

# HEART OF THE CITY™ AUCKLAND

YEAR IN REVIEW  
OCT 2016 - SEPT 2017







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Dick Frizzell, Downtown Tiki for Heart of the City (2015).  
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## A MESSAGE FROM OUR CHAIR

Auckland's central city makes a significant contribution to both the Auckland region and New Zealand's economy, delivering the fourth largest GDP after the Wellington, Canterbury and Waikato regions. Its unprecedented growth is broadly based, with more and more people working, living and visiting the city and around \$14 billion of public and private sector investment planned over the next decade.

Heart of the City is playing an active role to ensure the voice of business is heard as plans for the city are developed. Our Chief Executive works passionately with our dedicated team to pursue opportunities to promote the city centre and to address issues that impact adversely on the business environment.

The board continues to take prudent steps to manage its governance obligations. The organisation achieved an unqualified audit of our financial accounts and also met legislative requirements relating to health and safety.

This has been my first year as Chair and I'd like to thank both our staff and my fellow Executive Committee members for their outstanding commitment. Andrew Stringer, Shane McMahon and Chris Cherry have stepped down after many years of service and their contribution will be missed. For Executive Committee members continuing in their role and others joining us, we have a stimulating time ahead with two milestone opportunities on the three year horizon – the America's Cup and APEC.



**MARTIN SNEDDEN**  
INDEPENDENT CHAIR





## EXECUTIVE SUMMARY

Heart of the City champions a successful city centre economy on behalf of thousands of businesses within our boundary. Growth on all fronts is prolific and whilst this is inspiring and exudes confidence, we are well aware of the challenges it presents.

Our work includes promotion of the CBD offering and events that bring people into the city centre. This year our marketing profiled the face of local businesses through our Lovebites campaign, which showcases the concentrated diversity of the evolving urban experience. Restaurant Month has gone from strength to strength and is now a much-anticipated event on the annual calendar.

Our advocacy has agitated for proactive action to mitigate the impact of construction; asked for a united effort to end homelessness; generated discussion on how to address begging before it becomes the norm on our city streets; and asked for the needs of business to be heard and respected.

Heart of the City is a small organisation with a large brief and relationships are vital to our success. Along with acknowledging our talented team, I'd like to thank our marketing partners and others we work with to achieve our goals. We are excited by the prospects ahead to take maximum advantage of opportunities over the next three years.



