

ROTORUA PERCEPTION SURVEY 2006

RESULT SUMMARY

PREPARED BY

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FOR

ROTORUA DISTRICT COUNCIL

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EXECUTIVE SUMMARY

When the perception survey of Rotorua was undertaken in 1996 the district was perceived as a tourism and forestry centre that had problems with unemployment and crime and had a high proportion of Maori. In the ten years since that survey the perceptions of Rotorua have changed from these few generalisations to show a greater understanding of the multi-faceted nature of this growing district.

The perception survey of 2006 indicates that Rotorua is seen as a place of the great outdoors with impressive lakes, scenery and geothermal activity. It is also seen as a place of entertainment, activities and events and an excellent location to live in that provides a good work/life balance. There are some positive perceptions of Rotorua as a good place to set up and do business with strong business support networks although there is still some room for improvement in this area. While Rotorua is still perceived as a tourist destination, this is clearly not the only perception people have of Rotorua. Tourism in Rotorua is now seen as an excellent 'industry' that is part of the fabric of a multi-faceted district with much more to offer.

There do remain some negative perceptions of Rotorua in 2006 that were evident in the 1996 perception survey. These include negative perceptions of crime and safety, career progression, employment opportunities, tertiary education and media profiling. There were no conclusive negative perceptions in the 2006 perception survey that had not already been identified in the 1996 survey except for those of legislation and compliance and the labour force. However, there were suggestions for improvements to Rotorua that included improving Rotorua's negative image, improvements to the town area, improvements for youth, infrastructural improvements and an increase in personal contacts for businesses from their local economic development unit and current Rotorua investors. The literature review indicated that a greater focus is required to provide for the needs of the domestic visitor market who visit Rotorua as a short break destination.

When analysing particular survey groups, there were some differences in perceptions about aspects of Rotorua including youth who thought positively about early childhood, primary and secondary education whereas all other survey groups had average or negative perceptions of this education. The majority of businesses had an average to positive perception to wage rates in Rotorua but the majority of other groups surveyed had an average or negative perception about wage rates. Only business respondents had a positive net rating of housing in Rotorua but most groups gave housing only an average rating at best. Nearly 20% of immigrants rated housing as poor and nearly half of the visitors surveyed did not know about housing in Rotorua. Cultural facilities, sport facilities and proximity to amenities all received net positive responses by all respondent groups.

It is clear from the survey results that Rotorua has improved the understanding of what it can provide to those who live within the city, live within the region and those who visit Rotorua. However, apart from the excellent image of the tourist industry, the great outdoors and the community spirit many of the aspects surveyed of the city rated as average and some had net positive ratings of less than 50%. Improving the image of Rotorua will now require another lift in perceptions from average to extremely positive or excellent in key areas. This will require a targeted marketing strategy and branding that points out the competitive advantages of Rotorua in relation to other cities and suggests how to sell those advantages to the local, domestic and international markets.

