



**NZ MĀORI
TOURISM**
HE TOA TAKITINI
'OUR STRENGTH IS IN UNITY'

AOTEAROA NEW ZEALAND

THE VALUE OF MĀORI TOURISM



PÉPUERE 2025

Acknowledgements

This report was commissioned by New Zealand Māori Tourism (NZMT). We would like to extend our appreciation and thanks to NZMT for their support and guidance throughout the project.

We also want to extend and express our gratitude to the five Māori tourism operators and their teams who shared their stories and experiences for this research.

- Kohutapu Lodge and Tribal Tours
- Kāpiti Island Nature Tours
- Dive Tatapouri
- Whale Watch Kaikōura
- Tauhara North No.2.

Design inspiration

The mahi toi featured in this report represents a tomokanga, or entryway, symbolizing the gateway into the content of the report. Each pou figure within the tomokanga serves as a visual representation, embodying areas of tourism that hold significance within te ao Māori.

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Foreword

E rere nei ngā mihi ki ngā kokonga kainga kōrero, ki ngā maunga whakahī, ki ngā wai tuku kiri huri noa i te motu.

Nōku te hōnore nui ki te whakaara ake i tēnei ripoata i kōmihanatia e NZMT e miramira nei i te whakahirahira o ngā pākihi Māori e tō mai ana i te ao ki Aotearoa.

This Government recognises the value of tourism and that attracting more tourists contributes to driving economic growth, by strengthening local businesses, lifting incomes, and improving our connection to the world.

It is a pleasure to present this substantial report commissioned by New Zealand Māori Tourism (NZMT) that highlights Māori tourism is at the forefront of Aotearoa New Zealand's value proposition to growing our tourism industry.

The Value of Māori Tourism report presents a comprehensive snapshot of Māori tourism in Aotearoa New Zealand. It provides a fact-based and data-driven analysis of the economic contribution of Māori tourism to Te Ōhanga Māori (the Māori economy) and the broader Aotearoa New Zealand economy, while also highlighting the unique aspects that define the Māori tourism experience. Case studies in the report further enrich and give meaning to the data and facts.

The report paints a picture of Māori tourism businesses succeeding, accounting for an increase in value-add (production) GDP to the Māori economy – from \$975 million in 2018 to \$1.2 billion in 2023. Furthermore, Māori tourism businesses value people – these that operate in core tourism industries, on average, generated more employment opportunities and paid higher salaries to employees.

Māori collectives, which include Māori incorporations, trusts, and post-settlement governance entities (PSGEs), also play a pivotal role in shaping Māori tourism in Aotearoa. They have enabled many Iwi and hapū to establish tourism ventures, where unique cultural heritage is intertwined into their offering. This contributes to providing economic opportunities throughout the country at a local level, preserving culture, and establishing intergenerational wealth.

I have witnessed firsthand the warm manaakitanga (hospitality) during my visits to Māori tourism operators, so the success and resilience of Māori tourism does not surprise me. Behind this success are a mix of diverse entities, from self-employed Māori business owners, small to larger Māori employers, and Māori collectives.

I commend the foresight of NZMT in commissioning this report and the support they provide to Māori tourism businesses and the wider tourism sector. I would also like to acknowledge the sector for its resilience, its role in boosting local employment, and its efforts in showcasing our diverse culture both in Aotearoa New Zealand and globally.

Mauriora



Hon Tama Potaka

Te Minita Whanaketanga Māori

Māori tourism in Aotearoa New Zealand

The Māori tourism sector is a vital and unique component of Aotearoa New Zealand's tourism industry, contributing significantly to the economy and offering diverse, holistic experiences that emphasise the relationship between Māori, visitors (manuhiri), and the land (whenua). This relationship embodies the principles of manaakitanga (hospitality) and kaitiakitanga (guardianship), setting Aotearoa New Zealand apart from other tourist destinations.

This research is a first of its kind, presenting a broad yet comprehensive snapshot of Māori tourism in Aotearoa New Zealand, from determining the overall economic contribution of Māori tourism to describing and highlighting the unique aspects that define the Māori tourism experience.

Value-add of Māori tourism

In 2023, Māori tourism accounted for \$1.2 billion of production gross domestic product (GDP) within Te Ōhanga Māori, an increase from \$975 million in 2018.

Behind this value-add are a mix of diverse contributors from self-employed Māori business owners and larger Māori employers to Māori collectives, such as Māori trusts and commercial entities. Their contribution and impact are far-reaching, extending beyond only value-add, with people at the heart of their operations, both visitors and employees.

This report investigates this overall contribution, dissecting and highlighting Māori tourism in its truest form, specifically focusing on the areas that comprise the unique Māori tourism experience and the areas that uplift and support it.

Defining and measuring Māori tourism

Unlike most other industries, tourism is not defined by the goods and services produced, rather tourism is defined by the characteristics of the customer demanding tourism products, services, and experiences (Stats NZ, 2024). Tourism cuts across many traditional industries, with a strong influence in some, and a low influence in others.

To truly understand the Māori tourism experience and offering, we have defined and measured Māori tourism by categorising traditional industries into three separate components:

- **Core tourism industries** – represent industries that heavily rely on tourism. Often these industries are at the forefront of the tourism offering, providing authentic and unique experiences
- **General tourism industries** – provide the supporting features of tourism. These industries enrich the visitor experience, from facilitating the movement of visitors to providing souvenirs
- **Other tourism industries** – represent industries where a very small proportion of demand may result from tourism. It is a catch-all grouping of most remaining industries.¹

From the showcase and immersion of culture in core tourism industries to the supporting and connecting infrastructure in general tourism industries, these two components define the Māori tourism offering and experience in Aotearoa New Zealand. For these reasons, this report largely focuses on core and general tourism industries.

¹ Our categorisation of industries is based off Stats NZ's Tourism Satellite Account (TSA) which provides base information for understanding and monitoring tourism activity.

Collectives play a long-standing, multifaceted role in Māori tourism

Māori collectives play a pivotal role in shaping Māori tourism in Aotearoa New Zealand, and contribute to providing economic opportunities throughout the country, preserving culture, and establishing intergenerational wealth. Māori collectives include Māori incorporations, trusts, and post-settlement governance entities (PSGEs). Their involvement has enabled many iwi and hapū to establish tourism ventures, where unique cultural heritage is intertwined into their offering, with Māori tourism thriving through principles of manaakitanga and rangatiratanga.

In 2023, it was estimated that Māori collectives engaged in tourism activities added around \$151 million in production GDP to Māori tourism, an increase of 34 percent from 2018. Such tourism activities range from hotels and luxurious eco-lodges to waka tours and traditional carving courses.

Māori tourism businesses value people

Across Aotearoa New Zealand there were 3,595 Māori tourism businesses (including 756 self-employed businesses) operating in core and general tourism industries in 2023, collectively employing over 15,000 people. A defining feature of Māori tourism businesses is the relationship with *people*, both the visitors who enjoy the experience and the employees providing it. The latter relationships became particularly apparent in our Māori business-focused analysis.

On average, Māori tourism businesses that operate in core tourism industries generated more employment opportunities and paid higher salaries to employees. Specifically, while the average employee size of non-Māori tourism businesses was 1.5 people, for Māori tourism businesses it was 2.5 people. The average salary for employees of Māori tourism businesses in core tourism industries also tended to be higher, receiving a salary \$4,500 higher than the average employee salary in non-Māori tourism businesses.

Māori tourism businesses also uplifted and empowered Māori by employing a higher proportion of Māori staff compared to non-Māori tourism businesses, as well as paying Māori employees a greater share of total salaries.

While Māori tourism businesses in core tourism industries, on average, generated more revenue than their non-Māori counterparts, a slightly smaller proportion were profitable in 2023 (80 percent of Māori tourism businesses compared to 82 percent of non-Māori tourism businesses). This, in part, can be explained by the fact that Māori tourism businesses have much higher average expenditure. In 2023, Māori tourism businesses average expenditure was \$421,000, compared to \$274,000 for non-Māori tourism businesses. For some Māori tourism businesses, the higher average salaries would be a likely driver of differences in expenditure, whereby the emphasis put on their people may be prioritised over profit.

Productivity of Māori tourism businesses – a new frontier

One of the outcomes sought by the New Zealand-Aotearoa Government Tourism Strategy is to lift the productivity of the sector. To provide a starting evidence base, this report marks the first attempt at analysing the productivity of Māori tourism businesses in Aotearoa New Zealand. The analysis included in this report provides a basis for further and deeper research.

Between 2010 and 2020, Māori tourism businesses generally performed better than non-Māori tourism businesses in terms of labour productivity (GDP per worker) in both the heritage, artistic, sport and recreation activities, and accommodation, food, and beverage services industry groupings. That is, in these industry groupings, workers in Māori tourism businesses were more productive, and thus, on average, contributed more efficiently to the economy. Although further research would be required to accurately and truly understand the drivers behind these results, a number of factors could be at play. For example, higher average salaries for employees of Māori tourism businesses could be leading to greater motivation and productivity, or general efficiency improvements in business operations could be allowing employees of Māori tourism businesses to do more in the same amount of time.



Case studies – Bringing richness and lived experiences to the data

To capture the breadth of experiences and perspectives of Māori tourism operators we completed five case studies of Māori tourism businesses. These covered a range of ownership structures and tourism offerings, ensuring a richer understanding of the industry beyond data points. These operators often incorporate Māori authenticity, storytelling, and values into their offerings, even if their offering is not specifically a cultural experience.

The central theme from the case studies was their profound commitment to holistic and sustainable practices that align with *oranga, taiao, ōhanga, and ahurea*. Each tourism operator prioritised people, providing employment opportunities for their communities, and encouraging a sense of belonging and pride in *whānau, hapū, iwi*, and community identity. They also demonstrated strong commitments to environmental stewardship, prioritising sustainable practices, such as limiting visitor numbers to reduce environmental impact and engaging in conservation efforts to protect native species and habitats.

Resilience in the face of challenges

The sector's reliance on international tourism makes it vulnerable to global economic fluctuations and travel restrictions. This became evident throughout COVID-19, not only for Māori tourism but for tourism more broadly. In this environment, however, Māori tourism has remained resilient and continues to represent a significant component of Aotearoa New Zealand's tourism industry and *Te Ōhanga Māori*. Māori tourism plays a particularly important role in generating and supporting employment in communities across Aotearoa New Zealand. It also provides an opportunity for entrepreneurship, creativity, and innovation, allowing Māori businesses to flourish and present their culture to the world stage.

Continued investment in infrastructure, marketing, business development support, and workforce development is required and crucial for maintaining the sector's growth and continued success. There is an opportunity to continue to empower and support Māori tourism with economic, social, and environmental strength inherent in the industry.

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1

Introduction

New Zealand Māori Tourism (NZMT) commissioned Business and Economic Research Limited (BERL) to undertake research that explored and presented the size and value of Māori tourism in Aotearoa New Zealand, specifically Māori businesses operating within tourism.

This research expands on BERL's analysis in Te Ōhanga Māori 2018, which estimated that Māori tourism contributed \$975 million towards production GDP in 2018 (BERL, 2021).

Our analysis updates this estimate, detailing the value-add of Māori tourism to Te Ōhanga Māori. We then drill deeper into what Māori tourism encapsulates, specifically exploring the shape and size of Māori tourism businesses, and how they contribute to tourism. We present a snapshot of Māori tourism businesses, including self-employed, across Aotearoa New Zealand, detailing the employment and financial performance of these businesses, as well as their productivity. While not the focus of our research, we also describe the activities of Māori collectives in tourism, showcasing their presence across Aotearoa New Zealand.

This data heavy analysis is coupled with and enriched by case studies that tell the stories of different Māori tourism operators.

Our approach

Our approach to this research was to investigate Māori tourism through the lens of Māori tourism businesses operating within key components of tourism, as well as to highlight the role of Māori collectives. This involved a highly quantitative analysis, leveraging data available in Stats NZ Integrated Data Infrastructure (IDI), data from publicly available sources, and data on Māori collectives. We also completed multiple case studies to bring the data to life.

More detail of our methodology, definitions, and classifications can be viewed in the appendices.

Māori business definition

For this report, we have defined a Māori business as an active, privately owned business that has at least one identifiable owner who is of Māori ethnicity or descent. This is the same approach used by Te Puni Kōkiri (TPK) to identify and define Māori businesses in Te Matapaeroa 2021 (TPK, 2023). This definition of Māori businesses also aligns with Stats NZ, which defines a Māori business as any business that is fully or partially owned by a person or people who have Māori whakapapa (Stats NZ, 2022).

In addition, for this report, a non-Māori business is defined as an active, privately owned business with identifiable owners, that has no single identifiable owner who is of Māori ethnicity or descent. In this report, we refer to:

- **Māori tourism business** - Active, privately owned business, with at least one identifiable owner who is of Māori ethnicity or descent and/or functions as a Māori business, operating within a tourism defined industry²
- **Non-Māori tourism business** - Active, privately owned business, with no single identifiable owner who is of Māori ethnicity or Māori descent, operating within a tourism defined industry
- **Tourism business** - Combined subset population of Māori tourism businesses and non-Māori tourism businesses.

Limitation

Our approach to defining Māori and non-Māori tourism businesses in this report means that only a subset of the total business population in Aotearoa New Zealand is in the main body of analysis. This is because not all businesses have **identifiable**, individual owners as, for example, businesses can either be owned by other companies, trusts, or foreign entities.

2 See Appendix B for detailed industry classification.

2

The history of Māori tourism – A long journey

Māori tourism in Aotearoa New Zealand boasts a rich and complex history, intertwined with culture, economic opportunity, and the continuous evolving relationship between Māori and visitors (manuhiri). This journey began long before the term “tourism” was even coined, with deep roots in traditional hospitality (manaakitanga) and a profound connection to the land (whenua).



Sophia Hinerangi on the Terraces at Rotomahana

The arrival of European explorers and missionaries in the early 1800s sparked the beginnings of tourism in Aotearoa New Zealand. Māori communities, particularly around geothermal wonders, such as those found in Rotorua, played a central role in welcoming these newcomers. They showcased the wonders of their land, from the awe-inspiring Pink and White Terraces to the healing geothermal pools. Māori women, known for their knowledge and storytelling abilities, became prominent guides, leading visitors through these landscapes and sharing their cultural narratives. This early form of tourism was built on the concept of manaakitanga – the deep respect and care shown to guests. Best known as ‘Guide Sophia’, Hinerangi was the principal tourist guide of the famous Pink and White Terraces at Lake Rotomahana. On 10 June 1886, the night of the Mount Tarawera eruption, over 60 people took shelter in Sophia’s whare at Te Wairoa. Unlike many of the buildings in the village, her home withstood the destructive power of the eruption due to its high-pitched roof and strong reinforced timber walls.³

The late 1800s led to a shift in control. The devastating eruption of Mount Tarawera in 1886 buried the Pink and White Terraces, which was a significant blow to Māori tourism. Furthermore, government intervention and the rise of commercial tourism operations led to a decline in Māori control of these experiences. Māori found themselves downgraded to performers or fringe participants in their own cultural tourism narrative.

The 20th century witnessed a growing awareness of this imbalance. Concerns arose about the inauthenticity and exploitation of Māori culture in some tourist experiences. This sparked a movement towards self-determination and reclaiming control over how Māori culture was presented.

3 Retrieved from; <https://hzhistory.govt.nz/people/guide-sophia>. Photograph credits:

Valentine, George Dobson, 1852-1890. Sophia Hinerangi on the Terraces at Rotomahana - Photograph taken by George Dobson Valentine. Kirk, Thomas William, 1856-1936: Photograph album. Ref: PA1-q-138-021. Alexander Turnbull Library, Wellington, New Zealand. /records/23149941

The mid-20th century marked a turning point. The Māori Arts and Crafts Institute was set up in Rotorua in the 1960s to train carvers and weavers. Tourists could visit and buy the products. The Toi Iho trademark was developed to identify authentic, high-quality Māori arts and crafts. The 1980s saw a growing desire from Māori for greater involvement in tourism. Conferences such as the 1985 Manaakitanga: Māori and Tourism Conference brought these concerns to the forefront. This led to the establishment of the Māori Tourism Task Force, which aimed to empower Māori communities and ensure their authentic representation in tourism.

In the early 2000s, many international visitors were interested in Māori culture. Rotorua was still the centre of cultural tourism, but other Māori tourist businesses had been set up around the country. Many were small and whānau-run. Various iwi diversified into tourism.

In 2004, New Zealand Māori Tourism (NZMT) was established as an incorporated society to provide an overarching direction and focus for Māori tourism. While NZMT is separate and distinct from the Crown, it works closely with the tourism, trade, and Māori development arms of government, and is principally funded through non-departmental appropriations provided through Vote: Māori Development.

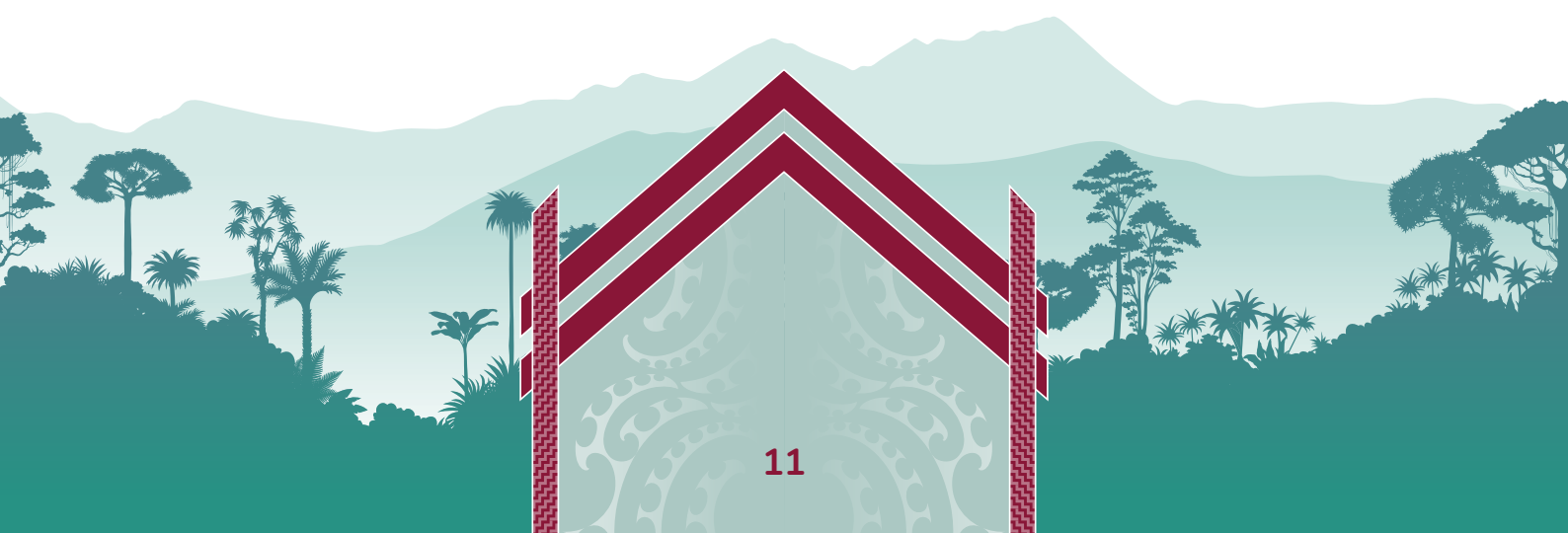
Whale Watch Kaikōura began with a spark of inspiration from an unexpected source. An American visitor from Boston spoke about the Boston Whale Watch, which had been operating for about 20 years at the time. Intrigued by the idea, a group of Ngāti Kuri kaumatua decided to explore this opportunity. The community was facing an economic crisis, and this new venture was a beacon of hope. The unique geographical feature of Kaikōura, the Kaikōura Canyon, supports a diverse range of marine life, from plankton and krill to dolphins and whales. Whale Watch Kaikōura has established a strong presence in the tourism industry, gaining respect and support from other operators, especially during challenging times like the COVID-19 pandemic.

Tourism in a modern Aotearoa New Zealand

Tourism is a formidable part of the economic engine driving the Aotearoa New Zealand economy. Though it recently stepped down from the top spot, tourism remains a significant export earner, injecting billions of dollars into the country. In the year ending June 2024, tourist spending reached \$11.6 billion, edging its way back following the impacts of COVID-19, demonstrating a high level of resilience. Tourism's contribution to Aotearoa New Zealand's GDP was six percent in the year to March 2023.

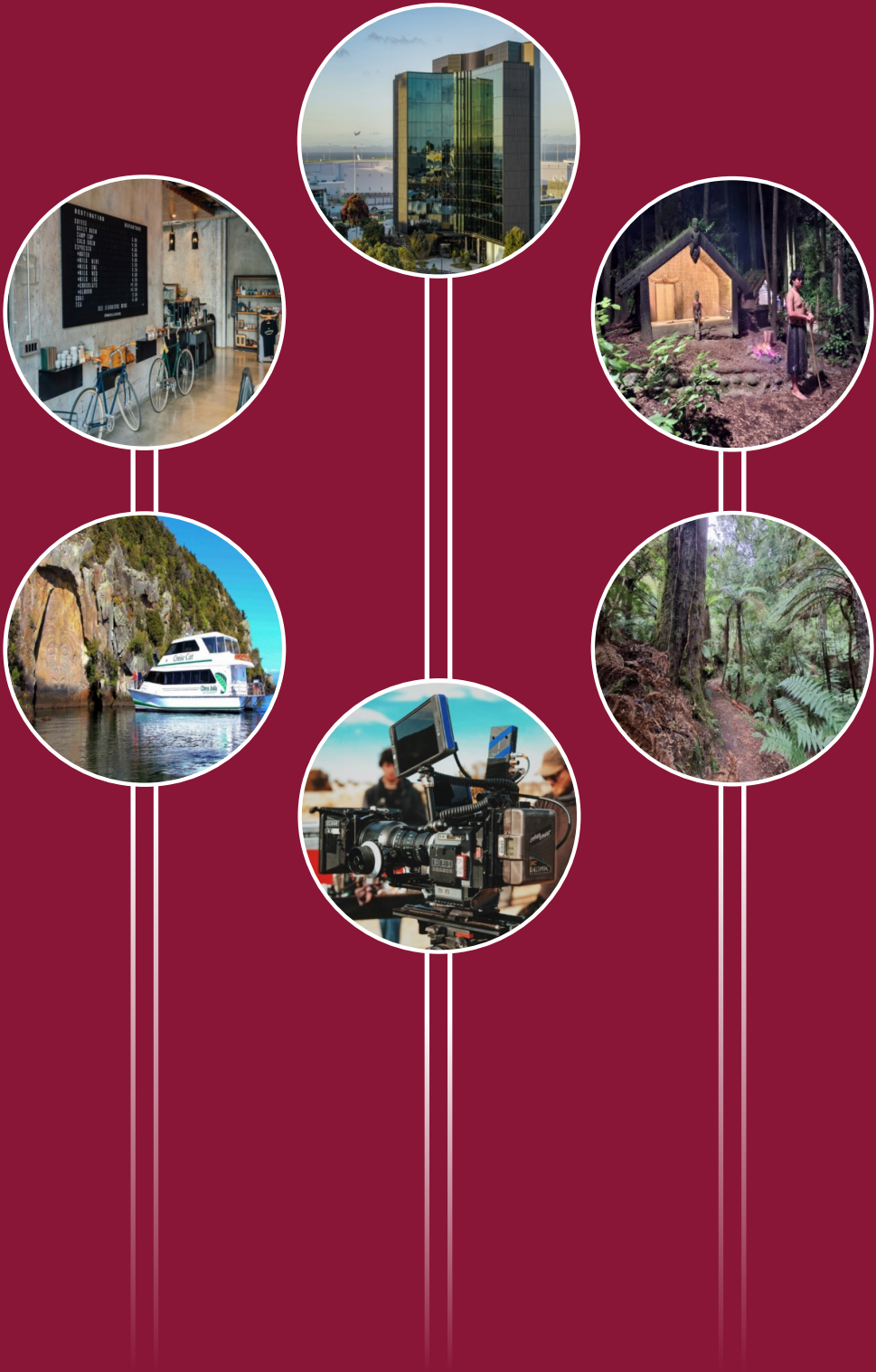
We also know that tourism is a major job creator. In the year to March 2023, tourism directly employed 189,432 people in different parts of the industry. When considering the ripple effect of these direct jobs and the supporting industries, such as transportation and hospitality, the impact expands even further, with an estimated one in nine people in Aotearoa New Zealand benefitting from tourism in some way (Tourism New Zealand, 2024). Tourism is a significant export earner for the country. It contributed 11.4 percent of the nation's total export value in 2023. This highlights the industry's crucial role in contributing to the goal of doubling the value of our exports in the next ten years.

