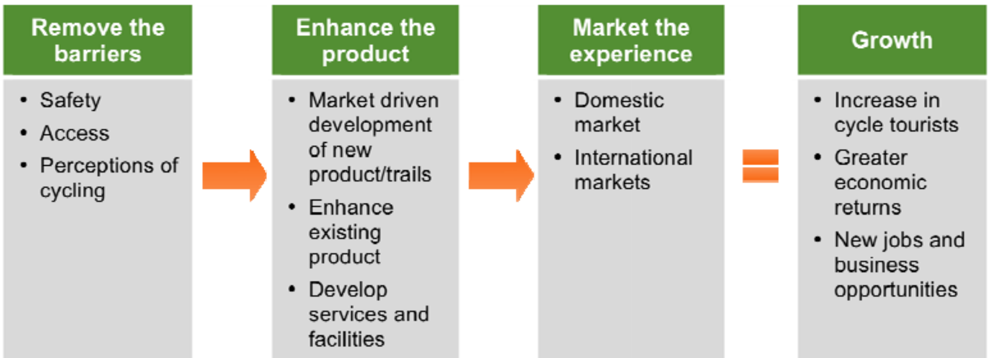
Is becoming a tourism product and travel motivator – visits to some of the country's key cycling areas demonstrates the growth and importance of cycling. The Otago Central Rail Trail and Whakarewarewa Forest in Rotorua both attract visitors from out of town specifically to the region to ride their bikes on local trails.

4. EMERGING MARKET SEGMENTS – WHAT IS THE POTENTIAL?

The trends in the cycling industry point towards a growing market for cycle tourism, while forecasts for international visitor arrivals to New Zealand are also strong at around 3% annually to 2015.

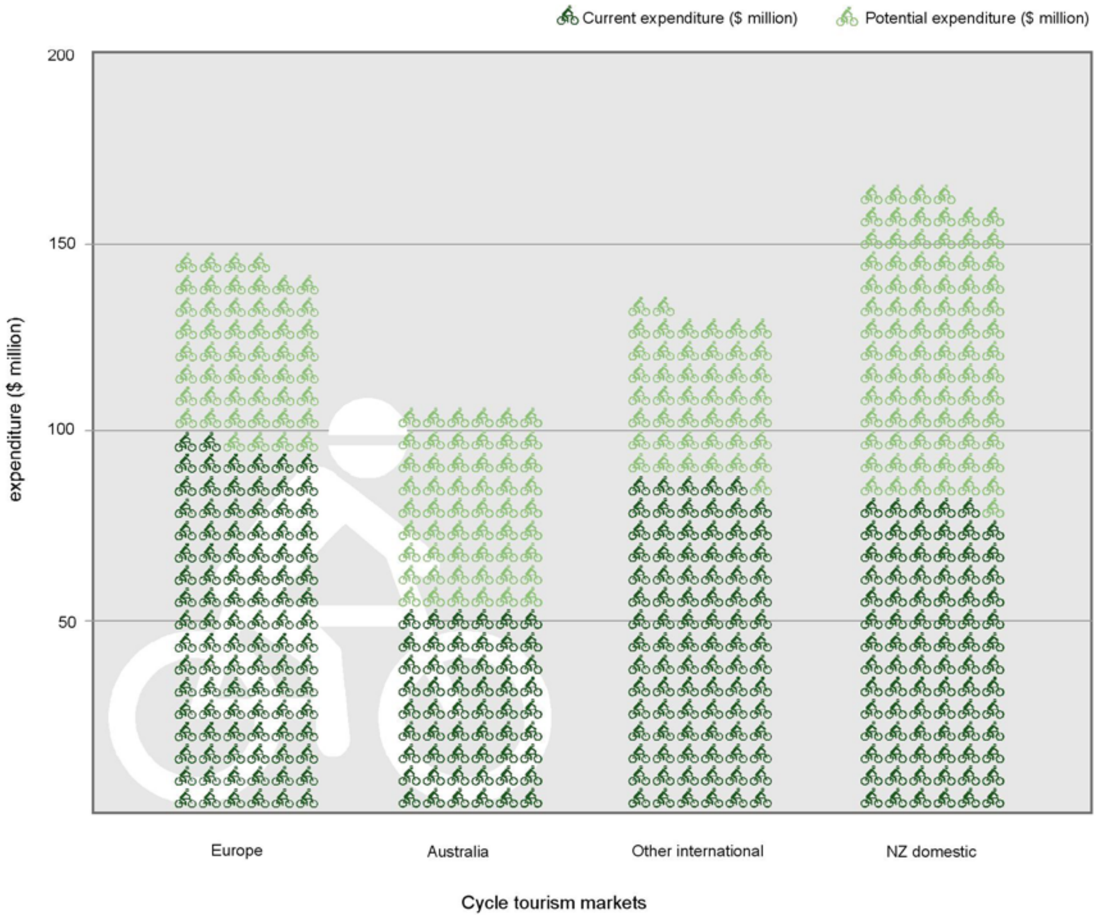
New Zealand has great potential to grow its international and domestic cycle tourism markets if it can deliver in three key areas: remove the barriers to participation (e.g. safety), enhance the product and market the experience.

Figure 7: Key Components for Growing Cycle Tourism



This section presents scenarios for growing Zealand's international and domestic cycle tourism markets. New Zealand has the potential, with small increases in participation in key markets, to increase international cycle tourism expenditures by $150 million and domestic expenditures by $83 million annually. Expenditure figures used include total trip spend and are not related solely to cycling activities.

Figure 8: Current and potential annual cycle tourism expenditure by market



Note: the data sample sizes for some of the international visitor markets (e.g. IVS) are small and as a result these figures should be interpreted with a degree of caution.

These estimates are conservative and if New Zealand can get the product right, remove the barriers and invest strongly in marketing cycling tourism the expenditure from cycle tourism could more than double to exceed $640 million annually.

4.1. International cycle tourism

Around 51,000 international visitors took part in cycling activities while in New Zealand last year.

The following table shows the current size of various international markets undertaking cycling activities and their likelihood to do so.

Table 8: International visitor markets and participation levels in cycling activities

Market	Total size of market (2004-2009)	Number taking part in cycling activities (2004-2009)	Proportion cycling
Switzerland	77,000	8,000	10%
Netherlands	170,000	15,000	9%
Ireland	98,000	8,000	8%
Germany	335,000	23,000	7%
UK	1,590,000	80,000	5%
Australia	4,860,000	73,000	1.5%
USA	1,151,000	38,000	3%
Other markets	5,077,000	84,000	1.5%
Total	13,358,000	329,000	2.5%

Note: sample sizes low and should be treated with caution (or something similar) - for Switzerland and Ireland.

International visitors from the UK, Australia and the USA made up the largest share of all international cycle tourists. These are also New Zealand's key visitor markets and the potential to leverage off existing awareness and grow participation in cycle activities in these markets is huge.

While the total numbers are smaller, growth potential is also likely in those international markets that already have a higher likelihood to participate in cycling activities, i.e. Switzerland, Netherlands, Ireland, Germany and the UK. Refer to IVS 5 in Appendix 4.

The international markets have been arranged into three groupings that reflect the high proportion cycling and New Zealand's focus on certain growth markets. Using the base assumptions and extrapolating existing data on participation in cycling activities, we can assume a number of different scenarios and the impact of growth from these markets.

4.1.1. European high cycling participation markets

Scenario: Increase the proportion of visitors cycling from high participation European markets by an additional 3%

Assumptions: assumes they spend $4,391 per trip, i.e. the current average spend for international cycle tourists.

Rationale: the level of participation in cycling by these European tourists in New Zealand is higher than the average of 2.5% for all international tourists. However, research on the German market indicates that up to 25% of the population cycle while on holiday, which presents significant room for growth[21].

Potential outcomes:

- An additional 11,000 international cycle tourists per year from these markets
- Another $50 million of annual expenditure into the economy.

4.1.2. Australia market

Scenario: Double the Australian market to 3% participation in cycling activities

Assumptions: assumes that they spend $4,391 per trip, i.e. the current average spend for international cycle tourists.

Rationale: there is significant potential to grow the Australian market due to its close proximity and similar market demand characteristics with regard to cycling participation. Currently, 1.5% of the Australian market participates in cycling activities while in New Zealand (around 12,000 tourists annually).

Trends in New South Wales cycle tourism indicate an 18.5% increase in cycling participation from visitors and there has been a 21% increase in recreational cycling in Australia from 2007 to 2008.

Potential outcomes:

- An additional 12,000 Australians participating in cycling activities
- Another $55 million of annual expenditure into the economy.

4.1.3. All other international markets

Scenario: Increase the proportion of visitors cycling from all other markets by 1%

Assumptions: assumes that they spend $4,391 per trip, i.e. the current average spend for international cycle tourists.

Rationale: a small percentage increase across the remainder of New Zealand's visitor markets would be an conservative estimate

[21] Sustrans, 1999

Potential outcomes:

- An additional 10,000 participating in cycling activities

- Another $45 million of annual expenditure into the economy.

4.2. Domestic cycle tourism

Scenario: Double the numbers of domestic tourists participating in cycling to 3%

Assumptions: an average spend per trip of $378, which is the current average spend for domestic cycle tourists.

Rationale: the levels of participation in cycling by domestic tourists are currently around 1.5% in New Zealand. The strong growth in cycling and participation rates of 23% for the adult population suggest there is considerable potential to increase cycling while on holiday.

219,000 or 1.5% of domestic tourists participated in cycling as an activity while on a trip in the year ended December 2008. There were a total of 15.1 million domestic overnight trips in the same time period.

Photo: Antonia Westmacott

Potential outcomes:

- An additional 219,000 domestic tourists participating in cycling activities per year

- An additional $83 million annually into the economy from visitor expenditure.

4.2.1. What domestic markets show the most growth potential?

Families with children

The DTS showed that most domestic cycle tourists are travelling with families (37% or 81,000). This is the same proportion travelling with families as for all domestic tourists.

Family households in New Zealand have a higher ownership of bicycles than other household types. 70% of families with children own at least one bicycle; 50% of them own at least two bicycles.

The national average of all households was 44% owning at least one bicycle and 26% with at least two bicycles[22].

Key visitor markets from the main centres, plus Otago region

Residents from the main centres of Auckland, Canterbury and Wellington make up over 60% of total domestic cycle tourists. Adding Otago residents accounts for over 70% of all domestic cycle tourists.

Older age profile

Domestic tourists within the 35-44 year old age group are most likely to participate in cycling activities while on holiday. This is probably due to the higher proportion of families participating in cycling activities.

Domestic tourists who stay in budget accommodation

Privately owned dwellings and holiday parks/campgrounds are more popular for domestic cycle tourists than for domestic tourists overall.

4.3. Recreational Cyclists

This is the largest cycling market segment, with an estimated 1.1 million New Zealanders of all ages participating in recreational cycling annually. Participation rates vary by age and are highest (70%) for boys aged 5-12 years[23].

The size and growth in the recreational cycling market is a strong indicator of a growing cycle tourism market.

Based on New Zealand cycle trends, the increased participation in recreational cycling from the SPARC survey and new initiatives proposed by

[22] Ministry of Transport, Cycling for transport, 2008
[23] Ministry of Transport, Cycling for transport, 2008

BikeNZ (e.g. the appointment of new BikeNZ regional development manager Rotorua) to grow cycling it seems likely there will be further growth in recreational cycling numbers.

5. CASE STUDIES LESSONS LEARNED

A selection of case studies from within New Zealand and from overseas were chosen to explore the keys to success and lessons learned.

Examining these destinations will assist New Zealand regions in designing, building and ultimately marketing their cycleway experiences. The table below summarises the key themes from the case studies.

Summary of Cycling Case Studies and Lessons Learned

Table 9: Cycling Case Studies

Case Studies	Otago Central Rail Trail	Rotorua	Hutt River Trail	Murray to Mountains, NSW	Munda Biddi, WA	Whistler, Canada	7stanes, Scotland
							
Cycling visits	>40,000	>120,000	>160,000	22,000	17,000	>300,000	>276,000
Partnerships	✓✓	✓✓	✓✓	✓✓	✓✓✓	✓✓✓	✓✓✓
New business	✓✓✓	✓✓✓	✓	✓✓	✓✓	✓✓✓	✓✓✓
Use of existing infrastructure	✓✓	✓✓✓	✓✓	✓✓✓	✓	✓✓	✓✓
Total experience	✓✓✓	✓✓✓	✓	✓✓✓	✓✓	✓✓✓	✓✓✓
Economic impact	✓✓	✓✓✓	✓	✓✓	✓✓	✓✓✓	✓✓✓
Broader market appeal	✓✓✓	✓✓	✓✓	✓✓	✓	✓✓✓	✓✓

✓ **Somewhat applicable** ✓✓ **Applicable** ✓✓✓ **Very applicable**

Lessons Learned

The New Zealand and international case studies highlight a number of key themes to consider as New Zealand develops cycleway initiatives around the country.

The whole experience is important

The whole experience is greater than the sum of its parts. Although there are some market segments, such as mountain bikers, for whom the trail has a greater emphasis, for the broader market where cycling is not the primary motivator it is the other activities, services and components that make the experience more appealing.

For a large portion of the market the social and cultural aspect of a cycling holiday is important. Itineraries that allow for frequent stops to enjoy a coffee and explore local heritage and cultural attractions and overnight in comfortable lodgings are ideal.

A local champion to drive initiatives

The majority of trails projects succeed on the back of one or two dedicated individuals, who often volunteer huge amounts of time. Often these trail initiatives would not succeed without the passion and commitment of these individuals who keep others engaged and on track.

Integration with existing infrastructure and services

While it is possible to build the infrastructure and amenities needed to develop a cycle tourism experience, the costs can be prohibitive. Furthermore, more immediate economic returns and a higher quality product can often be achieved through using existing tourism businesses and supporting infrastructure.

When projects like road deviations, bridge construction and real estate development occur, it is desirable to address cycling needs via the Resource Management Act (RMA) to create successful, integrated cycle initiatives.

Tweaking existing products and services (e.g. secure bike storage at accommodations) to cater to a cycling market can also greatly enhance the experience, particularly for the markets where cycling is the primary motivator.

Incorporating complementary products and services will also enhance the overall experience, broaden the market and lead to a greater range of economic benefits.

Land ownership issues – the need for a shared vision

Getting land owners involved in the process early on is important for establishing a sound working relationship and ensuring there is legal clarity over public use of the cycleway.

It is essential that prior to any cycle trail developments, land owners provide legal consent to the use of their land, be it private or public land.

Private walking tracks have also been successful in New Zealand and this model could also be applied to cycling.