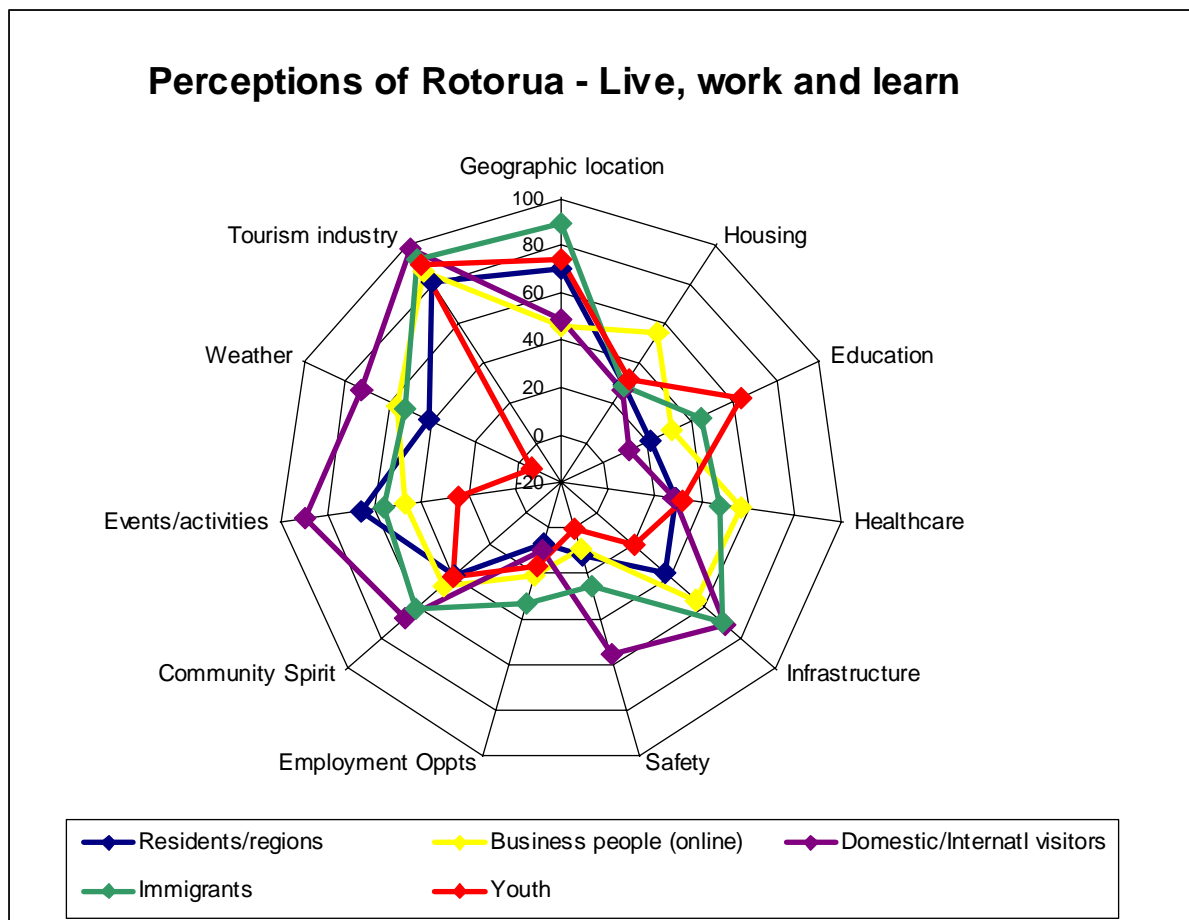
Themes from perception survey 2006

1. **Geographic location** - A majority of survey respondents to both the live, work and learn surveys, and the invest, set up and do business surveys rated the geographic location of Rotorua well. The Bright Economy Forum group also revealed a positive perception of Rotorua as a good central location.
2. **Tourism industry** - A majority of survey respondents to both the live, work and learn surveys and the invest, set up and do business surveys rated the tourism industry in Rotorua as excellent or very good. However, there was some evidence from the literature review that Maori based tourism in Rotorua somewhat fails the domestic market, particularly Auckland visitors, who travel to Rotorua for a short break by focussing on the Maori 'traditional authenticities' aimed at the overseas market.
3. **Career progression** - There was evidence of some negative perceptions about career progression from the live, work and learn surveys, some business respondents and from the results of the Bright Economy Forum. Nearly 60% of youth respondents thought career progression was only average.
4. **Crime and safety** - There was a negative perception about crime from some of the Bright Economy Forum group, general public and businesses. However, a majority of visitors to Rotorua who responded to the survey rated safety positively.
5. **Education** – There were perceptions that schooling is not up to the same levels as other centres from the Bright Economy Forum as well as a desire for Rotorua to offer a high quality education system. Although the general public did not know much about the quality of education in Rotorua, they did have some negative perceptions about tertiary education in the area. Within the district and surrounding areas there were some negative perceptions about the quality of early childhood, primary and secondary education and a desire to have the quality improved. However, the majority of youth rated primary, secondary and early childhood education well.
6. **Setting up businesses** – A total of 43.4% of businesses surveyed by telephone had a positive or extremely positive perception about setting up business in Rotorua. A total of 34% of businesses rated setting up and doing business in Rotorua as average. The majority of businesses who answered the online survey had an average or positive perception about setting up businesses in Rotorua, however, the net perceptions for setting up businesses in Rotorua could be improved. There were some perceptions from the Bright Economy Forum that there is a lack of high quality business space in Rotorua, however, commercial land and office space in Rotorua was perceived to be cheaper per square metre than in many other cities.
7. **Building relationships** – To overcome business investment and staff recruitment issues, attendees at the Bright Economy Forum suggested improvements in personal connections, word of mouth referrals and collaboration between businesses. A total of 34% of business respondents to the telephone survey chose personal contact with an economic development unit as helpful to them in making decisions to invest in Rotorua and 32.1% chose personal contact with current Rotorua investors as helpful.
8. **Media** – There were negative perceptions about how Rotorua is portrayed by the media and how this may affect potential investors.

