

# WEST COAST

WILDERNESS TRAIL

## Economic Assessment and Performance Report For 2023



## 1. Introduction

Our Trust is often asked about the economic benefits of the trail. There are some key overarching benefits that highlight the economically significant benefits of the trail that are 'locked in' and for which there is little change. They highlight the trail as a role model, and tangible success story to date, for the investment into the Nga Haerenga Great Rides network by all who have contributed financially and in time and voluntary efforts. These are summarised in Section 2 below. Estimating rider numbers together with a snapshot of their demographics is addressed within Section 3. This is followed by measurement of the performance of the trail from a rider perspective based on the results from the continual surveys undertaken. The report concludes with the new wellbeing metrics that have been introduced into the rider surveys.

## 2. Key Overarching Benefits from the Trail

### Overall Economic Return

The trail has a direct financial return of around \$15 million per year. Another way to look at this is that, each year the trail returns cash of around one and a half times what it cost to build it in its entirety. This is calculated through the trail counters and the data we collect from our monthly surveys. Approximately 15,000 visiting riders use the trail. Seventy five percent of those have come specifically because of the trail. They stay an average of 4.5 days. The total expenditure per person for this calendar year was \$1,088. This figure is similar to previous years.

Further to this, MBIE have a multiplier of 3.55 for trail expenditure. This considers the impact of indirect or secondary spending. Examples include a trail company or hotel paying their employees with the money they gain from riders staying and buying products. These employees then spend that money on goods and services giving it the multiplier effect. This better reflects the overall economic return from the trail, which last year was over \$50 million.

### Revival of Townships

Both Kumara and Ross were in decline before the cycle trail was established. They are now both examples of towns that have grown from the introduction of the trail.

Kumara now boasts several new businesses. The most prominent example, and one of the first on the scene, was the rebuild of Kumara's Theatre Royal Hotel. Demolition had been considered for the historic West Coast pub. Now offering quality accommodation, this award winning hotel also has an additional six miner's cottages and the immaculate restoration of three early houses into quality accommodation. Further investment was made into the Route 73 Motels and Kumara Store. The Greenstone



Retreat, together with a number of houses converted to Air BnBs followed. The latest development, the refurbishment of the former Empire Hotel with a café operating for morning and lunchtime meals, is planned to open shortly with 3 studio units and 3-4 back packer rooms to follow.

Similarly, Ross has seen the development of the Ross Beach Top 10 Holiday Park and significant money being spent by riders in other businesses in the town, including the hotel.

### Trail Company Start-ups

Hokitika has three new cycle trail companies, (Kiwi Journeys, Cycle Journeys and West Coast Cycle and Tours) all with depots based in the main township. They employ a reasonable number of staff and operate a fleet of vans and trailers to transport riders and hire bikes. While all service Greymouth, one, Cycle Journeys, has also built a new depot in Greymouth and also services the Paparoa Track. Wilderness Sports (formerly Colls Sportsworld) has also established bike hire from their Greymouth shop.

### Supporting New and Existing Visitor Attractions, Hospitality and Retail

The West Coast Scenic Waterways is potentially the largest new attraction to start up solely as a result of the opportunities created by the trail outside hotels and accommodation. It provides accommodation, hot tubs, scenic cruises and, shortly, a food and coffee cart.

Visit the West Coast Treetop Walk and Café, particularly around lunchtime, and the rows of bikes are evident. Driving around Hokitika and Greymouth's CBD in summer and the vehicles with bikes on carriers are evident everywhere as their riders purchase goods, services, petrol, grocery and other supplies, food and beverage and gifts from many of the retail outlets. Hokitika Kiwi Holiday Park Manager Kevin Stevenson reported at the end of last year:

*“There are so many people coming here to do the trail. Pretty much every caravan or campervan that is owner-operated has a bike on the back of it and has come here to do the trail.”*

The benefits even extend to the Hokitika Airport, with riders often coming in and out via plane and using the services of the airport. In Greymouth, the TranzAlpine and accompanying services play a similar role in transporting riders to and from the Coast.

The Greymouth and Hokitika visitor centres are kept busy with cycle enquires and booking trips, while the Ross Goldfields Information and Heritage Centre is also frequented by cyclists.



Hokitika Scenic Tours is kept busy taking riders to visit attractions outside the trail. Explore West Coast operate a similar service in Greymouth.

Shantytown sees many cycling visitors and the Pounamu Pathway is likely to also be a popular experience for riders.