Financial sustainability

Successful projects need financial strategies in place to support the costs of maintenance, upgrades, infrastructure such as signage, water provision etc. There are many different models for this e.g. user-pays, trust-based models, sponsorship, local government funding etc.

Creating new business opportunities

The opportunity to stimulate new business through cycle tourism can be a key motivation for private and public sector collaboration on cycling initiatives. Government often provides the funding to develop the trail, while private enterprise provides the services to enhance the experience and also contributes to the trail maintenance and ongoing management.

Appealing to the broader market

Creating a product that appeals to a broad range of users, particularly those at the entry level, is important. The case studies suggest that initially some destinations focused solely on building trails and did not consider the potential markets and end users they hoped to attract.

In some cases this has resulted in trail networks that are often a reflection of the trail builder's preferences and cater to a more experienced rider and smaller market segment.

Much of the new trail development in mountain bike parks and trail networks now considers the needs of entry level riders from the outset and this will help to broaden the appeal of the product and attract more cyclists.

High demand for off-road easy trails

The success of off-road cycle trails depends mainly on their ability to offer users a safe, traffic-free environment in which to enjoy cycling. The easier the trail, the broader the appeal to cyclists, in particular the larger beginner and family markets.

Events can be an important driver

Events can be a key driver for both cycle tourism and recreational cycling. Many locations have established highly successful events that play a key role in attracting cyclists to the local trails.

Smaller market for adventurous rides

Although a smaller market, it is important to acknowledge the demand for inspirational and challenging adventure experiences such as the Heaphy Track and Bridge to Nowhere.

The US Adventure Cycling Association has over 44,500 members that seek new cycling adventures both on and off-road (www.adventurecycling.org).

Photo: Rob Greenaway

6. THE NEW ZEALAND EXPERIENCE

The New Zealand Cycleway experience will be framed by the country's landscape, land ownership, areas of settlement and topography. The rugged terrain, rivers, distance between towns and availability of disused railway corridors, stopbanks and quiet back country roads all provide parameters for the development of the cycleway experiences.

6.1. What does the experience look like?

The New Zealand cycling opportunities and experiences are very diverse. The key factors that make up the experience vary in importance and include:

- Trail length and difficulty
- Trail structure
- Support services such as boats and trains
- Accommodation
- Equipment hire
- Safety and security
- Linkages and synergies with other trails
- Pre-trip and trail information.

The three basic cycle markets for New Zealand identified in Section 2 are discussed below.

6.1.1. Cycle Tourism Segments

Riding the length or part of New Zealand – cycle touring

This experience has a huge range of options over the 1,600 km length of New Zealand. The trail or route is not defined. The road and trail conditions vary from state highways through to classic mountain bike trails. This type of product will only appeal to a very limited market due to:

- Road safety due to traffic volumes and speed and narrow road construction

- Lack of an accepted route and the difficulty of providing a consistent experience along it

- Difficulties encountered en route e.g. Desert Road, Rimutakas, the Otira Pass etc

- The long duration of the trip (3-8 weeks).

Photo: Kennett Brothers

While signage and increased awareness would encourage the concept of a New Zealand Cycle Trail, it is unlikely that there would be enough market demand to make this trail concept a short term priority.

Traditional cycle touring volumes are stable and low. Even at its peak period in the late 1990s cycle touring in New Zealand is estimated to have involved only 4% of international visitors to the South Island.[24]

While current estimated numbers are small (anecdotal evidence suggests less than 1,000 per annum) there is room to grow this market. The South Island is traditionally considered more popular for cycle touring, due to the more diverse landscape and less traffic on the roads.

[24] Ritchie et al, 1999

The biggest barrier to touring cyclists is safety on the roads. Issues related to safety are both perceived and real. Greater awareness and communication of what is available to touring cyclists currently and alternatives to State Highway routes would be a good place to start.

Cycling holidays

These are generally multi-use trails that are designed and managed with cyclists in mind. They encourage cyclists to travelling and generally stay in a different location each night. For example:

- The Otago Central Rail Trail
- The Queen Charlotte Track in the Marlborough Sounds

The Otago Central Rail Trail provides one example of this – a 150km gently sloping trail from Clyde to Middlemarch. It is generally very easy, safe and well serviced, with a wide range of accommodation options, cafés every two hours, logistical support for cycle hire, luggage, signage, trail guides, interpretation and website information (see case study).

While the current overall market for multi-day rides is less than 25,000 per year, with a growing international component, there is considerable scope for this market to increase.

Limitations for these types of multi-day experiences include New Zealand's geography and land ownership issues. The need for consistent, easy grades and wide tracks will also play a key role in determining where these great rides can be developed. However, there is also a smaller market for a more challenging and adventurous product (e.g. Bridge to Nowhere).

To date the government has identified seven new quick start trail projects throughout the country that could develop into iconic cycling routes. The potential to add to these by enhancing (e.g. widening, resurfacing) and linking existing trails is also be a cost effective option that would strengthen the overall cycling network (www.tourism.govt.nz/Cycleway).

Given good design and track management these types of trails could have the capacity to handle significant volumes of cyclists per season.

Location-based cyclists

These usually consist of day trips from cities, towns or villages that have a range of cycle opportunities.

These cycle opportunities are the current core of NZ recreational cycling. Whether departing either from home or on holiday, both international and domestic cyclists use a network of roads, trails and tracks from these key hubs.

There are many examples including mountain bike parks such as:

- Woodhill Mountain Bike Park, Auckland
- Whakarewarewa Forest Park, Rotorua
- Eskdale Mountain Bike Park, Napier
- Craters of the Moon, Taupo
- Makara Peak Mountain Bike Park, Wellington
- Bottle Lake Forest Park, Christchurch

Multi-use trails encourage complementary uses and enable different users to enjoy the experience together:

- Rimutaka Incline, Upper Hutt
- Pencarrow Coast Road, Wellington
- Bridge to Nowhere, Wanganui
- Little River Rail Trail, Christchurch
- Queen Charlotte Track, Marlborough Sounds.

Photo: Rob Greenaway

There are very few single use mountain bike trails outside mountain bike parks:

- Rotary Ride, Taupo (single use)
- Whaikaipo Bay to Kinloch Trail (W2K), Taupo (multi-use, designed for bikers)
- 42nd Traverse, Tongariro National Park (a 5-6 hour adventure trail on multi-use forestry roads)

The cycle networks are often actively supported by local District Councils, cycling and community groups. The level of support services such as bike shops, bike hire, guides and specialised transport varies considerably.

During the last five years most major tourism towns have developed good cycle trails with some support services including bike hire, guides and supporting trail information.

6.1.2. Regional Cycling Clusters

Tackling trail development from a regional perspective enables a more strategic approach to trail networks and the ability to connect trail experiences either directly or via other transport options.

Examples of regional clustering could include trail linkages between destinations. This concept, which is regional by nature, provides a cycling experience on a variety of trail/road systems. It can link towns together and provide greater itinerary options for visitors.

Supporting transport is required unless a return cycle trip is made. Examples include the Wanaka to Arrowtown trail via the Motutapu Valley, or Wellington to Wairarapa trail via the Rimutaka Incline.

Supporting services such as accommodation, cafés, cycle hire and cycle friendly towns are critical.

The market for this type of experience is a combination of the cycle holidays, mountain biking and town and trail riders markets, which equates to more than 300,000 visits.

6.1.3. Cycle Events

Photo: Rob Greenaway

These are an important part of recreational cycle use in New Zealand. There are scores of regional day events, a few overnight ones such as the Big Coast and some nationally recognised events such as the Lake Taupo

Cycle Challenge (40km hilly), the Motutapu Challenge (50km hard), Rainbow Rage (100km hilly) and Karapoti Classic (50km hard). The latter events demonstrate the demand for harder and more challenging events.

The more significant of these events play a key role in attracting cyclists to travel to destinations.

6.2. Experience Design Elements

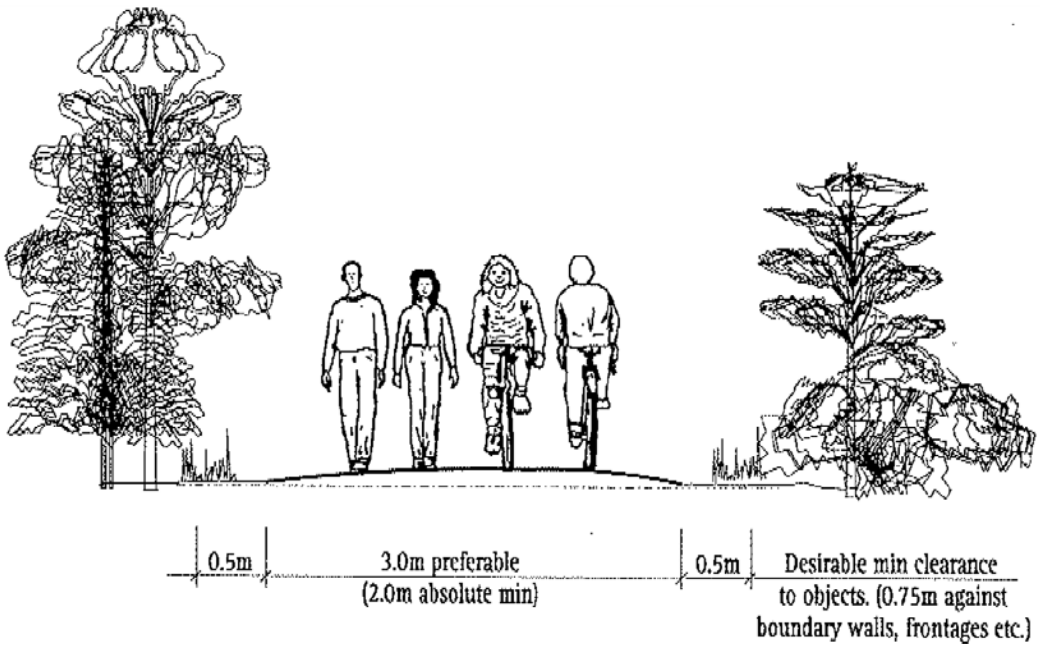
The overall experience is critical to providing a quality cycle tourism product and this goes beyond the trail itself to include accommodation, services, facilities and other complementary activities. This is particularly important when considering the broader, non-cycling motivated markets.

6.2.1. The Trail

The majority of tourists and recreational cyclists are novice or intermediate cyclists and are looking for safe, traffic-free cycle routes to enjoy.

As a result the majority of trails should be traffic-free, of easy gradient and minimum width of 2 metres to allow 2 or 3 bikes to ride side-by-side, as the social element is also important.

Figure 9: Trail width



Source: Sustrans, 1997

Traffic-free

The absence of traffic is probably the single most significant factor for driving use of cycleways. This relates primarily to safety of users and refers to trails that have no motorised traffic on them. In some cases these trails maybe located near or along side roads, but cyclists to not share the same space as motor vehicles.

The demand for traffic-free trails is demonstrated by the UK National Cycle Network. The network has only a third of its trails traffic-free, but this portion accounts for 83% of all network trips.

Trail Gradient

Trail gradient is a vital design element for trail route decisions and construction and for successfully designing a trail for a specific market or type of rider.

For a large portion of the location-based cycling and cycling holiday market average trail gradients of 2-3° are required. However, New Zealand's landscape and topography can often make this difficult. Therefore, allowances should also be made for:

- Maximum sustained gradients of no more than 5°. These should not exceed 100 metres in length

- Maximum short distance gradients of 10°. These should be used infrequently and for no more than 10 metres, preferably with a flat section or grade reversal (slight downhill section) prior to the steeper section, which can give riders the momentum to tackle these steeper grades more easily.

There should also be opportunities to link easier beginner trails into existing trail networks that can offer experienced cyclists and mountain bikers a selection of more challenging rides. Signage and pre-ride information is an important part of this.

For mountain bikers the International Mountain Bike Association (IMBA) have developed a rule of thumb gradient system for average and maximum grades depending on the trail rating (e.g. beginner or advanced).

Table 10: Trail Difficultly Rating System

Trail grade	Average trail grade	Maximum trail grade
Easiest	Less than 3°	6°
Easy	3° or less	9°
Intermediate	6° or less	9° or greater
Advanced	9° or less	9° or greater

Source: IMBA – original IMBA percentages converted to degrees

Touring cyclists and cycle holidays

Much of the market is looking for scenic, easy (e.g. average 2-3° trail gradient), traffic-free trails, with a maximum of 3-4 hours riding per day, equating to about 30-40km.

However, there is also a segment of the market looking for more challenging rides that cover more than 40km per day, have average trail gradients of 5° and maximums of 9° or greater (e.g. Queen Charlotte Track).

Location-based cyclists and Recreational Cyclists

These two are the largest cycling segments and also the most diverse. Participants generally seek trails that are easily accessed from towns and cities and that provide for beginners and families through to experienced mountain bikers.

Both the scenic, easy, traffic-free trails that appeal to the cycle holiday market and trail networks that appeal to all levels of mountain bikers are appropriate for these segments. The focus should be on easier trails and also explore the opportunity to connect to other networks/trails to offer a progression of riding experiences.

Mountain bikers

Mountain bikers are a subgroup of the cycling holiday and location-based cyclist markets. The trail is also more important to mountain bikers who, in many cases, are looking for more of a challenge and variety.

Trail length and ride times vary (e.g. 1-6 hours), but networks that offer different grades and a selection of looped trails will appeal to a broad range of abilities. Many mountain bike parks are designed with this in mind with the shorter beginner loops located close to facilities such as the carpark and the more advanced trails located further out on longer loops e.g. Craters of the Moon, Taupo.

Photo: Ric Balfour

Back country roads

Back country roads with less than 100 vehicles per day also present an opportunity to attract the cycle touring market. The NZ Transport Agency maintains an online State Highway traffic volumes database at www.transit.govt.nz/technical/traffic-volumes.jsp.

If signposted as cycling routes with reduced speed limits (e.g. Nelson Council's proposal for the road to Motueka) they have the potential to be a tourism asset.

Shared-use

Shared use (generally cycling and walking) trails tend to be the norm when developing trails outside of specific activity zones (e.g. mountain bike parks).

All users need much the same thing, namely traffic free routes that are carefully designed and well built to encourage their use. Shared use is good value for money and improves security for all users by enhancing overall use of a trail[25].

6.2.2. Infrastructure and Services

For the vast majority of market segments the trail is only a part of the overall experience. In some cases the infrastructure, services and associated activities are a bigger draw.

- **Infrastructure,** while important to cycle tourists, is essential for the recreational cyclist market. Infrastructure that enhances the trail experience and provides easy access from urban areas is essential. Facilities such as car parks, signage, maps and available water are also important.

- **Services** are particularly important to the cycle tourism market. Accommodation, bike hire, guiding services, restaurants/cafes and transportation are the primary services. Some cyclists will require a packaged cycling experience while others will want to create their own itineraries.