9. **Marketing tools** – The Bright Economy Growth Forum participants chose word of mouth referrals/testimonials (personal connections), billboards – visual packages and business links to the website (www.rotorua.com-living) as the three suggestions for marketing tools to overcome business investment and staff recruitment issues.
10. **Housing** – Nearly 20% of immigrants rated housing as poor with a similar percentage rating housing quality as poor. The majority of most other respondent groups gave housing an average rating. Only a majority of business respondents gave a positive rating to housing and nearly half of the domestic and international visitor respondents did not know about housing in Rotorua.
11. **Immigrants** – A high 61.1% of immigrants surveyed settled in Rotorua because of a job offer.
12. **Employment opportunities** – using the net positive response analysis, employment opportunities did not rate well with any respondent group and this indicated an area where significant improvement could be made.

Net response ratings by target groups

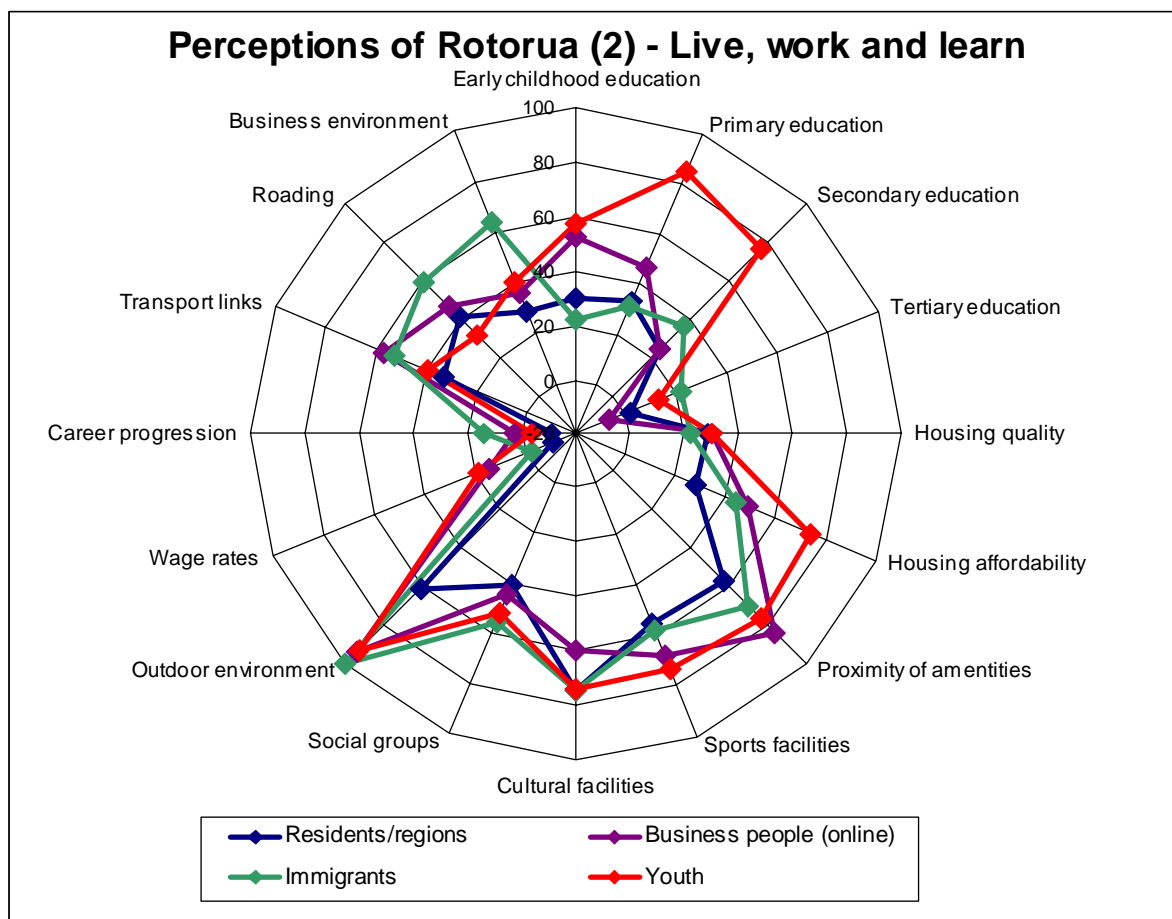
This comparison reviews the various perceptions of Rotorua that were measured in the surveys by way of a net positive response. The responses available to the respondents were on a scale of excellent, good, average, poor and very poor for each variable. To calculate the net positive response, the numbers of respondents who chose excellent and good were added together and then their responses of poor and very poor were deducted for each question. Those who chose average, don't know or did not specify were not part of the calculation.