Māori tourism plays a unique role in showcasing culture and protocols to the world. Traditionally, manaakitanga is at the heart of the experience. Visitors are welcomed as manuhiri and immersed in Māori traditions, culture, stories, and connection to the land. Māori tourism thrives on the relationship between Māori, manuhiri, and the whenua, embodying manaakitanga and kaitiakitanga. This unique experience and perspective sets Aotearoa New Zealand apart from other tourist destinations; it is a key point of difference.



Part A

The economic value of Māori tourism



3

Māori tourism's contribution to Te Ōhanga

Māori tourism plays a vital role in boosting Aotearoa New Zealand's tourism industry, empowering communities across the country, with **people** at the heart of the offering. It creates jobs, fosters entrepreneurship, and provides a platform for Māori experiences, arts, and crafts. This economic empowerment contributes to the cultural revival, preservation, and self-determination of Māori.

In addition, by sharing culture with manuhiri, Māori ensure that traditions are understood, passed down, and valued. The connection to the whenua is also inextricably linked with Māori tourism. Through restoration, respect, and awareness, Māori tourism helps nurture the natural environment.

Measuring Māori tourism

Unlike most other industries, tourism is distinct in that it is not separately defined in the standard classifications of industries. That is, it is not defined by the goods and services produced (e.g., apples), rather tourism is defined by the characteristics of the customer demanding tourism products, services, and experiences (Stats NZ, 2024).

Tourism is therefore represented across many industries with varying degrees of representation from industry to industry, high in some and low in others. While some industries are heavily dependent on tourism, others are not, and this requires a unique approach to analysing tourism as an industry.

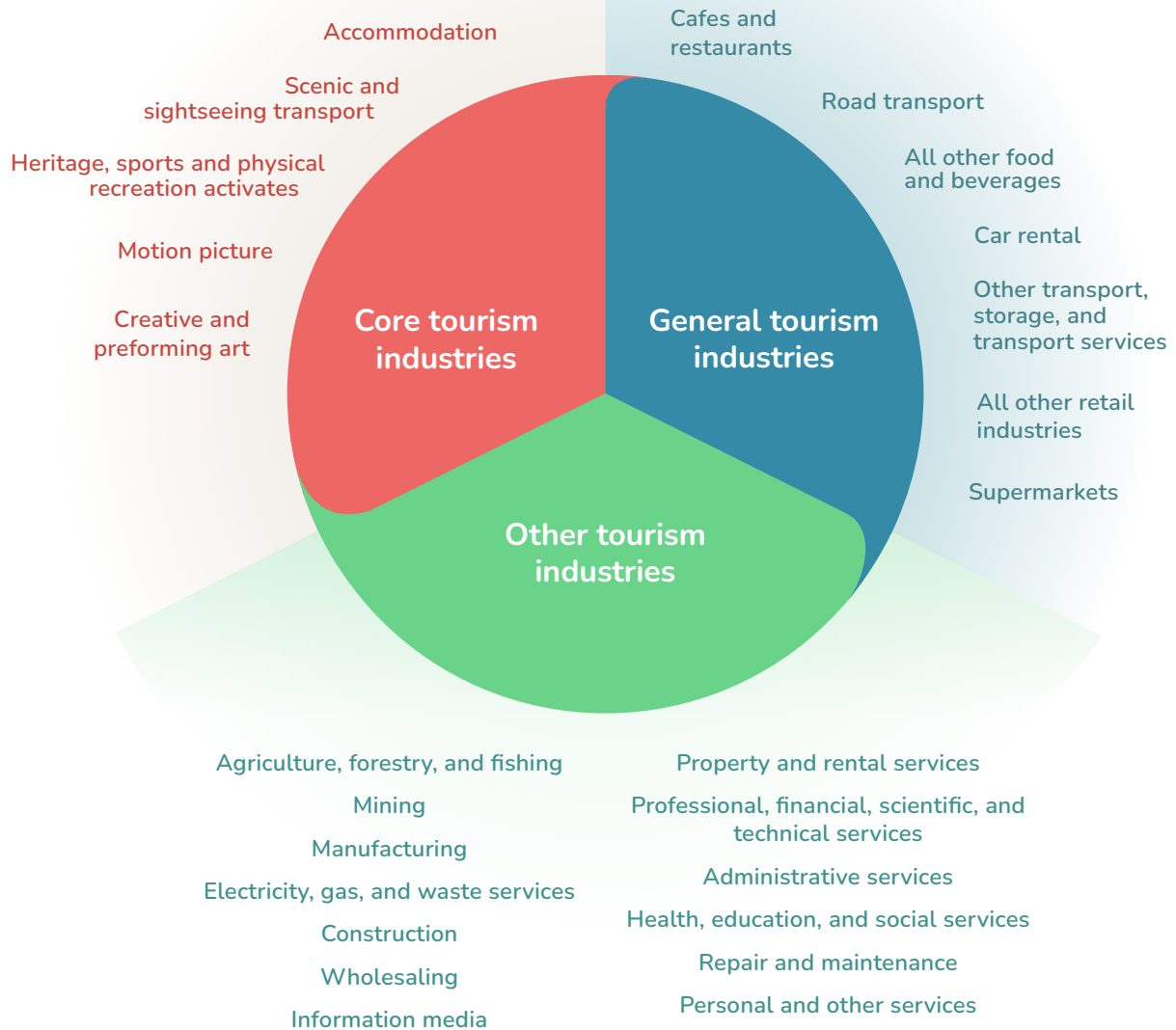
In recognition of this, we have defined and measured Māori tourism by three separate components: core tourism industries, general tourism industries, and other tourism industries (Figure 1).⁴ Our approach builds on and categorises industries based on Stats NZ's Tourism Satellite Account (TSA).⁵ Although depicted as three equal shares, in reality, this is not the case, and Figure 1 is used to illustrate how the three components come together to collectively form **Māori tourism** as measured in this report.

Kāpiti Island Nature Tours, founded by John Barrett and Amo Clark, continues a tradition of manaakitanga that has extended over 200 years. The business began organically, driven by a community need rather than a premeditated plan. Kāpiti Island Nature Tours offers ferry operations to and from the island, guided tours, overnight stays, and independent exploration. The Barrett whānau have been involved in the island's conservation for over a century, with their efforts spanning multiple generations. Their approach to kaitiakitanga is evident in every decision, ensuring that the bush continues to regenerate naturally, provide a rich and diverse habitat for native wildlife.

4 Appendix A details our approach and classification by industry in more detail.

5 The TSA provides base information for understanding and monitoring tourism activity in New Zealand and measures the expenditure in New Zealand by both resident and non-resident tourists.

Figure 1 Defining and measuring Māori tourism



Core tourism industries

- A core tourism industry is an industry where a significant proportion of its production and employment is dependent on tourism. That is, tourism demand plays a strong role in influencing the performance of the industry. These industries are typically on the frontlines of tourism, providing unique experiences and services to tourists.

General tourism industries

- A general tourism industry is an industry where tourism is not the primary source of demand (e.g., supermarkets), but where tourism still plays a substantial part in the performance of the industry. General tourism industries largely comprise industries that provide the supporting features of the tourism ecosystem.

Other tourism industries

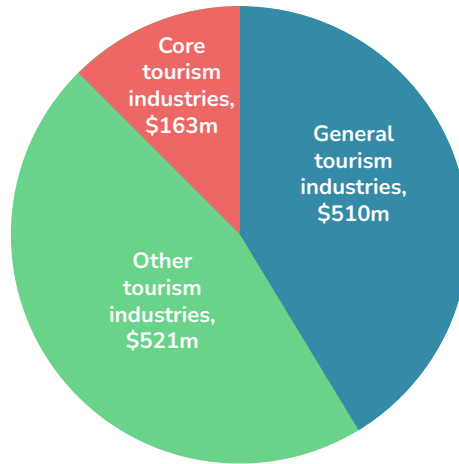
- This component of Māori tourism is broad and far-reaching, covering most industries in the economy. Tourism has a very small role, if any, to play in the demand within this grouping of industries. Although tourism only has a small influence within the other tourism industries grouping, given the breadth, size, and number of businesses and collectives with activities in these industries, the economic activity created is significant.

Source: BERL

Total tourism value-add to Te Ōhanga Māori

In 2023, Māori tourism was estimated to contribute \$1.2 billion in value-add (production GDP) to Te Ōhanga Māori (Figure 2). Value-add, as measured through production GDP, provides insight into economic activity generated and, ultimately, the value added to Te Ōhanga Māori from Māori tourism. It measures the value added from experiences and services provided by Māori tourism businesses and Māori collectives in Aotearoa New Zealand.

Figure 2 Māori tourism value-add by tourism component, 2023



Source: BERL analysis

Growth since 2018

Value-add of \$1.2 billion in 2023 reflects a 23 percent increase, up from \$975 million in 2018.⁶ The growth in production GDP generated by Māori tourism between 2018 and 2023 proves the resilience of the Māori tourism industry. This period was a significantly difficult and uncertain time for the tourism industry as a whole, as well as Māori tourism businesses and whānau.

The onset of the COVID-19 pandemic in early 2020 brought the tourism industry across Aotearoa New Zealand to an immediate halt with lasting effects. Although domestic tourism picked up strongly following the end of national lockdowns, and international tourism has rebounded well over a longer period of time, tourism is still not at levels seen prior to COVID-19. Yet, through all of this, Māori tourism businesses have remained resilient, holding firm as significant and valuable contributors to Te Ōhanga Māori.

Key players in Māori tourism

Businesses and Māori collectives are the lead proponents of Māori tourism in Aotearoa New Zealand and are the driving forces behind Māori tourism’s overall \$1.2 billion contribution in production GDP.

For the purposes of this report, our focus is largely on core and general tourism industries. The basis for this approach is to present tourism in its truest form, highlighting the unique aspects that define the Māori tourism experience, from the showcase of culture to the supporting infrastructure that empower the opportunity.

In part, this is because what is captured within the ‘other tourism industries’ grouping comprises industries where a very small proportion of demand results from tourism. Under Stats NZ’s TSA framework, each industry is assigned a ratio that determines the level of influence that tourism has on that industry. Industries that may have little to no involvement with tourism are automatically assigned a default ratio of two percent. When considering the Māori tourism offering, these industries are not what come to mind. Whereas the industries included in the core and general groupings are where tourism is truly represented and the genuine aspects of the experiences and wider ecosystem are showcased.

A full picture of Māori tourism’s contribution across core, general, and other tourism industries in terms of production GDP is depicted in Table 1.

⁶ Estimates of the production GDP created from Māori tourism businesses in core and general tourism industries in 2018 reflect a portion of the \$975 million contribution to Te Ōhanga Māori 2018 by Māori tourism (BERL, 2021).

Table 1 Māori tourism production GDP (\$2023)⁷

Production GDP (\$2023)	Collectives	Māori tourism businesses	Total
Scenic and sightseeing transport	2	6	8
Motion picture activities	0	1	1
Creative and performing arts activities	0	8	9
Heritage, sports, and physical recreation activities	3	86	90
Accommodation	10	46	56
Core tourism industries	16	147	163
Cafes and restaurants	14	59	73
All other food and beverage industries	11	26	37
Road passenger	3	74	77
Other transport, storage, and transport services	5	86	91
Car rental	12	80	93
All other retail industries	10	109	119
Supermarkets	4	15	20
General tourism industries	60	450	510
Other tourism industries	75	445	521
Tourism total	151	1,043	1,194

Source: BERL analysis

Māori collectives' contribution to tourism

Māori collectives represent a broad grouping of Māori incorporations, trusts, and post-settlement governance entities (PSGEs), which may be formed by whānau, hapū, and iwi from around Aotearoa New Zealand. Their size and activities vary significantly, from large commercial entities to smaller local businesses.

Māori collectives play an important role in the tourist experience, acting as a powerful proponent of Māori tourism. Their involvement fosters a unique blend of cultural immersion, economic empowerment, and environmental awareness. This enriches the tourism offerings of Māori collectives. For example, guided tours led by iwi delve into history, language, and customs. Visitors have the opportunity to witness vibrant cultural performances, or access sacred sites that allow tourists to connect with Māori culture and place. In many instances Māori collectives offer a powerful model for sustainable development, promoting cultural understanding and economic empowerment, while preserving the natural beauty of Aotearoa New Zealand.

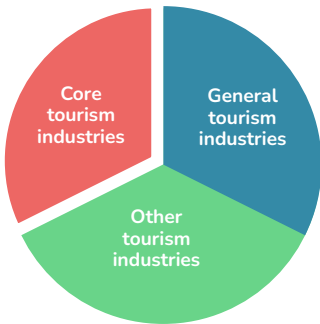
In 2023, it was estimated that Māori collectives added around \$151 million in production GDP to Māori tourism, which was a 34 percent increase from \$113 million in 2018. Māori collectives' operations in core tourism industries accounted for around \$16 million of this, with \$60 million resulting from general tourism industries and the remaining \$75 million from other tourism industries.

⁷ Numbers are rounded.

Māori tourism businesses contribution

Māori tourism businesses play a pivotal role in shaping the Māori tourism industry in Aotearoa New Zealand. These businesses are characterised by Māori owned and operated private businesses, from employers to self-employed, providing diverse and culturally enriched offerings. Māori tourism businesses offer services and experiences ranging from providing authentic and unique experiences in the core tourism industries, upon which Māori tourism is built, to hospitable, culturally enriched services in general tourism industries that support the overall Māori tourism offering.

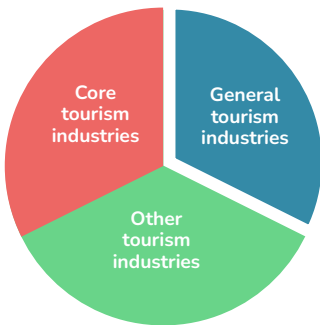
In 2023, Māori tourism businesses generated \$1 billion in production GDP across core, general, and other tourism industries, which represented half of Māori tourism’s overall contribution in production GDP.⁸



Core tourism industries

To fully understand the economic impact of Māori tourism, it is essential to examine the specific contributions made by Māori businesses within key tourism sectors. Māori tourism businesses operating in core tourism industries contributed \$147 million in production GDP in 2023, representing the contribution from 1,102 Māori tourism businesses.

The heritage, sports, and physical recreation activities and accommodation industries were the main drivers of economic activity in the core tourism industries for Māori tourism businesses.



General tourism industries

Māori businesses in the general tourism industry accounted for six percent of the production GDP created by all general tourism businesses, at \$450 million. This represents the value-add created by 2,493 Māori tourism businesses operating in general tourism industries.

As part of the general tourism industries, Māori tourism businesses operating in the grouping of all other retail industries, which includes retailing from furniture and houseware, to entertainment, flowers, and clothing, generated \$109 million in production GDP.

Kohutapu Lodge and Tribal Tours, nestled an hour south-east of Rotorua in the town of Murupara on the edge of Lake Aniwhenua, is a beacon of regenerative tourism, celebrating culture, community, and connection. Nadine and Karl Toe Toe envisioned a tourism experience that was an authentic glimpse into real Māori life and shared people, stories, community, and environment with the world. Kohutapu Lodge and Tribal Tours offers a variety of tourism experiences, including cultural tours, forest walks in Te Urewera, and immersive and authentic Māori culture experiences. Their measure of success extends beyond financial gains, encompassing the positive effects on their local community and the transformative experiences they provide to both visitors and residents.

Other tourism industries

While not the focus of this report, due to the share scale of industries included in the other tourism industries grouping, the contribution of Māori tourism businesses within these industries is significant with production GDP of \$445 million. This contribution arises from a small amount of tourism-related economic activity created from many industries where tourism represents approximately two percent of total operations. Some industries captured in this grouping, to name a few, include gambling-related services, shoe repair services, banking, and telecommunication operations.

⁸ Māori tourism businesses generated an estimated \$445 million in production GDP the large other tourism industries grouping.

4

Focus on Māori collectives

The role of Māori collectives in shaping Aotearoa New Zealand's tourism landscape is significant and multifaceted. These collectives, which include Māori incorporations, trusts, and post-settlement governance entities (PSGEs), have become increasingly influential in the tourism sector, contributing to both economic growth and cultural preservation, establishing intergenerational benefits. This section presents the current shape, size, and characteristics of Māori tourism from the perspective of Māori collectives.

Key findings

- Māori collectives added around \$151 million in production GDP to Māori tourism, which was a 34 percent increase from \$113 million in 2018
- Māori collectives' operations in core tourism industries accounted for around \$16 million of this, with \$60 million resulting from general tourism industries and the remaining \$75 million in other tourism industries
- This split of value-add across the three components of Māori tourism indicates the presence of collectives' activities in a broad range of industries, extending beyond key tourism areas.

The involvement of Māori in tourism dates back to the early 1800s, with Māori guides and hosts playing a crucial role in introducing visitors to the unique landscapes and cultural heritage of Aotearoa New Zealand. Over time, this involvement has evolved, with Māori collectives taking on more structured and strategic roles in the tourism sector. The establishment of PSGEs following Te Tiriti o Waitangi settlements has further empowered Māori groups to leverage their cultural and natural resources for tourism development.

There is, however, difficulty in understanding and determining the number of Māori collectives in Aotearoa New Zealand. This is the case for a few reasons, from different legal structures and organisational frameworks to variation in reporting and the dynamic nature of collectives being able to be formed or merged.

Stats NZ reports on Māori authorities in Tatauranga umanga Māori and defines them as businesses involved in the collective management of assets held by Māori and that are economically significant enterprises. In 2023, Stats NZ identified 51 Māori tourism authorities. There is overlap in the defining features of Māori authorities (reported by Stats NZ) and Māori collectives. This report determines and describes the economic activity of Māori collectives from an extensive, privately held database. Due particularly to variation in reporting, a subset of Māori collectives with tourism operations were identified and analysed in detail.⁹

Māori collectives have played a crucial role in shaping our country's tourism identity and offering unique and authentic experiences for visitors. Tourism activities associated with Māori collectives are diverse and are woven throughout core, general, and other tourism industries. Despite the impact of COVID-19 on tourism activities across Aotearoa New Zealand the asset base of collectives has shown strong growth over the last five years, lifting their contribution to the overall Māori tourism industry in 2023.

In 2023, it was estimated that Māori collectives added around \$151 million in production GDP to Māori tourism, which was a 34 percent increase from \$113 million in 2018. Māori collectives' operations in core tourism industries accounted for around \$16 million of this, with \$60 million resulting from general tourism industries and the remaining \$75 million in other tourism industries.

Today, Māori tourism thrives on principles of manaakitanga and rangatiratanga. Māori collectives offer a diverse range of experiences that are prominent fixtures on our tourism must-do lists, from cultural performances and hāngī to eco-tours highlighting the importance of kaitiakitanga of the natural world. Visitors can participate in waka tours, learn traditional carving techniques, or immerse themselves in storytelling around a crackling fire.

⁹ Please see Appendix E for explanation on the methodology.

Many collectives operate hotels, motels, and luxurious eco-lodges, where visitors can also enjoy activities such as guided tours, and cultural experiences. For example, Te Puia, a geothermal wonderland in Rotorua, offers both accommodation and cultural performances, and is owned by Te Puia New Zealand Māori Arts and Crafts Institute (NZMACI) Limited Partnership, which is made up of several collectives: Wahiao Tuhourangi o Whakarewarewa, Pukeroa Oruawhata Trust, Ngāti Hurungaterangi, Ngāti Taetōtū, and Ngāti Kahu o Ngāti Whakaue hapū.

Economic impact

Māori collectives have made substantial contributions to the tourism economy of Aotearoa New Zealand and have been at the forefront of the industry's growth, with many iwi and hapū establishing tourism ventures that showcase their unique cultural heritage. Many of these organisations have leveraged their whenua holdings, mātauranga Māori, and business acumen to develop successful tourism ventures. These enterprises range from eco-tourism experiences to kapa haka performances and high-end accommodation.

The economic impact of these collective ventures extends beyond direct revenue generation, and Māori tourism businesses are known for their strong relationships with both manuhiri and kaimahi. They create mahi opportunities for hapori Māori, often in regions where job prospects may be limited. This not only provides pūtea for whānau, but also helps to stem urban migration and maintain the mauri of rural hapori Māori.

Māori tourism businesses often prioritise local suppliers and services, creating a multiplier effect that not only benefits the local economy, but also supports the well-being of the wider hapori and aligns with manaakitanga. Māori collectives play a crucial role in community development by reinvesting profits from tourism ventures into social, cultural, and economic initiatives. This holistic approach ensures that the benefits of tourism are shared widely, contributing to the overall development and resilience of communities.

Cultural preservation and revitalisation

One of the most significant contributions of Māori collectives to tourism is the preservation and revitalisation of te ao Māori. By incorporating tikanga Māori, pūrākau, and toi Māori into tourism experiences, these organisations play a crucial role in keeping Māori culture alive and relevant. Many Māori tourism ventures offer immersive cultural experiences that go beyond surface-level presentations. Manuhiri may participate in pōwhiri, learn about Māori history and pūrākau, or engage in hands-on activities, such as raranga or whakairo. These experiences not only educate tourists, but also provide a platform for Māori to share their culture on their own terms.

For example, the Whakarewarewa thermal village, a centre for Māori-led tourism since the late nineteenth century, continues to attract visitors with its rich cultural experiences and geothermal wonders. Similarly, the Te Urewera Board manages tourism activities in Te Urewera, ensuring that the natural environment and cultural heritage are preserved for future generations.

This cultural tourism also serves an important function within Māori communities themselves. By creating economic value around mātauranga Māori and tikanga, it incentivises rangatahi to learn and maintain these traditions. This has led to a resurgence of interest in te reo Māori and traditional toi among rangatahi Māori involved in tourism.

Tauhara North No.2 Trust (Tauhara) is an Ahu Whenua Trust located within the tribal boundaries of the Ngāti Tahu-Ngāti Whaoa iwi. Their economic activities are diverse, reflecting a blend of traditional and modern business enterprises, including geothermal energy, farming, agriculture, and tourism. Tauhara purchased the Rapids Jet business in 2019. It operates between the Aratiatia Rapids and Ngā Awa Purua Rapids, offering a unique and thrilling experience as the only jet boat company that traverses whitewater rapids located upstream from the Huka Falls on the Waikato River. The Waikato River plays a central role in Tauhara's cultural identity and heritage, and they plan to acquire more river-based experiences and unite them beneath a singular brand, 'Awa,' reflecting its importance.

Kaitiakitanga

Māori collectives often approach tourism development with a strong emphasis on environmental sustainability, reflecting the Māori concept of kaitiakitanga. Many Māori tourism ventures incorporate eco-friendly practices and focus on showcasing the natural beauty of Aotearoa New Zealand, while minimising environmental impact.

For example, some iwi-run tourism operations have developed hikoi trails that allow manuhiri to experience pristine natural areas while educating them about the ecological and cultural significance of these landscapes. Others have established rāhui areas or wildlife sanctuaries, combining conservation efforts with tourism activities.

This approach not only aligns with growing global demand for sustainable tourism but also helps to protect Aotearoa New Zealand's taonga tuku iho for future generations. It positions Māori collectives as leaders in sustainable tourism practices, setting standards for the industry as a whole.