[25] Sustrans, 1999

7. NEXT STEPS FOR RESEARCH

7.1. What existing research is useful for regions currently?

TRC recommend the following as the most useful existing research for regions, councils and businesses to use when carrying out their own market research for cycleway proposals and developments in their regions:

- Ministry of Tourism regional data

  http://www.tourismresearch.govt.nz/Region

  The most useful and reliable regional data available is the forecast reports for each Regional Tourism Organisation (RTO). These are for the period 2008-2014 and each report contains expected figures for visitors by origin and visitor nights. The Regional Tourism Forecasts 2009-2015 will be released in September.

- Commercial Accommodation Monitor (CAM)

  http://www.tourismresearch.govt.nz/Accommodation

  The Commercial Accommodation Monitor (CAM) monitors trends in New Zealand's commercial accommodation sector. CAM provides a good source of regional data.

- The Tourism Flows Model

  http://www.tourismresearch.govt.nz/Data--Analysis/Tourism-Flows-Model/

  A spatial tool that is useful for understanding the movements of tourists between regions, helping tourism stakeholders decide where to invest and where to adopt proactive policy, planning and resource allocation.

- SPARC Regional data, Active New Zealand Survey 2007/08

  http://www.activenzsurvey.org.nz/

  This survey provides insights into sport and recreation participation levels, including cycling and mountain biking throughout regions of New Zealand and compares them to the national profile.

- SPARC Sport and Recreation Profiles on Cycling

SPARC are in the process of preparing cycling profiles from the findings of the 2007/08 Active New Zealand Survey.

For details on younger participation levels in cycling, refer to the New Zealand Household Survey, which captures information on those under 16 years of age (SPARC data is only for adults).

- Other existing research that might be useful for the regions includes:
  - Specific district tourism strategies, plans or reports
  - Trends and markets for events in the region
  - Commercial operators currently active in the region and their characteristics
  - Comparable visitor numbers for similar products/ experiences elsewhere in New Zealand
  - Indications on what other cycleway developments might be tapping into similar market demand
  - Indications on what other activities cyclists may undertake in the region (when exploring whole of experience design).

7.2. Identifying Research Gaps

Current research on cycle tourism products, participation and market segmentation in New Zealand is limited. For existing data the small sample sizes mean it is often difficult to determine trends and characteristics between on-road and off-road cycling activities.

The main gaps in evidence on the demand for cycling and specific markets segments are:

- The untapped markets for New Zealand, for example, cycle touring. There is hardly any data captured for these markets, so it is difficult to ascertain their potential.
- Mountain biking: current sample sizes in surveys for off-road cycling are very small.
- Youth participation in cycling: SPARC's Active New Zealand survey data only covers adult participation. We know that families with children are a potential growth market for New Zealand domestic cycling especially recreational cycling. The New Zealand Household survey captures cycling ownership and participation for younger children, but its main focus is on commuter cycling and

ownership of bicycles in households. Specific evidence around the youth market and families market for recreation cycling is a gap in current research.

- International cycle tourists who are high participators in cycling activities. Due to their lower volumes, sample sizes for the Swiss, Dutch, Irish and German markets are smaller than ideal and, therefore, it is hard to decipher trends in cycling for these markets.

- Volume of use: accurate trail data on volume and markets could be gauged by using DOC's current visitor monitoring systems to accurately visitor usage on some of the Great Rides. (Refer to visitor monitoring for the Great Walks. http://www.doc.govt.nz/about-doc/role/maps-and-statistics/visitor-statistics-and-research/great-walks-visitor-statistics/)

- Economic studies of cycling products and experiences. The reliability of econometric studies of cycleway developments e.g. rail trails and the economic impacts of tourism is mixed. Establishing guidelines for economic impact studies would be useful.

- Regional data: the current reliability of regional data is questionable, due to small sample sizes when disaggregating data for the regions.

- Domestic tourism dynamics, especially in the regions: the domestic market has the higher volume of cycle tourists and little is known about the segments within this market. The Ministry of Tourism is currently undertaking a research project on Domestic Tourism (Angus and Associates have been commissioned for this work along with TRC and Knoware Ltd). This work will provide a better understanding of the domestic market segments, particularly at a regional level. It would be useful to include questions on cycling activities, participation, expectations and satisfaction in this research.

7.3. Supplementing Existing National Research

The IVS, DTS, RVM and SPARC data provide a rich source of evidence on cycle tourism and recreational cycling and there is scope to build upon this evidence.

Key ways to supplement existing research include:

- Depending on feasibility, increasing sample sizes for existing surveys to enable more robust analysis for visitors who participate in cycling activities

- Including additional questions in existing surveys around expectations and satisfaction of visitors engaging in cycling experiences across the country

- Exploring the potential for TNZ's Visitor Experience Monitor to ask more questions around cycling behaviours, expectations and satisfaction especially for the Australian market

- Researching intentions and motivations by gathering more evidence on key drivers and motivators for cycling tourism and recreational cycling, particularly for key markets, e.g. via Bike Wise and events such as the Taupo Cycle Challenge

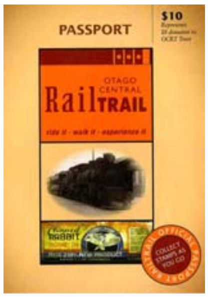
- Capturing young people in surveys for recreational cycling. SPARC data only captures adults over 16 years of age and misses out on the potential high growth market of children/family recreational cycling

- Mapping existing data and considering ways that survey data could be mapped together (e.g. IVS, DTS, RVM, SPARC) to give a richer base of evidence for participation in cycling activities.

7.4. New Research Projects

The following new research projects could be implemented this summer:

- Undertake structured research programmes on the Otago Central Rail Trail and the seven Quick Start Cycle routes, investigating visitor markets, size and characteristics, potential demand for other trails, economic impacts, expectations and visitor satisfaction. These research programmes can be designed in a way that they are cross-comparable but still very useful to each specific cycleway experience



- Undertake surveys at significant regional cycle events in New Zealand, e.g. Auckland Dual Challenge, Taupo Cycle Challenge and Wellington the Big Coast. Again, ensuring central coordination of these surveys will allow cross-comparison and aggregation of survey data

- Consider targeted research for NSW, Australia to better understand the dynamics and behaviours of this potential growth market for cycle tourism, with the aim of growing its volume and value.

A focused Ministry of Tourism research workshop, including key stakeholders (e.g. BikeNZ, SPARC, NZTA, DOC etc.) could be held to prioritise budgets and develop these projects.

7.5. Priorities going forward

We suggest the following are top priorities to implement by this summer (2009/10):

- DOC and local authorities to undertake volume of trail use benchmarking studies on the Quick Start Cycleway projects and any interlinking routes (e.g. 42^{nd} Traverse and Central North Island Rail Trail)

- Undertaking research on the international markets at current cycling events and trails, e.g. Otago Central Rail Trail Survey, Taupo Cycle Challenge, the Wellington Big Coast

- Targeting research on the Australian market to understand how to build awareness and conversion of cycle tourism for this market via Cycle Victoria and/or Cycle NSW

- The Ministry of Tourism the produce a four-page Activity Profile for Cycling that they identified in June 2009. The activity profile would be available on their website along with the publication of this report (see www.tourismresearch.govt.nz/actprofiles).

National Cycle Tourism and Recreation Strategy

One lesson learned from the case studies is that fragmentation and a lack of national coordination can hinder efforts to develop cycle tourism in a strategic manner.

While not a research project, having an overarching National Cycle Tourism and Recreation Strategy would be helpful in the long-term. Using existing local knowledge and strategic direction would help achieve a more coherent approach for the country.

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Land Transport Agency, www.ltsa.govt.nz

Little River Railtrail, www.littleriverrailtrail.co.nz

Meridian Kids Bike Jam, www.kidsbikejams.co.nz

Ministry of Tourism, www.tourism.govt.nz/Cycleway

Ministry of Tourism Research, www.tourismresearch.govt.nz

Mountain Bike NZ, www.mountainbike.co.nz/

NZ Tour Maps, www.nztourmaps.com/new_zealand_bike_tour.html

Otago Centrail Rail Trail Trust, www.otagorailtrail.co.nz

Ride Rotorua, www.riderotorua.com

SPARC, www.sparc.org.nz/activenzsurvey

The Kennett Brothers, www.kennett.co.nz

Wakatipu Trails Trust, www.qldc.govt.nz/home/things-to-do/walking-tracks/wakatipu-trails-trust/

International

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Railtrails Australia, www.railtrails.org.au

South Australian Cycle Tourism, www.cycletourism.com.au/

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Switzerland Mobility, www.schweizmobil.ch/en/welcome.cfm

Tour Down Under, www.tourdownunder.com.au

Trans Canada Trail, www.tctrail.ca

UK National Cyclists' Organisation www.ctc.org.uk

US National Bicycle Dealers Association, http://nbda.com

US National Sporting Goods Association, www.nsga.org

Western Canada Mountain Bike Tourism Association, http://www.mbta.ca/

World Rail Trail Directory, www.railtrail.com/index.html

APPENDICES

Appendix 1: List of Cycleway Research Focus Group Participants

Angus Davidson	NZ Cycleway Project Manager (Chair)	Ministry of Tourism
Antonia Westmacott	Consultant	Tourism Resource Consultants
Chris Allison	Cycling Representative	Nelson Cycle Trails Trust
Chris Freear	Chief Executive	New Zealand Windfarms Ltd
Dave Bamford	Consultant	Tourism Resource Consultants
Evan Freshwater	Relationship Manager	Tourism Industry Association
Gavin Walker	Visitor Services Manager	Department of Conservation
Geoff Gabites	Managing Director	Adventure South Ltd
Grant Kilby	General Manager Economic Development	Destination Rotorua Economic Development
Jason Morgan	Senior Policy Advisor	New Zealand Transport Agency
Jimmy Young	Consultant	Tourism Resource Consultants
Jonathan Kennett	Director	Kennett Brothers.
Kelvin Hainsworth	Chief Executive	Waikato River Trails Trust
Kieran Turner	Chief Executive	BikeNZ
Libby Sceats	Advisor	Ministry of Tourism
Mike Barnett	Barnett & Associates	Queenstown
Ric Balfour	TECT All Terrain Park Manager	Western Bay of Plenty District Council
Richard Balm	Director	Natural Resource Solutions/Bike Taupo
Simon Kennett	Active Transport & Road Safety Co-ordinator	Greater Wellington Regional Council

Appendix 2: The Big Picture - Tourism in New Zealand

International and domestic tourism in New Zealand[26]

Tourism directly and indirectly contributes $14.1 billion (or 9.2%) to New Zealand's GDP. The sector employs nearly 10% of the total workforce in New Zealand.

In the year ended July 2009 there were 2.41 million international arrivals. International tourist expenditure accounted for $8.8 billion or 18.3% of New Zealand's total export earnings. On average, international tourists spend $2,798 per trip or $132 per day.

In the year ended December 2008 domestic tourists made 15.1 million overnight trips and 28.3 million day trips. Domestic tourism expenditure accounted for $11.3 billion, with domestic tourists spending on average $103 per day or $341 per overnight trip.

International visitor arrivals are forecast to increase by 2.5% annually to 2015, and domestic overnight trips by 0.5% per year. The latest forecasts are strongly influenced by the global economic situation. For 2009 a decline of 4.2% is predicted followed by a recovery to growth of 2.5% in 2010. Strong demand from the domestic and Australian market is helping to offset the weakness in long-haul markets.

The Rugby World Cup in 2011 and a recovering global economy will drive a strong growth rate of 6.5%. More stable and lower growth rates of around 2.5% will prevail from 2012 to 2015.

Key markets for New Zealand and reasons for visit[27]

The key markets for international visitor arrivals to New Zealand are Australia, UK, USA, China and Japan, which together provided 69% of international visitors for the year ended July 2009.

The main reason international visitors come to New Zealand is for the landscape and to experience New Zealand's culture. They participate in a wide range of attractions and activities while in New Zealand, the most popular being walking/trekking, land-based sightseeing and scenic/natural attractions, each attracting at least one million visitors[28].

Tourism New Zealand is focusing its offshore marketing on visitors who seek engagement and interaction with a country's natural, social and cultural environments. These are the key drivers for international visitors coming to New Zealand. Geographically, the key target markets for New Zealand are

[26] Ministry of Tourism, Key tourism statistics, 2009
[27] Ministry of Tourism, Key tourism statistics, 2009
[28] Ministry of Tourism, Nature-based tourism sector profile, 2009

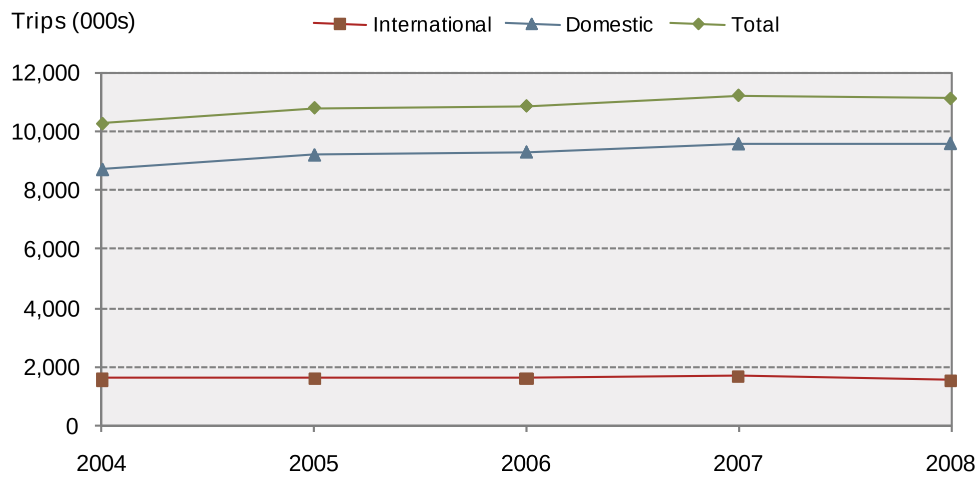
Australia, the UK, USA, and China. Visitors from these markets also made up the largest share of all international nature-based tourists.

Nature-based tourism[29]

In 2008 it is estimated that 2 million tourists took part in 11.1 million nature-based activities in New Zealand. The majority (86%) of these were domestic trips. Nature-based tourism includes a wide range of outdoor activities from scenic boat cruises, to trekking and tramping and mountain biking.

Participation in nature-based activities by international tourists has remained stable and participation is gradually increasing for domestic tourists.

Figure 10: Nature-Based Activities by Tourists 2004-2008



Source: IVS and DTS, Ministry of Tourism; Nature-based tourism sector profile, August 2009

International visitors from Australia (33%), the UK (14%) and the USA (10%) were the largest source markets for nature-based tourism, although those with the highest participation rates in nature-based tourism included China (91%), Germany (90%), South Korea (89%) and UK (87%).