**VIV BECK**  
CHIEF EXECUTIVE



## HEART OF THE CITY TEAM

**VIV BECK**  
CHIEF EXECUTIVE

**KATE CLEAVER**  
HEAD OF MARKETING

**MICAELA DANIEL**  
GM STRATEGY AND OPERATIONS

**CLEMENTINE DICKIE**  
EXECUTIVE ASSISTANT TO  
CEO/OFFICE MANAGER

**SONYA GANDRAS**  
EVENTS AND SPONSORSHIP EXECUTIVE

**SARAH HAMILTON-HIBBARD**  
MEMBERSHIP COORDINATOR

**KSENIA KHOR**  
MARKETING EXECUTIVE

**TANIA LOVERIDGE**  
ADVOCACY AND ENGAGEMENT MANAGER

**JULIA RUTHERFORD**  
DIGITAL SPECIALIST

**JANE STEWART**  
EVENTS AND SPONSORSHIP MANAGER

**ERIN TAYLOR**  
COMMUNICATIONS EXECUTIVE

**SARAH TERRY**  
BRAND MANAGER



## EXECUTIVE COMMITTEE



**SHALE CHAMBERS**  
DEPUTY CHAIR,  
WAITEMATĀ LOCAL BOARD



**CHRIS CHERRY**  
OWNER, WORKSHOP DENIM  
AND HELEN CHERRY



**JASON COPUS**  
CHIEF FINANCIAL OFFICER,  
SMITH & CAUGHEY'S



**REGAN HALL**  
DIRECTOR, BTL



**SARAH HULL**  
MARKETING DIRECTOR,  
COOPER AND COMPANY



**GREG MOYLE**  
DIRECTOR, FINANCIAL  
PLANNING NZ



**SHANE MCMAHON**  
CHIEF OPERATING OFFICER,  
NZ BUS



**MARTIN SNEDDEN**  
INDEPENDENT CHAIR



**PADDY  
STAFFORD-BUSH**  
PROPERTY OWNER,  
DILWORTH BUILDING



**ANDREW STRINGER**  
MANAGING DIRECTOR,  
AUCKLAND, CBRE





## AUCKLAND'S CITY CENTRE IS AN EXTRAORDINARY PLACE WITH UNIQUE CHARACTER AND PHYSICAL ATTRIBUTES.

### A UNIQUE CITY CENTRE

The concentration of businesses, people and economic and cultural activity here is unparalleled in New Zealand. Around 15% of Aucklanders work in the city centre, an area that accounts for only 0.08% of the overall Auckland region. This concentrated area is one of the fastest growing parts of Auckland, contributing around 20% of Auckland's GDP and 7.4% of New Zealand's in the last year. Retail spend has grown by nearly 50% since 2010 – now generating \$1.8 billion per year in sales.

The city centre is home to over 11,000 businesses, 114,000 employees and close to 40,000 residents. About 200,000 people visit the city every day including over 50,000 students who either study at one of the two universities or with other education providers within the CBD boundary.

The CBD's density is one of its biggest assets; a 2017 Auckland Council report highlighted the significant economic impact it provides. Our CBD has a unique combination of density and connectivity, which enables a high level of productivity. Our focus is to further leverage this opportunity by promoting and fostering an environment where people can work close to one another, get around easily and connect with each other.





**HEART OF THE CITY'S MANDATE IS TO  
CHAMPION A SUCCESSFUL CENTRAL CITY  
ECONOMY THAT IS ACCESSIBLE, VIBRANT  
AND A GREAT PLACE TO DO BUSINESS.**

### **AT THE HEART OF IT: OUR MEMBERS**

We represent our members who are property owners, business owners, occupants and tenants of commercially rated property that sits within our defined boundary.

We engage with local and central government, community groups and decision makers to ensure business interests are represented throughout policy and decision-making processes that impact the CBD.

Understanding what matters to our members and working with them to create and leverage opportunities as our city centre continues to grow provides a strong framework for our activity and ensures we remain member centric and outcome focused.

Over the past year we have continued to grow our engagement with members and have sought their views on a number of issues including begging, the impact of construction, and loading and servicing. This guides our priority settings and underpins our ability to provide informed commentary and views on issues that matter to business.

We connect with our membership in a number of ways including through face-to-face visits, regular newsletters and member events. We also continue to invite businesses to participate in a number of events and campaigns designed to drive visitation to the city centre. Over the past year we have also upgraded our corporate website to more closely align the work we do for business with the work we do to promote destination Auckland.



# RAISING THE VOICE OF BUSINESS





## RAISING THE VOICE OF BUSINESS

One of Heart of the City's priorities is to ensure the views of business are heard clearly by decision makers and influencers in Auckland's future. Decisions made about the city centre impact on the livelihood of our members, their place of business, their employees and the clients and customers they connect with every day. The commercial sector provides opportunities for growth, job creation and social good. Similarly, decision-makers benefit from the valuable insights businesses have in what's needed to drive economic growth and productivity.

This year, Heart of the City has collaborated with other Auckland business associations to identify ways in which the council group can offer more efficient support to the Business Improvement District (BID) programme, and bring greater attention to the value that the BID programme contributes towards local economic development across Auckland.

## INFLUENCING THE AGENDA

Over the past year we have advocated for business on a number of council proposals including a Targeted Rate on accommodation providers and a pause in the reduction of the business rates differential.

We are concerned that business seems to be viewed as an easy target to pass on costs and we lobbied council to honour its commitment to keep reducing the rates differential, currently more than double residential rates.

Heart of the City also lobbied with other BIDs to prevent the introduction of an accommodation supplement. It was our view that while there are challenges to infrastructure resulting from tourism growth, a targeted rate on accommodation providers introduced with little notice was not the right mechanism to address it.

