

2011 HEART OF THE CITY REPORT CARD



HEART OF THE CITY
WWW.HOFCITY.CO.NZ

HIGHLIGHTS

Welcome to the Heart of the City 2011 Report Card. Here we will talk about what we have been doing, including our achievements for the 2010/2011 year.

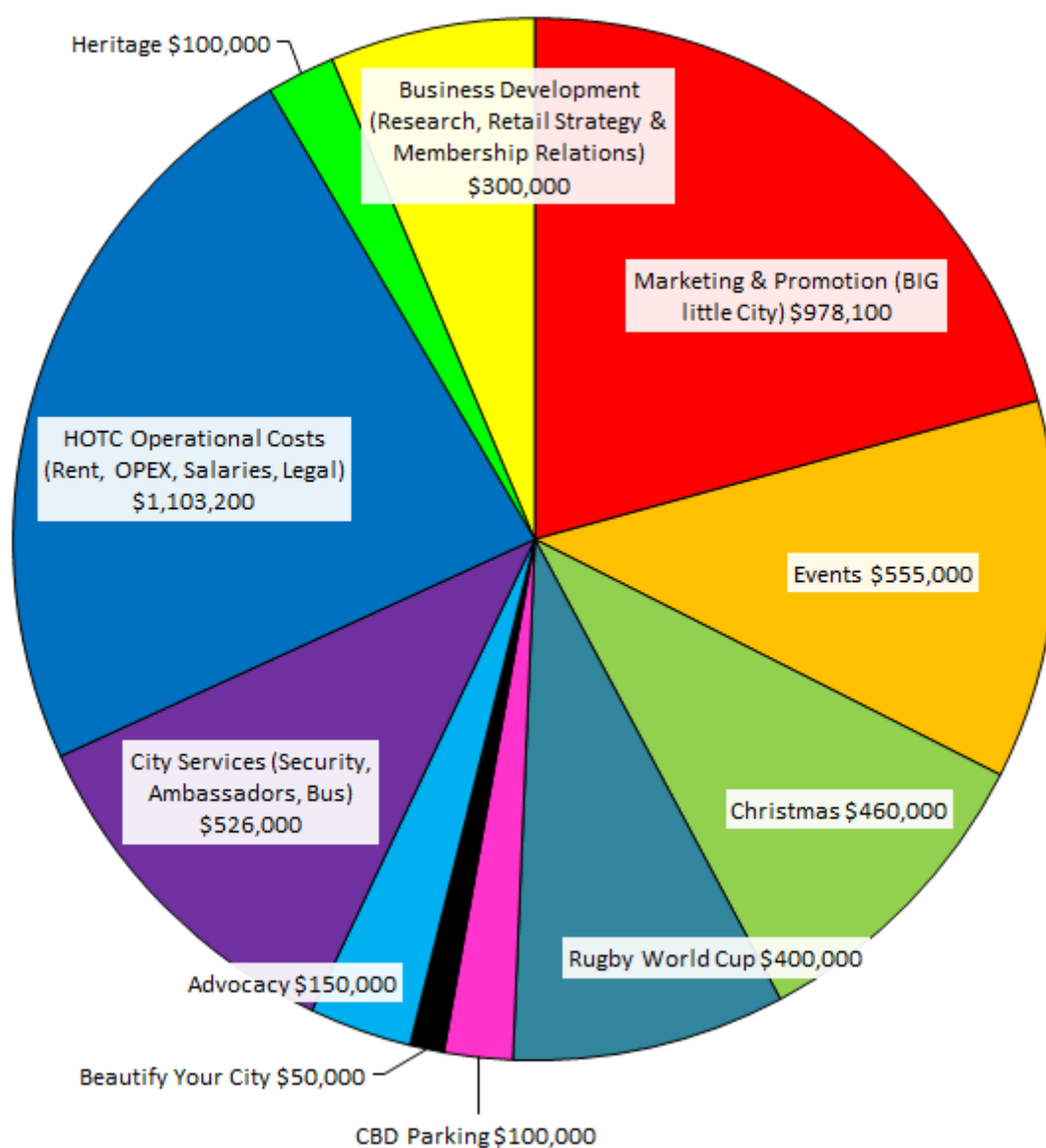
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2010/2011 BUDGET *

INCOME

Mainstreet Targeted Rate	\$3,700,000
Partner Income	\$576,000
Other Income	\$400,000
Total	\$4,700,000

EXPENDITURE



For more details on our audited accounts [click here...](#)

* Financial year July – June.