The largest numbers of domestic tourists taking part in nature-based tourism were from the Auckland region (31%), Waikato region (17%), Canterbury region (12%).

As residents of an area who participate in a nature-based activity are not included in these figures, the actual frequency of participation by New Zealand residents may be higher.

International nature-based tourists stayed slightly longer on average (24 nights compared to 21 nights for general tourists in 2008) and spent more on average per trip ($3040 in 2008, compared to $2680), although their

[29] Ministry of Tourism, Nature-based tourism sector profile, 2009

average daily expenditure was similar ($126 per night, compared to $131 per night for all international tourists).

The Regional Tourism Organisation areas with the largest number of international and domestic nature-based tourists in 2008 were Auckland (1.92 million tourists undertaking nature-based activities per year), Northland (1.2 million), Canterbury and Rotorua (1.03 million).

The most popular areas visited by international nature-based tourists were Rotorua (563,400 tourists, or 36% of all international nature-based tourists), Auckland (541,700, 35%) and Fiordland (453,700, 29%).

Mountain biking is one of the top 30 nature-based activities (out of 75) undertaken by international and domestic tourists. The most popular activity is going to beaches, particularly for domestic tourists.

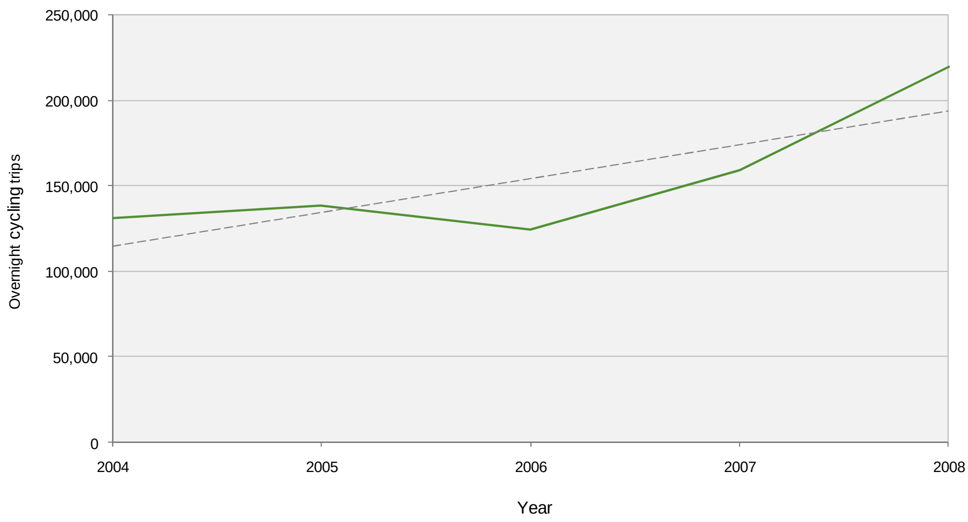
Appendix 3: Cycle Touring Map of New Zealand

Figure 11: Popular cycle touring routes in New Zealand

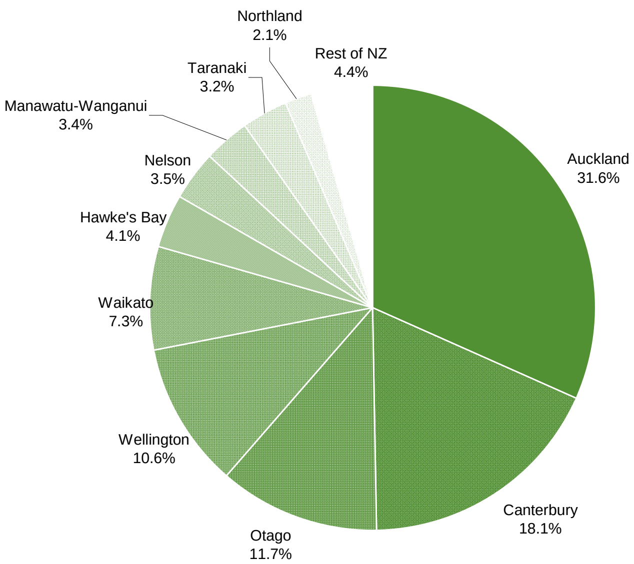
Source: NZtourmaps.com

Appendix 4: Domestic Tourism Survey, International Visitor Survey and Regional Visitor Monitor graphs

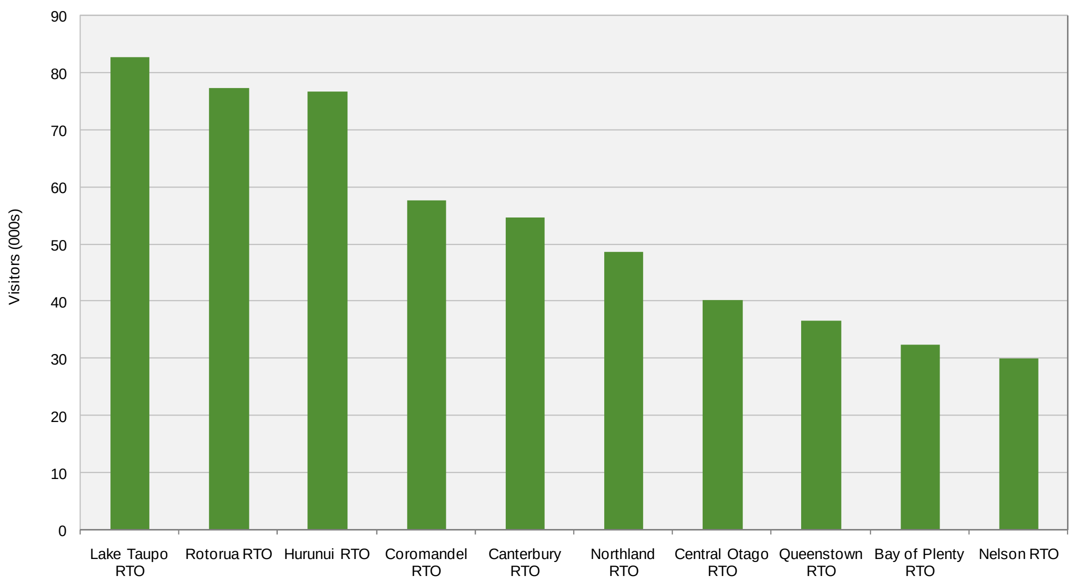
DTS 1: Domestic overnight cycling trips (2004-2008)



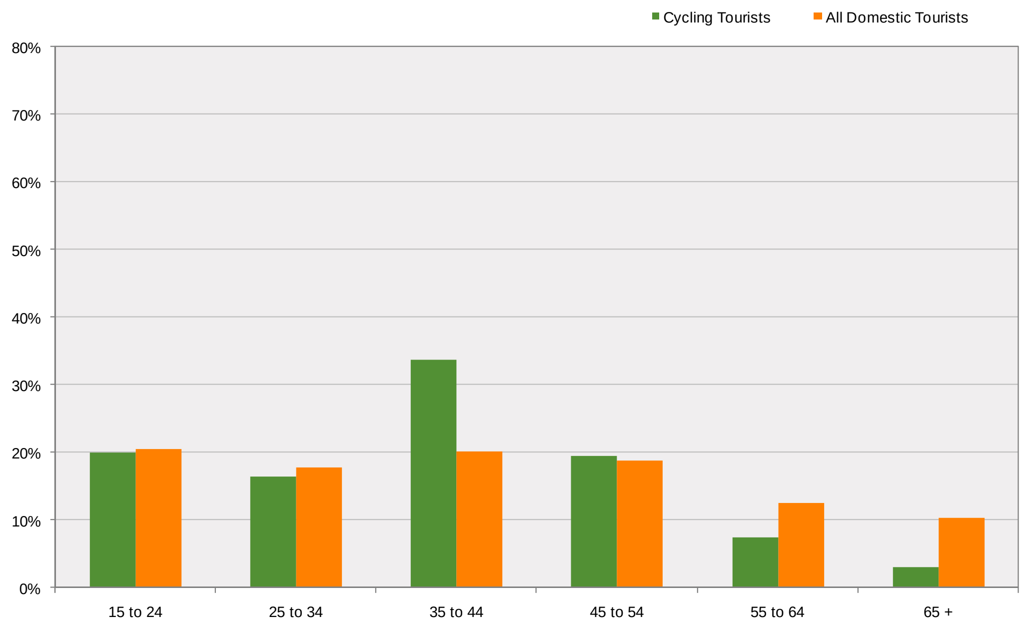
DTS 2: Origin of domestic cycle tourists (2004-2008)



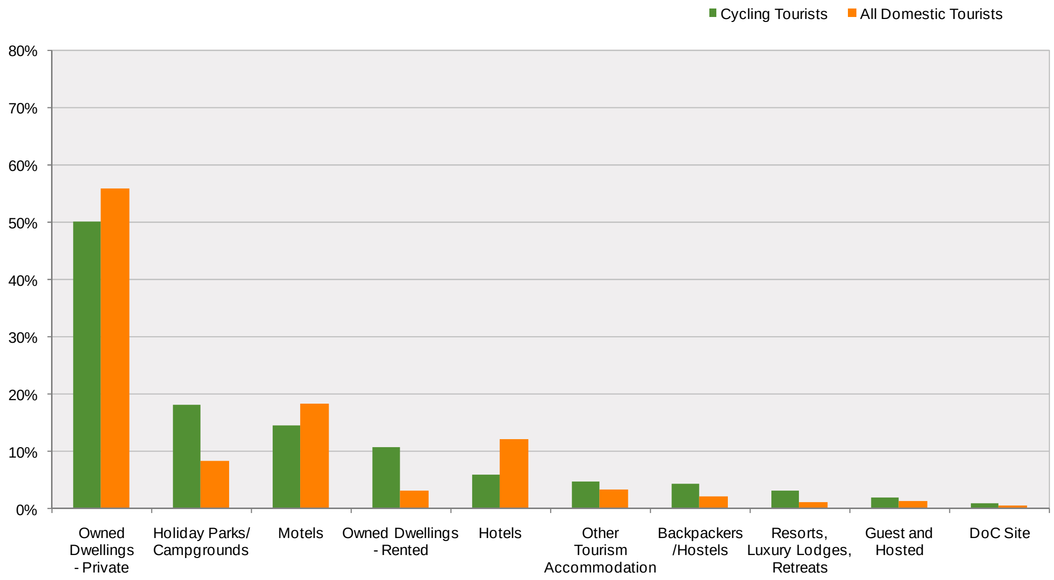
DTS 3: Main regional destinations of domestic cycle tourists (2004-2008)



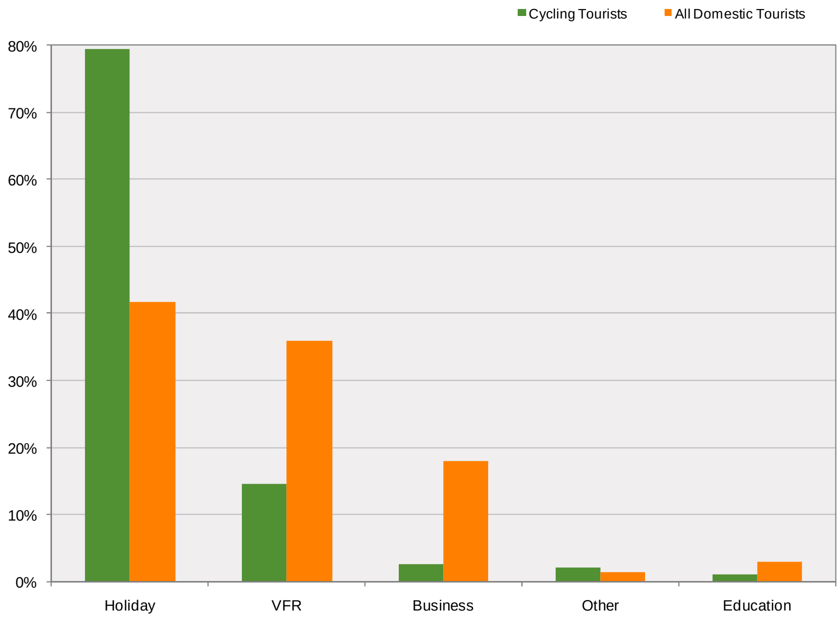
DTS 4: Age profile of domestic cycle tourists (2004-2008)



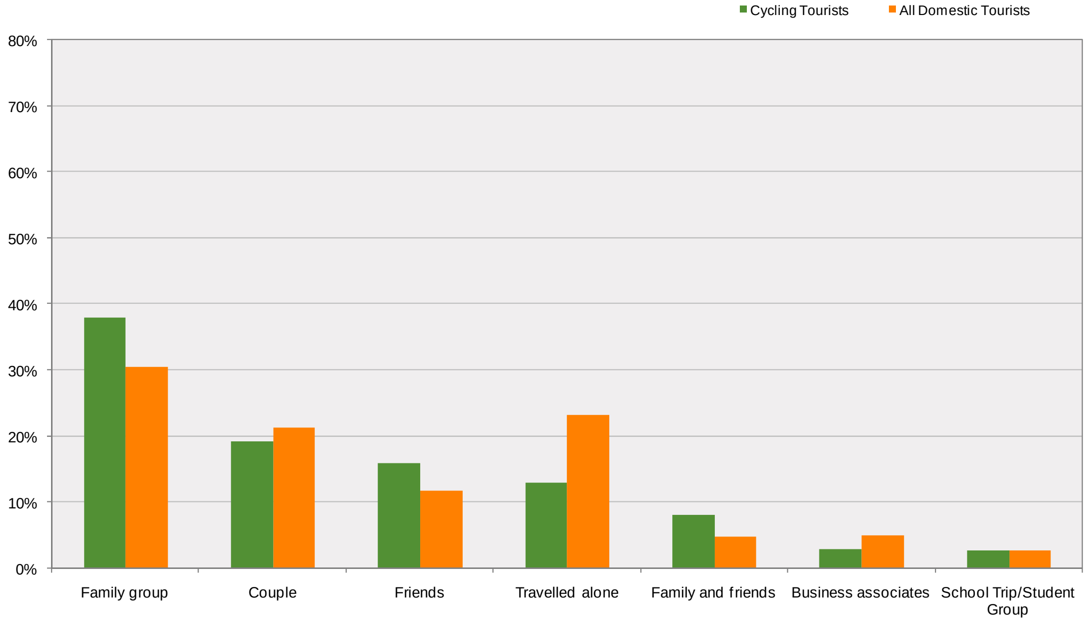
DTS 5: Accommodation types used by domestic cycle tourists (2004-2008)