Council chose not to adopt our lobbied position on both of these occasions. This was disappointing but we will continue to advocate for business, both in the upcoming long-term plan deliberations and in the annual plan cycle.

## MITIGATING THE IMPACT OF CONSTRUCTION

We continue to represent business interests on major transformation projects, including the City Rail Link. This year we conducted a construction survey to establish the type of impact the project's construction was having on business. From this, we have been able to contribute to the Development Response Plan which outlines how relevant agencies will mitigate the impact of construction in the affected areas. The City Rail Link now has two specialist staff managing the interface between development and business and to provide support and activations to the local business community. We will continue to lobby for improvements in how the city manages change.



## ENSURING THE CITY CENTRE REMAINS A SAFE AND ENJOYABLE PLACE TO BE IS A KEY PRIORITY FOR HEART OF THE CITY.

### A SAFE CITY CENTRE

We work closely with Auckland Council and the police on several initiatives aimed at increasing safety.

With Auckland Council, we co-fund CityWatch, the programme which addresses issues relating to public safety, nuisance and inappropriate behaviour. In response to concerns over the consumption of synthetic cannabis and associated anti-social behaviour we have increased the presence of guards and the police have increased the presence of beat staff during the day. With increased visibility and active management of antisocial issues, there has been a reduction in reported incidents and improvement in behaviour on the street.

Heart of the City also supports StoreWatch, a communication network between 150+ city centre retailers and the police to reduce and prevent retail theft in the city centre. The network gets retailers talking to and looking out for each other by sharing critical information within the retail community. The scheme continues to grow and offers significant benefit for very low cost.

### BEGGING

Begging continues to be an area of key focus. In May 2017 we asked members for their views on begging in the city centre. Respondents told us that begging is an increasing issue in the city centre, with 93% of members asking for more to be done to address it. Over the next year, Heart of the City is planning a programme that aims to positively address begging on the street, and reduce the impact on businesses operating in the city, their staff and customers.

### HOMELESSNESS

We have been active in calling for an end to homelessness in the city centre and we are delighted that this year has seen a concerted response to support Housing First, an internationally proven solution, with twenty people in the city centre already housed.





**THE CITY CENTRE IS IN A PERIOD OF UNPRECEDENTED TRANSFORMATION, WITH SIGNIFICANT INFRASTRUCTURE, PUBLIC SPACE, COMMERCIAL AND RESIDENTIAL PROJECTS PLANNED AND UNDERWAY.**

## **CITY CENTRE TRANSFORMATION**

We continue to support the city centre's transformation through our role on the Auckland City Centre Advisory Board, which is responsible for advising council on the allocation of the City Centre Targeted Rate for enhancement projects. We also liaise directly with the agencies delivering public space and transport transformation projects to consider the opportunities and issues these projects may have for business and the wider city centre environment.

This year we played a role in ensuring that once the City Rail Link is completed, Albert Street and Lower Queen Streets will be transformed so their quality befits an international city centre.

Following regular lobbying from Heart of the City and others, Auckland Council has released refreshed City Centre and Waterfront plans that show transport integrated with new public spaces in the city. Our role going forward will be to ensure that business needs are considered as early as possible as individual projects develop.



A photograph of a man and a woman smiling and embracing at a food festival. The man is in the foreground, wearing a black t-shirt, and the woman is behind him, also smiling. They are standing at a food stall where a person wearing white gloves is serving food from a large metal bowl. In the background, there are other people, a red truck, and string lights with triangular flags.

## PROMOTING THE HEART OF THE CITY





**OUR DESTINATION MARKETING AND EVENTS HIGHLIGHT THE CONCENTRATED DIVERSITY OF THE CITY CENTRE AND INSPIRE PEOPLE TO VISIT AND SPEND IN THE CITY CENTRE.**

## **PROMOTING THE HEART OF THE CITY**

2016 was a seminal year. Our vision and values were reset and a new single brand identity was launched. This has been further developed in 2017.