Innovation in tourism products

Māori collectives have been at the forefront of developing innovative tourism products that differentiate Aotearoa New Zealand in the global market. By drawing on their unique cultural perspectives, and deep connection to the whenua, these organisations have created experiences that cannot be replicated elsewhere. For instance, some collectives have developed geothermal spa experiences that combine rongoā Māori with modern wellness trends. Others have created cultural theme parks that offer interactive and educational experiences for manuhiri.

These innovative products often blend traditional and contemporary elements, showcasing te ao Māori as a living, evolving entity rather than a static historical artifact. This approach has helped to challenge stereotypes and provide a more nuanced understanding of Māori culture to international visitors.

Partnerships and collaboration

Māori collectives have increasingly engaged in partnerships and collaborations within the tourism sector. These partnerships take various forms, from joint ventures with international hotel chains to collaborations with regional tourism organisations. Such collaborations allow Māori collectives to leverage external expertise and resources while maintaining tino rangatiratanga over how their culture is presented. They also facilitate knowledge transfer and capacity building within Māori organisations, enhancing their ability to compete in the global tourism market.

Moreover, these partnerships often extend beyond the tourism sector. Many Māori collectives have formed relationships with wānanga, conservation organisations, and government agencies. These multi-faceted collaborations contribute to a more holistic approach to tourism development, one that considers economic, cultural, and environmental factors.

Influence on national tourism strategy

The growing prominence of Māori collectives in the tourism sector has significantly influenced the national tourism strategy of Aotearoa New Zealand. The government and national tourism bodies have increasingly recognised the importance of te ao Māori as a key differentiator for Aotearoa New Zealand in the global tourism market. This recognition has led to greater inclusion of Māori perspectives in tourism planning and marketing. For example, Tourism New Zealand has incorporated Māori cultural elements into its international marketing campaigns, showcasing Māori tourism experiences as a central part of the Aotearoa New Zealand visitor experience. Māori collectives have also advocated for policies that support sustainable and culturally respectful tourism development. This has contributed to a shift in the national tourism strategy towards a more balanced approach that considers economic, cultural, and environmental factors.

5

Focus on Māori tourism businesses

This section presents the current shape, size, and characteristics of Māori tourism from the perspective of Māori tourism businesses. It presents an overview of the business demographics of Māori tourism businesses, before highlighting their employment and performance across a range of financial measures (revenue, profit, expenditure, etc.).

Key findings

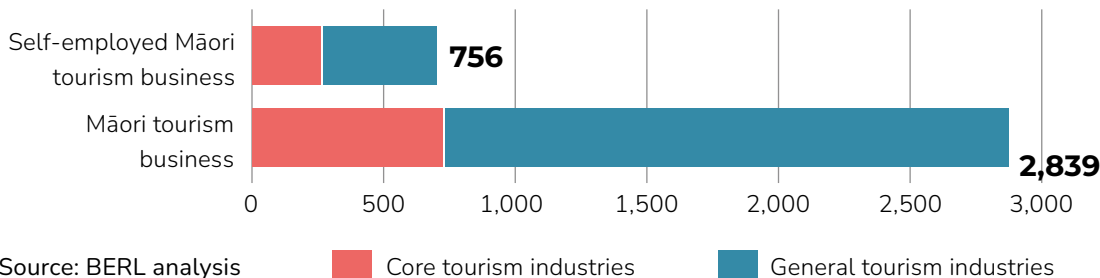
- Collectively, there were 3,595 Māori tourism businesses operating in core and general tourism industries, including 756 self-employed Māori tourism businesses
- Just over 15,000 people were employed by Māori tourism businesses
- Māori tourism businesses, on average, employ more staff and offer higher salaries than non-Māori businesses, demonstrating their commitment to valuing their place and people.

Business demographics

The Māori tourism sector plays a key role in empowering regions across Aotearoa New Zealand, by encouraging entrepreneurship and generating employment, as highlighted in our analysis.

In 2023, there were a total of 3,595 Māori tourism businesses (including self-employed) operating in core and general tourism industries. This comprised 756 self-employed Māori tourism businesses and 2,839 Māori tourism businesses (Figure 3).

Figure 3 Number of Māori tourism businesses by core and general tourism industries, 2023



Source: BERL analysis

Core tourism industries General tourism industries

Self-employed Māori are particularly active in core tourism industries. Just under half of all self-employed Māori tourism businesses operated in the core tourism industries, while for Māori tourism businesses with employees, the core tourism industries account for just over one quarter. This could be a result of the nature of core tourism industries where entrepreneurial and creative spirit is encouraged and garnered, or that running a tourism support business like a restaurant often requires staff members.

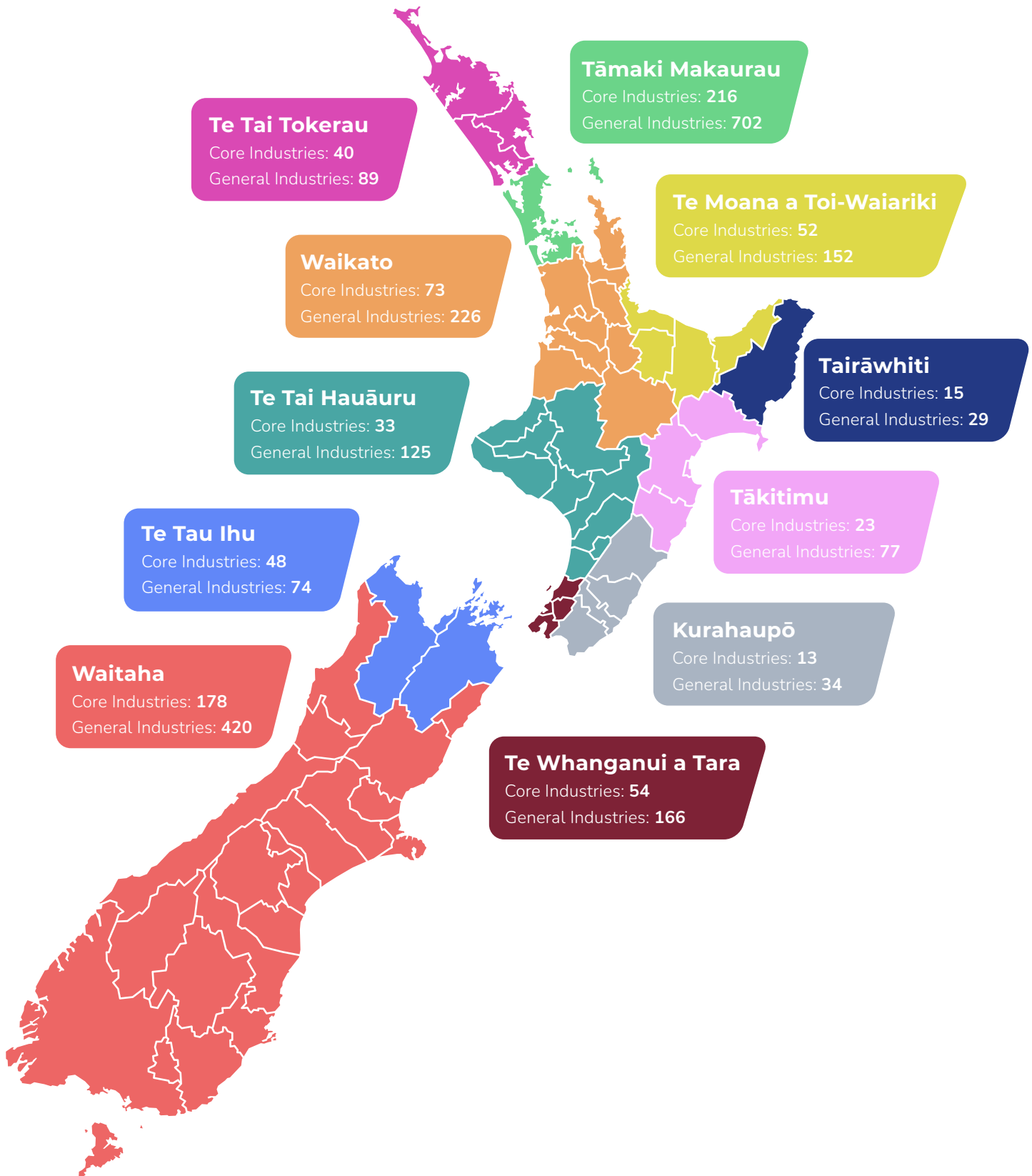
Māori tourism businesses across Aotearoa New Zealand

At a combined total of 2,839, Māori tourism businesses (not including self-employed) were spread throughout different rohe (Figure 4).¹⁰

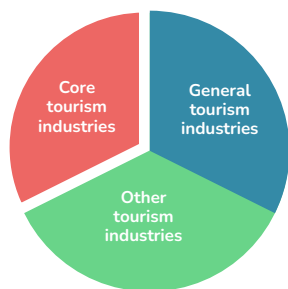
Tāmaki Makaurau, Aotearoa New Zealand’s most populated region, held the largest number of these businesses in core tourism industries, with 216 in the rohe. Waitaha, the largest region by land area, followed closely behind with 178 Māori tourism businesses in core industries. These two rohe accounted for more than half of all Māori tourism businesses in core industries, with the remainder relatively spread across Aotearoa New Zealand.

10. See Appendix C for rohe classification.

Figure 4 Number of Māori tourism businesses by rohe, 2023¹¹



11 Does not include self-employed Māori tourism businesses.



Core tourism industries

Core tourism industries are industries that have a strong proportion of demand resulting from tourism and directly contribute to the tourism experience. Such industries are often at the heart of tourism and are central to the Māori tourism offering, providing experiences and services that showcase creative, cultural, and natural features of communities and the environment.

There was a total of 1,102 Māori tourism businesses operating in core tourism industries in 2023, with self-employed accounting for 357 of them (Table 2).

Table 2 Number of Māori tourism businesses by core tourism industry, 2023

Industry	Māori tourism business	Self-employed Māori tourism business	Total
Accommodation	237	21	258
Creative and performing arts	195	186	381
Heritage, sports, and physical recreation activities	159	21	180
Motion picture	115	123	238
Scenic and sightseeing transport	39	6	45
Core tourism industries	745	357	1,102

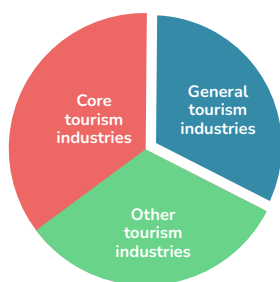
Source: BERL analysis

Creative and performing arts which includes, for example, artistic works, costume design, and sculpting, accounted for the largest number of Māori tourism businesses across core industries (381 businesses), with close to an equal number of both Māori self-employed and employers present.

The only other industry where this is also the case is the film industry (motion picture), where the number of self-employed Māori tourism businesses exceeds the number of employers. It is likely that this is due to creative fields allowing Māori entrepreneurs to showcase their culture and traditions in a unique way. Both industries thrive on individual expression and add a rich layer to the Māori tourism offering. In addition, these industries typically have lower barriers to entry, and function on project-based work which caters to self-employment.

The largest core tourism industry, for Māori tourism businesses that are employers, is accommodation, with 237 businesses in this industry. The accommodation industry includes motels, hotels, resorts, and holiday parks, and acts as a critical enabler and facilitator of both domestic and international tourism, allowing visitors to enjoy services and experiences across Aotearoa New Zealand.

There were 180 Māori tourism businesses in heritage, sports, and physical recreation activities, which includes, for example, art galleries, museums, and historical, cultural, and heritage sites. Most of these Māori tourism businesses were employers.



General tourism industries

General tourism industries mostly represent the supporting facilities of tourism. Although tourism tends to not be the sole or largest driver of demand, with a larger proportion resulting from local demand, general tourism industries play an important and critical role in the functioning of the wider tourism ecosystem.

In total, there were 2,493 Māori tourism businesses operating in general tourism industries, including 399 self-employed Māori tourism businesses (Table 3).

Evidently, self-employed Māori tourism businesses represent a significantly smaller proportion of the total Māori tourism businesses operating within general tourism industries, compared to core tourism industries. This can be explained by the nature of many of these supporting industries, whereby the need to employ additional people is critical for the general functioning of the business. It is much more difficult to scale up a restaurant or car rental service compared to, for example, a motion picture business, without bringing on people as staff members.

Table 3 Number of Māori tourism businesses by general tourism industry, 2023

Industry	Māori tourism business	Self-employed Māori tourism business	Total
Cafes and restaurants	196	24	220
All other food and beverage industries	212	39	251
Supermarkets	171	12	183
All other retail industries	711	99	810
Road passenger	465	93	558
Car rental	108	6	114
Other transport, storage, and transport services	231	126	357
General tourism industries	2,094	399	2,493

Source: BERL analysis

Within the general tourism industries, the largest number of Māori tourism businesses were in the grouping of all other retail industries, at 810. This broad industry grouping includes a range of retail areas, from furniture, housewares, and garden supplies to clothing, pharmaceutical products, and watches. It is a diverse grouping that mostly covers stores selling physical products, with some catering more to the tourism experience than others. For example, consider a local store selling a locally made and designed t-shirt, compared to a pharmacy selling personal care items for a tourist. Both contribute to, or assist in, the tourism experience, but from very different angles.

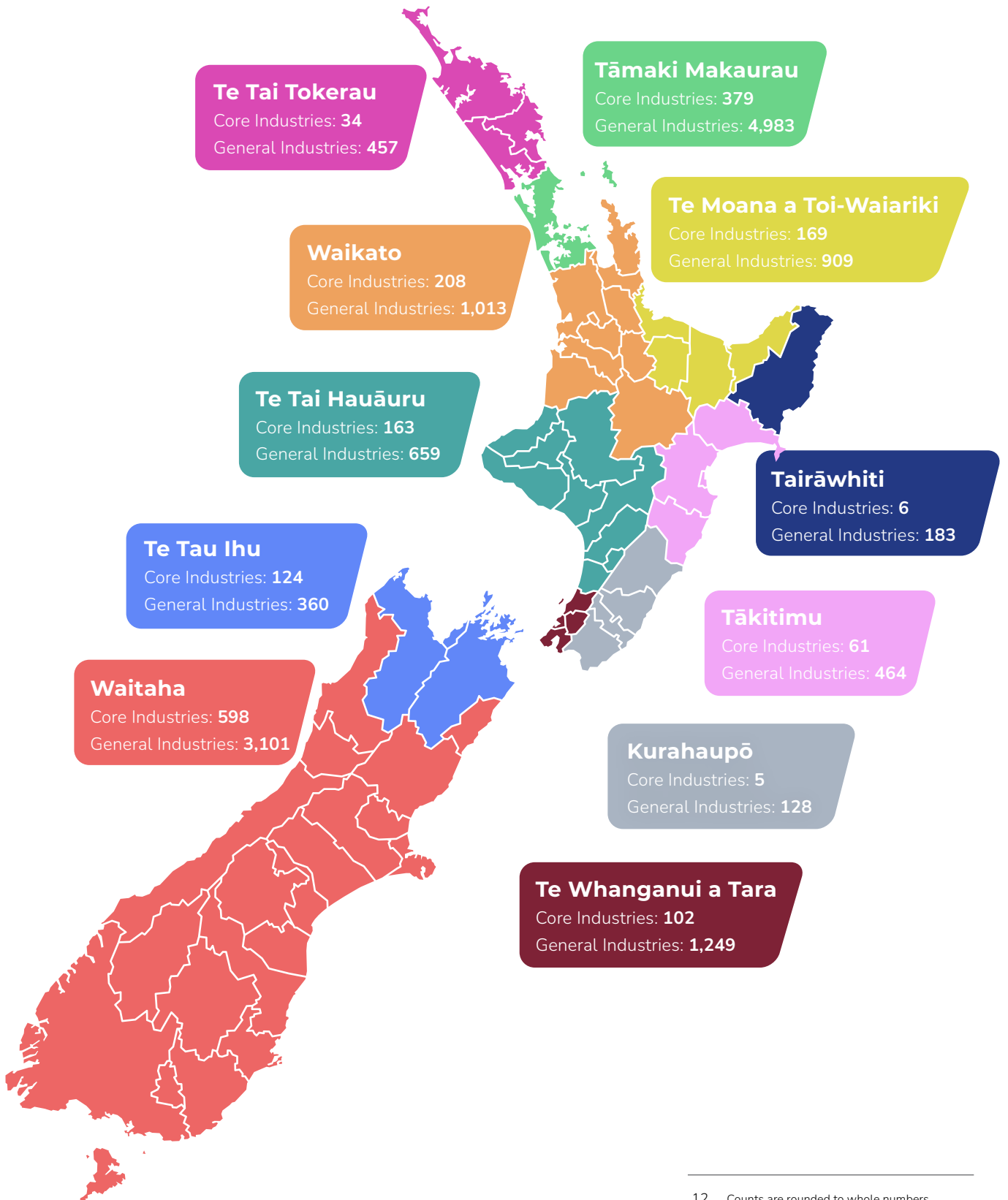
The road passenger industry, which includes transport services such as buses and taxis, operating as a vital connector within the tourism ecosystem, accounted for the second largest number of Māori tourism businesses at 558.

Many of these industries better enable the overall Māori tourism sector, improving accessibility through transport and car rental or by providing necessities, such as food and clothing. General tourism industries are critical to the tourism experience.

Employment – Māori tourism values people

Across core tourism industries and general tourism industries, Māori tourism businesses employed a total of 15,352 people in Aotearoa New Zealand, with employment by rohe presented in Figure 5.

Figure 5 Māori tourism businesses' employment count by rohe, 2023 ¹²



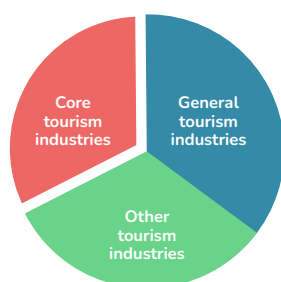
¹² Counts are rounded to whole numbers.

What becomes apparent throughout the data is that Māori tourism businesses value their people. On average, they generate more employment opportunities and pay higher salaries to employees. Furthermore, in core tourism industries, Māori employees make up larger shares of Māori tourism businesses' workforce and tend to earn a larger portion of the total salaries in Māori tourism businesses.

Table 4 Employment count of Māori tourism businesses by tourism industry, 2023¹³

Industry	Number of employees
Accommodation	778
Creative and performing arts	99
Heritage, sports, and physical recreation activities	791
Motion picture	115
Scenic and sightseeing transport	65
Core tourism industries	1,848
Cafes and restaurants	2,036
All other food and beverage industries	1,236
Supermarkets	1,632
All other retail industries	4,440
Road passenger	2,966
Car rental	237
Other transport, storage, and transport services	958
General tourism industries	13,504
Core and general tourism industries	15,352

Source: BERL analysis



Māori tourism businesses, on average, employ more people

Māori businesses in core tourism industries, although only accounting for eight percent of tourism businesses in these industries, accounted for 12 percent of all employment, employing 1,848 people in 2023.

The data suggests that Māori tourism businesses provide more jobs on average compared to non-Māori tourism businesses within core tourism industries. This reflects the role that Māori tourism businesses play in generating employment opportunities within communities.

Specifically, Māori tourism businesses in core industries employed an average of 2.5 people, whereas non-Māori tourism businesses employed an average of 1.5 people (Table 5).¹⁴ It is important to note that this average is across all core tourism industries, and the employment disparity is more pronounced in certain core tourism industries than others.

¹³ Industry results may not add up to industry total as employment numbers are calculated based on businesses rolling monthly employment where employees may not be employed for all 12 months of the year.

¹⁴ Averages have been rounded to the nearest half or whole number (0.5 represents a part-time employee while 1 represents a full-time employee).

Table 5 Average employment count by core tourism industry, 2023

Average employment count	Māori tourism business	Non-Māori tourism businesses business
Scenic and sightseeing transport	1.5	1.5
Motion picture	1.0	0.5
Heritage, sports, and physical recreation activities	5.0	3.5
Creative and performing arts	0.5	0.5
Accommodation	3.5	3.0
Core tourism industries	2.5	1.5

Source: BERL analysis

In particular, Māori tourism businesses operating in the heritage, sports, and physical recreation activities industry accounted for 15 percent of tourism businesses in the industry and employed two fifths of the workforce with 791 employees. This results in an average employee count of five, compared to 3.5 for non-Māori tourism businesses. Similarly, but to a lesser extent, Māori tourism businesses employed around 0.5 more people than non-Māori tourism businesses in the accommodation and motion picture industries.

Māori tourism businesses in core tourism industries also tend to employ more Māori

Māori tourism businesses in the core tourism industries employed a higher proportion of Māori staff compared to non-Māori businesses. On average, in the core tourism industries, 21 percent of Māori tourism businesses' workforce comprised Māori employees, compared to 19 percent for non-Māori tourism businesses. This could suggest that Māori tourism businesses are strongly committed to supporting and providing opportunities for Māori within their own communities. In addition, it also could indicate the value that Māori tourism businesses place on having cultural representation and inclusion in their business, which could be particularly important in a core tourism business that provides a culturally rich experience.

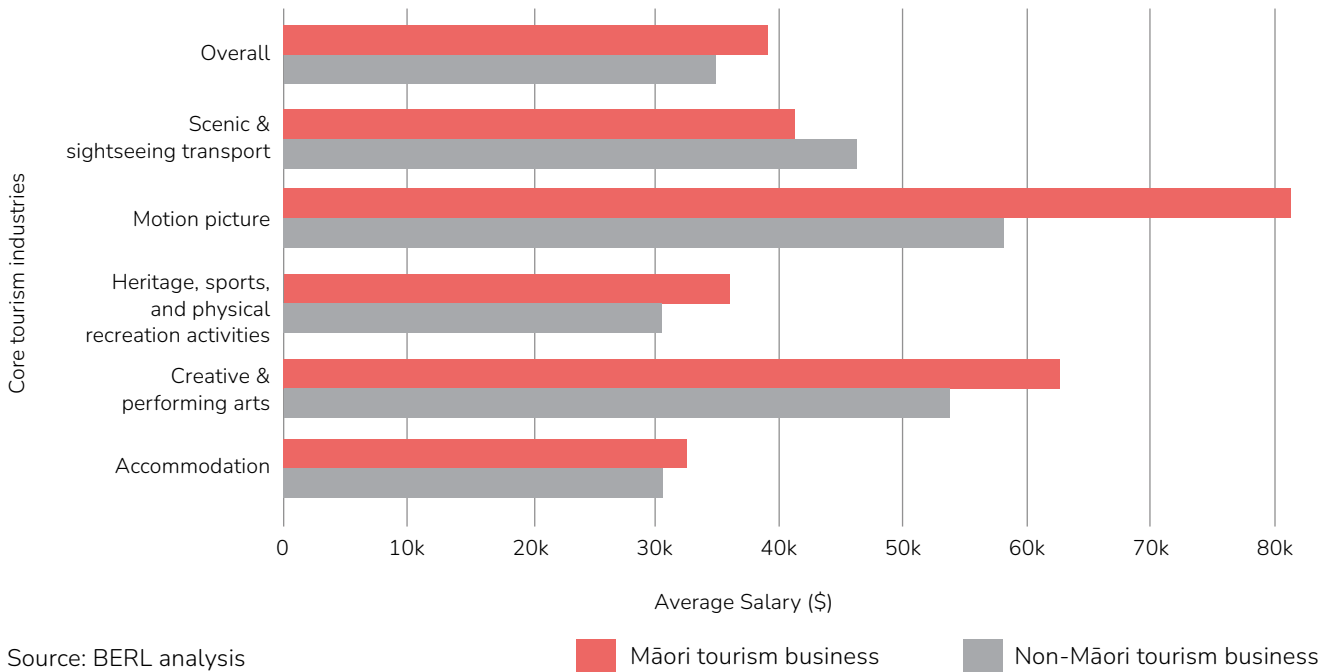
Dive Tatapouri, in Tatapouri Bay in Tairāwhiti off State Highway 35, came into being as a natural progression from a personal passion for marine life to a business venture. The initial idea was not a calculated business move but rather a natural development. Their interactive Reef Ecology Tour is renowned for its interaction with whai (stingrays), with the guides walking visitors across the reef to meet the tamariki of Tangaroa. Dive Tatapouri measures their impact through a unique blend of cultural, community, and environmental factors. They place a special emphasis on employing local rangatahi, providing opportunities for growth and upskilling.

