
Part II: Case Studies

7 Governmental Approach to Major Events in New Zealand

For the past 20 years, New Zealand, a country relatively remote in geographical terms, has been actively communicating with the international visitor market in order to construct a global brand for the country. As a tourist destination, New Zealand offers an impressive range of natural and cultural attractions, outdoor activities, urban tourism and a diverse event calendar. In 2017, the country welcomed 3.7m visitors, with the market forecast to grow by 7.5% in 2018.

The active role of the Government in the visitor economy makes New Zealand an attractive investment destination. Extensive marketing campaigns, significant expansion of transport connections, private investment in infrastructure and the hotel sector indicate that New Zealand will continue its sustainable tourism growth over the coming years.

Major events have been recognised as a powerful and successful instrument that can brand the country directly to the target audience. The ever-increasing numbers of international event visitors to New Zealand, as well as recent success in securing bids for such large-scale international events as 2011 Rugby World Cup, 2015 ICC Cricket World Cup, 2015 FIFA U-20 World cup and 2017 World Master Games, demonstrate the relevance of the employed strategy.

This chapter reviews a national event portfolio approach in New Zealand. The approach is characterised by a strong top-down orientation, where the Government plays the leading role in determining current economic and socio-cultural objectives for the major event industry, implementation of the national event strategy and evaluation of the investment in major events. The data for this chapter have been collected by document selection and analysis and by interviewing several industry experts.

First steps

In 1990s to early 2000s, the Government of New Zealand was providing support to major events, usually through a co-funding scheme, using cash grants as the main form of sustenance. This included bidding and hosting costs, investment in leveraging opportunities and assistance in conducting event feasibility studies. Decisions were made on a case-by-case basis. It was taken for granted that major events usually would be organised by private agencies and that Government participation was important only when an event advanced the government's objectives and brought benefits to the nation. This was a typical scenario of a policy related to events (Smith, 2012). The Government acted more as a regulative body or advisor, without actively contributing to the planning process.

The involvement of a large number of different institutional stakeholders in major events requires a strong coordination effort from the Government to avoid, for example, under-investment, duplication of services and operational issues. In response to this organisational and managerial demand, in 2001, an Interagency Events Coordinating Group (IAEG) was established. The IAEG was tasked to improve the coordination of government intervention in major events through the consideration of event proposals and information sharing among all interested agencies (Cabinet Office Wellington, 2004). As a group, the IEAG consisted of New Zealand Trade and Enterprise, Tourism New Zealand, Creative New Zealand, Sport and Recreation New Zealand, Te Puni Kokiri (Ministry of Maori Development), the Ministry of Tourism, the Ministry for Culture and Heritage, the Foundation for Research, Science and Technology, and the Ministry of Economic Development.

All these institutions directly or indirectly participated in the coordination of major events in New Zealand, which kept causing organisational issues even after the IAEG was created. For example, the IAEG had no allocated funding to specifically support major events and develop national bids. Different government agencies and ministries used their own budgets to fund only those events which fitted into their strategies without any alignment to the overall national vision and national priorities. Hence, the broader goals which could have been achieved through strategic planning and management of major events were not properly identified and supported.

There was also a lack of communication and coordination between the government agencies and the private sector. The IAEG had no accepted and shared criteria for assessing submitted event proposals. As a result, event organisers did not clearly understand how to cooperate with the Government, as all the decisions to support and fund events were taken on an ad-hoc basis.

It became obvious that a more strategic approach to planning and developing of major events in the country was necessary. In 2003, the IAEG was tasked to develop a national major events strategy.

New Zealand major event strategy

The strategy was launched in 2004. It presented an overview of a vision and key objectives for government intervention in the domain of major events. The Government intended to occupy a pivotal position in the national major event sector in order to achieve its goals for promoting sustainable economic and cultural development of New Zealand, as well as its brand profiling. The strategy addressed three key areas of international competitiveness, including:

- ◆ Retention of sustainable events that already occur;
- ◆ Growth of new and existing events; and
- ◆ Attraction of new major events to New Zealand (Cabinet Office Wellington, 2004, p. 13).

A “more focused engagement with industry stakeholders” (Cabinet Office Wellington, 2004, p. 14) was introduced as one of the key rationales behind the strategy. Ten priorities, which enable the Government to influence and better moderate the major event sphere, were identified:

- ◆ Enhanced co-ordination of events organiser activities;
- ◆ More sophisticated process for seeking and winning major events;
- ◆ Reduction in duplication of effort by event organisers and government agencies;
- ◆ Reduction in competition among New Zealand destinations to host the same event;
- ◆ Better use of available infrastructure, including natural assets;
- ◆ Focus on attraction of high quality, high yield events;
- ◆ Building events in low and shoulder seasons;
- ◆ Pooling of resources to gain efficiency;
- ◆ Improved standards; and
- ◆ Improved research (Cabinet Office Wellington, 2004, p.3).

Overall, the key objective of the strategy was to clearly state the role of the Government in attracting, retaining and growing major sporting and cultural events. The strategy responded to the existing coordination, informational and funding issues in the national major events sphere at that time. It also sent a clear message to the industry, in which the key responsibilities of the main public actors, and their objectives and expectations were outlined.

The New Zealand Major Events Fund (MEDF) was established in 2004 to support the strategy and allow the IAEG to fully exploit its capacity and expertise to coordinate the major events industry in New Zealand. The Fund was seen as “a key instrument of the strategy that enables government to address the problem of market failure through the provision of direct financial assistance” (Ministry of Economic Development of New Zealand, 2007, p. 11). The strategy