This graph of the net positive responses illustrates clearly the positive perceptions from all groups of the tourism industry in Rotorua. All positive net responses to this aspect of Rotorua were over 80%. The graph also indicates the favourable perceptions of Rotorua as a geographical location from all respondent groups. Conversely the graph illustrates that most respondent groups did not rate safety in Rotorua well, with youth giving safety a particularly low rating. The only group that gave a net positive rating over 50% were domestic and international visitors to Rotorua.

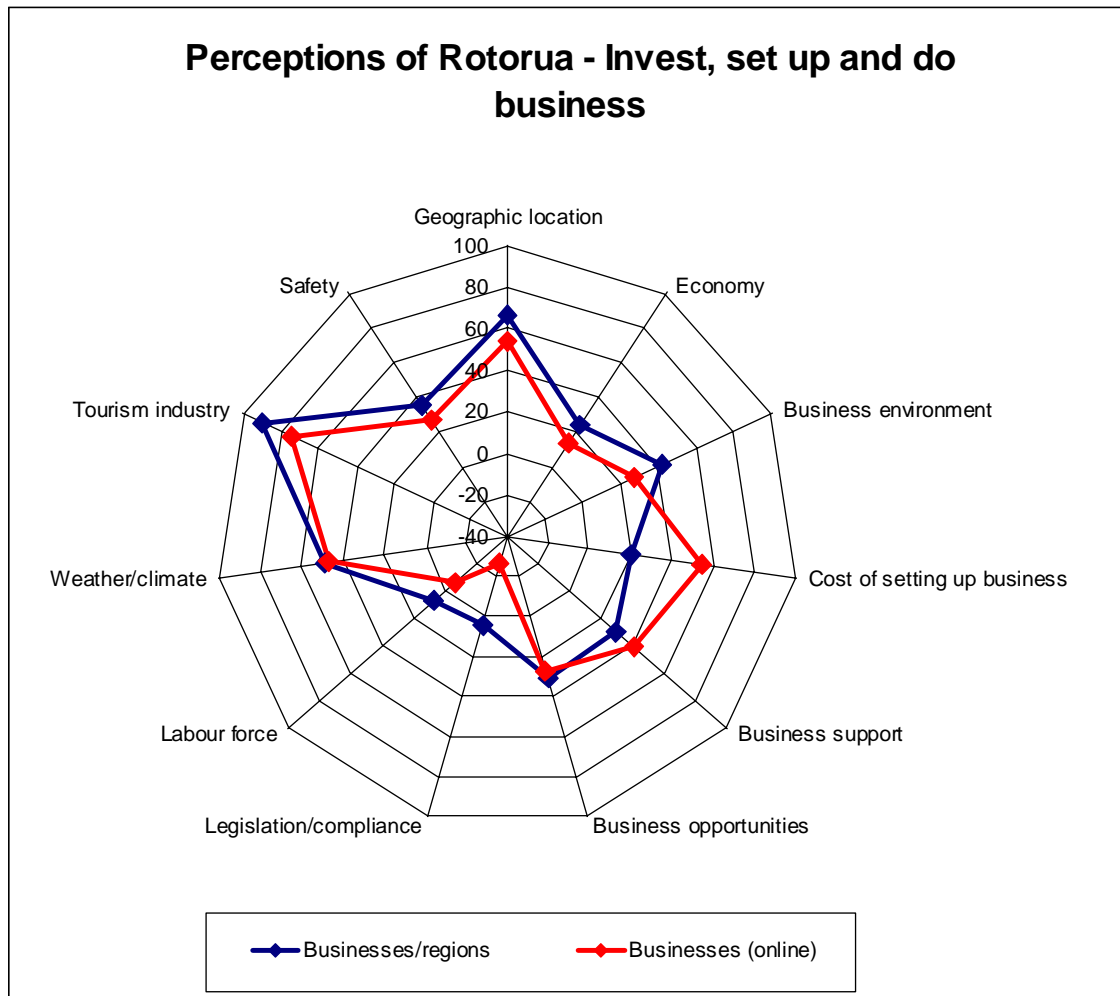
There was a range of perceptions of the weather with domestic and international visitors giving this aspect the highest net positive response and youth giving the weather a net negative response. Youth had the highest net positive perception of education in Rotorua but all other respondent groups had a less than 50% net positive response to education. Only business people rated housing with a net positive rating over 50%.