BIG LITTLE CITY

In 2011, our focus for [BIG little City](#) (BLC) has been on experiences around the key events and attractions, along with a stronger focus on shopping, nightlife and dining than previous years.

Some of our key successes for this year have been:

- The growth in consumer spending and market share over the quieter winter months, demonstrating the benefit of a focused winter campaign. The results showed:
 - An increase of spending in the CBD with our campaign partners by 22.5% versus the same time last year, and an increase of 4.3% for ALL Heart of the City members. During the same time, we saw our competitor areas decrease by -0.6%, with the overall market increasing by just 0.8%
- We now have 19,000 subscribers on our email database. 8,200 on [Facebook](#) and [Twitter](#) achieving more reach and visibility to our target audience
- We had great anecdotal feedback from retailers on our tactical 48 Hour City campaign. The campaign invited retailers to offer special deals on their products, for short term promotion on our website. We will be using similar tactics across the rest of the year, including our upcoming Christmas Guru campaign, as part of our wider Christmas marketing

48 Hour City

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48 Hour City Deals general promo Terms & Conditions

FROM 3PM 12 JUNE UNTIL 3PM 21 JULY

DO	EAT	SHOP
2 FOR 1 TICKETS FRINGE CINEMA AT THE ACADEMY Auckland, New Zealand MON & TUE 6PM-10PM	\$10 LUNCH WITH YOUR CHOICE OF KIWI WINE © TYLER STREET GARAGE 48 Tyler Street, Britomart, Auckland CBD. MON & TUE 6PM-10PM	50% OFF ALL DENIM JUST JEANS 156 Queen Street, Auckland MON & TUE 6PM-10PM

48 Hour City Click here to view details and conditions

A BIG LITTLE CITY EXPERIENCE

BIG little City 2011 TVC

AUCKLAND CITY

Home Events Shopping Nightlife Dining Attractions Hotels Top 5 Urban Journeys

AUCKLAND FESTIVALS MONTH
26 July - 11 August
serving up the Big Little City

WIN A TRIP FOR TWO TO NYC

LAST MINUTE OFFERS IN THE BIG LITTLE CITY FOR YOU TO ENJOY
CLICK HERE >

What's On in Auckland City

2011 website refresh

EVENTS

EVENTS STRATEGY

Events play a key role in creating a vibrant, urban CBD environment and driving social and economic benefits. This year we have developed an [events strategy](#) that focuses on, developing signature events representing the four major pillars of our business offering:

- Dining
- Fashion
- Nightlife
- Culture

This focus allows us to provide value back to the HOTCity retail members, with a key objective to improve consumer spending in each of the areas, and raise greater visibility of the city offering, as well as finding ways that we can get greater involvement from a larger number of HOTC businesses.

AUCKLAND RESTAURANT MONTH

The inaugural Auckland Restaurant Month – Serving up the BIG little City, was launched on 28 July 2011, as the first of these ‘pillar’ events. This was an incredible success and we look forward to making this an annual event. Some of the success:

- There were over 60 participating restaurants who took part in the event.
- There was a fantastic response from media, the participating restaurants & Aucklanders, with more than 5200 entries for the completion, 83,000 restaurant month page views on the BIG little City website over the three week period, generating more than \$370,000 worth of media value.
- The event saw increased spending (year on year) by a total of 45% overall and by 11.5% for the same set of 50 participants who were operating last year. In comparison, our competitors saw an increase of + 3.4% over the same time.



CHRISTMAS 2010

Christmas 2010, saw us expand on the success of previous years, and continue to invest in with street theming throughout a number of key streets in the central city.