Average salary

The differences in the average salary of employees between Māori and non-Māori tourism businesses varied from industry to industry, but, on average, it was clear that Māori tourism businesses tended to pay their employees more in most core tourism industries (Figure 6).

On average, for all core tourism industries, employees of Māori tourism businesses received a salary of \$39,300, which was around \$4,500 more than what employees in non-Māori tourism businesses received. The difference between Māori and non-Māori tourism businesses in average employee salary further underlines the value that Māori tourism businesses place on people. Māori tourism businesses create employment opportunities and pay their employees well.

Figure 6 Average employee salary by core tourism industry, 2023



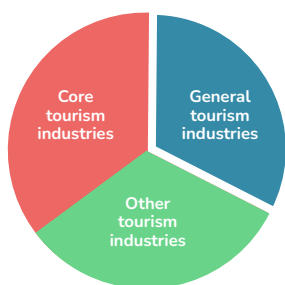
The greatest difference was in the motion picture industry, where employees in non-Māori tourism businesses received an average salary that represented around 72 percent of the salary that employees received in Māori tourism businesses (\$81,800).

There was similarly a stark difference between the average salary of employees in Māori tourism businesses compared to non-Māori tourism businesses within heritage, sports, and physical recreation activities. While employees of Māori tourism businesses in heritage, sports, and physical recreation activities earned an average salary of \$36,300, in non-Māori tourism businesses the average employee salary was \$30,800. Importantly, this industry was also the largest employer of people for Māori tourism businesses out of the core tourism industries, with 791 people employed (Table 4).

On average, Māori employees receive a greater proportion of salary in Māori tourism businesses

Not only do Māori make up a larger share of Māori tourism businesses workforce in core tourism industries compared to non-Māori tourism businesses, but Māori also earn a larger portion of the total salaries in Māori tourism businesses.

In core tourism industries, on average, 20 percent of a Māori tourism business's total salary will go to Māori employees, compared to 18 percent in a non-Māori tourism business. This further illustrates the importance of Māori tourism, specifically Māori tourism businesses, in creating job opportunities and improving employment outcomes for Māori.



Māori tourism businesses in general tourism industries employed 13,504 people

Within the general tourism industries, both Māori and non-Māori tourism businesses on average employed 6.5 people (Table 6). This varied from industry to industry, however, with two industries in particular bringing up the average for non-Māori. While non-Māori tourism businesses tended to employ more people on average in supermarkets (13.5 people compared to 9.5 people) and other food and beverage industries (6.5 people compared to six people), Māori tourism businesses employed more people on average in the remaining general tourism industries.

Table 6 Average employment count by general tourism industry, 2023

Average employment count	Māori tourism business	Non-Māori tourism businesses
Cafes and restaurants	10.5	9.0
All other food and beverage industries	6.0	6.5
Supermarkets	9.5	13.5
All other retail industries	6.0	6.0
Road passenger	6.5	2.5
Car rental	2.0	1.0
Other transport, storage, and transport services	6.5	2.0
General tourism industries	6.5	6.5

Source: BERL analysis

Māori tourism businesses employed the largest number of people within the other retail industries grouping, with 711 Māori tourism businesses employing 4,440 people. This grouping includes retailers of furniture, housewares, garden supplies, entertainment, clothing, footwear, pharmaceuticals, flowers, and watches. Māori tourism businesses in the cafes and restaurants (196 businesses) and road passenger (465 businesses) industries were the next two largest employers of people, employing 2,036 and 2,966 people, respectively.

Around 15 percent of the workforce employed by Māori tourism businesses in general tourism industries are Māori

Overall in general tourism industries, the share of the workforce who are Māori and employed by Māori tourism businesses is equivalent to that for non-Māori tourism businesses at 15 percent.

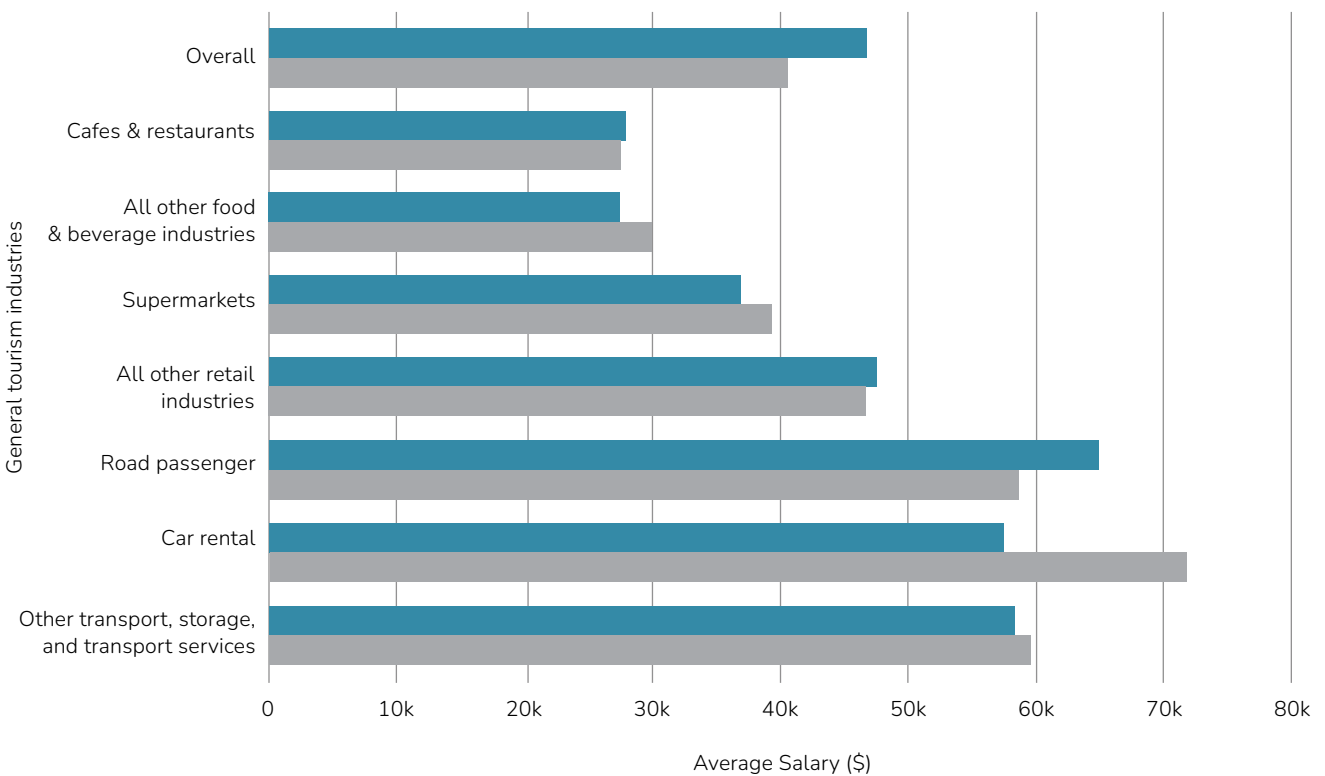
That is, in general tourism industries Māori make up an equal share of both the Māori and non-Māori tourism businesses workforces. This is unlike the core tourism industries, where Māori make up larger shares of Māori tourism businesses workforce **compared to non-Māori tourism businesses.**

Average salary

Differences in the average employee salary in Māori and non-Māori tourism businesses varied greatly from industry to industry within the general tourism industries (Figure 7). However, at an overall level, the average employee salary in Māori tourism businesses was higher than employee salaries in non-Māori tourism businesses (\$46,400 compared to \$40,500).

There were 465 Māori tourism businesses operating in the road passenger industry, employing the second most amount of people at 2,966 (Table 4). Employees of Māori tourism businesses in this industry on average received a salary of \$64,900, which was around \$6,000 higher than the average salary for employees in non-Māori tourism businesses.

Figure 7 Average employee salary by general tourism industry, 2023



Source: BERL analysis

■ Māori tourism business ■ Non-Māori tourism business

In the other retail industries grouping, where 711 Māori tourism businesses operated and employed a total of 4,440 (the largest employing industry), the average salary for employees between Māori and non-Māori tourism businesses was more comparable. Māori tourism businesses in this industry grouping, on average, paid employees a salary of \$47,700, with non-Māori tourism businesses paying employees an average salary of \$46,900.

Average share of salary that goes to Māori employees

In general tourism industries, on average, Māori employees for both Māori and non-Māori tourism businesses received 13 percent of the businesses' total salaries paid out to employees. This is different from core tourism industries, where Māori employees received a greater share of total salaries when employed by a Māori tourism business.

Financial performance

The following sub-section presents a series of financial measures used to provide insights into the relative financial strength and performance of Māori tourism businesses.¹⁵ Although useful for understanding the operations and financial success of businesses, these measures do not consider differences in business culture and values.

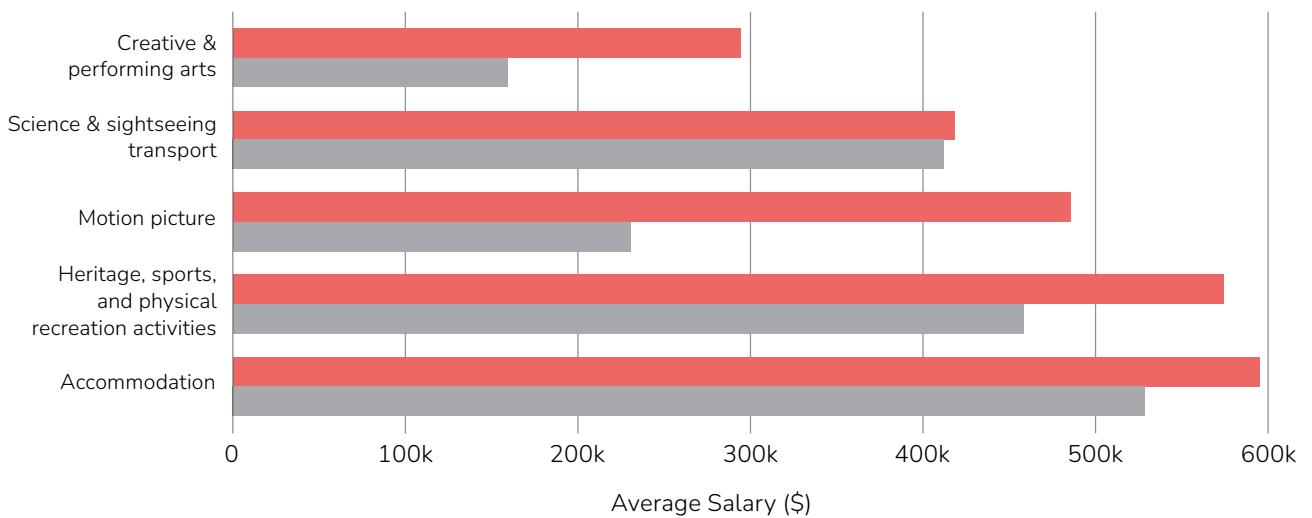
Māori businesses frequently have motives and objectives that extend beyond financial goals, which might differ from traditional business culture. Many Māori businesses adopt a holistic perspective, not just concerned with profit but also social and environmental impact, with a focus on long-term sustainability. For Māori tourism businesses, this might involve upholding and expressing kaitiakitanga and manaakitanga. For example, a Māori tourism business providing a walking tour might choose not to operate all year round so that the whenua can have a break in certain periods, upholding kaitiakitanga. In doing so, this business is forgoing the opportunity to potentially earn more revenue.

It is also evident, based on the previously presented employment data, that Māori tourism businesses place significant value on **people** – their employees. Findings from the following financial metrics reinforce this notion. This is a high-level overview, and further research will be needed to develop a fuller understanding of the financial decisions and impacts.

Revenue

Revenue is a useful metric for understanding the performance and success of a business’s operations, providing insight into how much money a business brings in through sales alone.

Figure 8 Average revenue by core tourism industry, 2023



Source: BERL analysis

■ Māori tourism business ■ Non-Māori tourism business

On average, Māori tourism businesses drew in more revenue than their non-Māori counterparts across all core tourism industries in 2023 (Figure 8). Specifically, the motion picture and creative and performing arts industries had differences in average revenue of \$254,000 and \$134,000, respectively.

Māori, and to a lesser extent non-Māori, tourism businesses did particularly well in the accommodation and heritage, sports, and physical recreation activities industries, drawing in close to \$600,000 on average in revenue in 2023.

¹⁵ Only the 'income' sub-section relates to self-employed Māori tourism businesses. For extended tables on some of the data included, please see Appendix F.

Profit

While on average Māori tourism businesses generated more revenue in core tourism industries compared to non-Māori, a slightly smaller proportion were profitable, although this varied by industry. At an overall level, however, a slightly smaller proportion of Māori tourism businesses were profitable in core and general tourism industries compared to non-Māori tourism businesses (Table 7).

Of the 180 Māori tourism businesses operating in the heritage, sports, and physical recreation activities industry, approximately 86 percent of these businesses were profitable in 2023. This industry, along with scenic and sightseeing transport, were the only two core tourism industries where a larger share of Māori tourism businesses tended to be profitable compared to non-Māori.

Table 7 Percent of tourism businesses that are profitable, 2023

Industry	Profitable (%)	
	Māori businesses	Non-Māori businesses
Accommodation	70	71
Creative and performing arts	86	88
Heritage, sports, and physical recreation activities	86	82
Motion picture	82	87
Scenic and sightseeing transport	77	65
Core tourism industries	80	82
Cafes and restaurants	84	80
All other food and beverage industries	86	86
Supermarkets	87	85
All other retail industries	81	82
Road passenger	89	92
Car rental	70	74
Other transport, storage, and transport services	89	90
General tourism industries	84	85

Source: BERL analysis

The road passenger and other transport, storage, and transport services industries were the two best performing industries in terms of profitability for Māori tourism businesses, with 89 percent of Māori tourism businesses returning a profit. This is in contrast to accommodation and car rental, where only 70 percent of Māori tourism businesses returned a profit.

Expenditure

The lower proportion of Māori tourism businesses generating a profit in core tourism industries results from the much higher, on average, levels of expenditure. While non-Māori tourism businesses had an average expenditure of \$274,000 in 2023, for Māori tourism businesses, average expenditure was \$421,000.

The largest differences in average expenditure between Māori and non-Māori tourism businesses were observed in the motion picture (difference of \$262,000) and creative and performing arts industries (difference of \$152,000).¹⁶

Assets

Accommodation and heritage, sports, and physical recreation activities were the two most asset-rich core tourism industries for Māori tourism businesses, holding \$273 million and \$100 million in assets, respectively, in 2023 (Table 8).¹⁷ This is not surprising given the nature of these industries, where physical, tangible assets, such as buildings, furniture, and equipment, are more prominent.

Table 8 Asset base of Māori tourism businesses by tourism industry, 2023

Industry	Asset base (\$2023 millions)
Accommodation	273
Creative and performing arts	100
Heritage, sports, and physical recreation activities	44
Motion picture	42
Scenic and sightseeing transport	21
Core tourism industries	480
Cafes and restaurants	88
All other food and beverage industries	68
Supermarkets	622
All other retail industries	311
Road passenger	263
Car rental	847
Other transport, storage, and transport services	208
General tourism industries	2,405
Tourism total	2,885

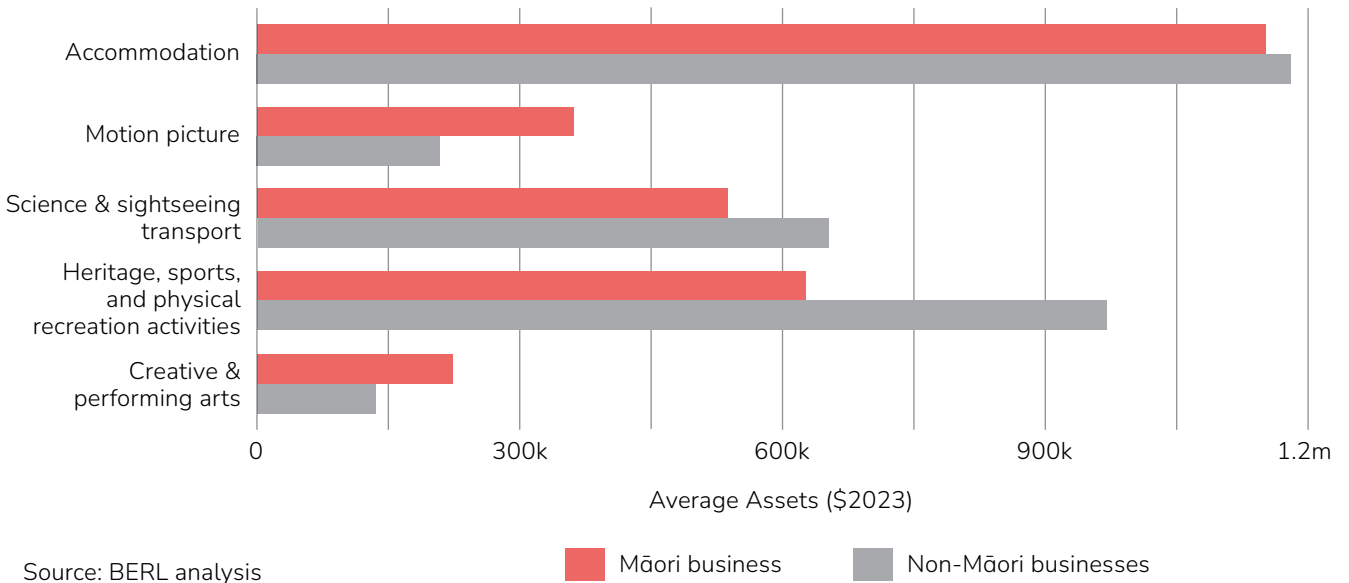
Source: BERL analysis

Nonetheless, there was considerable disparity between the average assets held by Māori tourism businesses compared to non-Māori, specifically in heritage, sports, and physical recreation activities, as well as scenic and sightseeing transport (Figure 9)

¹⁶ These differences are not easily explained, and further analysis will be needed.

¹⁷ Assets refer to resources owned or controlled by Māori tourism businesses and can include physical assets such as property and equipment, as well as intangible assets such as intellectual property and human capital.

Figure 9 Average assets by core tourism industry, 2023

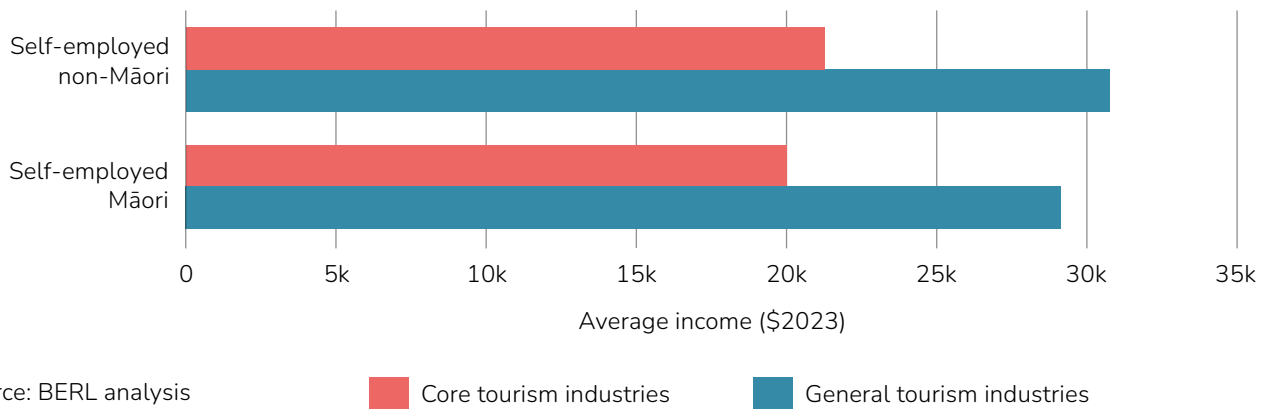


In contrast, Māori tourism businesses, on average, held more assets in the creative and performing arts and motion picture industries. Within the creative and performing arts industry, Māori tourism businesses on average held \$88,000 more worth of assets. This jumped to \$154,000 more in the motion picture industry.

Income of self-employed Māori tourism businesses

Income is a critical determinant of business success and growth for self-employed businesses. In 2023, self-employed Māori tourism businesses, on average, earned an income slightly lower than their non-Māori counterparts in both core and general tourism industries (Figure 10). Within the core tourism industries, the gap in income between self-employed Māori and non-Māori was approximately \$1,800.

Figure 10 Average income of self-employed tourism businesses, 2023



For self-employed Māori tourism businesses, average income was largely propped up by income earned in the creative and performing arts industry, where 44 percent earned an income of more than \$10,000. This is in comparison to the motion picture industry, where 123 self-employed Māori tourism businesses operated, and only 20 percent earned an income of more than \$10,000.

6

Productivity of Māori tourism businesses – A new frontier

What is productivity?

Productivity measures how much output is produced with a specific input. Increasing productivity simply means doing more with less, producing more outputs with less inputs.

Why does productivity matter?

Increased productivity on a national scale is directly linked to higher wages and a better quality of life. For individual businesses, it is the deciding factor between financial success and closure. Productivity growth contributes to one or a combination of the following:

- Higher wages
- Lower prices
- Higher profits
- Strong economic growth.

One of the outcomes sought by the New Zealand-Aotearoa Government Tourism Strategy is to lift the productivity of the sector. By growing the value of tourism faster than volume, the intention is to create higher-value jobs and wages and deliver greater value from tourism to New Zealanders (Ministry of Business, Innovation and Employment, 2019).

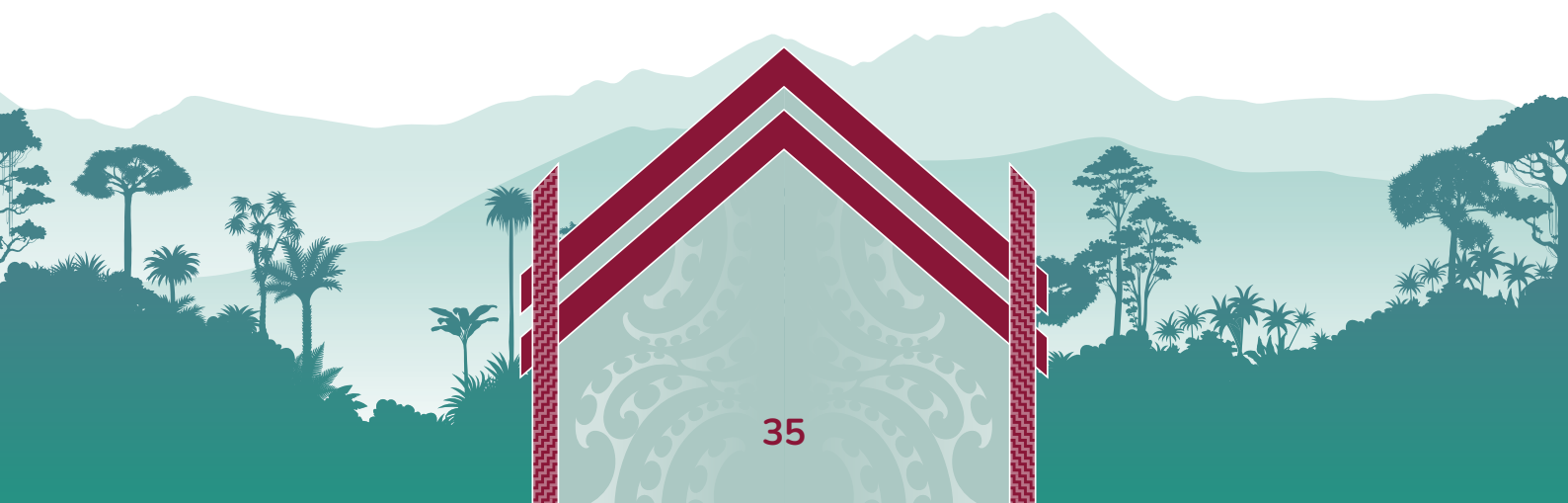
How is productivity measured?