Our Lovebites – a creative device introduced last year to showcase and celebrate the hidden gems and happenings in the heart of the city – have also moved into a second year. Our winter campaign this year has shared the unique and wonderful stories of the people behind our city centre businesses.





## BRAND METRICS

SEPTEMBER 2017

AUCKLANDERS

PERCEPTION OF THE CITY AS  
ASPIRATIONAL, CULTURED & VIBRANT

**90%**

VS 85% IN  
SEPT 2016

PERCEPTION OF THE CITY AS HAVING  
DIVERSE & EXCITING EXPERIENCES

**82%**

VS 72% IN  
SEPT 2016

MOTIVATED TO VISIT THE CITY AS A  
RESULT OF THESE PROMOTIONS

**78%**

VS 74% IN  
SEPT 2016

Ad Impact and Brand Health Survey. 400 Auckland respondents.



A KEY STRENGTH FOR HEART OF THE CITY IS OUR ENGAGED DIGITAL AUDIENCE WHO WE CONNECT WITH ACROSS A NUMBER OF CHANNELS. OUR ENGAGEMENT LEVELS TELL US OUR CONTENT IS RELEVANT, USEFUL AND INSPIRING.

## AN ENGAGED DIGITAL FOLLOWING

Response to our digital channels has grown from strength to strength again this year. 76% of Aucklanders told us that our digital content encourages them to come into the city centre, compared to 60% at the same time last year. In addition, 86% said they find our content useful.

### WEBSITE

#### TOTAL SESSIONS

**2.3 MILLION**

OCT TO SEPT 2017

**+7%**

VS PREVIOUS  
12 MONTHS

#### UNIQUE VISITOR SESSIONS

**1.4 MILLION**

OCT TO SEPT 2017

**+7%**

VS PREVIOUS  
12 MONTHS

#### PAGE VIEWS

**4.5 MILLION**

OCT TO SEPT 2017

**+3%**

VS PREVIOUS  
12 MONTHS

### FACEBOOK



#### TOTAL PAGE LIKES

SEPTEMBER 2017

**160<sup>K</sup>**

#### TOTAL ENGAGEMENTS

12 MONTHS TO SEPTEMBER 2017

**700<sup>K</sup>**

#### PEOPLE TALKING ABOUT US

(LIKES AND SHARES)  
12 MONTHS TO SEPTEMBER 2017

**200<sup>K</sup>**

### WHERE NEXT<sup>®</sup>



#### TOTAL DOWNLOADS

**60<sup>K</sup>**

#### SESSIONS PER DAY

**2.6<sup>K</sup>**

#### MONTHLY SESSIONS

**80<sup>K</sup>**



## ARTWEEK AUCKLAND ALLOWS US TO PROFILE THE CITY CENTRE AS A KEY DESTINATION FOR ARTS AND CULTURE.

### ARTWEEK OCTOBER 2016

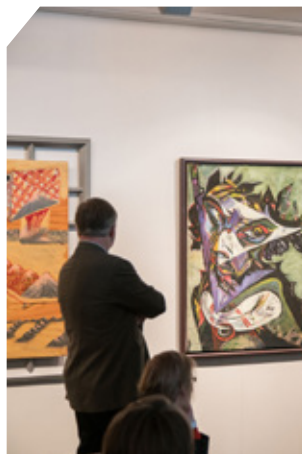
Heart of the City is a sponsor of Artweek Auckland, enabling a number of arts activations around the city centre. The goal is to build Artweek year on year to continue to showcase the city's arts offering, grow art tourism and enhance community cohesion.

Some of the activations this year included the headline Late Night Art event, Changing Lanes, where artists created installations in CBD laneways and Arting Zones, where parking spaces were replaced with art installations, as well as pop ups in Chancery utilising un-tenanted retail spaces. We also added some new walks to the Walks of Art and Unlocked Collections schedule, and helped deliver Gather & Hunt's streetARTdego in Khartoum Place / Te Ha O Hine.