This included:

- Theming of Queen St - Spirals joined by Santa, presents and his reindeer on the Whitcoulls Building
- Lights in Durham Lane and on High Street
- Santa's post box in Aotea Square
- 2 giant baubles in Aotea Square and 1 on Queen Street
- Angels in Elliott Street and on K'Road
- KZ1 Maritime Tree with baubles and lights
- Street banners in Britomart & Quay Street
- Sponsorship of Random Acts of Christmas & Christmas in the Square - a programme of free performances throughout the month of December to entertain and delight all visitors to the city centre and the Farmers Christmas Parade.



Durham Lane Lights



Giant Baubles



Angels



Giant Santa, Presents & Reindeer

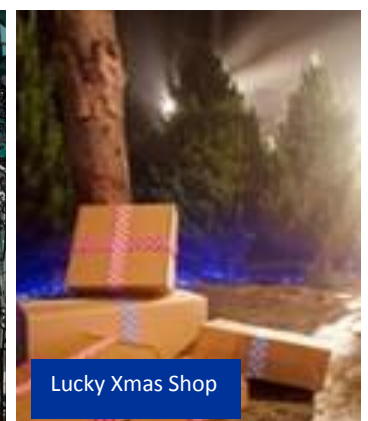
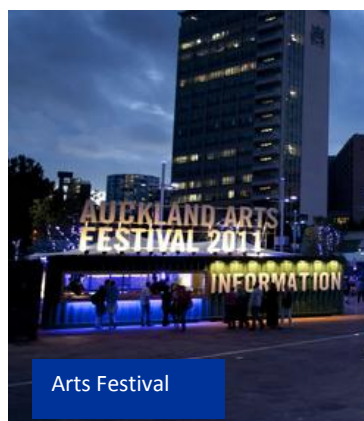
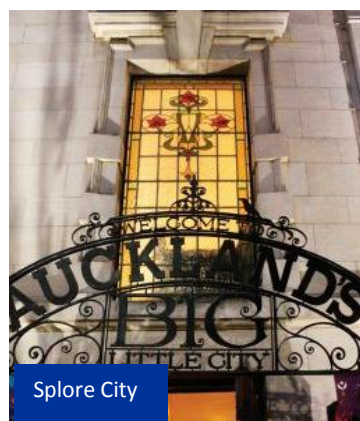
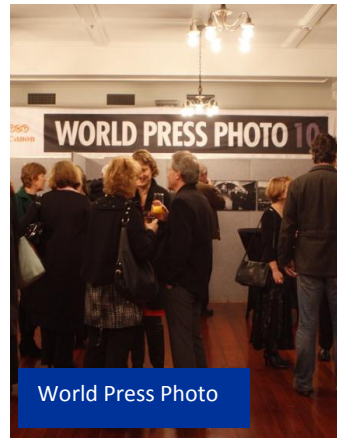
EVENTS SPONSORED

This year, we have continued our direct support of a number of city based event to attract more visitors into the central city, and make this a vibrant, exciting place to be. We also published a set of [Sponsorship Guidelines](#), to assist event organisers looking for support and sponsorship.

In the 2010/2011 financial year, we sponsored \$513,400 worth of events in the CBD, with attendance from over 1.2 million visitors.

These were:

- Art Week Auckland
- Auckland Art Fair
- Auckland Arts Festival
- Auckland Seafood Festival
- Diwali Festival of Lights
- Earth from Above
- Farmers Santa Parade
- High Street Long Lunch
- High Street Lucky Christmas Shop
- International Buskers Festival
- International Comedy Festival
- New Zealand Fashion Festival
- New Zealand Fashion Week
- Splore City
- Taste Auckland
- World Press Photo Exhibition



INSIDERS GUIDE & RWC

We could not ignore the opportunity of the Ruby World Cup, and in 2010, began a project to get the RWC visitors experiencing the best of what we have to offer. What resulted was the [Insiders Guide to Downtown Auckland](#), as a way of getting visitors around the city's businesses. The guide was presented in hard copy, mobile applications and an ebook.