Measuring productivity involves dividing some measure of the volume of output by some measure of the volume of input. That is, how much output (e.g., goods) is produced by a specific input (e.g., employee).

Often the notion of “productivity” is commonly used to describe **labour** productivity.

Labour productivity is mostly measured by the quantity of goods and services produced in a given time period (output) by either the number of paid hours worked or number of employed persons.

While productivity can be measured in multiple ways, labour productivity tends to be the main measurement and focus for national accounting practices (Productivity Commission, 2023). This is, in part, due to its role as a key determinant of growth in real wages and national income. Factors that can affect labour productivity include workers' skills, technological change, management practices, and changes in other inputs such as materials and capital.



A limitation of measuring labour productivity by volumes of undifferentiated labour (number of paid hours worked or number of employed persons) is that any increases in the skills of the workforce appear as productivity growth rather than growth in the value of labour input.

Productivity can be measured in a number of other ways as well. Other measures can provide insights into different particular areas.

Other measures of productivity include:

- **Capital productivity** – Output per unit (dollar value) of capital used as input to produce the output. Capital assets can include physical capital, such as equipment, machines, structures, and vehicles, as well as intangible capital such as intellectual property. The value of the assets is adjusted to account for their declining usefulness over time
- **Material productivity** – Output per unit (dollar value) of materials consumed in an input to produce the output. Material productivity is similar to capital productivity, but instead of using physical capital as an output, it uses materials. Materials may also be referred to as raw materials
- **Multifactor productivity (MFP)** - Output per unit of combined inputs. This incorporates the impacts of things such as management styles, knowledge, and organisational structures on output. For the purposes of this assessment, the inputs are a combination of labour and capital. MFP is calculated by dividing the value of outputs by the weighted-average value of the input factors. Changes in MFP reflect changes in output that cannot be explained by changes in inputs.

How have we measured productivity for Māori tourism businesses?

Our assessment of the productivity of Māori tourism businesses is the first of its kind, laying the foundation for further and deeper research.¹⁸ We have chosen to focus on labour productivity to align with what is measured and captured at a national level.

While the focus of the following section is strictly on labour productivity, we present an extended, technical report in Appendix A that includes the results from analysis of the capital, material, and multifactor productivity of both Māori and non-Māori tourism businesses.

Our analysis covers the period from 2010 to 2020, presenting the productivity of Māori tourism businesses in comparison to non-Māori tourism businesses through a linear trend. A linear regression describes the general trend over a period of time. We have presented our analysis in this format due to the wide fluctuation in productivity from year to year.

To avoid calculations based on small sample sizes, we are unable to calculate productivity at the same industry level as used elsewhere in this report. To capture the number of businesses required for statistical accuracy, and to avoid disclosure risks, categorisation of industries differs. Therefore, for tourism productivity we report two broader industry groupings: Accommodation, food, and beverage services; and Heritage, artistic, sport, and recreation activities.

18 We have used data sourced from the Integrated Data Infrastructure (IDI) and Longitudinal Business Database (LBD) to estimate the productivity of Māori and non-Māori tourism businesses. Our methodology is included in Appendix E.



Labour productivity of Māori tourism businesses

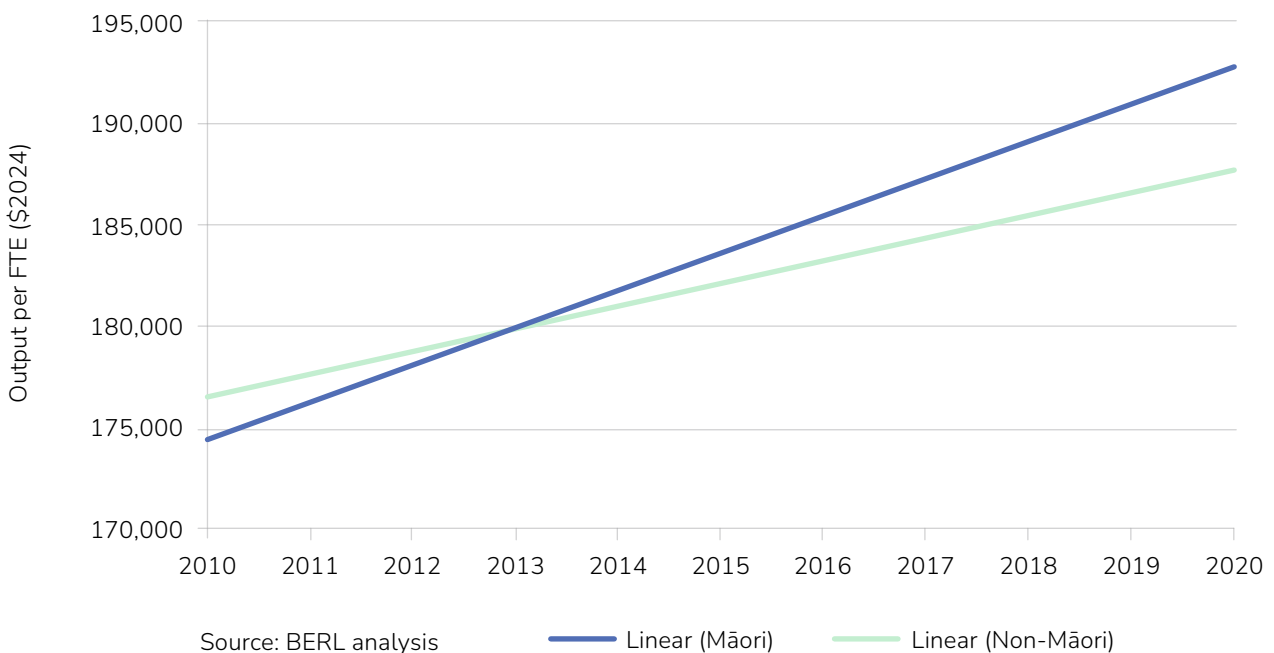
Accommodation, food, and beverage services

In 2020, each FTE employed in a Māori accommodation and food and beverage tourism business produced output of \$193,000 compared to \$188,500 for non-Māori businesses in this industry cluster.

Figure 11 presents the general trend of growth in the labour productivity of Māori and non-Māori tourism businesses in the accommodation and food beverage services industry.

Between 2010 and 2020, growth in the labour productivity of Māori tourism businesses operating in the accommodation and food beverage services industry has outpaced that of non-Māori tourism businesses. This is evidenced by the steeper upwards sloping linear line.

Figure 11 Accommodation, food, and beverage services – Labour productivity (Linear)



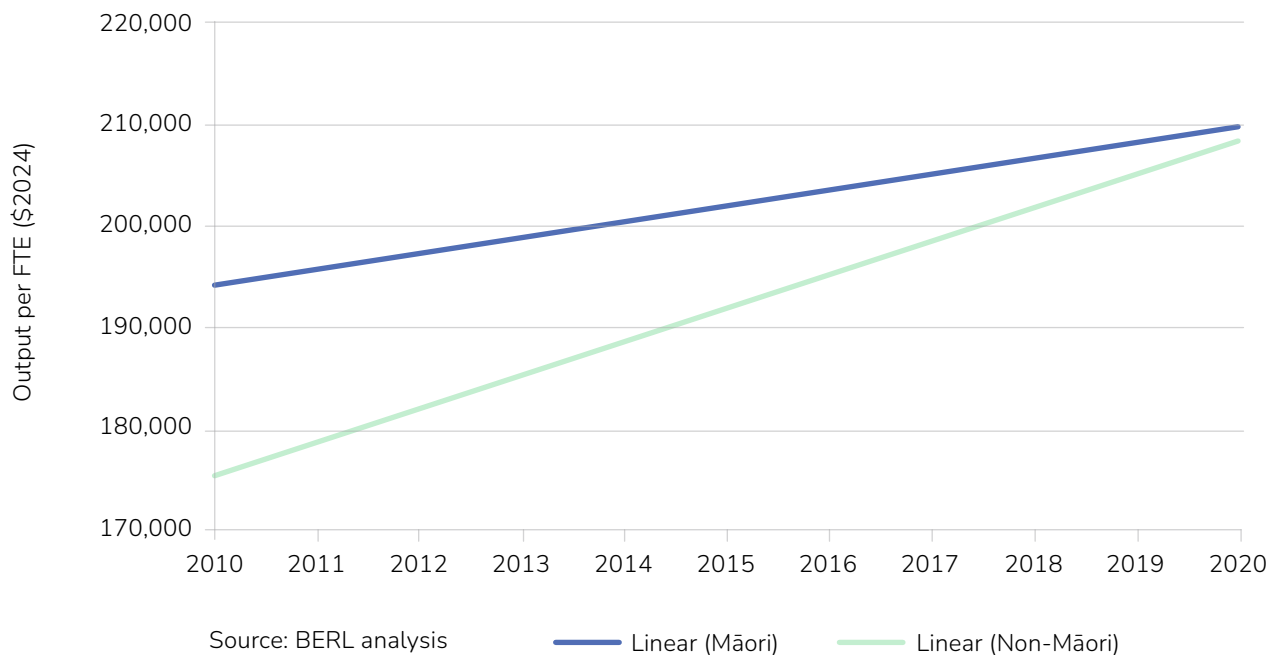
Although having lower labour productivity in 2010 (\$177,500 compared to \$179,000), the labour productivity of Māori tourism businesses in accommodation and food beverage services industry was higher than non-Māori tourism businesses in 2020 (\$193,000 compared to \$188,500).¹⁹ Several factors are potentially responsible for this, including growth in the skills of the workers in Māori tourism businesses, or general efficiency improvements in business practices.

Heritage, artistic, sport and recreation activities

In 2020, each FTE employed in a Māori heritage, artistic, sport, and recreation activities tourism business produced output of \$210,000, compared to \$203,500 for each FTEs in a non-Māori tourism business in this industry cluster.

Figure 12 presents the general trend of growth in the labour productivity of Māori and non-Māori tourism businesses in the heritage, artistic, sport, and recreation activities industries from 2010 to 2020.

¹⁹ Actual numbers presented in the text may differ from the figures presented as the graphs show the average trend over time, not exact yearly values. For actual numbers from the analysis see Appendix A.

Figure 12 Heritage, artistic, sport and recreation activities – Labour productivity (Linear)

In the early parts of the ten-year period, there was a significant difference in the labour productivity of Māori and non-Māori tourism businesses, with Māori typically having higher output per FTE. This is represented by the stark gap between the two linear regression lines. However, in the latter parts of the ten-year period (specifically, 2017 to 2020) the gap narrows significantly as growth in the labour productivity of non-Māori tourism businesses in the heritage, artistic, sport and recreation activities industries exceed that of Māori.

Summary

The productivity of Māori tourism businesses has shown significant progress over the past decade. The analysis, which covers the period from 2010 to 2020, reveals that Māori tourism businesses have generally outperformed their non-Māori counterparts in terms of labour productivity. This is particularly evident in the subsectors where we had enough data to analyse the productivity, namely the accommodation, food, and beverage services industry, where Māori tourism businesses have demonstrated higher output per FTE compared to non-Māori tourism businesses. Similarly, in the heritage, artistic, sport, and recreation activities industries, Māori tourism businesses have maintained higher productivity levels, although the gap has narrowed in recent years.

From our other measures (see Appendix A) we can also determine that:

- Māori tourism businesses have held greater capital productivity in both industries between 2010 and 2020, meaning they use their capital assets (e.g., machinery or vehicles) more efficiently than non-Māori, although the gap has narrowed
- Māori tourism businesses in the accommodation, food, and beverage services industry had notably greater material productivity between 2010 and 2020, indicating that they are more efficiently able to generate output from their material inputs (e.g., raw materials)
- In both the heritage, artistic, sport, and recreation activities and accommodation, food, and beverage services industries, Māori tourism businesses use their workers and equipment more efficiently even when considering technology and management practices improvements (multi-factor productivity).²⁰

The analysis highlights the importance of increased productivity, that leads to higher wages, lower prices, higher profits, and strong economic growth. The findings underscore the need for continued investment in skills development, technological advancements, and efficient management practices to sustain and further enhance productivity in the Māori tourism sector.

Overall, the numbers provide a solid foundation for future research and policy development aimed at boosting the productivity of Māori tourism businesses, thereby contributing to the broader economic and social objectives of Aotearoa New Zealand.

²⁰ See Appendix A for the data and analysis.

Part B Case studies



7

Overview of case studies

Five Māori tourism operators were selected as case study businesses to capture the breadth of experiences and perspectives of Māori tourism operators. The businesses were chosen to reflect a variety of ownership structures and tourism offerings, ensuring a richer understanding of the industry beyond data points. These operators often incorporate Māori authenticity, storytelling, and values into their offerings, even if their offering is not specifically a cultural experience.

Our case studies represent a diverse range of tourism experiences across Aotearoa New Zealand:

- Kohutapu Lodge and Tribal Tours provides accommodation and forest tours, offering both daytime and overnight experiences that immerse visitors in the natural environment and Māori culture
- Kāpiti Island Nature Tours offers guided tours of Kāpiti Island, showcasing the island's unique flora and fauna while sharing the rich history and cultural significance of the area
- Dive Tatapouri specialises in reef ecology tours, allowing participants to explore marine ecosystems up close
- Whale Watch Kaikōura takes visitors on whale watching tours, providing them with the opportunity to observe marine life in their natural habitat
- Tauhara North No.2 Trust is building their tourism portfolio with thrilling jet boat rides at Rapids Jet Taupō and cultural experiences at Te Pā Tū.

We participated in each of the experiences, alongside manuhiri. Our research pātai were high level across four areas: oranga/wellbeing, taiao/natural environment, ōhanga/economic, and ahurea/culture and identity. The focus of the kōrero was reflecting what operators are doing and what is important to them. In alignment with principles of Māori data sovereignty and rejecting extractive research practices, we affirm that the narratives of Māori businesses remain their exclusive property. Consequently, each case study presented has undergone thorough review and received explicit approval from the respective business, guaranteeing that no information is disclosed without their informed consent and authorisation.

The case studies reveal a profound commitment to holistic and sustainable practices that align with oranga, taiao, ōhanga, and ahurea. Preserving and sharing Māori culture and identity is at the foundation of their strategy and operations, regardless of tourism offering. They consistently prioritise people, providing employment opportunities, particularly for local rangatahi, and encouraging a sense of belonging and pride in whānau, hapū, iwi, and community identity. These operators offer transformative experiences for manuhiri, incorporating traditional practices and values into their operations, and ensuring that manuhiri gain a deep understanding and appreciation of Māori heritage. They also demonstrate strong commitments to environmental stewardship, prioritising sustainable practices, such as limiting visitor numbers to reduce environmental impact and engaging in conservation efforts to protect native species and habitats. The Māori tourism businesses in the following case studies contribute significantly to local economies by creating jobs and supporting local suppliers, recognising the importance of long-term community sustainability over short-term financial gains through cost cutting.

8

Kohutapu Lodge and Tribal Tours

Nestled an hour south-east of Rotorua in the town of Murupara on the edge of Lake Aniwhenua, Kohutapu Lodge and Tribal Tours is a beacon of regenerative tourism, celebrating culture, community, and connection. Nadine and Karl Toe Toe envisioned a tourism experience that was an authentic glimpse into real Māori life and shared people, stories, community, and environment with the world. So, they took a leap of faith, moved to the Ngāti Manawa takiwā, where Karl's whānau is from, and established Kohutapu Lodge in 2014. Nadine was already well experienced in tourism, after working in Rotorua for many years, and says, "When we moved out here 10 years ago, everybody said we were absolutely mad for doing what we were doing. But in my puku, I knew that this is where the industry was going, and this was the right thing to do."

Kohutapu Lodge and Tribal Tours offers a variety of tourism experiences, including:

- Cultural tours: Guided tours through Ngāti Manawa tribal lands, including visits to significant historical sites and ancient Māori rock carvings
- Cultural experiences: Immersive and authentic Māori culture experiences, including hāngī, marae visits with pōwhiri, and demonstrations of haka, weaponry, poi, and games
- Forest walks in Te Urewera: Through Whirinaki Forest Footsteps, guided walks through the Whirinaki Forest with knowledgeable guides who share insights about the flora, fauna, and cultural and ecological aspects of the forest, starting with mihi whakatau and karakia.



Kohutapu Lodge and Tribal Tours

Being Māori-owned infuses every aspect of strategy and operations

As a whānau-owned and operated business, being Māori-owned deeply influences the strategy and operations of Kohutapu, infusing every aspect with cultural values and practices. Kohutapu is guided by a strong sense of identity and community, ensuring that their cultural heritage is at the forefront of decision-making. “We live and breathe, we are Māori. We lead out with our culture. We make decisions, strategy plans, everything around wholly 100,000,000% focused on who we are, where we’re from, and our mokopuna decisions. We’re thinking 100, 200, 500 years down the track,” says Nadine.

Operations are tailored to reflect Te Ao Māori, from health and safety practices that incorporate wairuatanga and karakia to organic and flexible strategic planning that allows for agility and responsiveness, mirroring the adaptability of tūpuna. This approach not only meets legal standards, but also preserves and enhances Māori cultural values, creating a unique business model that walks in both worlds. However, there is an acknowledgement of the additional effort required, as the Kohutapu team often feels they must work “harder and faster” to achieve similar results to their non-indigenous counterparts, reflecting ongoing challenges in an industry that may not fully recognise the value of Indigenous perspectives.

Tourism industry slowly recognising value of Māori tourism

The tourism industry is slowly recognising the value of genuine Māori tourism products, and there is a sense of a growing movement and awakening within the industry. Nadine thinks there is still a long way to go in recognising the importance of sustainable and culturally authentic experiences, particularly in engaging with accreditation processes like Qualmark. Qualmark has evolved to include a sustainability framework more aligned with Indigenous values, but still struggles to accommodate many Māori tourism offerings. Qualmark initially wanted to accredit Kohutapu as an accommodation provider, but the Toe Toe whānau insisted Kohutapu was a cultural experience where accommodation is not their primary focus; it’s a byproduct. Nadine said, “It’s not like we’re a Top 10 Holiday Park where accommodation is all we do... It’s the other way around. We’ve got beds here for people to sleep if they do an overnight experience with us, but we’re a cultural product... [we’re also not] doing things for awards or recognition or achieving accreditation. We do it because it’s tika... It’s not a one-size-fits-all.”

Pre-COVID, being busy for the Kohutapu whānau meant running a volume-based model where activities were like a “cog spinning, same thing day in, day out, and when they leave, [we] set up for the next group or bus.” Nadine describes their business as consistently busy, stating, “We’ve always been busy. Yeah, we’re always busy.” This busyness is driven by the seasonal nature of their operations, which are heavily dependent on summer tourism. The model focused on accommodating high volumes of tourists quickly, focusing on efficiencies and repetitive processes to handle the influx of visitors.



Tipapa Marae (Ngāi Tokowaru hapū) tour with Kiri and Taz

COVID-19 provided an unexpected pause

The impacts of this type of busyness were significant, with the business and staff experiencing high levels of activity and constant demand. However, COVID-19 provided an unexpected pause. This pause allowed for reflection and re-evaluation of their business model and priorities. Post-pandemic, Nadine notes, “So if we’re talking pre-COVID, the customer is really different. And we had that moment to stop, pause, reflect, and really think about what is important in life. So coming out of COVID, a lot of our customers have changed. A lot of us as operators have changed on the ground in terms of higher value, less volume, and going for that more intimate engagement and really peeling layers

off and giving that connected and transformative experience to our visitors.” The shift is towards fewer but higher-value engagements, focusing on providing deeper, more meaningful experiences. There has also been a change in the way the hop-on, hop-off (HOHO) bus companies operate, with more demand for daytime experiences. Nadine reflected on these changes and how the industry is in transition:

“A lot of us as operators have changed on the ground in terms of higher value, less volume, and going for that more intimate engagement and really peeling layers off and giving that that connected and transformative experience to our visitors... [but the industry has] reverted back to volume,



Hāngī for lunch

mass, extractive ... all of the reports that are coming back as, ‘Hey, guys, we’re almost at pre-COVID numbers again, we’re 80 percent, we’re almost there, another year, we’ll be back.’ How quickly we forget the lessons we learned.”

The costs of doing business are particularly challenging for those offering indigenous experiences in the midst of an international recession. A significant issue for Kohutapu is the disparity in pricing and value perception by tourists. Nadine says, “People spend \$400 to jump out of an aeroplane to go skydiving for 35 seconds, free fall in the sky, you try and get that same amount of pūtea for a full day immersive, cultural guided experience on our whenua into sacred places. You’ll be stretching, you’ll be scratching for people to actually pay.” This highlights the difficulty in achieving comparable revenue for culturally rich experiences. Additionally, limitations due to their location and experience offerings restrict growth potential. Expanded experience offerings, while also increasing offerings for HOHO visitors, have led to increased costs in logistics and organisation to cater to a diverse demographic, and this further strains their people resources.

Despite these challenges, Nadine and Karl have remained committed to their game plan for Kohutapu, focusing on high-value, low-volume tourism that stresses the cultural and experiential aspects, where “the people are the product, the people are the experience.”

During the pandemic, Kohutapu experienced an unusual period where domestic tourists came through but only wanted accommodation, not the immersive experiences they usually offered. This was unnatural for the staff, who were accustomed to manaakitanga and being hosts. So, Nadine and the team shifted their focus to running a programme for rangatahi, signing up to be part of He Poutama Rangatahi initiative. They ran 12-week courses that were highly successful, focusing on traditional Māori values and reconnecting local rangatahi with their whakapapa. Their programme included various practical skills and personal development activities, ultimately leading to formal graduations. Nadine notes that the same skills and values that enable the Kohutapu whānau to host international visitors, are the same skills and values that enabled them to run one of the most successful youth training programmes to come out of He Poutama Rangatahi funding.



Taz guiding through Whirinaki Forest Park

Measure of success extends beyond financial gains

Once a population of over 3,000 people, Murupara was considered a booming town thanks to forestry. The restructuring of the Forest Service in 1987 and changes to forestry contracting have seen a decrease in the number of permanent residents, with a decrease in the provision of essential services, with very little local and central government support or intervention. Despite facing economic and social challenges, the community continues to demonstrate resilience, particularly whānau, hapū, and iwi, who, with minimal resources, are leading the reconstruction of their economic foundations. Kohutapu Lodge and Tribal Tours provides employment, opens minds, and provides leftover hāngī to local whānau. Nadine says, "It's like 80 percent of the stuff that we do, we will never report on. Because as we deal with real people, real life, real community, real issues, real prickly stuff, and to uphold the mana of our people and protect them and their integrity. We're never going to talk about this stuff and what we do. So half of what we do, the industry will never know about, and it's not our place to report on it."

Success for Kohutapu is deeply rooted in their community and cultural impact. Their measure of success extends beyond mere financial gains,

encompassing the positive effects on their local community and the transformative experiences they provide to both visitors and residents. They strive to uplift the community by offering opportunities that are otherwise unavailable. For example, tourists interact with local schoolchildren and kaumatua, sharing cultural experiences and broadening horizons for both groups. Such experiences also help reconnect rangatahi with their culture in meaningful and employable ways, like participating in haka pōwhiri at the marae. Marae tours are enabling language revitalisation, both through providing funds to marae and by providing opportunities to train mana whenua in kaikaranga and whaikōrero. One man spoke of how he left Murupara in 1973, when he was 16 years old, as part of trades training. He moved to Otago and then to Australia, returning seven years ago. He hadn't been on a marae since he was 19 but was now learning te reo, reconnecting with his culture, and learning how to whaikōrero. What this meant to him in terms of his mana, his sense of self and identity, and his contribution to the community was "priceless."

Kohutapu also uses tourism as a vehicle to address broader social issues. They believe in the power of tourism to foster understanding and reduce fear, thereby combating racism. This is achieved through honest, gentle conversations that inspire and uplift both tourists and locals. They recognise that true success is not easily quantifiable, as it often lies in those 'aha' moments that change lives. They aim to inspire visitors to view Indigenous peoples differently and spark a ripple effect of positive change. Despite constraints like remoteness and visitor numbers, the Kohutapu whānau aspires to raise their profile and income to further benefit their community. They view tourism not just as an economic activity but as a tool for social upliftment and global impact, embodying the essence of regenerative tourism, which focuses on people, place, community, and environment.