*"Did a great job - fell in love with Auckland city again.  
Feeling very inspired. Keep up the good work!"*

**+40%** WEB VISITS  
VS 2015

**+12%** SPEND IN THE CITY CENTRE  
OVER THE ARTWEEK PERIOD  
VS 2015







**CHRISTMAS IS THE BIGGEST MONTH ON THE RETAIL CALENDAR, SO WE WORK TO MAXIMISE THE OPPORTUNITY FOR CITY BUSINESSES.**

## CHRISTMAS 2016

Our Christmas activity positions the city centre as the preferred destination for gift shopping, events and end of year celebrations, with a theming programme including the giant Santa above the Queen Street Farmers store and decorations in key locations as well as a marketing campaign.

The campaign ran for five weeks across several media including digital, Adshells, street posters, radio and social media.

Although this year's campaign outperformed 2015, spending results were on par with the prior year due in part to Christmas falling on a Sunday with Christmas Eve and Boxing Day also impacted. Total spend in the Heart of the City year on year was +0.5% over the five week Christmas period.

**+48%** WEB VISITS  
VS 2015

**+1M** SPEND IN THE CITY CENTRE  
VS 2015







**WE CELEBRATE THE CITY'S RETAIL FASHION OFFERING WITH OUR ANNUAL CAMPAIGN TIMED TO ALIGN WITH THE NEW SEASON'S COLLECTIONS ARRIVING IN STORE.**

## **FOUR DAYS OF FASHION 2017**

In March and April 2017 we revitalised our fashion event, sponsored by Resene, to be more focused with in-store activations happening over 4 days including:

- The Britomart Fashion Sessions
- A gig by NZ musician Maala at Topshop
- Sessions by Australian Fashion Blogger Carmen Hamilton (of Chronicles of Her fame) at Coach and Moochi
- And a fashion show at Smith & Caughey

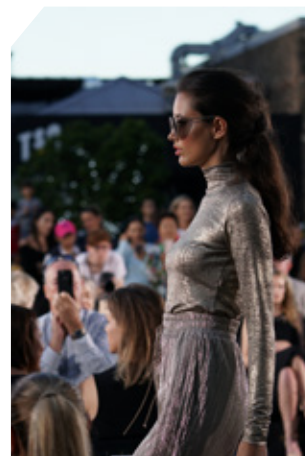
Feedback from retailers was overwhelmingly positive, with queues out the door on the Friday night and a fantastic atmosphere.

**"A massive thank you to everyone involved in Friday's event at High Street. With an estimate of nearly 400 people through the doors, and over 200 in the first 30mins, it was an impressive sight!"**


The campaign performed exceptionally well with over 200k views of the eight fashion Lovebites. This led to delivering excellent awareness, engagement and click throughs.

**+21%** WEB VISITS  
VS 2016

**435<sup>K</sup>** PR VALUE







## THE SUCCESSFUL LOVEBITES CAMPAIGN RETURNED FOR A SECOND YEAR, WITH A MORE PERSONAL FOCUS.

### WINTER LOVEBITES 2017

We were keen to build on the overwhelming success of the Lovebites 2016 campaign and further develop a sense of intrigue and discovery in the city over winter. 'Bite sized' stories from 36 hospitality, retailer and event experiences were showcased, adding a more personal and human dimension to the campaign.

**72%** OF AUCKLANDERS KNOW MORE ABOUT  
THE CITY AS RESULT OF THE CAMPAIGN  
VS 2016

**+8.4%** HEART OF THE CITY SPEND  
VS 2016

**+7%** WEB VISITS  
VS 2016

**1M** LOVEBITE VIDEO VIEWS





## RESTAURANT MONTH'S OBJECTIVE IS TO GET MORE PEOPLE TO BOOK AND DINE IN THE CITY CENTRE DURING AUGUST.

### RESTAURANT MONTH AUGUST 2017

We continue to experience a growing and thriving restaurant scene in the city centre, and 35% of Aucklanders tell us dining is their top reason to visit the city centre.

Held over the quieter winter period, participating restaurants tell us that they love getting involved in the event, and we continue to appreciate the support from American Express, Viva and ATEED.