- 100,000 printed books were distributed through i-sites, the link bus, rental cars, retail and visitor businesses and key partner hotels and accommodation, and through our BIG little City Guides.
- To date, we have had 7,000 downloads of the mobile apps, and 16,500 page views on our Insiders Guide page on the BIG little City website.
- We generated \$256,000 worth of media value through our PR campaign. We will investigate how we will continue a digital legacy for the Insiders Guide.



CBD PARKING OFFER

One of the biggest issues for many of our businesses, and for customers, is the perception around the availability and cost of parking in the central city.

This year, we partnered with Auckland Transport to offer a discounted, off-peak parking offer for the Victoria Street and Downtown carparks, from June 2011 to the end December 2011. The offer was supported by a significant BIG little City marketing campaign.

The results of the campaign have shown significant improvements in growth for the weekend days – Friday nights, Saturdays & Sundays.



BEAUTIFY YOUR CITY

We partnered with Auckland Council on the [Beautify Your City](#) project. The idea behind the project was to come up with a creative way of improving the cleanliness of the city's streets, and educate businesses about rubbish and recycling in the city.

As well as great feedback from businesses on the colourful bags, we have some great results from Council which has seen the reduction in illegal dumping during and immediately after the campaign.

The biggest challenge is how we can continue to partner with Council on maintaining good awareness of business obligation and have a greater focus on enforcement.



RETAIL DEVELOPMENT

This year we have been working with a number of key precincts in the city.

This includes working with:

- [High Street Guild](#) to develop and implement an activation plan for 2011/2012
- [Victoria Park Collective](#) to assist them in building their network and facilitating business to business activity
- Waterfront Businesses in partnership with [Waterfront Auckland](#), to hold regular forums with waterfront businesses to discuss upcoming events, opportunities and issues

ADVOCACY

We have continued our advocacy role on city issues and through our support of a number of projects. We brought back our 'We Only Get One Chance' Campaign to raise the profile of a number of issues in the Auckland Plan and to encourage people to give feedback during the public consultation process.

We also continue our day to day advocacy on behalf of businesses including filming and events in the city.

This year, we have also actively supported the [Walking and Cycling Pathway on the Harbour Bridge](#) project.



CITY SERVICES

CITY LINK

We have continued our partnership with Auckland Transport in delivering a free central city bus service. Rebranded and rerouted in August 2011, the bus now provides a link between K'road, the City and the Wynyard Quarter.

HOTCity's contribution allows for the bus to continue to be free until Christmas and then free for all HOP users from 2012.

BIG LITTLE CITY GUIDES

Rebranded in late 2010 to '[BIG little City Guides](#)' to support our BIG little City brand, the 'ambassador' team continue to do a great job in making the city a more welcoming place. The team played a critical role over the Rugby World Cup, by getting our 'Insiders Guide' to CBD visitors.

Two Segways joined the team in late 2010, and this has enabled the team to be more responsive and meet every cruise ship that arrives into the city.

The team also continue their vital work in reporting issues on the street, such as illegal dumping or broken street furniture, disorderly behaviour, and have a direct line to both Auckland Council and the City Watch Security Team.

BIG LITTLE CITY RIDES

Our fun alternative mode of travel is still a key feature throughout the city, particularly during weekend evenings. The team, headed up by Stevie, provided a key role in moving Rugby World Cup visitors around the city and providing a unique tourist experience.

We are currently looking at increasing the [BIG little City Rides](#) team numbers over the summer period to ensure Cruise Ship and summer visitors get to see the best of the central city.

CITY WATCH PROGRAMME

In 2011, the [City Watch](#) programme expanded to a seven person team and began joint patrols with NZ Police. The programme is demonstrating its value and benefit to the city at large, with an overall reduction in complaints from the public about disorderly behaviour. There has also been a dramatic reduction in non-compliance from businesses around signage and street trading.