Manaakitanga key to quality experiences for visitors

For Kohutapu, a quality tourism experience for visitors is deeply rooted in cultural immersion and engagement. A significant aspect of their approach is allowing guests to experience and participate in cultural practices such as tikanga and kapa haka, making the experience transformative. This direct involvement helps visitors connect meaningfully with Māori culture. Nadine values real-time feedback and personal interaction, stating, "I interface with every single visitor that comes through here because we live and breathe manaaki. We sit with them, we talk with them, we share our space, our home, our community, our kai with them. I can get their feedback instantly like that." This immediate feedback helps ensure that the experience meets and exceeds visitors' expectations, providing a genuine and responsive approach to measuring satisfaction.



Taz guiding through Whirinaki Forest Park

Native Nations – Connecting indigenous tourism across the globe

Nadine founded the Native Nations – Tracing Indigenous Footsteps programme, an initiative aimed at connecting Indigenous tourism providers. The programme aims to uplift youth and their communities, promote cross-cultural exchanges, and create a network of regenerative and sustainable tourism practices. It brings together Indigenous communities from Queensland, Australia, British Columbia, Canada, and Aotearoa New Zealand. Through meaningful interactions, participants explore their shared heritage, cultural practices, and the importance of preserving indigenous stories and traditions. With this emphasis on local leadership, Native Nations involves Indigenous communities, tour providers, and state tourism promotion agencies collaborating to develop authentic experiences on tribal lands. The premise is grounded in the experience of Kohutapu: sharing cultural experiences with tourists boosts economic activity and employment opportunities for First Nations peoples, especially in regional and remote areas.

In 2023, eleven local tourism businesses hosted a group of Aboriginal youth as part of the initiative. During their nine-day tour, the Aboriginal youth

engaged with Māori practices, learned about local traditions, and explored the similarities and differences between their Indigenous cultures. Activities included spending time with Ngāti Manawa on tribal land, experiencing the ancient Whirinaki Forest, and even paddling a waka ama across Tauranga Harbour. Their powerful journey, strengthening both cultural connections and the region’s tourism offerings, followed on the back of a similar exchange with rangatahi Māori visiting Australia earlier in the year.

Tyshaun’s experience

One of the rangatahi participants in the Australian leg, Tyshaun, expressed how these interactions sparked his interest in travel and opened his eyes to the wider world after this trip. Tyshaun was involved in various activities with Kohutapu Lodge, performing haka pōwhiri for tourists at his kura and marae, welcoming them, and taking them on a tour around the kura. Later, he had the opportunity to teach tourists about the haka and how to put down a hāngī. Tyshaun was accepted into the Native Nations exchange programme after an interview with Nadine, and his familiarity with tourism and Kohutapu’s operations helped him feel confident and at ease. Tyshaun was excited and



JayDee, Jamie, and Tyshaun Delamere

surprised when he received the call confirming his acceptance into the programme. He said, “I was 16, and my mum hit me up about the opportunity. Whaea Nades needs was doing interviews to go over, partaking this trip over to Aussie. And yeah, I wanted to go try it. Did my interview...got the phone call, and yeah, I was actually buzzing out when I made it in.”



Kohutapu view

Tyshaun's experience with Kohutapu Lodge and the trip to Australia were profoundly transformative. Immersing himself in his tikanga and kapa haka, Tyshaun grew both culturally and personally, sharing his heritage with different cultures and seeing others engage with the haka. The journey to Australia, which included visits to significant historical sites and interactions with the Aboriginal community, was a healing and reconnecting experience. He learned about Aboriginal culture and shared his own Māori culture with Aboriginal youth. Tyshaun expressed a deep appreciation for the cultural exchange that took place during the trip. He said, "Probably my best part was probably just learning about the Aboriginal culture. And, like, getting to jam on their instruments, it was actually pretty cool because I actually love instruments. I love playing them."

Tyshaun also shared his excitement about the new experiences he had during the trip. He said, "Oh, the plane. Yeah, that traumatised me for like a day or two. But tasting the crocodile and kangaroo. Yeah, crocodile wasn't the nicest, kangaroo was pretty nice, though. Now I love travelling... since I left New Zealand for the first time."

Tyshaun's whānau noticed a significant impact on him after his trip. His father, JayDee, shared that he returned home full of excitement and couldn't stop talking about his experiences. His parents both noticed that he had grown from the experience, particularly in his understanding and appreciation of different cultures. His mother, Jamie, said,

"When he came home, I think they got in about two in the morning and couldn't shut him up. He was on fire; he was high on life. Being young and, you know, going on an adventure tour, not just on your own but with others from the same community. And having that once in a lifetime opportunity to be able to have that experience. Discovering new things together. Like, it was very new for Tyshaun to jump on a plane and to actually step off out into a whole different country. And hear him say, "Mum, you should have seen them. They're not just people, they're my brothers, they're family." The stories about the massacres that went on over in Melbourne, the traumatising that the people are living through. And having them share that with, not just our son, but the rōpū that did go over, you could feel that sort of that aroha inside his heart. He said, "You know, mum, if you were there, you would know exactly what their stories were, and they were definitely truth, and it was definitely powerful."

This trip not only changed Tyshaun mentally but also spiritually, with his mother Jamie saying it's helping him decide "what pathway he wants to walk in life." The deep connection he felt with the Aboriginal youth reinforced his cultural pride and sense of belonging. The love and support shown by Kohutapu to Tyshaun and the broader community, including their dedication to transformative experiences, have left a lasting impact on him and other rangatahi involved.

9

Kāpiti Island Nature Tours

Opposite the mouth of the Waikanae River and five and a half kilometres from the coastline, Kāpiti Island has a long history of importance to local Māori. Te Waewae Kāpiti o Tara Rāua ko Rangitāne, the full name of Kāpiti Island in te reo Māori, acknowledges its historical and cultural significance as a boundary between Ngāi Tara and Rangitāne. Rauoterangi Channel, the strait between the mainland and the island, is named for Kahe Te Rau-o-te-rangi, daughter of Matoha, a rangatira of Ngāti Toa, and Te Hautonga of Ngāti Mutunga and Te Āti Awa. Kahe swam across this body of water to raise the alarm when a neighbouring war party attacked, and she was one of five wāhine Māori to sign Te Tiriti o Waitangi.

One of Kahe's whānau was Wiremu (Wi) Te Kākākura Parata, son of Metapere Waipunahau of Ngāti Toa and George Stubbs, an Australian whaler, who became the member of Parliament for Western Māori. The Māori Land Court divided the island into blocks between 1874 and the 1890s, with Wi and his whānau holding the majority of the blocks. One of Wi's daughters, Utauta, lived with her husband, Hona Webber, and their six tamariki on a 32-acre farm on the north end of the island at Waiorua, after inheriting it from Wi's brother, Hemi Matenga, in 1909. Utauta had a vision for a 'visitor business' at their gracious homestead, with tennis courts, gardens, and a 9-hole golf course. Climbers and trampers, sportspeople, artists, writers, dignitaries, and wealthy locals came to swim, fish, and share kōrero and kai with the whānau. But Utauta and Hona had also come with a purpose.



Kāpiti Island viewed across Rauoterangi Channel, morning

In 1897, to "conserve the flora and fauna of the island," Prime Minister Richard Seddon proposed a bill to Parliament to purchase Kāpiti Island. Although the Kāpiti Island Reserve bill passed into law that same year, there was little action from the government. But this changed in the early 1900's, and by 1920, just 644 acres of the 4,990-acre island remained in Māori ownership. When the Crown gave notice of its intention to ensure all the land was held in government ownership for a nature reserve, Hona and Utauta began demonstrating their "ahi kā" responsibility to maintain their collective tribal mana on the whenua, and steadfastly refused to sell. And it is this whenua that Utauta's mokopuna, John Barrett and Amo Clark, founders of Kāpiti Island Nature Tours, share with visitors today, along with their whānau, continuing a tradition of manaakitanga that has extended over 200 years.

The business began organically, driven by a community need rather than a premeditated plan. As John recalls, "The business didn't come first. The need for the community came first." Initially, they ran a programme called Conservation Corps in the mid-to-late 90s, funded by the Ministry of Youth Affairs. He explains, "It just sort of evolved. There was no plan. There was no business. There was no tourism planned at all. It just seemed like it happened naturally." This natural evolution led to the creation of facilities and services that supported the community and encouraged local entrepreneurship. Kāpiti Island Nature Tours offerings now include ferry operations to and from the island, guided tours, overnight stays, and independent exploration. All overnight stays, which are in glamping tents and cabins, come with cooked meals and a kiwi-spotting night tour.

Whakapapa and Māori values guide strategy and operations

Being Māori-owned has a profound influence on the strategy and operations of Kāpiti Island Nature Tours. One of the key aspects is the focus on long-term sustainability and community well-being. John says the business aims to be “profitable and sustainable... for the next 100 years,” rather than just focusing on short-term financial gains. This long-term vision allows the business to prioritise creating opportunities for whānau and ensuring that the business remains a valuable asset for future generations. John and Amo do not pressure the business for immediate financial returns, which enables the business to focus on broader, long-term objectives. Their business practices align with their values around community well-being. For example, they prioritise local suppliers for their procurement needs, which supports the local economy and often results in cost savings due to reduced transportation and logistics expenses.



Ōkupe Lagoon at the north end of the island

They are also committed to creating employment opportunities for locals, particularly those who need employment flexibility, including sole parents and people with limited availability; this means “bitsy rosters” that require extensive management but are considered the right thing to do. They value the non-financial reasons that attract people to work there, such as the opportunity to be part of a supportive community and to contribute to the preservation of the environment. This is reflected in their practices, such as employing students from Te Wānanga o Raukawa and being flexible around their academic schedules. Additionally, Kāpiti Island Nature Tours maintains a relatively flat wage structure, with a small difference in pay between entry-level positions and management roles. Danielle says, “We pay a living wage; we can commit to that without the tick.”

As a whānau-owned and operated business, a key measure of success for Kāpiti Island Nature Tours is the ability to employ whānau. Danielle Barrett, Kaihautū, says, “creating a space where whānau can belong and contribute” is a significant goal, with a number of whānau members working in the business. They are part of the decision-making process, particularly in areas that affect their work and well-being, with open communication and feedback part of the organisational culture. Another key measure of success is “creating development pathways... for kaimahi, for whānau, for people who’ve whakapapa to the island,” which includes supporting their studies and connecting them with other opportunities. This approach promotes a sense of belonging and contribution among whānau, creating a supportive environment that values both financial and social outcomes.

Another measure of success is advocating for the values of the nature reserve and the marine reserve. This involves ensuring that their operations align with their values. They aim to connect visitors to the island with the things that matter to them, whether it’s a whakapapa connection, a day out in nature, or bird spotting. John says this goal is “connecting the people who come to this place to the things that matter to them.”

Some of the Māori values that guide the operations of Kāpiti Island Nature Tours include:

- **Manaakitanga:** They take care to enhance the mana of visitors, staff, and community through exceptional care, generosity, and hospitality
- **Rangatiratanga:** Striving to acknowledge the leadership and decision-making of individuals, whānau, hapū, and iwi in their activities, focusing on the importance of integrity, honesty, and following through on commitments
- **Whānaungatanga:** Operating on the principle that everyone is part of a larger whole, with a network of ties and kinship to people, places, and things
- **Kotahitanga:** Being united in purpose and direction, with everyone playing a part in achieving their shared vision
- **Ukaiopotanga:** Grounded in a sense of belonging, where everyone has an important role to play and can contribute
- **Kaitiakitanga:** Carrying on the legacy passed down to them, including the preservation and maintenance of natural resources for future generations.

These principles underpin all of their activities and business decisions, reflecting their commitment to Māori values and cultural practices.



Glamping tent accommodations at Waiorua

Connecting the people who come to this place to the things that matter to them

The Barrett whānau have been involved in the island's conservation for over a century, with their efforts spanning multiple generations. Their work has been crucial in preserving the island's unique ecosystem and native species. The whānau has implemented various conservation initiatives, including pest eradication and habitat restoration. Such initiatives have aided the restoration of indigenous vegetation and the comeback of various bird species to the island, making it one of New Zealand's leading bird rehabilitation locations. Since the 1980s, species like the hihi (stitchbird), kōkako, takahē, pāteke (brown teal), and tīeke (saddleback) have been relocated to the island. The little spotted kiwi, now extinct on the mainland, flourishes on Kāpiti Island. Additionally, the populations of kākārīki (red-crowned parakeet), toutouwai (robin), and korimako (bellbird) have all surged following the eradication of rats.

Their approach to kaitiakitanga is evident in every decision; they decided against increasing their physical footprint by adding more facilities, such as an additional wharepaku, to avoid unnecessary environmental impact. Danielle says they concluded that “the rationale around not doing it is stronger and more important than the comfort of the manuhiri,” highlighting their commitment to environmental sustainability over convenience. Their respect for the whenua is also evident in their careful consideration of the environmental impact of their activities and their efforts to minimise it. The whānau focus on the importance of connecting people to the environment in meaningful ways, ensuring that visitors have the opportunity for a more authentic connection to the island.



Takahē grazing among the kawakawa

A significant aspect of kaitiakitanga is their commitment to the natural regeneration process occurring on the island. Rather than artificial generation (planting seedlings or seeds), they are allowing the bush to regenerate through vegetation recovery and self-sown seeds. This means that the forest surrounding the lodges and whānau accommodation at Waiorua is at different stages of growth. Danielle says, "We have introduced a new product this season... which aims to showcase that. So, visitors go to Rangatira



Kererū flock by the dozens at the beach looking to Waikanāe

for the morning, where the bush is mature and well developed, then up to Waiorua, where it's 50 years less developed. They get to see what 50 years difference looks like from one end to the other." This new tour aims to provide a deeper understanding of natural succession and the impact of conservation efforts. Ensuring the bush continues to regenerate naturally, provides a rich and diverse habitat for native wildlife.

The educational programmes for visitors are a key component of Kāpiti Island Nature Tours, and are deeply rooted in the principles of kaitiakitanga and manaakitanga. These programmes aim to promote a deeper understanding and appreciation of the natural and cultural heritage of the area. Visitors are educated about the significance of the environment and the importance of protecting it. This includes practical instructions, such as ensuring that visitors empty their bags to prevent the introduction of non-native species, which could harm the local ecosystem. Additionally, the programmes highlight the cultural values and history of the land. Visitors learn about tikanga, such as being welcomed with a mihi whakataui in a purpose-built structure and doing karakia before the home-cooked lunch. They also learn the Māori names for the different birds, insects, flowers, bushes, and trees on Kāpiti Island, and how pre-colonised Māori used these for food, adornment, hunting, and rongoā. Visitors learn about the long history of the island, including whaling, farming, and conservation. This educational aspect is designed to create a meaningful engagement between the visitors and the land, encouraging them to respect and protect it. By integrating these educational elements into their operations, Kāpiti Island Nature Tours not only enhances the visitor experience but also promotes the principles of kaitiakitanga, ensuring that the environment is preserved for future generations.



Seasonal variations and changes in visitor demand due to COVID-19 require flexibility

Historically, the business has been very seasonal, with a clear peak during the summer months and a quieter period in the winter. For them, “busy” involves managing a high volume of visitors, especially during the summer season when they might have multiple boat trips per day. They aim to balance their activity with the well-being of their employees and the environmental impact on the island. For example, they consider the effects of visitor numbers on bird activity, noting that fewer visitors can lead to more active bird life. They have been exploring ways to extend their winter operations and maintain a consistent level of activity throughout the year, supporting ongoing employment for their whānau and kaimahi during the traditionally quieter winter months. One strategy involves targeting specific groups that might be interested in visiting during the winter. For example, they have identified an appetite for group visits and team-building activities, which have helped fill their winter schedule. Danielle says that winter weather can often be more settled, making it a viable time for visits. “Last winter, we kept going to really help with cash flow through the winter. We’ve now got people who are employed consistently year-round. So we need to actually have work for them to do. There’s an appetite for groups to come through the winter, and actually this month, we’ve got two or three weekdays every single week when we’ve got people booked, which is kind of our ideal.”

COVID-19 influenced visitor patterns and tour operations. During the COVID-19 period, many people who would typically travel abroad turned to local destinations, including Kāpiti Island. This shift helped maintain visitor volume, as they primarily cater to domestic tourists. Around 25 percent of their visitors are international, so it was not as big of an impact on them as with some other operators. The increased focus on local visitors helped maintain a steady flow of guests even during the pandemic, when international travel was restricted. “Covid was an interesting period because, of course, you had a bunch of people stuck in the country who, you know, maybe they might take their whānau to Fiji for a week or they might go to Queensland or something like that, but they sort of turned and looked in their own backyard a little bit more.” Danielle notes that the international market has started to return, with a change in seasonality that has been beneficial, helping to balance visitor numbers throughout the year. “We are seeing the international market that has started to return, [but] their season is longer. We were still getting people through in April, which is quite unusual. Previously, in March, it would all drop off a cliff.”



Looking across to Raumati

Visitor feedback and word-of-mouth help improve the business

Through the pandemic, Kāpiti Island Nature Tours leaned into the power of word of mouth by encouraging satisfied visitors to share their experiences. Word-of-mouth has always been a significant mechanism for both feedback and visitor satisfaction, with personal recommendations playing a significant role in attracting new visitors. Many visitors come to the island based on recommendations from friends or whānau who have previously visited. The whānau value these personal referrals and often hear from visitors who have been encouraged to visit by someone who had a positive experience. This type of feedback is particularly valuable as it reflects the genuine satisfaction and enthusiasm of past visitors. An increase in repeat visits and referrals from satisfied visitors is a strong indicator of successful improvements. They track these metrics to understand how well their changes are resonating with guests.

They use feedback from visitors to continuously improve their offerings. Visitors can provide feedback directly to the staff during their visit or through follow-up emails and phone calls. Danielle says, “People are very effusive, and there’s

very kind words if they've had any, like logistics niggles, the boat was running late, or something's happening." Direct communication allows for immediate responses and personalised attention to any concerns or suggestions. The booking system has an automated process that solicits reviews and feedback after visitors have completed their stay. This allows them to collect direct input on the visitor experience, including any logistical issues or areas for improvement. Additionally, every couple of years, Kāpiti District Council conducts a



Karuhiruhi (pied shag) at Waiorua

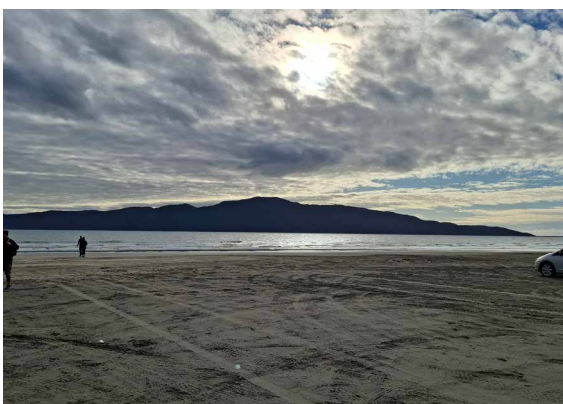
deeper piece of research to understand the motivations and experiences of visitors to the Kāpiti Coast. Kāpiti Island Nature Tours collaborates with the council by providing access to visitor information and contributing to the design of the research questions. This helps them identify trends and areas where they can enhance their services.

Feedback has led to changes in product offerings, and over time, they have focused on creating more intimate and personalised experiences, especially for overnight visitors. "We do try pretty hard to make sure, especially for our overnight manuhiri, that they do spend some time with a whānau member, because those conversations are quite interesting and meaningfully authentic. And it's a kind of unique thing," says Danielle.

Pricing strategies help manage costs and enhance visitor experiences

Kāpiti Island Nature Tours has faced several challenges in managing costs in the past few years, particularly due to inflation and increased operational expenses. One significant challenge has been the need to adjust pricing to keep up with rising costs while also remaining accessible to visitors. Danielle says, "The price had not increased over five years, and we had three minimum wage increases as well. So, that's a lot to absorb." This led them to reassess and increase their pricing across all products, including overnight stays, to keep up with rising costs and ensure sustainability.

They also acquired a competing ferry operator, and Danielle says, "We purchased the other ferry operator, [and] part of it is having two boats, which is always good from a resilience perspective. But also, it means that we could look at pricing, and we weren't, you know, in a race to the bottom with somebody else."



Kāpiti Island viewed across Rauoterangi Channel, afternoon

Previously, the business used a "build-it-yourself" model, where visitors could customise their packages. However, this approach proved to be complex and challenging to manage. Their new product bundles for overnight stays include all necessary components for an overnight stay, including accommodation, meals, guided tours, and other activities. By bundling these elements together, the business can streamline operations, reduce administrative overhead, and provide a more cohesive and enjoyable experience for visitors. Standardising the offerings also helps in managing costs more effectively, allowing the whānau to better predict and control expenses, ensuring that they can maintain high service standards while keeping prices competitive.

Additionally, it simplifies the booking process for visitors, making it easier for them to understand what is included and what to expect during their stay. The feedback from visitors often highlights the convenience and value of the bundled packages. They appreciate the clarity and simplicity, which allow them to focus on enjoying their time on the island rather than worrying about the details of their stay. This positive response indicates that the bundled pricing approach has not only enhanced operational efficiency but also improved customer satisfaction.

10

Dive Tatapouri

Dive Tatapouri in Tatapouri Bay in Tairāwhiti off State Highway 35 came into being as a natural progression from a personal passion for marine life to a business venture. The initial idea was not a calculated business move but rather a natural development. A whānau business on whānau land, it was inspired by Dean Savage's dad's interactions with marine life a quarter of a century ago, particularly whai (stingrays). Dean's dad was a commercial diver who passed on all his knowledge to his sons, who followed in his footsteps, at first focusing on commercial kina diving and processing. One day Dean was catching kai for the whānau and throwing some back to Tangaroa. Chris Savage says, "That's when he saw the whai, jumped in, and started working with the stingrays that started the Reef Ecology Tour."

Prior to this, the business initially catered to high-end Japanese fishing charters, entertaining guests in their own home. It was around this time that Dean and Chris approached Dean's father to buy the whānau property at Tatapouri Bay. However, the SARS outbreak led to the end of these charters, necessitating a pivot in their business model. They decided to tap into the backpacker market, which was booming due to favourable exchange rates and easy access. They collaborated with tour operators and offered a range of activities to young backpackers who, as Chris describes, "had heaps of money. We were doing surfing, rock sliding, shark cage diving, cooking a barbecue for them at night, [and] doing wine tasting for them." Around year two of hosting the backpackers, an ex-motel across the road came up for sale. They managed to buy this property, providing more accommodation capacity.

Their interactive Reef Ecology Tour is renowned for its interaction with whai, with the guides walking visitors across the reef to meet the tamariki of Tangaroa. During the tour, visitors have the opportunity to observe and interact up close with a variety of marine life calling the reef home, including hāku (yellowtail kingfish), araara (trevally), kahawai, kōura (crayfish), wheke (octopus), and ngōiro (conger eel).

In Te Ao Māori, whai hold a significant place. They are kaitiaki believed to protect areas where kaimoana are harvested. If people follow the right tikanga, the whai ensure the abundance of kaimoana. There's a poignant pūrākau about a whai named Whaitere, who loses both food sources and loved ones, which illustrates the difficulties faced by marine life as a result of human activity. Whaitere's story reminds us of the delicate balance between people and nature and our responsibilities as kaitiaki of te taiao. The whai that swim around Dive Tatapouri are primarily short-tail stingrays (Barbara) and eagle rays (Hinetaapora and Mandy). The short-tail stingrays, in particular, are known to swim up to visitors and even sit on their feet. Hinetaapora was named after a tipuna wahine of Ngāti Porou, whose descendants (Te Whānau-a-Hinetaapora) are further up the road in Ruatoria at Mangahanea Marae.