Last year, it was the unusual, quirky events that sold out first and received the most interest. This insight helped shape the "Eat Odd" theme supported by interesting, less expected food photography. Most of the dining events sold out within the first week of August, and almost all sold out well in advance of the event.

We received great feedback from participating restaurants this year:

**"We got a definite bump of customers!  
We are ultimately happy participants of Restaurant Month."**

**"Brilliant concept. Now our business is ground floor the success was much greater. Best year yet for us. Can't wait till next August!"**

**107** PARTICIPATING  
RESTAURANTS

**+72%** WEB VISITS  
VS 2016

**+10.6%** PARTICIPANTS' SPEND  
VS 2016

**1.8M** PR VALUE







**THROUGH EVENT SPONSORSHIP AND SUPPORT WE ENCOURAGE EVENTS THAT ARE UNIQUE TO THE CITY CENTRE.**

## EVENTS SPONSORSHIP 2016 / 17

This year, we continued to support city-based events through sponsorship and in-kind marketing support.

Our focus is to develop and support events and festivals that are unique to the central city and in keeping with a contemporary urban experience.

Events sponsorship allows us to add another element of discovery, interest, and vibrancy to our key marketing pillars. More importantly, businesses have the opportunity to leverage the city visitation and buzz provided by a healthy annual calendar of events.

### TIMELINE

|                        |   |                                    |
|------------------------|---|------------------------------------|
| 8 - 16 OCTOBER 2016    | ○ | ARTWEEK IN THE CITY CENTRE         |
| NOVEMBER 2016          | ○ | THE FARMERS SANTA PARADE           |
| MARCH 2017             | ○ | THE AUCKLAND ARTS FESTIVAL         |
| 24 APRIL - 17 MAY 2017 | ○ | THE INTERNATIONAL COMEDY FESTIVAL  |
| 10 - 15 MAY 2017       | ○ | THE INTERNATIONAL WRITERS FESTIVAL |
| 20 - 21 MAY 2017       | ○ | WINETOPIA                          |
| 14 - 31 JULY 2017      | ○ | THE INTERNATIONAL FILM FESTIVAL    |





# THE CITY CENTRE'S VITAL SIGNS

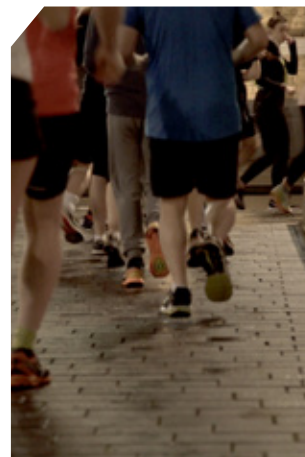






## MONITORING AND MEASURING

We keep our finger on the pulse of the city centre through regular monitoring and measuring of key information including consumer perceptions, pedestrian counts and spending. We also employ population data and information about the numbers and types of businesses operating within our area from agencies including Statistics NZ and Auckland Council.