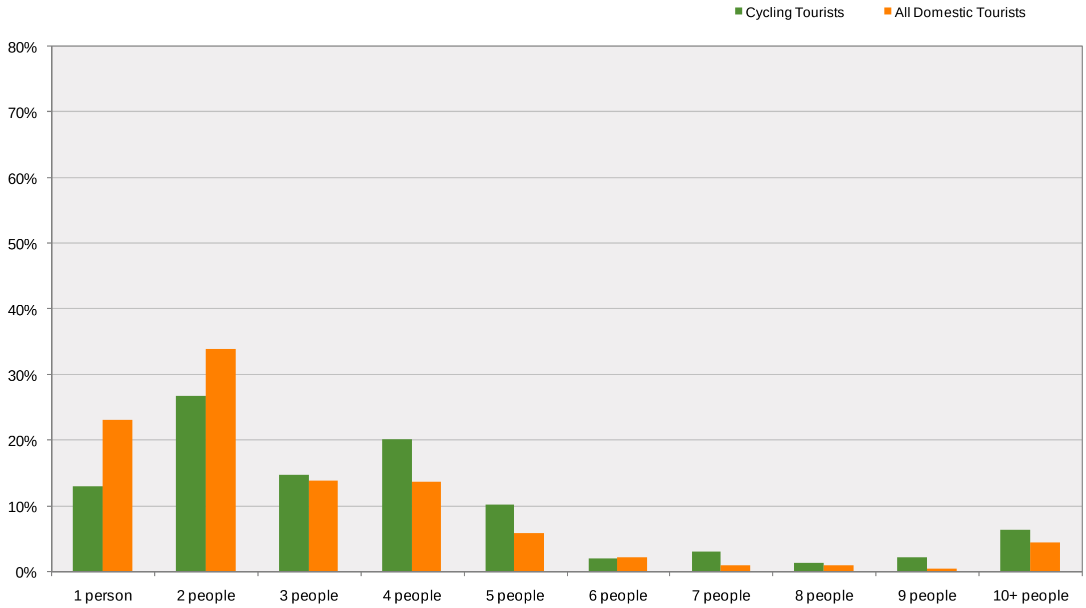
DTS 6: Purpose of travel by domestic cycle tourists (2004-2008)



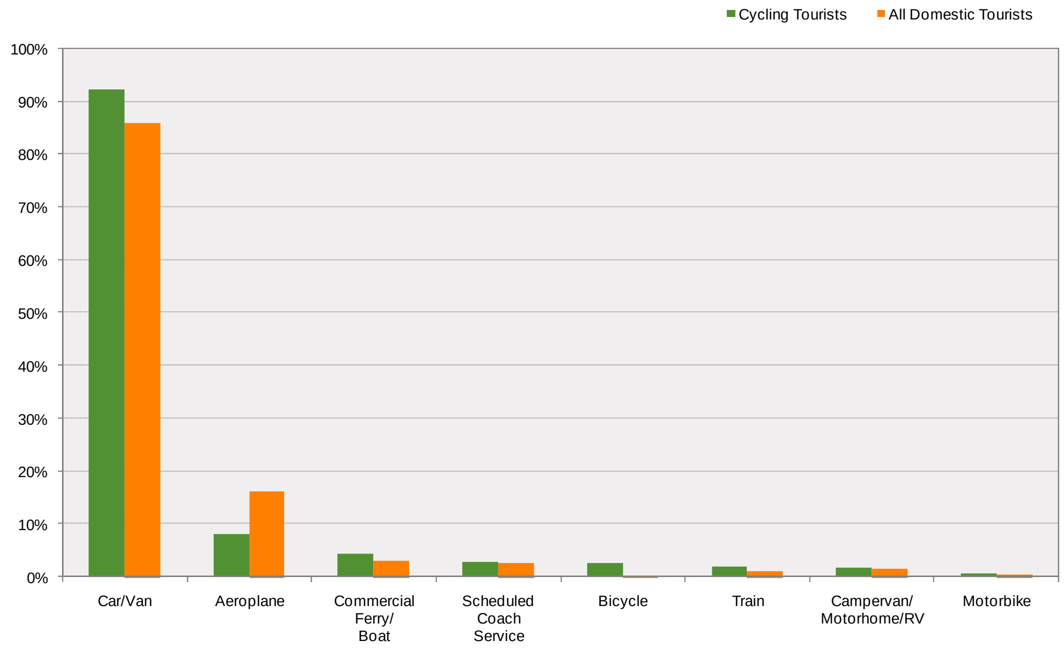
DTS 7: Travel party relationship of domestic cycle tourists (2004-2008)



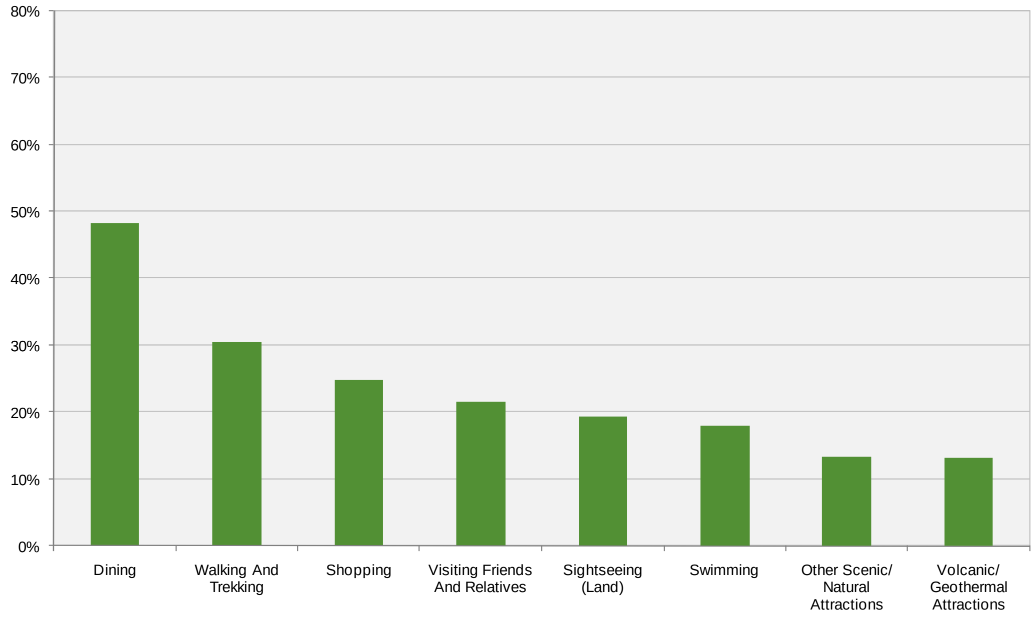
DTS 8: Travel party size of domestic cycle tourists (2004-2008)



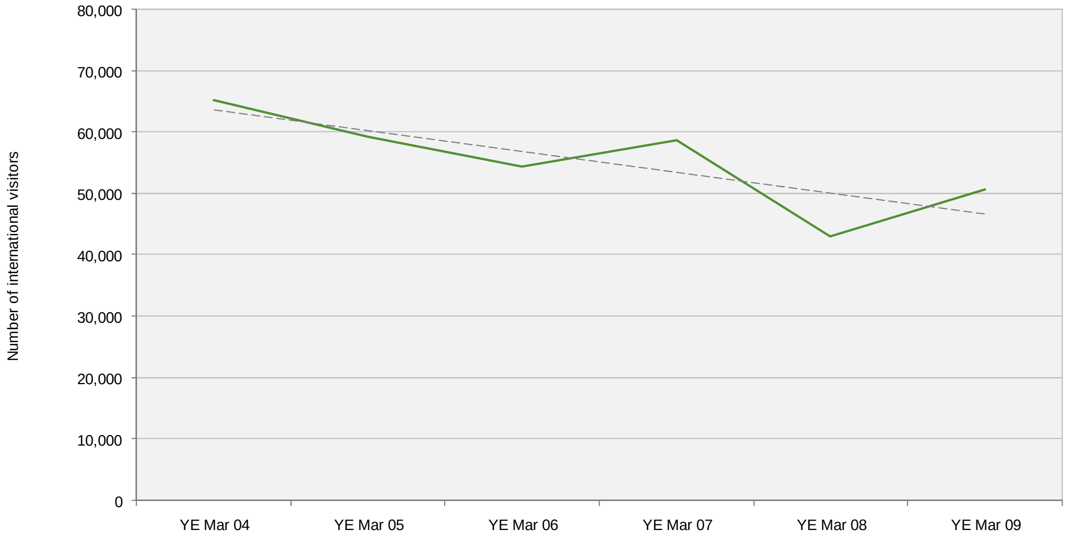
DTS 9: Transport types used by domestic cycle tourists (2004-2008)



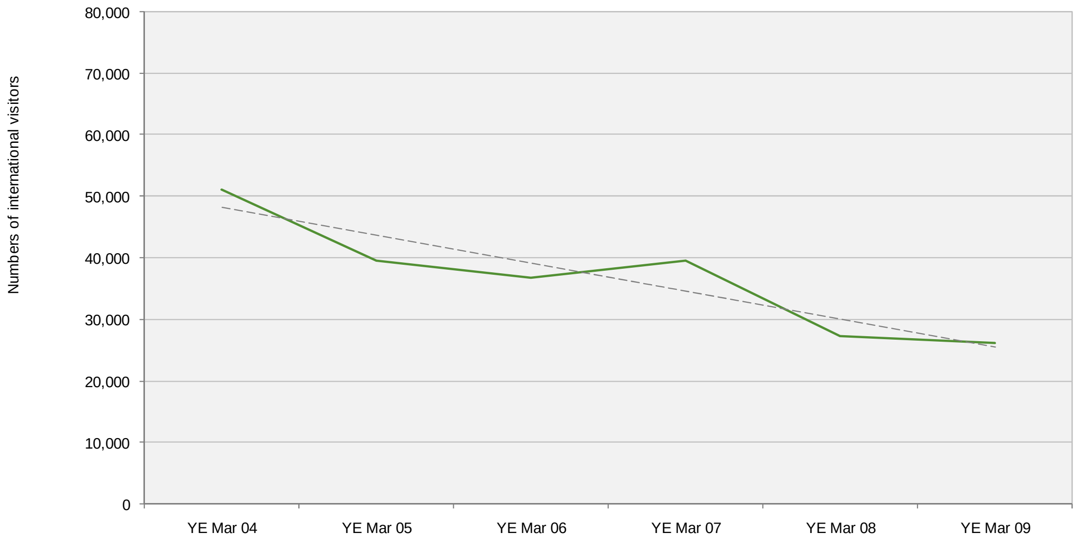
DTS 10: Other activities that domestic cycle tourists participate in (2004-2008)



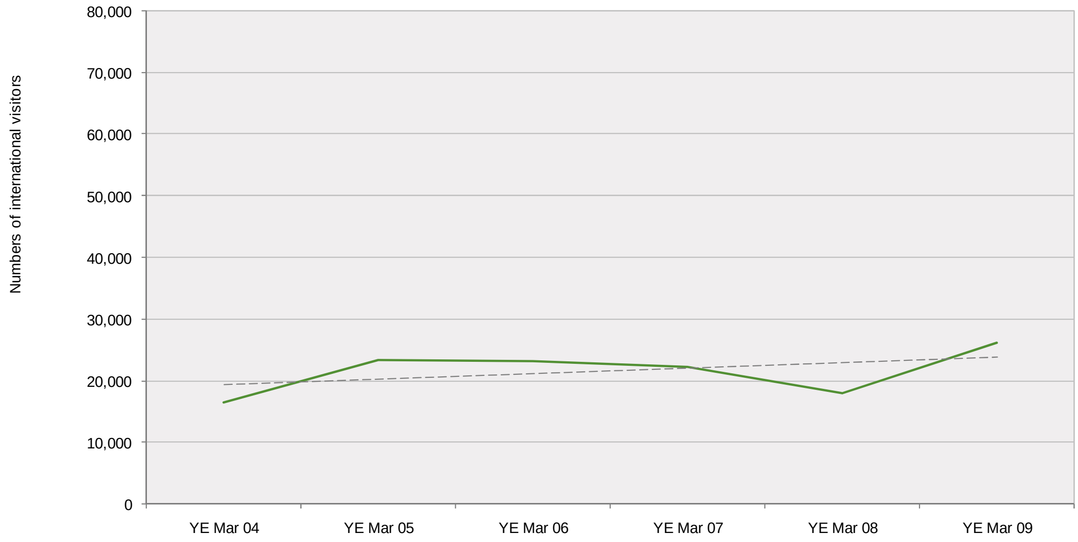
IVS 1: Participation in cycling activities by international visitors (2004-2009)



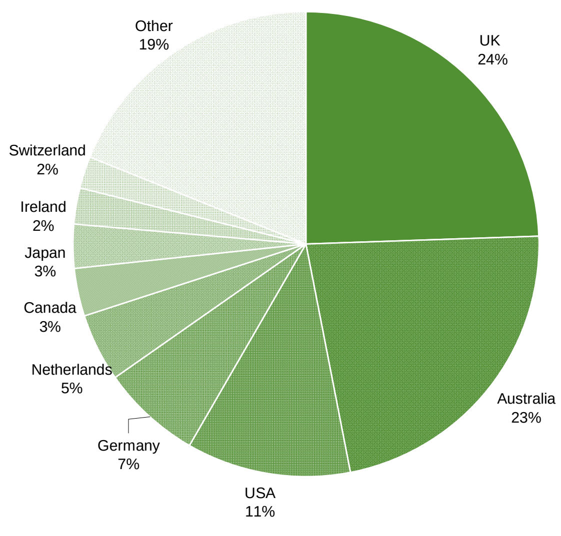
IVS 2: Participation in cycling activities (on-road) by international visitors (2004-2009)