Tatapouri Bay



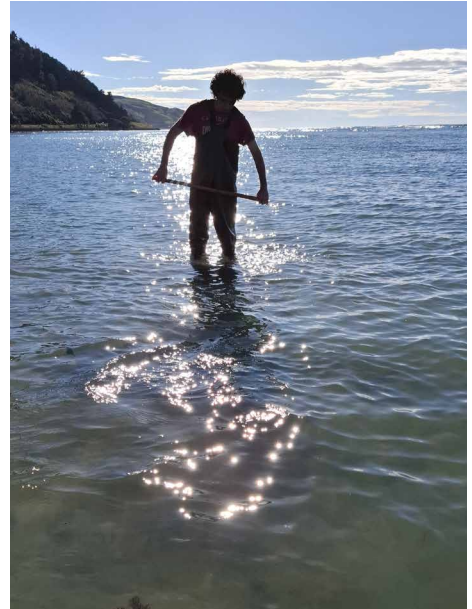
Whai

Māori values are key to Dive Tatapouri's business strategy and community impact

Being Māori-owned significantly influences the business strategy and operations of Dive Tatapouri. The business has been heavily influenced by Māori values and worldview from its inception, reflecting a deep connection with the moana inherent in Te Ao Māori. Chris states, "[Dean's] whole upbringing was based around Tangaroa. So, we've put that into the business, bringing in his aroha with Tangaroa." Their business strategy is deeply rooted in the integration of Māori culture into operations, stressing the importance of a living culture and providing authentic cultural experiences for visitors.



Tatapouri Bay



Guide Alfie

Dive Tatapouri measures their impact through a unique blend of cultural, community, and environmental factors. The business thrives on the integration of Māori culture into its operations, portraying a living culture through the incorporation of traditional practices and values, such as respect for Tangaroa, into their tours. Success is not solely defined by financial gain, but rather by the positive impact they can create in their community, and a strong connection to the community, is a key indicator of success. The ex-hotels across the road that they bought early in their operations are now permanent rentals, which have been a reliable and steady source of income for them, especially during the COVID-19 pandemic, while also providing affordable and long-term accommodation for a few local whānau.

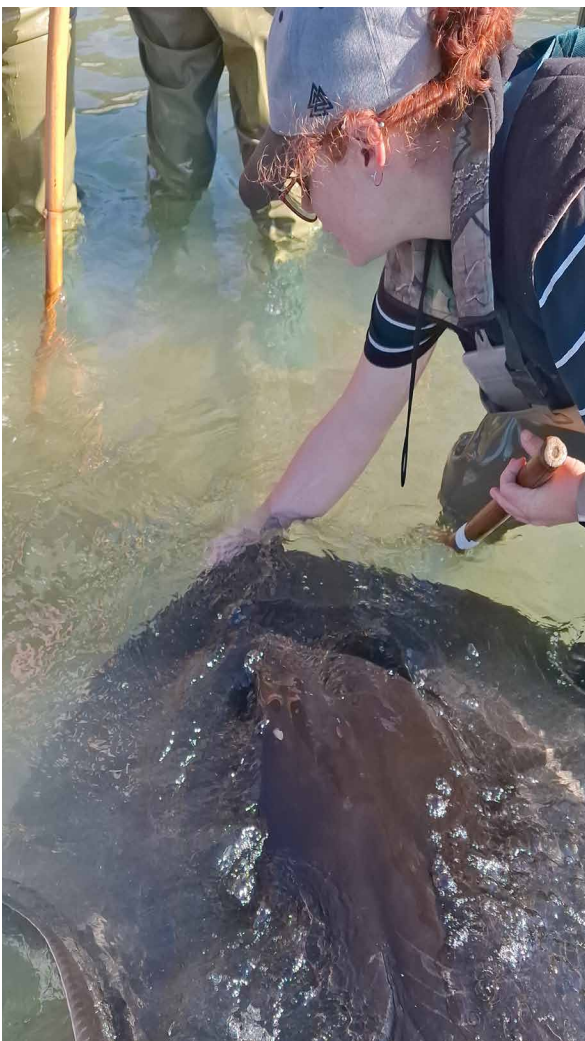
They place a special emphasis on employing local rangatahi. As Chris puts it, "For us, we love seeing the development of those tamariki as well. Because quite often they'll come in, they don't have any confidence. They're quite shy, [but] you just watch them grow and blossom. And you see them go off to do so many other things with their life". Their measure of success is the opportunities for growth they can provide their young employees and upskilling rangatahi who may have come through a tour with their school. Chris gives an example: "What we've always tried to do is actually taken some of the tamariki as well. They've come and done one of the experiences with us, and [then] they've come back to us and asked us for some work. Nina, who you had today, her father actually used to live over the road. And at 15, she came over and asked about coming to do some work experience with us. And basically, she has been with us when she was still at school. She stayed on with us, went away for a bit, and she's come back."

Success is also seen when their work creates a positive impact. They view their business as a lifestyle that enables them to live on their whānau whenua, rather than a means to become millionaires. Finding a balance between commercial sustainability and cultural preservation is a significant measure of success. They are committed to sustainable practices that generate enough to live on without causing an influx of visitors that could potentially harm the character, culture, and environment of the place they operate in. As Chris shares, "It's trying to protect the environment and not take too much from it, but give enough out to teach people [about the environment]."

Dive Tatapouri is demonstrating resilience and adaptability despite the ongoing effects of COVID-19

The COVID-19 pandemic had a significant impact on operations. Due to the restrictions and safety measures, they had to reduce the size of their tour groups. Previously, they used to accommodate groups of 45 with at least four guides. During the pandemic, however, they had to adapt to the changing circumstances, including reducing the size of their tour groups and adjusting the volume and frequency of tours. The need to maintain social distancing and operate within bubbles meant they had to reduce this number. The pandemic has led to changes in the tourism market. With international travel restrictions, there was a shift towards local tourism and an increase in domestic visitors, with Chris noting, "We have quite a family-oriented activity in the region for kids."

The impacts of COVID-19 on Dive Tatapouri have not completely stopped; there are signs of recovery and adaptation, presenting both challenges and opportunities. While they have lost some international tourists, they have also gained local visitors exploring their own backyard. The backpacker market, previously an important part of their customer base, has declined due to changes in the exchange rate and no hop-on, hop-off (HOHO) bus operating in Tairāwhiti since the pandemic. The loss of Stray as a HOHO was particularly devastating. But international tourists, either whānau groups or older couples who want to travel independently and get off the beaten track, are returning, and the cruise ship market is also showing signs of recovery. Although the upcoming cruise ships are smaller than what they may have seen before, these visitors are active and participate in various activities. Plus, the resurgence of domestic visitors wanting to reconnect with their roots has continued. But Chris has seen many cycles in tourism, saying, "Even before COVID, we've had a lot of changes... 24 years in business, you see everything. We've been around since the late 90's, a long time, we've been through 9/11, through SARS, through the GFC. There's been lots of fluctuations in how people have travelled in that time."



Guide Nina and whai

The increasing costs of doing business have also had an impact on Dive Tatapouri. Chris says compliance costs and other operational expenses were starting to become a challenge even before the COVID-19 pandemic, stating, "Look, I actually think things were starting to hit the wall a bit before COVID for a lot of people... [and for us] compliance costs and things like that." These compliance costs are significant and multifaceted; Dean mentions that they wouldn't have started the business in today's world due to the levels of compliance that group Dive Tatapouri with higher risk adventure tourism. Despite the support from New Zealand Māori Tourism and Regional Tourism Offices (RTOs), they've seen some operators struggle to keep up with the demands of the industry. To manage increasing costs, Dive Tatapouri employs part-time casual staff who come in, conduct the tour, and then leave. This flexible staffing model has helped them keep their staffing costs down while providing flexible work for locals.

Being busy is not just about having a high volume of tourists or running multiple tours in a day. Being busy means constantly juggling the never-ending tasks and responsibilities of running a whānau-owned and operated tourism business. This includes maintaining their online booking system, managing phone calls, and coordinating with part-time casual staff who come in to conduct the tours. This often translates into long hours extending well into the evening, indicating a high level of commitment and dedication. Chris says being a business owner is a 24/7 job. "We don't work Christmas Day, but the phone still rings."

Dive Tatapouri is committed to quality and authentic experiences amid challenges

Their ambition is not to be the biggest, but to be the best at what they do, ensuring "everyone's walking away with a smile on their face." Dean talks about their ability to be flexible depending on whether the group are domestic visitors, including local kura, or international. "We're probably lucky we are a small operation or owner-operated, that we can just tailor the tours a little bit to each group that comes through a little bit". This is just part of the quality experience for Dive Tatapouri customers, offering an experience that gives people the chance to reconnect with their whakapapa and to connect with nature.

For Dive Tatapouri, a quality experience for visitors is not just about the number of customers or the number of tours. It's about providing an authentic and enriching experience grounded in manaakitanga. They receive feedback during and after the tours; staff are in constant contact with the visitors, which allows them to gauge their reactions and get immediate feedback on their experiences. Chris says of one of their staff, "All he wants to do is make sure everyone's walking away with a smile on their face, and another thing that's lovely is that manaaki is just natural to him because he's been involved in it, and for him to then show the younger ones, too, that this is what you should be doing."

Some visitors may be unprepared for the physical nature of the Reef Ecology Tour experience, such as not being physically capable of navigating the reef or children being cold due to standing in cold seawater. There can also be slight cultural clashes, such as visitors not respecting tikanga. Despite these challenges, Dive Tatapouri strives to provide a quality experience that respects both the visitor's interests and the cultural significance of the experiences they offer.



Manuhiri heading out on Reef Ecology Tour



Guides Nina, Alfie, and Isabella, and whai



11

Whale Watch Kaikōura

The journey of Whale Watch Kaikōura began with a spark of inspiration from an unexpected source. “It was an American visitor, actually, from Boston, who was doing talks around the country,” recalls Thomas Kahu, chair of Whale Watch. This visitor spoke about the Boston Whale Watch, which had been operating for about 20 years at the time. “My parents, aunties, and uncles heard about him, they went to this hui in Dunedin, he was talking about whale watching. And that’s how the idea of whale watching came about. We knew there were whales here. My uncle and my grandfather, they were both fishermen. That was their livelihood, so they would see the whales quite often.” Intrigued by the idea, a group of kaumatua decided to explore this opportunity. The community was facing an economic crisis, and this new venture was a beacon of hope.

The unique geographical feature of Kaikōura that has contributed to its marine abundance is the Kaikōura Canyon. This 60 km-long U-shaped trench begins within 500 m of the gravel beach near Goose Bay and quickly drops to a 1200 m-deep abyss. The canyon, along with the Kowhai Canyons and the Conway Trough, creates a Fiordland-like underwater landscape. The mixing of warm and cold oceanic currents in this area leads to an upwelling of deep-ocean nutrients, supporting a diverse range of marine life, from plankton and krill to dolphins and whales.

In the mid-1800s, European settlers established a shore-based whaling industry on Māori whenua in Kaikōura, employing local Māori fishers. However, by the 1920s, the whale population had declined, leading to the closure of the last whaling stations in the 1960s. By the 1980s, Kaikōura was facing a crisis. Economic restructuring significantly impacted the area, with agriculture and fishing, industries that the local economy relied on, being adversely affected. Unemployment levels were high, and the recession was causing hardship for many whānau. In the midst of this downturn, there was a bright light: a concerted effort by Ngāti Kuri kaumatua to restore Māoritanga to their people and community.

Ngāti Kuri koroua, Bill Solomon, believed whales and the abundance of marine life in Kaikōura could provide a solution to unemployment in the area. Ngāti Kuri knew their ancestor Paikea had journeyed to a new life in New Zealand on the back of the whale Tohorā. It seemed appropriate for Paikea's descendants to again ride on the back of the whale to a new life and prosperity. The five Ngāti Kuri whānau who established Whale Watch risked everything, mortgaging their homes to get the business financing and buying a 6.7-metre inflatable that could carry eight people. That first year, over 3,000 people went out on that craft. The very first trip was a memorable one for Thomas. “In fact, the very first trip that we ever did, I flunked school to go for a ride on the boat.”



Whale Watch and Takahanga Marae rebuild were interconnected strategic initiatives

The relationship between Whale Watch and rebuilding the Ngāti Kuri marae is deeply intertwined and born out of the same movement. The Whale Watch founders started the marine ecotourism business, which then helped to fund the Takahanga Marae rebuild on the site of the original pā, with the whareniui, Maru Kaitātea, opening in 1992. Thomas notes, "We were about to make a settlement at the same time; we were just getting started. And we were able to direct a lot of our dividend-based funds into developing our marae. And once they got to where it is, well, we could then broaden our scope further."

Thomas recalls, "Keeping the whānau interested in the venture was an ongoing challenge. The individual focus and city life were constantly pulling people away from the marae, which was a huge part of the starting of Whale Watch. We used to try and hire old school buildings for gatherings, but more often than not, we would set up big marquees in paddocks, and the whānau would collect and gather there. We really wanted to have a marae we could all stand on and set up as a cultural hub." The success of Whale Watch has not only largely contributed to the success of their hapū, but also paved the way for the construction of the marae. This crucial development played a key role in preserving and rekindling what was lost, further helping to change perceptions within the community. "The positioning of this business in the community... it really did change the narrative, you know, the narrative within the community. And we started actually getting a whole lot of points on the board."

This relationship has been fused over time, with Whale Watch working closely with the hapū on strategic boards to uphold the kōrero for Ngāti Kuri across various areas, including fisheries, whales, the canyon, and pāua. The collaboration has been beneficial for both Ngāti Kuri and Whale Watch, uplifting the community economically and culturally. "We were born out of that space to provide an economic foundation for our people. And it's evolved, grown to what it is today," Thomas states.



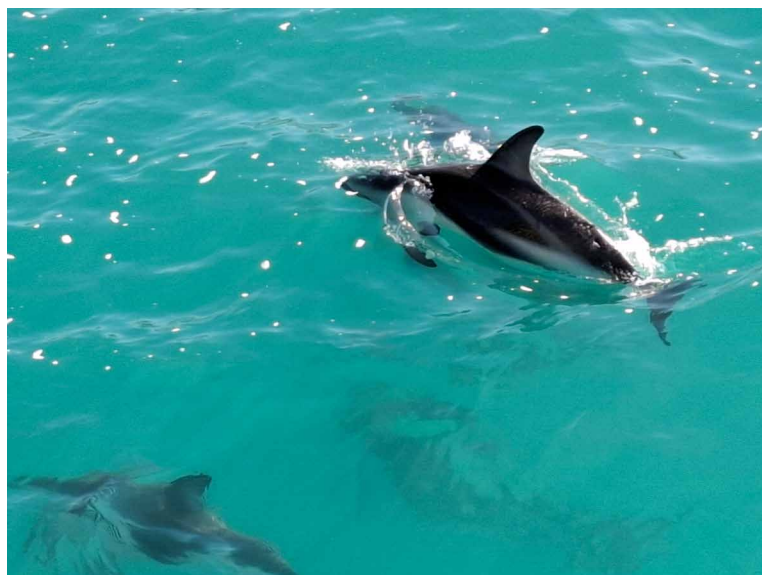
Takahanga Marae

Influence of being Māori-owned on strategy and operations is significant

Whale Watch has established a strong presence in the tourism industry, gaining respect and support from other operators, especially during challenging times like the COVID-19 pandemic. The company's commitment to long-term operation and its ability to overcome adversity have fostered a sense of unity and mutual support within the sector, reinforcing the importance of collaboration in enhancing the overall tourist experience. Participating in both international and domestic trade shows helps them connect and cooperate with other operators. Abba Kahu, Sales and Innovation Manager, says they have strong relationships with other operators in the industry and that standing together makes them stronger. "We are selling ourselves to the world. And it's not just one person's effort, you know;

it's the whole motu that comes together. We are selling Aotearoa as a whole." She says that the wider tourism sector has shown a growing respect and recognition for Maori culture, with many non-Maori businesses increasingly integrating Maori cultural elements into their operations.

Whale Watch has always been a venture deeply rooted in Māori heritage, so it has always looked at its operations from the perspective of its cultural identity and values, integrating them deeply into its operations. "Being a Māori business, we express our cultural identity in our business and wear the values of who we are. This is not just on the performance side of things, but also in the face of our business," Thomas says. This approach not only shapes the company's internal culture but also its external interactions and community engagement.



Dusky dolphins

Whale Watch's commitment to employing locals, particularly Māori, reflects its strategic focus on community well-being and hapū development. A high percentage of the 32 staff are Māori, and the executive management team are all Māori, highlighting the importance of representation and cultural integration at all levels. They also hire seasonal staff, many of whom are overseas visa holders, as well as ensuring opportunities for local employment. They pay their staff above the market rate and offer guaranteed hours. This strategy has broader economic benefits, as it ensures stable employment and income for local whānau Māori, creating a "ripple effect of economic spending," says Wiremu Stone, the Head of Shared Services. "We have this philosophy that all things being equal, we will always choose our own." Despite facing challenges that put pressure on the staff, the business has managed to retain many of its employees, some of whom have worked for Whale Watch for as long as 30 years. This level of loyalty and commitment among the staff is indicative of the successful integration of its cultural values into its business operations.

Thomas says their approach to local employment, particularly of rangatahi Ngāti Kuri, was very intentional. They are optimistic for the next generation, believing that they will exceed what the current generation has been able to achieve. This ambition is not just about business growth, but also about cultural preservation and community development.

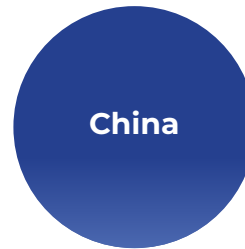
"My view was always from an adversary perspective, strategically aggressive to empower and grow influence, but this generation just has inherent confidence, pride. So that's some of our longer-term impacts. That, for us, has always been the strategic importance of our culture, how we practice it across a whole range of different arenas, from an economic arena to a cultural arena. We've now got the means to do it, and we've got a large degree of confidence in the next generation. I can see them exceeding what we have been able to do because the stars are quite easily within range for them. And that's empowering, I can't wait to see where they end up. That's largely helped by how we have grown and developed within this town, not just from an economic perspective, but from an overall perception about the mahi we do. We're a successful business."

Besides operating the charitable trust that works in the background to empower Ngāti Kuri, Whale Watch plays a significant role in supporting the local community through various funding, donations, and sponsorship initiatives. They are committed to backing local causes and organisations, ensuring that their contributions benefit the community in meaningful ways. Abba says, "We're happy to support, no matter what it is. It's got to be pretty out the gate for us not to support it." Thomas adds, "We've been supporting the community pretty much since our inception back in the day, and we're broadening how we support our community in so many different ways." This dedication highlights their unwavering and long-standing commitment to giving back to the Kaikōura community.

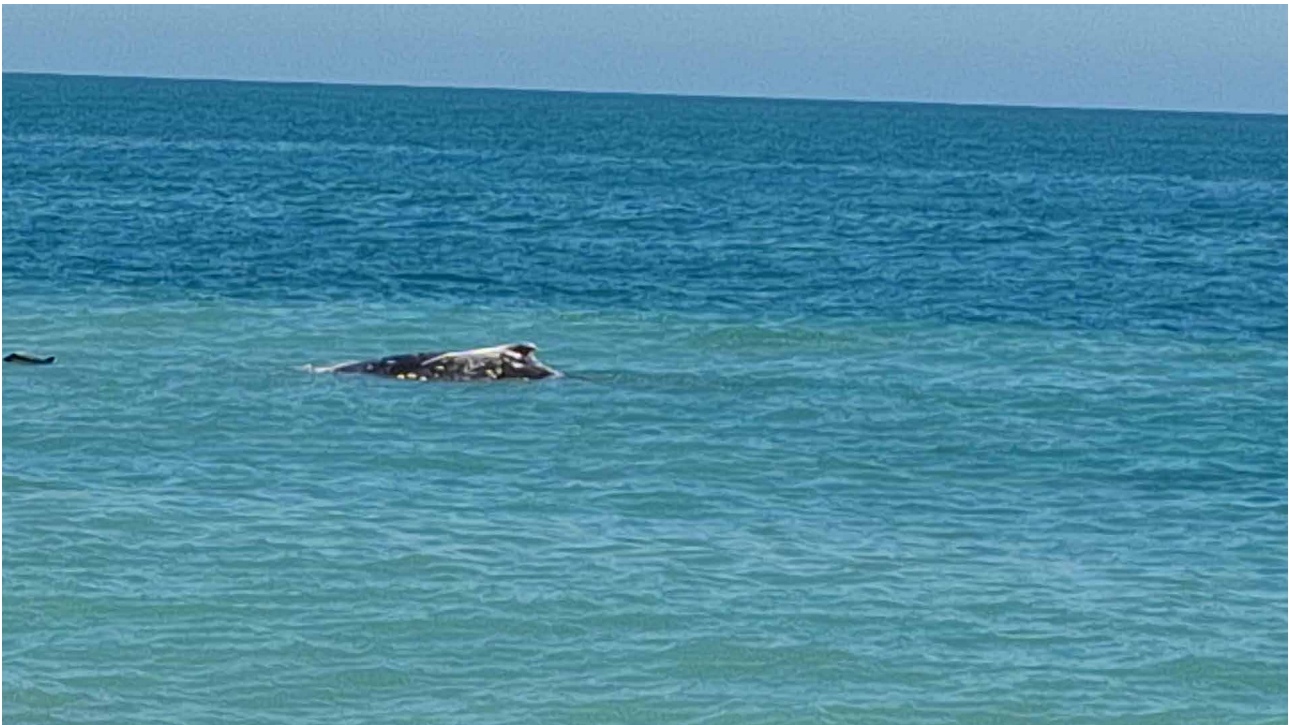
Creating breathtaking “wow” experiences for visitors

Their marketing strategy is age-old; positive word-of-mouth is the backbone of their marketing effort and always has been, right from when they started. The Whale Watch mission and vision are to create “wow” experiences that leave customers speechless. They want to be the preferred choice for tourists journeying through New Zealand, creating unique experiences that take your breath away. The team actively explores and introduces elements to ensure enjoyable experiences, including innovative solutions for sea sickness. Wiremu says they value customer feedback, and through both direct feedback from passengers on the tours and their various data collection activities, they are able to use this feedback to improve customer satisfaction.

The customer base for Whale Watch Kaikōura is predominantly the international tourist market, with key markets including:



The UK and Germany are both long standing markets, with China being the newest pre-2020 market. Chinese visitor numbers have returned to their pre-pandemic levels. Post-pandemic, they are striving to maintain a balance between catering to domestic tourists and expanding their reach to international tourists. This balance has allowed them to navigate through the challenges posed by the pandemic and emerge stronger. They continue to adapt and evolve to meet the needs of their diverse customer base.



Juvenile male sperm whale

Challenges have been a journey of resilience and community

In the early days, transitioning from fishing to tourism was a challenge, as the founding whānau had to learn new skills and adapt to a different way of life. There was also another whale-watching company in Kaikōura. This led to intense competition, which sometimes escalated into aggressive confrontations, such as buses being set on fire. More recent challenges have been environmental.

The Kaikōura earthquake in 2016 had unexpected consequences. Thomas says, “Though the damage was significant to our coastline, straight away, like as soon as we actually floated our boats off the seafloor, we went out to see the whales and make sure they were okay. And we confirmed they were still there, and they were getting on with it; it didn’t affect them at all. In fact, it’s probably made the habitat better because a lot of the sediment buildup that had been there for probably hundreds of years, overnight it was gone from the earthquake, just crumbled into the canyon network.”

During the COVID-19 pandemic, the operations underwent significant changes as the country shut the doors to international tourists, their main customer base. Their focus shifted to the domestic market over the pandemic, a focus they’ve retained in the years since. The pandemic provided an opportunity for the company to become more efficient and cut unnecessary expenses. Wiremu says, “Because of COVID, we were able to sort of revolutionise our business, become super-efficient, provide more value to shareholders.” This period was seen as beneficial for the company, allowing them to adapt and evolve in response to the challenges posed by the pandemic. They were able to maintain their operations and continue their commitment to the whales and the community. Despite the difficulties, they view this period as a time of growth and development.