## AUCKLAND'S CITY CENTRE

BUSINESS NUMBERS BY INDUSTRY SECTOR IN THE CITY CENTRE<sup>3</sup>

**4,095**

COMMERCIALY RATED  
PROPERTIES<sup>1</sup>

**11,856** (+2.2%)

CITY CENTRE BUSINESSES<sup>2</sup>

**39,860** (+14%)

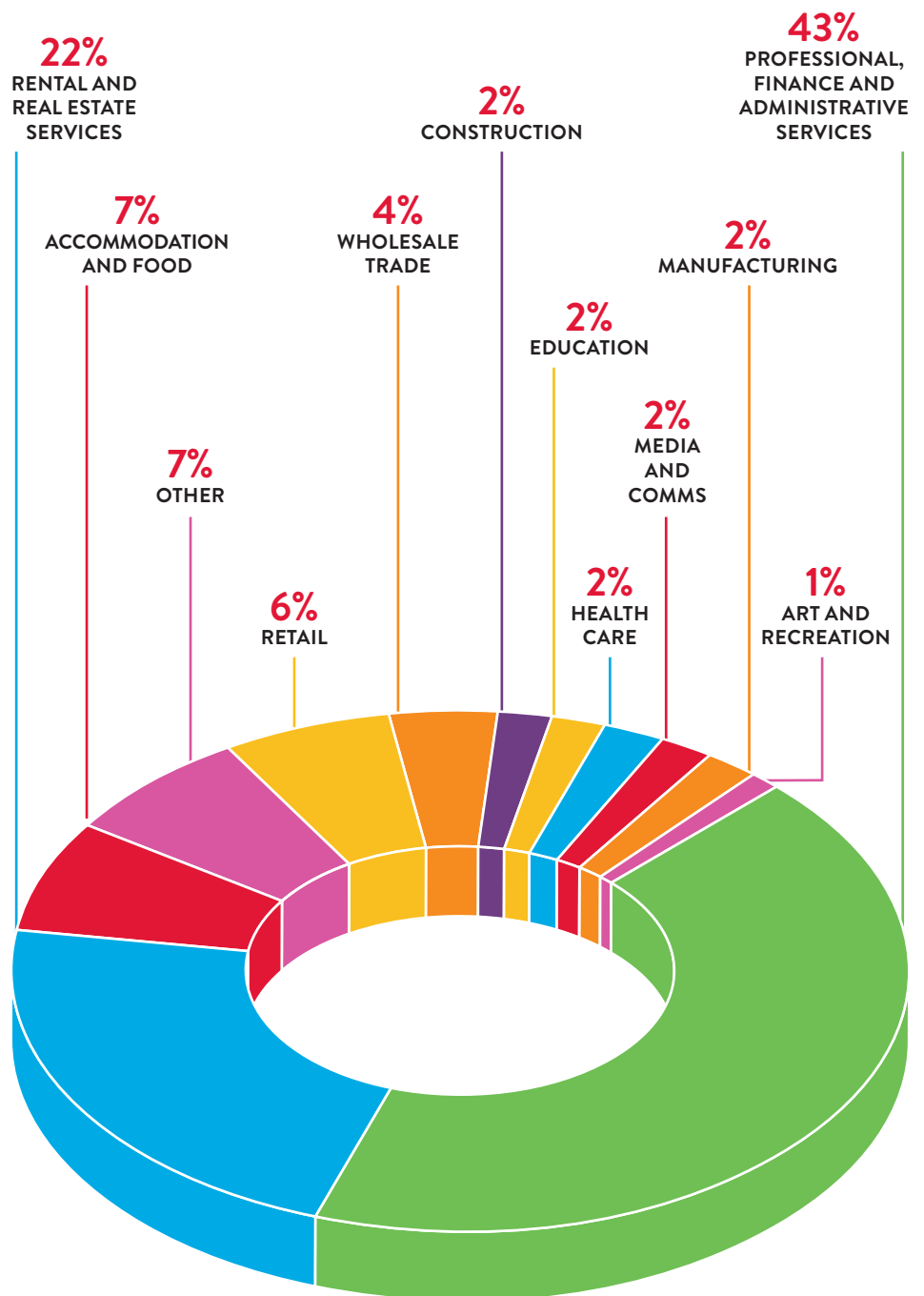
RESIDENTS<sup>2</sup>

**53,000**

UNIVERSITY STUDENTS<sup>1</sup>

**114,264** (+3.8%)

WORKERS<sup>2</sup>







# PERCEPTIONS OF THE CITY CENTRE

## NUMBER OF RESPONDENTS WHO AGREE THAT THE CITY:

(WHERE AGREEMENT EQUALS A RATING OF 7 – 10)



# DOING BUSINESS IN THE CITY CENTRE



Sources:  
1. Auckland Council. 2. Infometrics - 2016 figure. 3. Statistics New Zealand. 4. City Centre Perceptions Study - December 2016, Buzz Channel. 5. Marketview Ltd 2017.  
6. Colliers. 7. Heart of the City. All percentage increases on this spread compare the figure from this reporting period to the one immediately prior.