Net positive ratings for employment opportunities in Rotorua by all groups were less than 40%.



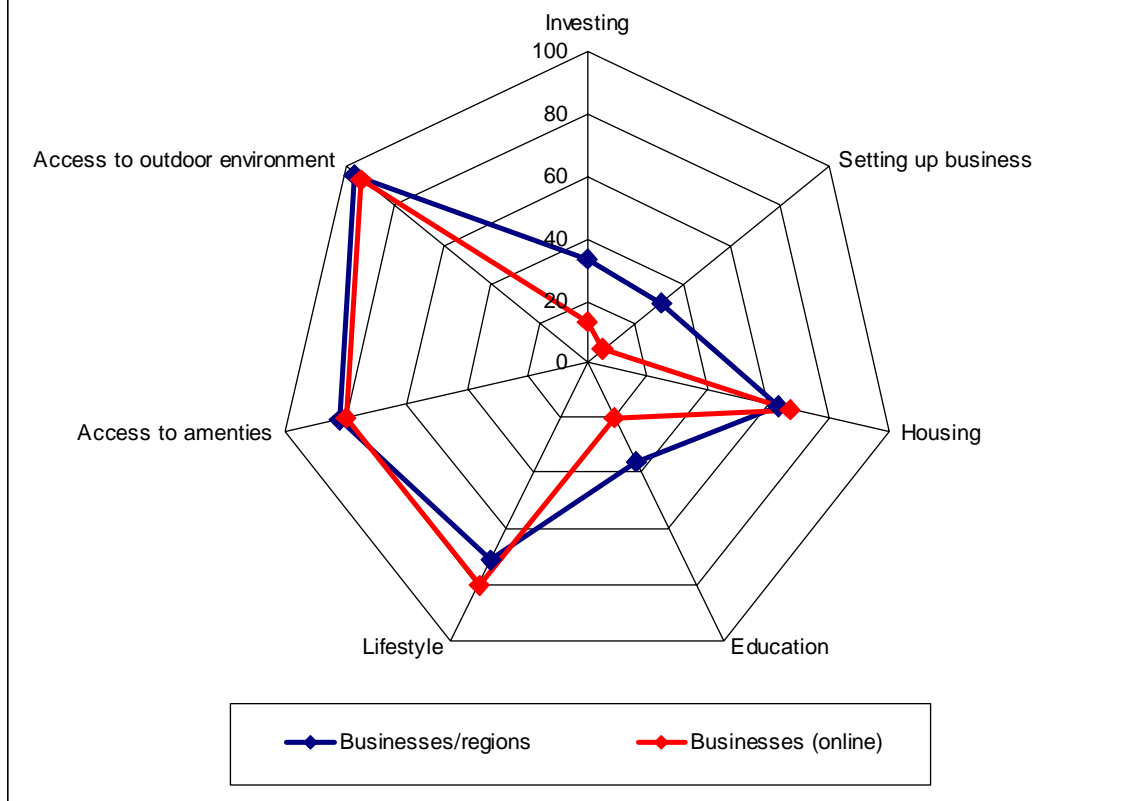
When the survey results are analysed by way of net positive perceptions, career progression and wage rates, they receive particularly poor ratings by all residents in the regions, business people, immigrants, and youth. Tertiary education also received poor ratings by all groups, and primary and secondary education received high positive net ratings only by youth. Housing quality did not receive high net positive ratings by any group but housing affordability had mixed ratings with youth rating this aspect of housing positively well.

All groups had a positive net rating of 60% or over for the outdoor environment in Rotorua, with youth and immigrants giving this aspect of Rotorua a net positive rating of over 80%. Cultural facilities, sports facilities and proximity to amenities all had good net positive responses. Only immigrants rated the business environment with a net positive rating over 60%. All other groups gave the business environment a net positive rating of 40% or less.



The invest, set up and do business surveys focussed more on the business aspects of Rotorua while incorporating some of the general aspects such as safety and weather. The responses to these surveys clearly indicated negative perceptions to legislation and compliance and to the labour force. Once again the perceptions of the tourism industry and the geographical location received the best net positive ratings. Respondents from both groups had more negative perceptions than positive perceptions about safety and the economy in Rotorua.

Perceptions of Rotorua (2) - Invest, set up and do business



The invest, set up and do business surveys also revealed a high net positive response to access to the outdoor environment, the access to amenities and the lifestyle in Rotorua. Education, setting up business and investing in Rotorua received low net ratings and housing received a net positive rating around 60%.