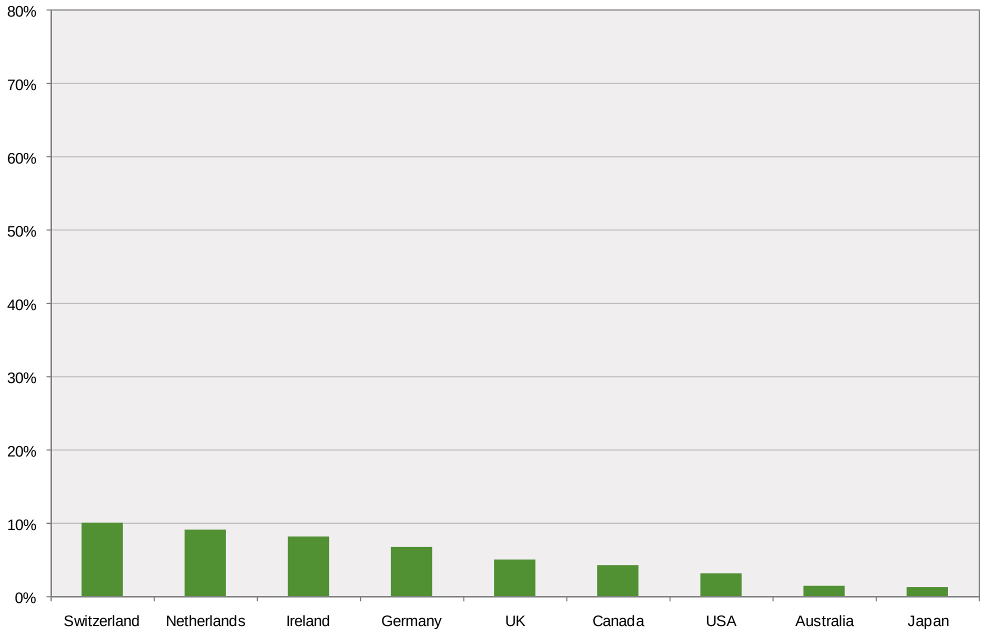
IVS 3: Participation in cycling activities (off-road) by international visitors (2004-2009)



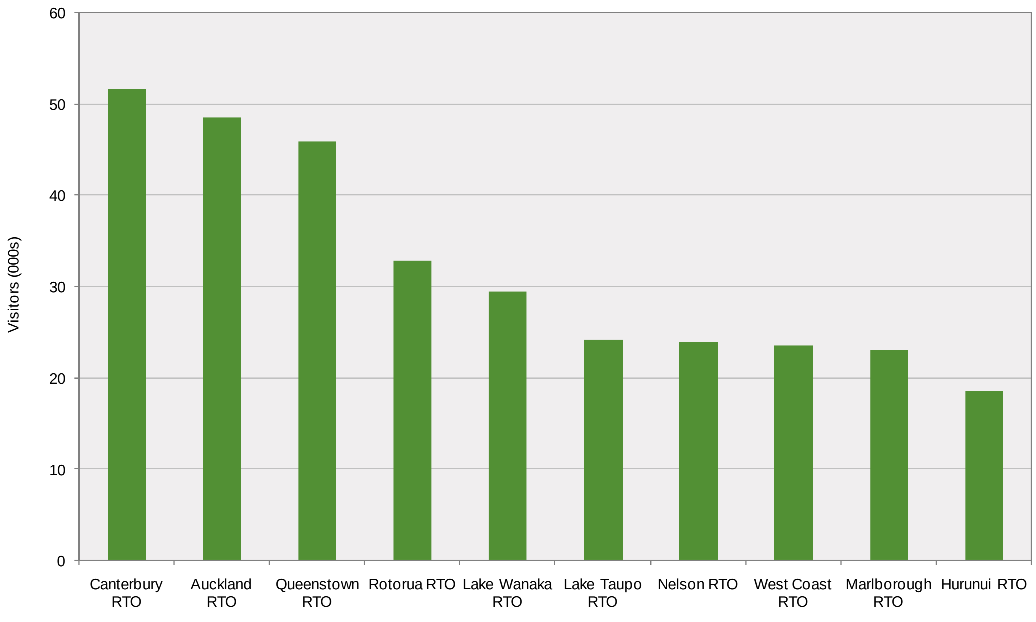
IVS 4: Origin of international cycle tourists (2004-2009)



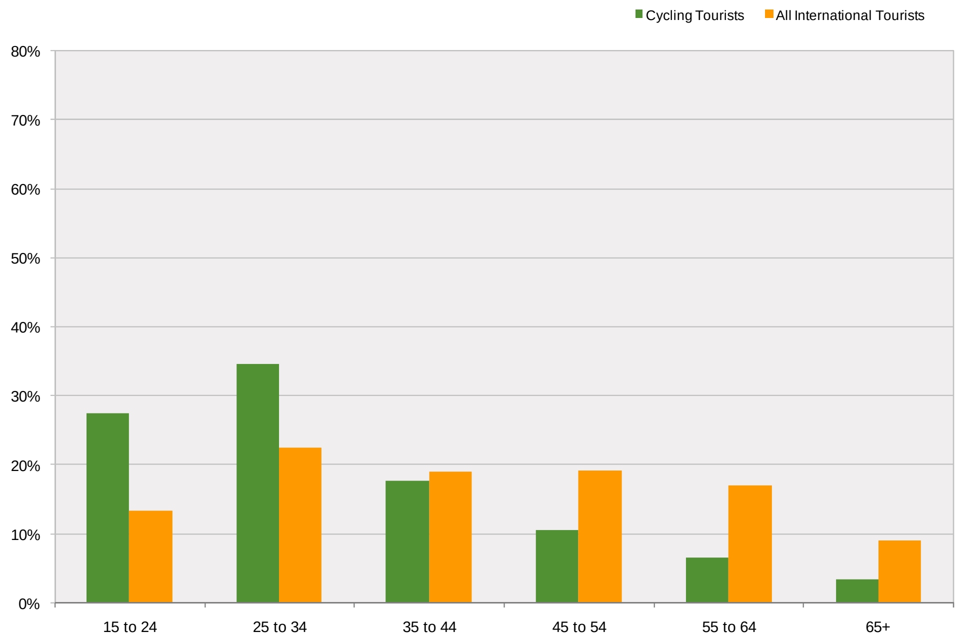
IVS 5: Propensity (likelihood) of international visitors to participate in cycling activities (2004-2009)



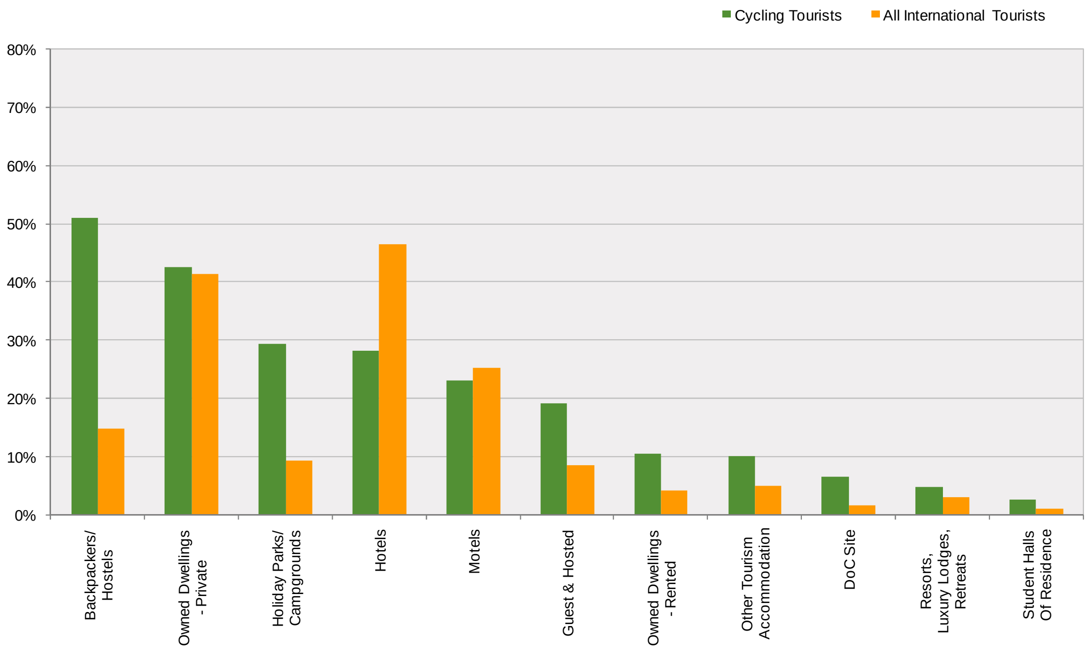
IVS 6: Main regional destinations of international cycle tourists (2004-2009)



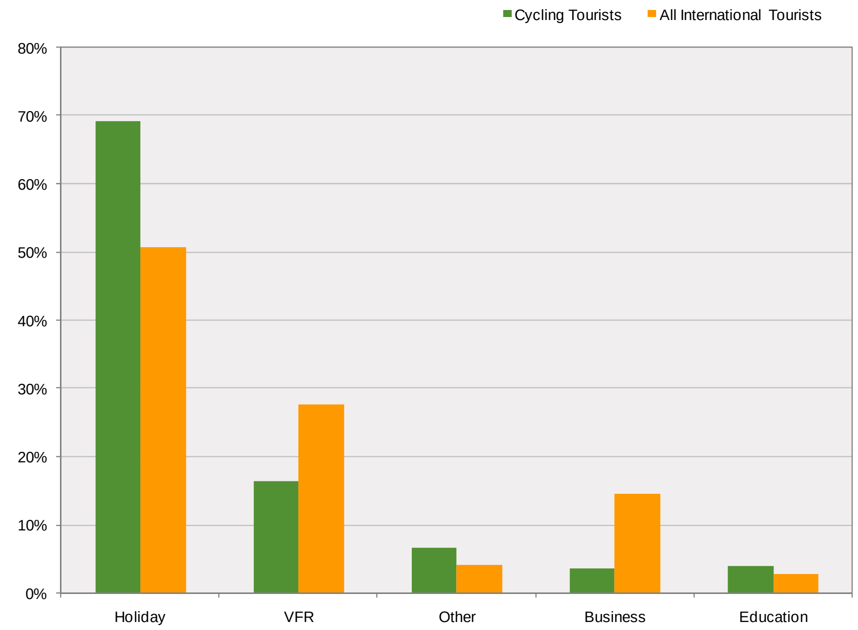
IVS 7: Age profile of international cycle tourists (2004-2009)



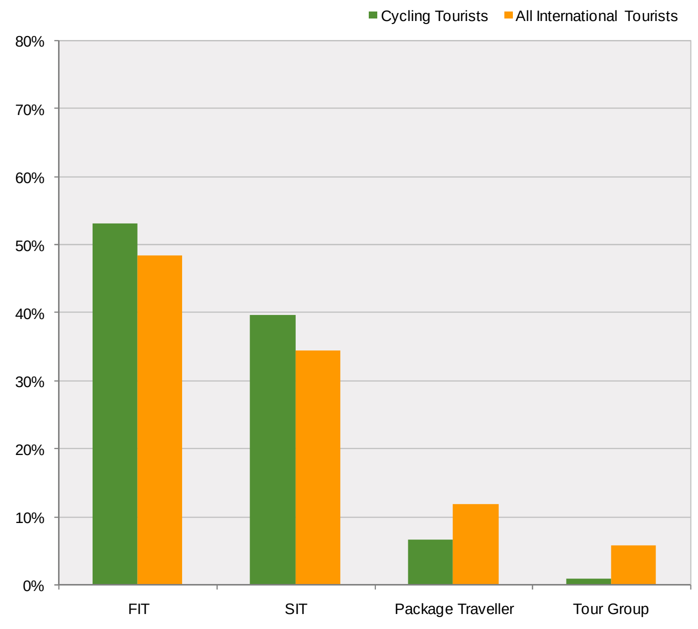
IVS 8: Accommodation types used by international cycle tourists (2004-2009)



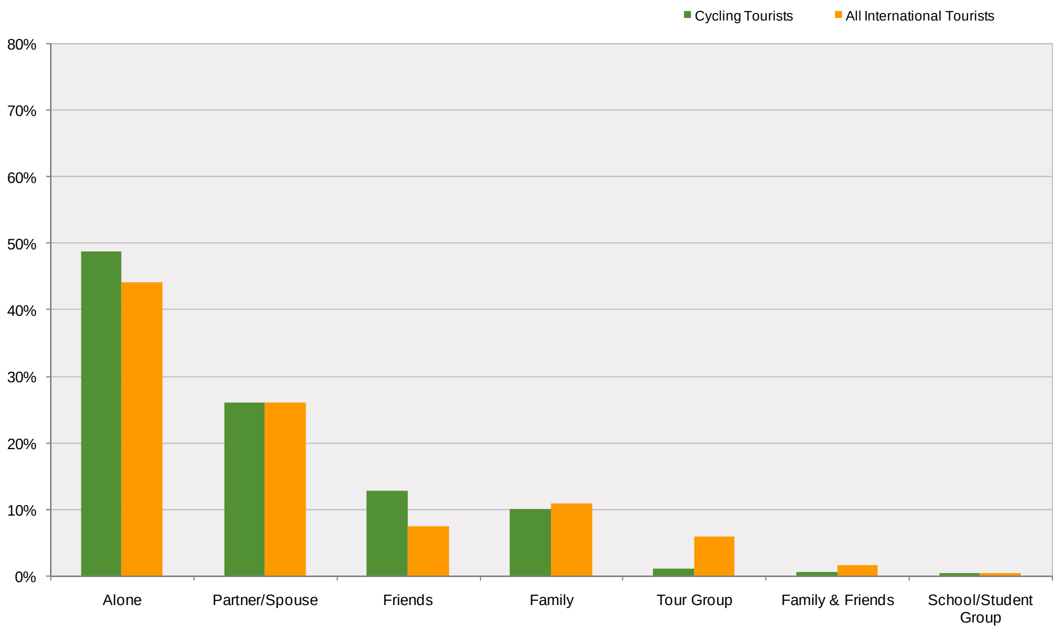
IVS 9: Purpose of travel for international cycle tourists (2004-2009)



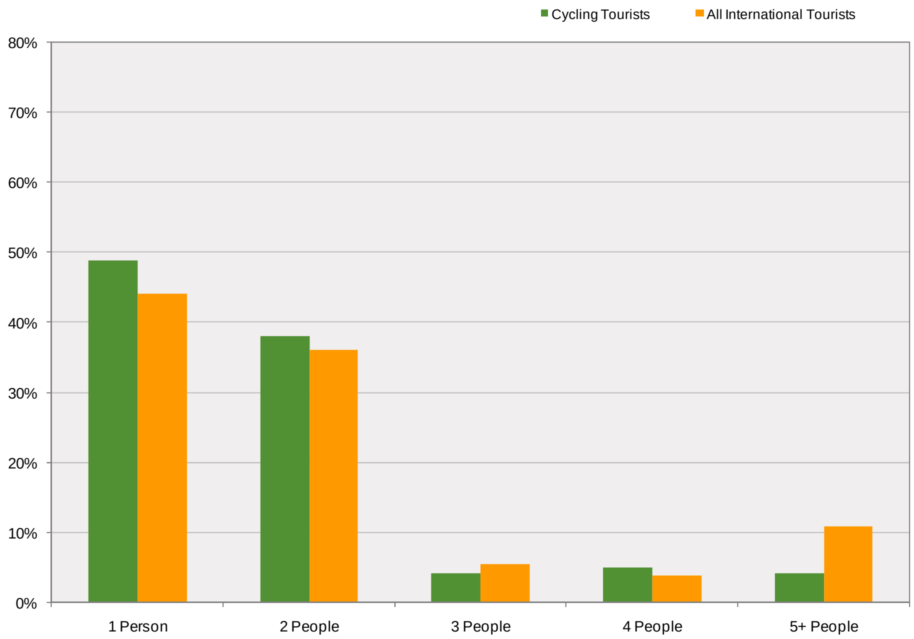
IVS 10: Travel style of international cycle tourists (2004-2009)