BIG LITTLE CITY GUIDES



SEGWAYS



CITY WATCH



BIG LITTLE CITY RIDES

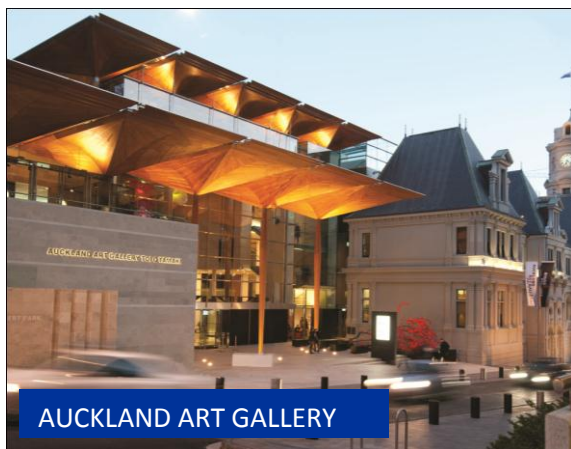


CITY LINK

HIGHLIGHTS FOR THE CBD

2011 has seen the central city landscape dramatically transformed with the completion of a number of projects, including shared space projects such as Elliott Street, Fort Street and Lorne Street. These projects were funded from the CBD targeted rate that we negotiated with Auckland Council on your behalf. Wynyard Quarter, the refurbishment of the Art Gallery and the completion of the Q theatre, also contribute to a major step up in the city experience.

The projects will almost certainly bring great benefits to the central city. We have seen an increase in outdoor dining in these areas, more activity and generally, these new spaces have contributed to a sense that we are a sophisticated central city. Feedback from businesses adjacent to the new shared spaces, have been extremely positive about the upgrades.



FACTS, STATS, TRENDS FOR THE CBD

RETAIL EXPENDITURE

The annual spending total continues to increase throughout the middle half of 2011, reversing a downward trend in late 2010 and early 2011. Unlike our competitors, we saw an increase in the level of spending and transactions during the September quarter.

In the CBD, the spending and transactions for the 12 month period, end September versus the same period 12 months ago, were:

- Spending: This year there was \$138.15m worth of spending, versus \$136.08m last year. This was a change of +1.5%
- Transactions: This year there were 2.4m transactions, versus 2.3m transactions last year, a change of +5.2.%

LEASING AND VACANCY

CBD Retail property indicators have improved in recent times. Overall, the CBD retail vacancy rate has improved significantly, with 48 fewer vacant stores than in 2009, equating to an overall vacancy rate of 4.7% in 2011, down from 7.7% in 2009. We have also seen the value of rents increased, as has the size of the retail offer.

According to research carried out by CBRE, demand continues to outstrip supply of available, larger format tenancies for premier retail in Queen Street, which we see as a promising trend+.

Overall, the CBD office leasing rate has been relatively buoyant over the last 12 months. Tenant interest remains high in the Core and Britomart areas. Current office vacancy stands at 12.2% up from 10.9% in June 2010. Overall CBD office vacancy is anticipated to peak around 13% in 2013, largely drive by an increase in prime office vacancy (largely due to ASB moving to Wynyard Quarter)*.

+source CBRE Retail Monitor Report.

*source Colliers

PEDESTRIAN COUNTS

Pedestrian counts - were taken at 36 locations in the Central City, on a Wednesday in Mid-October, between 10.30-11am, and 2-2.30pm. In 2010, the total counts from the 36 sites was 32,615, down from 35,691 in 2009. By comparison, the total counts in Newmarket were up from 3427 in 2009 to 3526 in 2010.

Retail Centre	Primary Count Area	2010		2010 Total	2009	2008	2007
		AM	PM				
Auckland CBD	Queen Street	13,272	19,343	32,615	35,691	33,314	30,366
Newmarket	Broadway	1,399	2,127	3,526	3,427	3,366	3,368
Takapuna	Hurstmere Road	1,662	1,876	3,538	3,551	3,571	3,948
New Lynn	Great North Road	400	374	774	840	738	445
Henderson	Great North Road	1,465	1,145	2,610	2,956	2,727	2,516
Total		18,198	24,865	43,063	46,465	43,716	40,643

Source: Property Institute of New Zealand

CRIME IN THE CBD

There has been a positive trend for Crime in the central city, with a 9% decrease in reported offences compared to the year ending June 2010, with 16,927 recorded offences in the CBD in the year ending June 2011+.

+ Source: Auckland Council