Monteiths in Greymouth and the Empire Hotel in Ross have become popular before and after watering holes especially for those riding the full trail, the former being a main pickup point.

### Local Riders

Let's not forget about the locals. Large numbers of locals use the trail for fitness, to walk their dogs, to get to town and even to school and back, especially at Kaniere. The trail can be viewed in the same way we use a gymnasium, swimming pool, netball court or sports field. These facilities all have capital, staffing and maintenance costs and are used by locals and visitors in the same way the trail does. The trail has added a new form of community recreation that is able to be enjoyed by virtually all in the community.



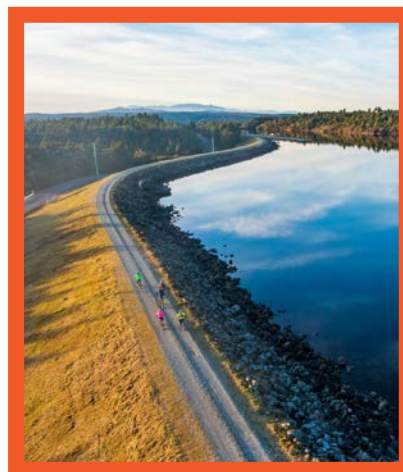
### 3. Rider Numbers and Demographics

#### Rider Numbers

While the question of how many people ride the trail appears to be simple it is actually quite hard to answer. People ride the trail in different ways. Some ride from start to finish. Others 'cherry pick' what they believe to be the highlights and some locals use the same section regularly.

There are seven counters out on the trail. These are in the following sections: Karoro, Taramakau, the Kawhaka Pass, the Kaniere Water Race, the Kaniere Tram, Mahinapua and the Ross straight. All trail counters can vary in their percentage growth and decline in rider numbers depending on what is happening on the trail. As an example, sporting events or trail section closures, like that for the Kaniere Water Race for a month over winter as new bridges were being installed, can impact use and counter data. Also too, are we talking about visitors or locals? Riders or walkers? The Karoro and Kaniere Tram sections, being by our largest towns, have lots of locals who walk, run or train on the trail regularly and are therefore the most popular. The table shows the counter data from each of the sites for the 2023 calendar year for the overall total movements, cyclists and runners/walkers. It also contains the percentage change from the previous year. The fluctuations are quite dramatic. Overall, however, there is a 3% decline in cyclists between the 2022 and 2023 calendar year based on the counters data.

1st January 2023 → 31st December 2023		
Site	Total	(%) Change
WCW - Hokitika Kaniere	30215	-19.6
WCW - Hokitika Kaniere Pedestrian	11386	-24.3
WCW - Hokitika Kaniere Cyclist	18829	-16.4
WCW - Kaniere Water Race	15161	-4.1
WCW - Kaniere Water Race Pedestrian	4413	0.7
WCW - Kaniere Water Race Cyclist	10748	-5.9
WCW - Karoro	42483	-10.9
WCW - Karoro Pedestrian	19871	-7.7
WCW - Karoro Cyclist	22612	-13.6
WCW - Kawhaka	8994	-5.9
WCW - Kawhaka Pedestrian	926	-13.3
WCW - Kawhaka Cyclist	8068	-5
WCW - Mahinapua	15447	18.7
WCW - Mahinapua Pedestrian	3280	-1.9
WCW - Mahinapua Cyclist	12167	25.8
WCW - Ruatapu	10553	2.9
WCW - Ruatapu Pedestrian	3131	59.4
WCW - Ruatapu Cyclist	7422	-10.4
WCW - Taramakau	12044	-1.6
WCW - Taramakau Pedestrian	1945	-25.2
WCW - Taramakau Cyclist	10099	4.7



Estimated visiting riders per annum

**15-16,000**



Estimated riders of the full trail

**6-7,000**



Direct Economic Return per annum

**\$15m**



Economic Multiplier (MBIE)

**3.55**



Total economic return per annum

**\$50m+**

The number of visitors who ride the entire trail is calculated off the counter on the Ruatapu/Ross straight. A deduction of 20% is made for local riders. This is the counter with the least riders past it as it is not a section people who 'cherry pick' necessarily ride. It is therefore our indicator of full trail usage. For 2023 the total number riders estimated to ride the full trail was 5937, or around 6,000.