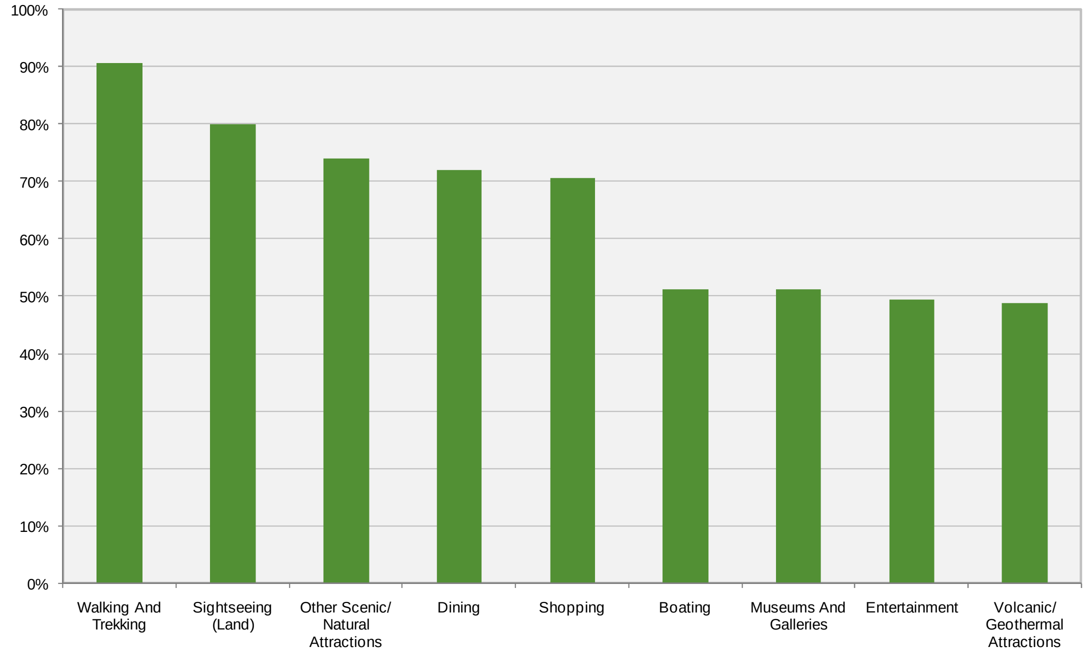
IVS 11: Travel party relationship for international cycle tourists (2004-2009)



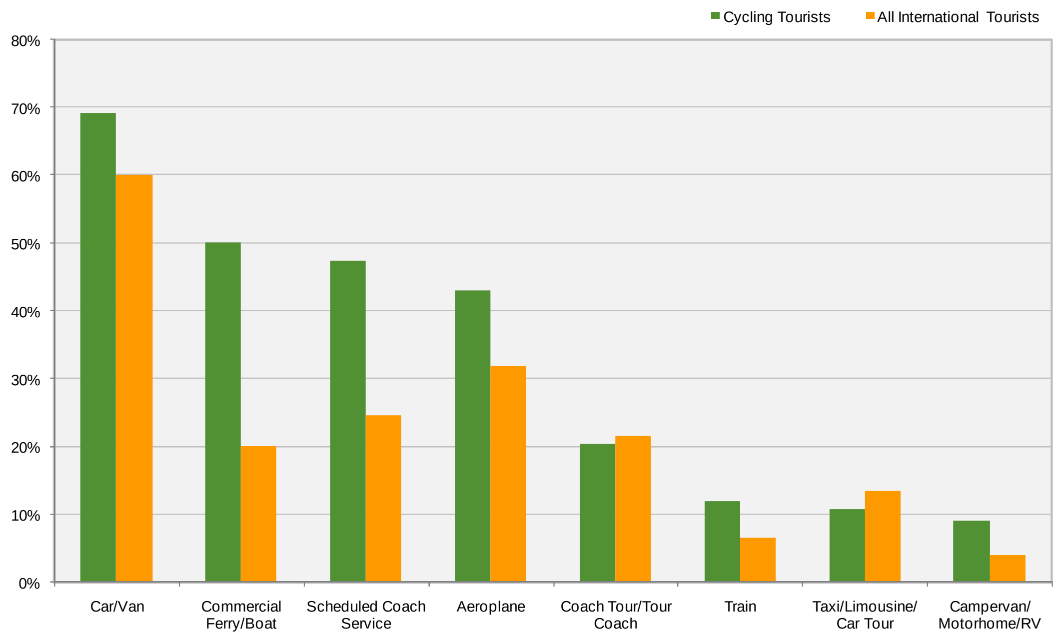
IVS 12: Travel party size of for international cycle tourists (2004-2009)



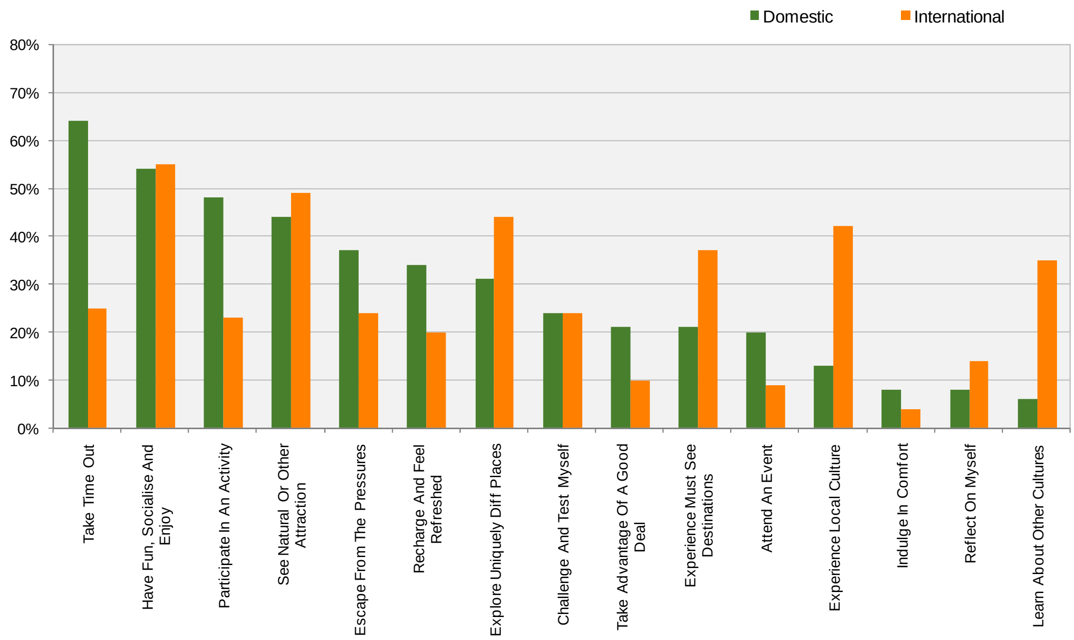
IVS 13: Other activities that international cycle tourists participate in (2004-2009)



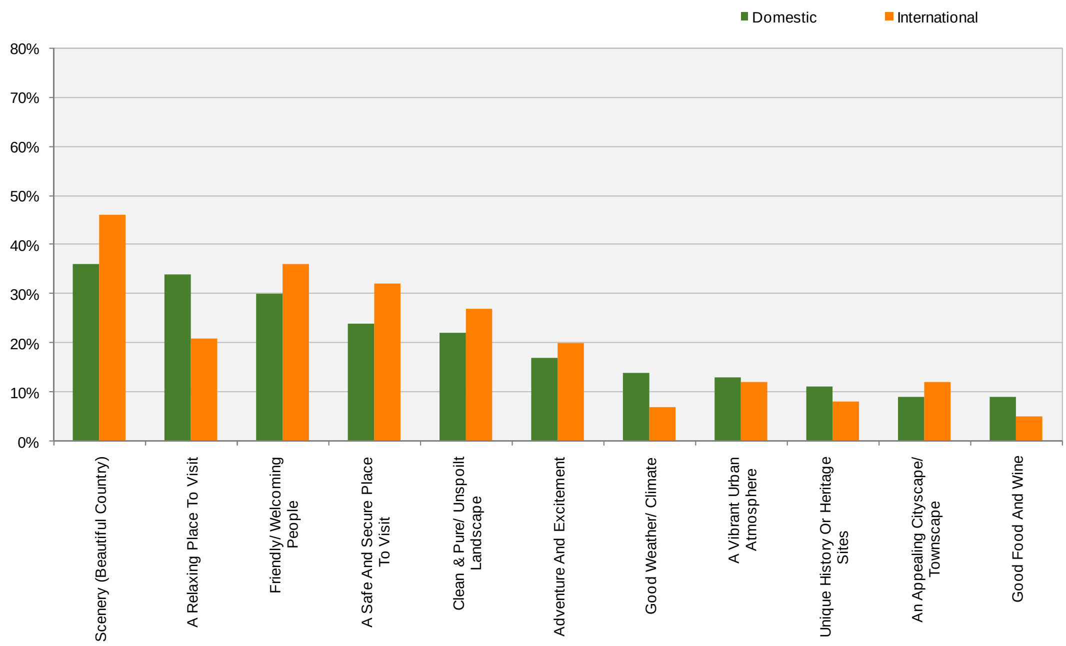
IVS 14: Transport types used by international cycle tourists (2004-2009)



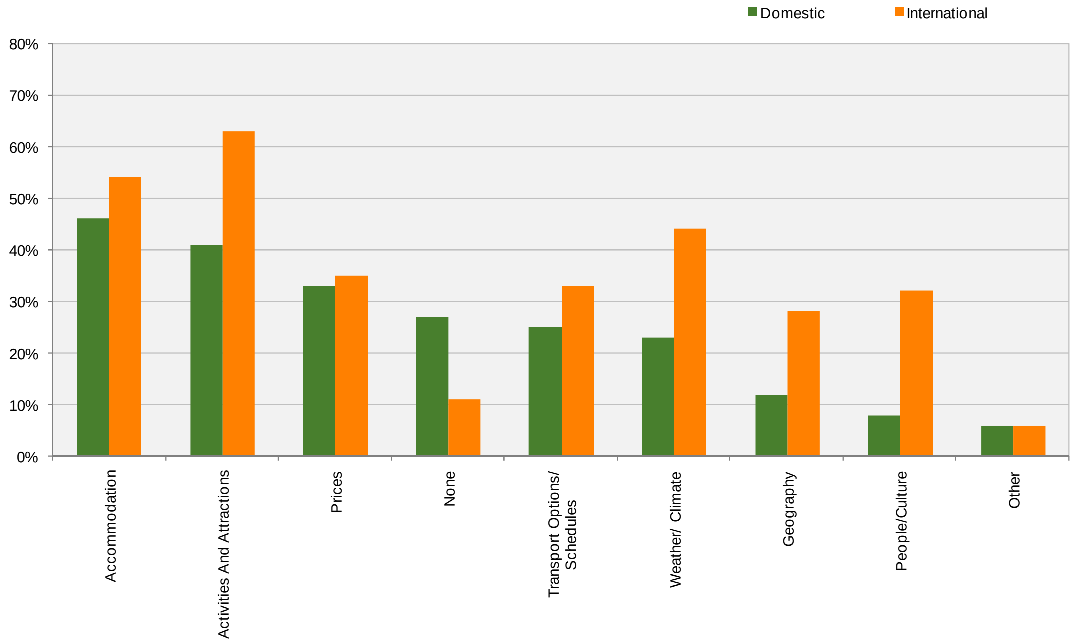
RVM 1: Decision to visit region (domestic versus international cycle tourists) 2006-2008



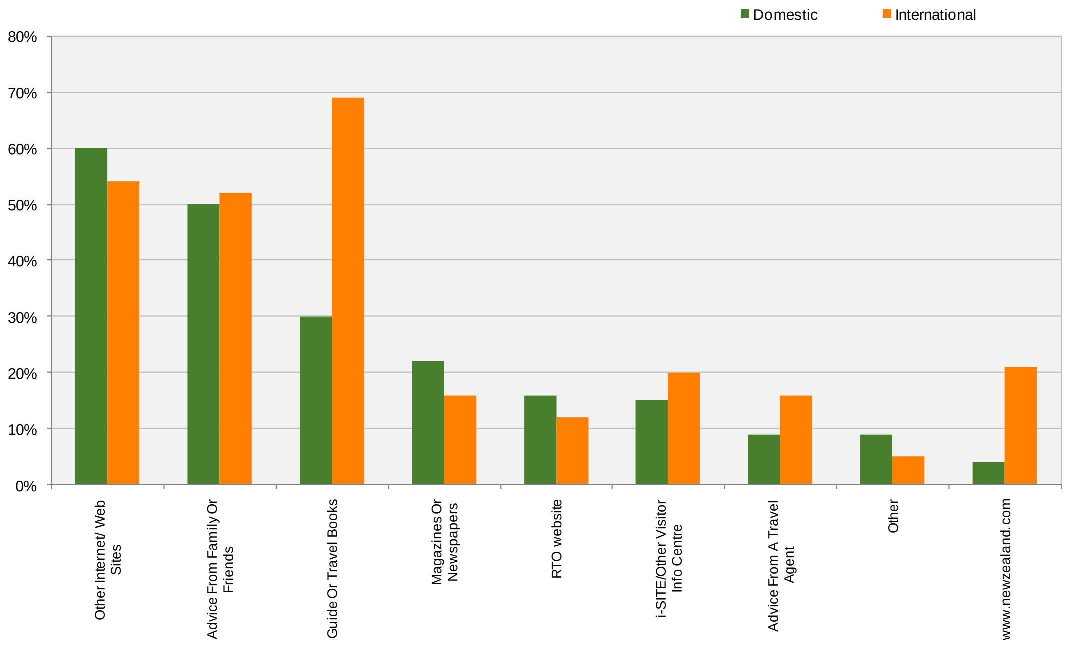
RVM 2: The most important expectations of a region for cycle tourists (domestic versus international cycle tourists) 2006-2008



RVM 3: Type of information found out about the region before arrival (domestic versus international cycle tourists) 2006-2008



RVM 4: Sources used to find out information about the region (domestic versus international cycle tourists) 2006-2008



Appendix 5: Case Studies

New Zealand Case Studies

Cycling holidays - Otago Central Rail Trail

www.otagorailtrail.co.nz

Photo: Colin Monteath

Partnerships	✓✓
New business	✓✓✓
Use of existing infrastructure	✓✓
Total experience	✓✓✓
Economic impact	✓✓
Broader market appeal	✓✓✓

The Experience

The Otago Central Rail Trail follows an old Central Otago branch railway line for 150km from Clyde to Dunedin, passing through many towns. The railway closed in 1990 at a time when the rural community was in a state of stagnation and some passionate local residents saw an opportunity to create a recreational experience for mountain bikers, walkers and horse riders.