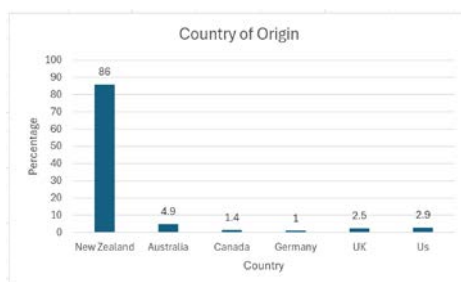
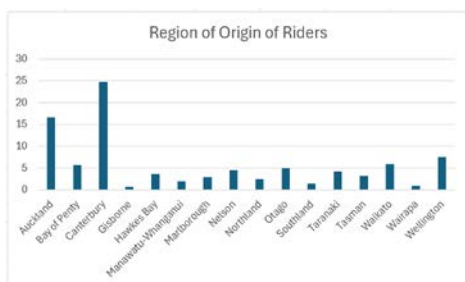
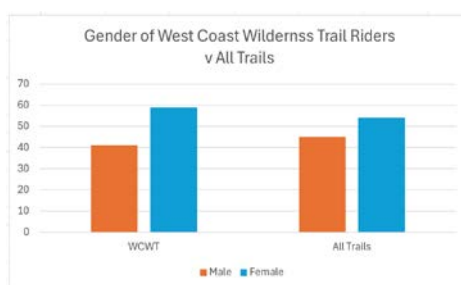
To calculate the full number of visiting riders on the trail, MBIE commissioned research in 2020 for the 12 months to February 2020 (before the Covid lockdown began) that came up with a formula. That formula takes the calculation for full trail riders; deducts it from the three more remote counters at Taramakau, Kaniere Water Race and Ruatapu; adds these together then multiplies this by the number of visiting riders. For that year the calculation indicated was 14,505.

If applied to the 2022 calendar year an estimated 6,626 rode the full trail from a total of 14,951 visiting riders. Applying that same formula for the 2023 year arrives at the 5,937 riders on the full trail and a total of 15,247 visiting riders. This indicates an increase in riders of between 2-3% for 2023. It is probably fair to assume the two years have been on par.

The general assumptions from the data is that overall around 15,000 to 16,000 visitors come to ride the trail with around 6,000 – 7,000 of those riding the full trail. This has held against pre Covid numbers and appears to have continued around this level following that period of interrupted travel patterns.

### Rider Demographics

- The majority of riders continue to be in the 60-69 age group with around 80% above the age of 50.
- Females make up 60% of riders.
- Australia is the main international market.
- Canterbury and Auckland remain the main regions of origin for visiting riders.



Fifty two percent of riders are now on E-bikes

## 4. Overall Trail Performance

The data below shows the West Coast Wilderness Trail scores matched against the average of all other trails. The trail is performing highly at nearly all the factors measured in the survey.

Factor	WCWT	AV All	
NPS	85	77	↑
Satisfaction	9.2	9	↑
Visiting for trail	75	77	↓
Nights on Trail	4.5	4.2	↑
Av Time on Trail	4.5 days	1-4 hrs	↑
E-bikes	52%	40%	↑
Bike Hire	4.8	4.6	↑
Bike Shuttle	4.9	4.7	↑
Guiding	4.6	4.3	↑
Toilets	4.1	4	↑
Accommodation	4.5	4.4	↑
Food and Beverage	4	4.1	↓
Other Activities	4.3	4.1	↑
Scenery	4.9	4.8	↑
Trail Difficulty (as advertised)	4.6	4.5	↑
Trail Gradient	4.6	4.5	↑
Signage	4.6	4.4	↑
Overall Trail Conditions	4.7	4.5	↑

## 5. Measures of Wellbeing

Wellbeing is also something that has been built into the trail surveys within the last two years. Information from riders shows the impact of riding the trail across many indicators. Of note are the impact on physical and mental wellbeing and appreciation of the environment with almost half of all riders surveyed indicated this has been improved.

	West Coast Wilderness last 12 months
Sample Size (n)	513
	%
My physical fitness has improved	44.6
I have developed or improved my skills	27.3
My sense of wellbeing or mental health has improved	49.9
I have learnt more about myself	15.2
I have developed a closer relationship with the people I was with	36.3
I understand more about the natural environment	25.1
I understand more about the local culture and heritage	39.6
I appreciate the natural environment more	47.4
I appreciate the local culture and heritage more	37.6
I'm more conscious of my impact on the environment	22.4
I'm more determined to protect the natural environment	26.5
I'm more determined to protect our culture and heritage	15.8
My confidence as a cyclist has increased	38.6
I am more likely to cycle as an everyday form of transport	13.6
I was affected in some other way (please specify)	3.3
None of the above	8