The rail trail passes through spectacular scenery not visible from the highways, ranging from mountain ranges, hills and gorges, across the vast Maniototo plain, through old gold mining towns, ending among the fruit growing areas of Central Otago.

The rail trail opened in 2000 and developed from a basic track with minimal interpretation and support services to one that now offers a high quality visitor experience with good interpretation, signage, toilets and services such as farmstays, farm visits, cafes and a range of accommodation.

Many local businesses provide support services for trail users e.g. bike hire, luggage and shuttle transfers, guided tours, and other activities such as curling, horse riding and high country tours.

The Rail Trail is a public reserve, and motorised vehicles are not permitted on the trail. This is one of the major drawcards for the visitor experience.

The Market

An estimated 12,000 people completed the trail in 2008/09, and a further 20-30,000 walk or cycle sections of it[30].

- The majority of Rail Trail users are over 50 years old, are an average age of 44 years, slightly more likely to be female; from Auckland, Canterbury or somewhere else in the North Island; and a first time visitor to the rail trail. They have an interest in historic mining towns and sites and tend to travel in groups of 3 to 4 in size

- The largest international visitor market is Australia

- Visitors tend to find out about the rail trail via word-of-mouth (domestic visitors) or via guidebooks or magazine articles (international visitors)[31]

- Visitors to the rail trail spend just under 4 nights on average in the Central Otago region. The average length of stay for all visitors to the region is 3 nights[32].

Economic Impact

The average rail trailer spends $472 in the region. This contributes $4.7 million per annum to the region. In addition, it contributes $2.3 million to Gross Domestic Product (GDP) and creates 60 fulltime equivalent positions.

Management

The Otago Central Rail Trail Trust and the Department of Conservation (DOC) manage the trail.

DOC bought the rail trail land in 1993 and worked with the Otago Central Rail Trail Trust, which was formed specifically to help create this family-

[30] New Zealand Tourism Strategy 2015, 2008
[31] Central Otago District Council, 2009.
[32] Ministry of Tourism, NZ Regional Tourism Forecasts 2008-2014 for the Central Otago RTO.

oriented recreational facility. Working with the Trust, DOC spent six years and more than $850,000 preparing and upgrading the closed railway[33].

The Trust has been instrumental in the success of the rail trail, having raised over $1.3 million towards upgrades and contributing many hours of voluntary labour.

Maintaining the trail requires major annual work, including weed control, clearing of hundreds of culverts and bridge maintenance. Upgrade work has included re-decking bridges and installing signage, interpretation panels, toilets and shelter sheds along the track. A particular challenge has been experimenting with methods to improve the rough surface of the old railway to give cyclists a smooth ride.

The Trust and local communities work closely with DOC to contribute to the upkeep and enhancement of the trail, including preserving railway heritage e.g. the iconic Wedderburn Station goods shed. Opportunities exist for companies or organisations wanting to be involved in conservation to help DOC undertake this work.

Location-based cyclists – Rotorua

www.riderotorua.com

Photo: Grant Kilby

Partnerships	✓✓
New business	✓✓✓
Use of existing infrastructure	✓✓✓
Total experience	✓✓✓
Economic impact	✓✓✓
Broader market appeal	✓✓

[33] NZTS, 2015

The Experience

The Whakarewarewa Forest located on the edge of Rotorua township was designated a forest park in 1975. The forest has since become the recreational hub of the community. Numerous groups including walkers, runners, mountain bikers, horse riders, dog walkers, and picnickers now use the forest.

The growing number of events in the forest has significantly increased the cycling visitor numbers to Rotorua. The 2006 UCI World Mountain Bike Championships served as a catalyst and cemented Rotorua's reputation as a world-class mountain bike destination. This has also lead to the growth of bike related businesses in the town.

However, Rotorua success can also be attributed to the fact that it was already an established tourism destination with a wealth of other activities available to visitors. This gives it a broad appeal to a large market. It is also well located in the central of the North Island.

The Market

- Mountain biking accounts for 85,000 of the 282,000 recreational visits to the Whakarewarewa Forest in 2007

- Just over half of all mountain bikers in the forest are visitors, 48% domestic and 3% international

- Over half (54%) of bikers in a recent survey came to Rotorua specifically to go mountain biking

Economic Impact

- Overall, mountain bike related spending in Rotorua was estimated to be around $7.4 million in 2007. Visitors to the region account for 35% or $2.6 million

- The biking trails in Rotorua have created opportunities for businesses to capitalise on this growing market segment. The town now has seven full service bike shops, three of which also hire bikes, as well as bike shop located at Whakarewarewa. Several accommodation properties cater mainly to mountain bikers and there are guiding and bike shuttle service companies operating full time

- Southstar Adventures runs a mountain bike shuttle service for bikers. The business has grown from one bus to three since 2006. The company now has an hourly rider capacity of 180 for their service up Hill Road.

Management

- The Forest is managed by Kaingaroa Timberlands on Crown Forest Licence land. On July 1, 2009 ownership of the forest was transferred to the Central North Island Iwi Collective (CNIIC). The Visitor Centre is managed by the Rotorua District Council

- In the past the Rotorua Mountain Bike Club submitted an annual trail development plan to Timberlands who approved trails from the list supplied. This process is on hold while the land transfer takes place and a relationship is built with CNIIC

- Maintenance of the trails has been done on a community adoption basis, which has worked pretty well in the past. However, some of the most popular trails in 2009 were experiencing a high level of wear and tear.

Recreational Cycling Day Visits – Hutt River Trail, Wellington

www.gw.govt.nz/section401.cfm

Photo: Jimmy Young

Partnerships	✓✓
New business	✓
Use of existing infrastructure Total Experience	✓✓
Total Experience	✓
Economic Impact	✓
Broader Market Appeal	✓✓

The Experience

The first major section of the Hutt River Trail was built in 1985 and the remainder created as part of a review of the flood control scheme in the 1990s. The trail runs alongside the river for 29km from Petone to Upper Hutt. It provides an easy scenic walk and cycle path and allows access to the river for swimming, fishing and kayaking.

The trail runs the entire length of the eastern riverbank, is flat and generally over 2 metres in width. There are trails on all but three sections of the western side to provide shorter loops between bridges.

There is a train available as a transport option to take cyclists and their bikes to various points near the trail.

The Market

- The market is a mix of recreational users and commuters

- No official counts exist, but the Greater Wellington Council estimates the trail receives in excess of 400,000 user visits every year. Best estimates place cycling participation at around 40% of use

- The trail is used primarily by residents of the Wellington region (population 420,000), particularly those in the Hutt Valley living in close proximity to the river.

Management

- The Hutt River Trail is managed by the Greater Wellington Regional Council.

International Cycling Holiday Case Studies

Murray to Mountains, NSW, Australia

www.murraytomountains.com.au

Photo: Visions of Victoria

Partnerships	✓✓
New business	✓✓
Use of existing infrastructure Total Experience	✓✓✓
Total Experience	✓✓✓
Economic Impact	✓✓
Broader Market Appeal	✓✓

The Experience

The Murray to Mountains Rail Trail (MMRT), the most developed rail trail in Victoria, is a 98km bitumen sealed, traffic-free trail connecting the towns of Wangaratta, Beechworth, Myrtleford and Bright. The area is about 3 hours drive north of Melbourne.

The region is well known for food and wine tourism, gold mining and as a gateway to the Victorian Alps national parks. It has a wide range of food, accommodation and other tourism services, including some cycling outlets.

There is no specific accommodation provided along the trail, although a range of accommodation is available nearby. A dedicated website provides details of trail routes, location of facilities, public transport and some tourism and accommodation opportunities.

The trail is accessible by road at numerous points and the towns en route have bus services that transport bikes. There is also a train service to Wangaratta.

The Market

- The market is a good example of dual use with 45,000 users per annum including walkers

- For the majority (59%, 26,550) cycling is the main reason for undertaking the trip

- 63% are male and travel with partner or family groups

- Most are aged between 31 and 60 and 85% come from within the State of Victoria

- Most cyclists spend 2 or 3 days on the trail.

Economic Impact

- A La Trobe University study estimated that expenditure by MMRT users during the 2006 Easter period was A$258 per person per day

- This was extrapolated to a regional economic contribution of A$482.94 per person per day or a total of A$2.1 million in direct expenditure, based on multipliers relating to services provided in the retail, accommodation, food and beverage and cultural and recreation sectors.

Management

- Management of the trail is carried out by a Management Committee comprising three local government areas (the Alpine Shire, Indigo Shire and the City of Wangaratta). A Cycle Tourism Officer was appointed in 2007.

Munda Biddi, Western Australia

www.mundabiddi.org.au

Photo: Munda Biddi Trail Foundation

Partnerships	✓✓✓
New business	✓✓
Use of existing infrastructure Total Experience	✓
Total Experience	✓✓
Economic Impact	✓✓
Broader Market Appeal	✓

The Experience

Once completed, the Munda Biddi Trail will run 950km from near Perth to Albany on the south coast. To date the trail covers a distance of 498km between Mundaring and Nannup. It has been designed as a single use (cycling) trail.

Accommodation on the trail is available in free purpose-built huts and campsites a comfortable day's ride apart. There are non-camping options available in nearby towns. The website provides details of businesses offering accommodation, cycle transport, food and other services.

The Market

- 17,000 users per annum with track counters showing use increasing at about 17% a year as the track is developed. Approximately 95-99% of users are cyclists, as most walkers do the Bibbulman, which runs parallel to the Munda Biddi.

- There have been no demographic surveys of trail users. However, the MBTF considers that the length of journeys is increasing with the development of the trail and that there is an increasing number of international visitors.

- This type of trail appeals to a more adventurous segment of the cycling holiday market that is looking for longer and harder trails

Management

- The Munda Biddi Trail is managed by the Western Australian (WA) Department of Environment and Conservation (DEC), in conjunction with the Munda Biddi Trail Foundation (MBTF), the WA Department of Sport and Recreation, the WA Mountain Bike Association and other cycling organisations

- The MBTF consists of DEC and community representatives and is responsible for guiding, planning, funding, marketing, events and volunteer programmes on the trail.

Whistler, British Columbia, Canada

www.whistler.com/bike

Photo: Jimmy Young

Partnerships	✓✓✓
New business	✓✓✓
Use of existing infrastructure Total Experience	✓✓
Total Experience	✓✓✓
Economic Impact	✓✓✓
Broader Market Appeal	✓✓✓

The Experience

Whistler provides a total cycling experience that is the product of a proactive partnership between local government and other stakeholders, most notably Whistler Blackcomb Mountains, an Intrawest company.

The development of the ski field into a lift-accessed mountain bike park in the 1990s has been complemented by the local government investment in a trail network that caters to all ages and abilities, from riding on the paved shared use (cycling and walking) Valley Trail to day-long, technical single track rides like Comfortably Numb.

From humble beginnings, mountain biking has now replaced golf (Whistler has three signature golf courses) as the most important driver for summer visits to the resort.

The Market

Whistler receives 1.1 million summer visitors. Although one might conclude that the lift-accessed Whistler Bike Park (100,000 visits) draws most riders to Whistler, a recent survey[34] showed that 52% of Whistler Valley (public trails) riders indicated cycling was an important trip motivator.

- The majority (27%) of cyclists to Whistler are aged 30-39 years, 24% are under the age of 18 and 65% are male

- The vast majority (90%) stay overnight and the average length of stay is 4.5 nights

- Most cyclists (40%) are from within the province, 34% from the US and 18% from other countries.

- Though many families ride together at Whistler there are also many options for splitting up. Older children can ride in the bike park, while the parents ride the easy and wide gravel trails around Lost Lake.

Economic Impact

- Trails on public land in the resort of Whistler contribute C$6.6 million to the local economy. In addition to the public trails, Whistler Bike Park contributed an additional C$16.5 million in non-resident expenditures.

[34] Sea to Sky Mountain Biking Economic Impact Study 2006. Mountain Bike Tourism Association

- Events like Crankworx also serve as a key catalyst for tourism and economic development. The 2006 event attracted 55,000 unique visitors, of whom more than 23,000 travelled solely to attend the festival and added a further C$11.5 million in non-resident expenditures.

Management

- The trails are managed by the Resort Municipality of Whistler (local government) and Whistler Blackcomb Mountain/Intrawest. There is also huge support from the well organised, volunteer-based Whistler Off-Road Cycling Association (WORCA).

7stanes, Scotland

www.7stanes.gov.uk

Photo: Forestry Commission Scotland

Partnerships	✓✓✓
New business	✓✓✓
Use of existing infrastructure Total Experience	✓✓
Total Experience	✓✓✓
Economic Impact	✓✓✓
Broader Market Appeal	✓✓

The Experience

The 7stanes are a collection of seven cross-country mountain biking, all-weather trails located in South Scotland. The 7stanes were developed by the Forestry Commission Scotland (FCS) who have been building and maintaining these seven trail centres since 2001.

The 7stanes now supports a host of mountain bike-related businesses such as bike shops and accommodation, which have adapted their facilities to cater to bikers.

The 7stanes has also combined art with nature by commissioning unique art installations at selected locations. The goal is to create a stimulating dimension to the 7stanes trails and help attract more people to visit the forests.

The Market

- Initially the focus for 7stanes was more on trail building and infrastructure development. Now the focus has shifted to widening the market base, attracting new groups into the sport and making it more accessible to a larger number of people.

- The idea of playgrounds located near trailheads to cater to family groups is being considered. The number of mountain bikers who bring their children with them increased to 15% from 10% in 2004

- The number of overall visitors has increased from 172,000 in 2004 to 394,000 in 2008.

- Over two-thirds (69%) of visitors are mountain bikers. This equates to 276,000 mountain bikers across the seven sites

- Overseas and UK visitors from outside Scotland have increased to 37%, an increase of over 60% since 2004.

Economic Impact

- The project has helped create GBP9.3 million in expenditure, 205 fulltime equivalent (FTE) jobs and GBP3.7 million gross value added (GVA) in southern Scotland.

Management

The 7stanes is a multi-agency project, with FCS as the lead. The FCS has a small team dedicated to the 7stanes project. The partner agencies are currently grappling with an exit strategy that will provide ongoing support and sustainability for the project in the future.