Thomas says Whale Watch had to make some bold decisions during the early days of the COVID-19 pandemic. “Those decisions were fairly straightforward. We kept the lights on to keep food on the table for our staff because the people we know live in this community. In fact, a lot of the rumours in the community at the time were concerned that we were gonna shut shop, and the implications for other businesses were really, you know, probably across the dinner table topics. We were hearing a lot of that kōrero. That probably contributed to some of the decision-making to stay open.”

Clear areas and measures of success are key to achieving outcomes

Success is measured based on five Cs: community, culture, company, conservation, and customer. Culture plays a significant role, not just in terms of their heritage as a Māori-owned business, but also the internal culture. They strive for excellence and to foster a culture where everybody can grow. They have four key KPIs that inform business success: passenger numbers, revenue, value for shareholders, and Net Promoter Score (NPS). They collect data on each KPI from the internet and social media marketing, as well as customer satisfaction surveys, and consolidate the data points from these sources in real time.

Outside of these KPIs, Whale Watch collects and uses data for a range of other purposes, including:

- **Cataloguing:** They maintain an internal catalogue where every whale sighting is recorded, including details like which whale was seen and where
- **Seasonal patterns:** Data collected over the last 35 years helps identify which whales pass through at specific times and their preferred conditions
- **Collaboration:** They share data with Otago University to further analyse whale movement patterns
- **Adjustments:** Based on sightings, they can adjust their understanding of whale migration seasons.

Wiremu states, "We believe that generating a surplus is crucial, as it enables us to innovate, improve our services, and ensure long-term sustainability. Our goal is to create lasting value for both our customers and shareholders. We understand that providing an exceptional customer experience is just as important as maintaining financial health. By striking the right balance, we can enhance the overall value of our offerings."

The Whale Watch team is ambitious and forward-thinking, aligning their ambitions with their kaupapa, with their goal being to add value, not just increase offerings. They want to be front and centre of tourism globally, a world leader in customer experience while being sustainable. They have undertaken bold strategies, such as renewing their fleet during the COVID-19 period, and instead of increasing boat numbers, they focused on ensuring the boats provide the best experience. Kaitiakitanga was embedded into their approach to designing the new boats, using local designers and manufacturers, and keeping the well-being of the whales, their "biggest taonga," at the forefront. They made efforts to ensure their vessels were as quiet as possible to not interfere with the whales' echolocation. Wiremu says, "We spent a lot of money trying to get our vessels as quiet as possible. We could probably spend the same amount to get them, you know, carbon neutral. But that will have little actual impact on the whales."

Kaitiaki for the whales extends beyond their tourism operations. They are involved in various research projects to understand and mitigate the impact of their business on the whales, and to understand more about the overall whale population. Abba notes, "We do quite a lot of research around our impacts on the whales, and the whales themselves." They have retained one of their old boats solely for research purposes, and plan to delve deeper into this area with some of their passionate staff leading the way. Abba says, "We did hang on to one of our old boats for the purpose of being solely a research boat. So, we're hoping to start deep diving into all of that in the next year or two. We want to be, essentially, the Google of whales globally. There are a whole lot of different whale-watching companies in the world, but a lot of them are very commercialised. And for us, the whales are our taonga; without the whale, we have nothing. So, for us, we just want to make sure they're staying around, making sure we're not impacting their environment."



12

Tauhara North No.2

Tauhara North No. 2 Trust (Tauhara) is an Ahu Whenua Trust located within the tribal boundaries of the Ngāti Tahu-Ngāti Whaoa iwi, identified in the whakataukī: “Mai i te Waiheke o Huka, whakarāwhiti atu ki te mania o Kaingaroa e Heke mai nei ki te tihi o Maunga Kakaramea, puta atu ki te paemaunga o Paeroa Orakei Korako te ūkaipō, tae rawa atu ki Pohaturoa ki Atiamuri Ko te awa o Waikato e pōkarekare nei i waenganui.”²¹ This area encompasses significant cultural and historical sites for the Ngāti Tahu-Ngāti Whaoa iwi.

The incorporation of Tauhara was driven by the need to sustainably manage and develop their whenua for the benefit of current and future generations. With approximately 9,000 beneficiaries originating from an initial group of 34 owners, this structure allows the trust to manage and develop their lands sustainably. Tauhara focuses on connecting whānau to whānau, whenua, and whakapapa through Mātauranga Māori, ensuring that their resources are managed in a way that cares for their whenua and honours their cultural heritage while also providing economic opportunities for their people.

Their economic activities are diverse, reflecting a blend of traditional and modern business enterprises. These activities include geothermal energy, farming, agriculture, and tourism. Tauhara's entry into tourism is relatively new, and part of a concerted effort to create meaningful and sustainable local employment for their people and ensure long-term community benefits. Tauhara purchased the Rapids Jet business in 2019. This acquisition is part of their broader strategy to expand their tourism and hospitality offerings in the corridor between Rotorua and the Taupō region. Rapids Jet operates between the Aratiatia Rapids and Ngā Awa Purua Rapids, offering a unique and thrilling experience as the only jet boat company that traverses whitewater rapids located upstream from the Huka Falls on the Waikato River.

The Waikato River plays a central role in Tauhara's cultural identity and heritage, and they plan to acquire more river-



Waikato River, landing for Rapids Jet

21 “From the Huka Falls, extending out to the plain of Kaingaroa, which flows down to the summit of Mt Kakaramea, and emerges at the high place of Paeroa Orakei Korako, the place of origin, reaching all the way to Pohaturoa and Atiamuri. The Waikato River is flowing gently in the middle.”

based experiences and unite them beneath a singular brand, “Awa,” reflecting its importance. These experiences will be positioned to highlight both the adventurous aspects, such as the unique whitewater rapids traversed by Rapids Jet, and the culturally-based river journeys and activities. This dual approach allows them to celebrate and share their cultural stories and significant sites along the river. "The riverway, which is the heart of the long-term strategy for tourism for Tauhara. Descendants being able to celebrate those sites, sharing stories of significance each and every day can only strengthen connection to whenua and whakapapa, to who you are and where you belong," says Kiri Atkinson-Crean, Kaiwhakaere Tapoi (Head of Tourism) for Tauhara.



Welcome pōwhiri at Te Pā Tū

and understanding of Māori heritage among visitors and to extend and grow its talented performance and chef teams. Previously known as Tamaki Māori Village, Te Pā Tū was rebranded to align with their mission to provide low-volume, high-value immersive cultural experiences, moving away from the high-volume, low-cost model that characterised operations in the past.

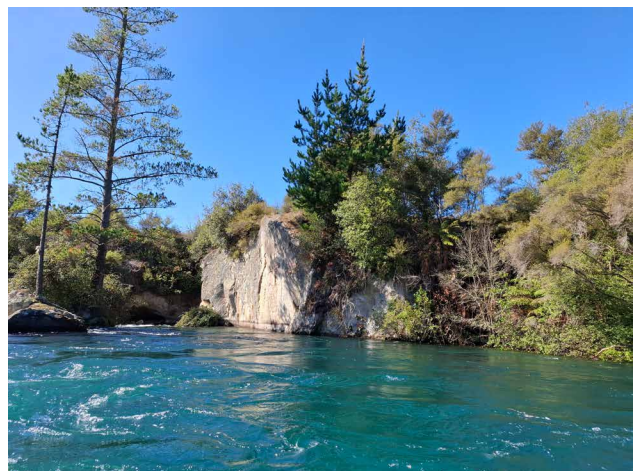
Tauhara purchased Te Pā Tū, a cultural and heritage tourism venture, in 2019. This acquisition aligns with their goals of enhancing and expanding their cultural and tourism initiatives in the land corridor between the Rotorua and Taupō regions. A distinguished cultural and heritage tourism venture, Te Pā Tū is known for its immersive experiences that celebrate Māori culture and history. Established to offer visitors a deeper connection to the local Māori heritage, Te Pā Tū offers seasonal culture and kai (cuisine) events aligned to the maramataka and sharing traditions, storytelling, and kapa haka inside its native forest village, followed by degustation Māori fusion cuisine. By showcasing the profound cultural legacy of the region, Te Pā Tū aims to cultivate a greater appreciation

Tauhara measures success by the impact they have on their community and environment

There is a strong focus on long-term vision and responsibility. Tauhara operates with a focus on sustainability and cultural preservation. They strive to ensure that their operations honour their tūpuna and contribute positively to mokopuna. Success is measured not just by financial metrics, but also by the impact they have on their community and environment. They prioritise long-term sustainability and cultural preservation, aiming to operate in ways that their ancestors would be proud of. This includes maintaining a high standard of hospitality and ensuring that their business practices are aligned with their values.

Additionally, Tauhara measures success through their efforts to preserve and celebrate their cultural heritage. They aim to share stories and understandings around sites of importance, such as the rivers, which are central to their iwi's identity. By sharing these stories and fostering a deeper understanding of their culture, they build a sense of belonging and connection among their people and visitors. This cultural preservation is a crucial aspect of their long-term strategy, ensuring that their operations honour their ancestors and contribute positively to future generations. Their holistic approach to success encompasses not only economic sustainability but also the well-being of their community and the preservation of their cultural and environmental heritage.

They are ambitious in their goals, striving to own and manage all tourism-related activities within their region to ensure that the benefits are maximised for their people. As Kiri explains, "We must and do generate financial returns, but as importantly, tourism is to employ Tauhara people and be the best that we can be – being entities and experiences we believe our ancestors would be proud of." This ambition is reflected in their strategic acquisitions and partnerships, which are aimed at expanding their influence and ensuring the long-term success of their community.



Waikato River

Consequently, holistic business practices are integral to how Tauhara operates. They integrate tikanga and kawa into their daily operations, such as karakia and whānaungatanga. This approach not only strengthens the internal community but also enhances the overall business environment. For example, during the pandemic, Tauhara maintained a sense of community and continuity by holding karakia each morning and evening, as well as regular check-ins with staff.

Community and whānau are connected to the whenua through education initiatives

Tauhara engages with the local community beyond employment through various initiatives that enable cultural connections and educational opportunities. One significant way they engage with the community is by organising camps for tamariki who whakapapa to the original Tauhara North No. 2 landowners. Tamariki and rangatahi come back to the land from far and wide to understand their heritage. These camps are designed to connect the tamariki with their culture and land, providing them with a sense of belonging and identity. Kiri shares, “They bring in the children from wherever they are... and they spend that time with those kids, knowing what it is they love, knowing what it is they’re not so strong at, and working out pathways to support those kids as they go forward.”



Te Pā Tū storytelling

Education plays a pivotal role in Tauhara’s community engagement efforts, serving as a bridge to connect its people with their cultural heritage and providing pathways for future opportunities. One significant aspect of their educational initiatives is the support they offer to young people pursuing higher education. Tauhara financially supports students at universities, such as the University of Waikato, helping them to complete their studies. This support is not just about financial aid but also about fostering a sense of belonging and connection to their community. This approach ensures that young people have the resources they need to succeed academically while maintaining strong ties to their cultural roots.

Additionally, Tauhara’s educational efforts extend to rediscovering and preserving cultural elements that were lost through colonialism. They aim to support the rediscovery of their river iwi culture, which historically involved travelling by river rather than by land. This cultural education is integrated into their tourism offerings, providing visitors with a deeper understanding of Māori traditions and history. By incorporating educational elements into their Rapids Jet offering, Tauhara not only enhances the visitor experience but also strengthens the cultural identity of their community.

COVID-19 prompted significant operational shifts

The COVID-19 pandemic had a profound impact on Tauhara, prompting significant strategic and operational shifts. Before the pandemic, Tauhara’s tourism ventures hosted around 100,000 visitors annually. However, the pandemic necessitated a re-evaluation of their business model, leading to a strategic decision to halve the number of visitors while doubling the rates. This approach not only ensured their survival during the pandemic but also reinforced their long-term commitment to sustainability and community well-being.

Additionally, the pandemic influenced Tauhara’s market focus and operational adjustments. During the pandemic, Tauhara observed increased interest from North American markets, which they identified as high value and seeking intensity of cultural experiences. This shift in market dynamics allowed Tauhara to position themselves as a premium offering, moving away from the volume-driven model that previously dominated Māori tourism. Kiri shares, “We hosted 100,000 people each year; it was a conscious decision to essentially halve the number of people and double the rate.”

Vision for sustainability includes kaitiakitanga and social procurement

Kaitiakitanga is a core value for Tauhara, deeply influencing their business strategy and operations. Limiting the number of visitors and increasing the rates was one of the significant steps they have taken to reduce their environmental footprint. This decision was made to ensure that the land, over which they act as kaitiaki, is cared for more mindfully. Halving the number of manuhiri, Te Pā Tū has reduced emissions by 61 percent (or 3,227 metric tonnes), environmental waste by 41 percent, food waste by 80 percent, and transportation emissions by 41 percent, a demonstrable step towards sustainability. “If we are going to care for this environment over which we are just kaitiaki, then how can we do that more mindfully. So cutting the actual physical footprint on site contributes to that,” says Kiri.

Tauhara’s environmental stewardship extends to their procurement practices and community initiatives. They prioritise sourcing from local and Māori-owned businesses, even if it means higher costs or logistical challenges. “Māori first procurement aims to strengthen whānau and whakapapa ties, to support Māori micro-businesses, and tribal entrepreneurship. Examples include our truffle oil and wagyu short rib from Ngāti Whakaeu (north of us), Manawa Manuka honey from Tuhoe (east of us), and our wines prioritise Māori winemakers – 80 percent of our beverage list is Māori. Filming, photography, legal, marketing agencies are all Māori.

This practice supports the Māori eco-system and lessens the environmental impact associated with transportation. During the COVID-19 pandemic, Tauhara also pivoted their operations to support environmental and community projects. They engaged in large-scale native bush planting and partnered with local initiatives to provide thousands of meals daily, employing local people and contributing to environmental restoration.



Changing business model has enabled a stronger focus on values

For Tauhara, being busy pre-2020 meant hosting up to 600 people in a night across three different seatings, operating like a “factory of people.” This high-volume approach required making most of their revenue during the summer and striving to keep as many staff employed as possible during the winter. The pressure to remain open every day was an inherent expectation across tourism distribution. This model often led to significant financial strain during the off-season, as tens of thousands of dollars were wasted to meet these external demands.

The impacts of being busy under this model were multifaceted. Financially, it was challenging to maintain profitability during the off-season, leading to inefficiencies and wasted resources. Operationally, the constant demand to stay open and cater to large volumes of visitors puts immense pressure on the staff and the overall business. This high-stress environment was not sustainable in the long term and often compromised the quality of service and the well-being of the employees. The shift to a more sustainable model has allowed Tauhara to focus on quality over quantity, reducing waste, and ensuring a more balanced approach to business. This change was crucial for aligning their operations with their cultural values and long-term vision, ultimately leading to a more resilient and sustainable business model.

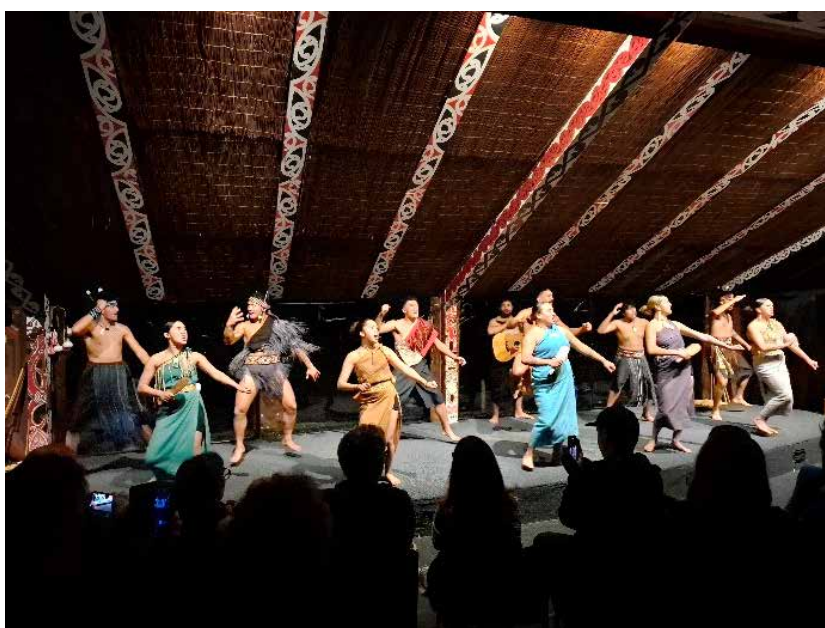
The costs of doing business for Tauhara have evolved significantly, especially in response to the COVID-19 pandemic. One of the primary costs is related to staffing. Tauhara is committed to paying a living wage and averages 5.5 percent above market rates. This commitment to fair wages is crucial for attracting and maintaining a dedicated workforce, but it also represents a challenge to financial sustainability.

Operational costs have also been impacted by their strategic decisions to reduce visitor numbers and increase rates. This approach, while beneficial for environmental sustainability, also requires careful management of resources to ensure profitability. Tauhara has had to streamline operations, such as managing the number of performers and consolidating activities, to reduce costs without compromising the quality of their offerings. They have designed their business model to be scalable, ensuring they can still make money even with fewer visitors. This strategic adjustment is part of their broader effort to manage costs more tightly while maintaining their commitment to cultural and environmental stewardship.

Growing recognition of unique value Māori businesses bring to tourism

The wider tourism industry has historically perceived Māori businesses, including Tauhara, through a lens of volume-driven operations rather than premium offerings. Pre-pandemic, the only way for Māori tourism products to have a significant footprint was through high visitor numbers. Māori tourism was rarely considered within the premium space. This perception meant that Māori tourism businesses often had to cater to large volumes of visitors to be considered viable, which posed significant challenges and often led to failures due to the strain on resources and the need for substantial commissions from inbound tour operators.

However, Kiri also feels there is a growing recognition of the unique value and premium nature of many Māori businesses in the tourism sector. The shift towards regional spread and sustainable tourism has created opportunities for Māori businesses to position themselves differently. Tauhara, for instance, has leveraged this shift to focus on quality over quantity, aligning with broader industry goals. This new approach is gaining acceptance and support from key industry players, including Tourism New Zealand, which sees the value in promoting off-the-beaten-track experiences that meet sustainability goals. This evolving perception is helping to elevate the status of Māori businesses within the tourism industry, recognising their cultural significance and sustainable practices.



Te Pā Tū kapa haka

Te Pā Tū offers an authentic cultural experience with manaaki

Guests are ahead of the game with this perception, valuing Te Pā Tū in particular as offering cultural immersion and genuine hospitality. Kiri says, “The mana of a tribe can rest fully on its ability to manaaki,” and notes that visitors appreciate the opportunity to engage with Māori culture meaningfully. The performances and interactions with the staff are noted for their authenticity and the sense of connection they foster. The feedback from Te Pā Tū visitors often highlights the performances and interactions with the staff, which offer a sense of connection and manaaki. Tauhara gathers feedback through direct and informal interactions with their guests, as well as by observing their responses during and after the experiences. They also integrate the feedback process into their daily operations, ensuring that any insights gained from visitors are quickly acted upon. For example, the staff might adjust the storytelling elements, kai service, flow of activities, or seating arrangements based on visitor responses to enhance the overall experience.



Tū Te Rā summer hāngī dinner at Te Pā Tū

Tauhara balances tradition with adaptation by integrating cultural practices, such as the maramataka, into their operations while remaining responsive to visitor feedback. They have designed their experiences to create more interactive and meaningful engagement for visitors, ensuring reciprocity and cultural authenticity. They have also adapted their business model to cater to high-value, low-impact tourism, which aligns with their values and long-term sustainability goals. They have implemented flexible and scalable operations to accommodate varying group sizes and preferences without compromising the quality of the experience. By doing so, they have created a unique and memorable tourism product that showcases the richness and diversity of Māori culture.

Feedback is an essential part of Tauhara's continuous improvement and innovation. They use feedback to measure the impact and value of their experiences, as well as to identify areas for improvement and development. They also use feedback to build relationships and trust with their guests, as well as with their partners and stakeholders. Feedback helps them to align their vision and goals with the needs and expectations of their visitors, as well as with the cultural and environmental values of their community.

Appendix A

Productivity – Technical report

The following section presents extended and technical results from analysis determining the productivity of Māori tourism businesses. We present actual, year-on-year results between 2010 and 2020 in tables for all four productivity measures and the linear regression results for capital, material, and multifactor productivity.

- 1. Labour productivity** – Labour productivity is defined as output per worker. For the purposes of this assessment, workers are represented by FTEs. Factors that can affect labour productivity include workers' skills, technological change, management practices, and changes in other inputs such as materials and capital.
- 2. Capital productivity** – Capital productivity is defined as output per unit (dollar value) of capital used as input to produce the output. Capital assets can include physical capital, such as equipment, machines, structures, and vehicles, as well as intangible capital such as intellectual property. The value of the assets is adjusted to account for their declining usefulness over time.
- 3. Material productivity** – Material productivity is defined as the output or per unit (dollar value) of materials consumed in an input to produce the output. Material productivity is similar to capital productivity, but instead of looking at physical capital, it looks at materials. Materials may also be referred to as raw materials.
- 4. Multifactor productivity** – Multifactor productivity (MFP) is defined as output per unit of combined inputs. This incorporates the impacts of things such as management styles, knowledge, and organisational structures on output. For the purposes of this assessment, the inputs are a combination of labour and capital. MFP is calculated by dividing the value of outputs by the weighted-average value of the input factors. Changes in MFP reflect changes in output that cannot be explained by changes in inputs.

This technical report should be viewed in combination with Section 6. Our methodology for calculating and determining Māori tourism businesses' productivity is detailed in Appendix E.

Labour productivity

Labour productivity is defined as output per worker.

For the purposes of this assessment, workers are represented by FTEs. Factors that can affect labour productivity include workers' skills, technological change, management practices, and changes in other inputs such as materials and capital.

Heritage, artistic, sport and recreation activities

Over the period from 2010 to 2020, the labour productivity (output per FTE) of Māori tourism businesses in the heritage, artistic, sport, and recreation activities industry group increased by 15 percent. Labour productivity began the decade at a low point of \$177,500 per FTE in 2010, before reaching \$203,500 per FTE in 2020. However, this growth was not linear. Labour productivity fluctuated between the 2010 low and a high of \$217,500 in 2016 (Table 9).

See Figure 12 for linear regression.

Table 9 Heritage, artistic, sport, and recreation activities – Labour productivity (\$)

Labour productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	177,500	184,000
2011	203,000	172,000
2012	193,000	189,500
2013	207,500	174,500
2014	208,000	183,500
2015	201,500	195,000
2016	217,500	190,500
2017	196,500	199,500
2018	202,000	208,500
2019	209,500	201,500
2020	203,500	210,000

Source: BERL analysis

Accommodation, food, and beverage services

Labour productivity of Māori tourism businesses was below that of non-Māori tourism businesses until 2015 (Table 10). After falling in 2012, labour productivity of Māori tourism businesses in this industry group reached a low of \$176,000 in 2013.

A turning point was in 2014, when labour productivity increased by two percent. Then, in 2015, labour productivity of Māori tourism businesses increased by four percent to reach \$187,500. This was the first-time labour productivity of Māori tourism businesses was greater than non-Māori tourism businesses. Since this point, labour productivity of Māori tourism businesses in the accommodation, food, and beverage services industry group has remained above their non-Māori counterparts.

See Figure 11 for linear regression.

Table 10 Accommodation, food, and beverage services – Labour productivity (\$)

Labour productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	177,500	179,000
2011	177,500	179,500
2012	177,000	177,500
2013	176,000	178,500
2014	179,500	180,500
2015	187,500	183,000
2016	183,500	177,000
2017	185,000	182,500
2018	191,000	189,000
2019	192,500	188,500
2020	193,000	188,500

Source: BERL analysis

Capital productivity

Capital productivity is defined as output per unit (dollar value) of capital used as input to produce the output. Capital assets can include physical capital, such as equipment, machines, structures, and vehicles, as well as intangible capital such as intellectual property.

Heritage, artistic, sport, and recreation activities

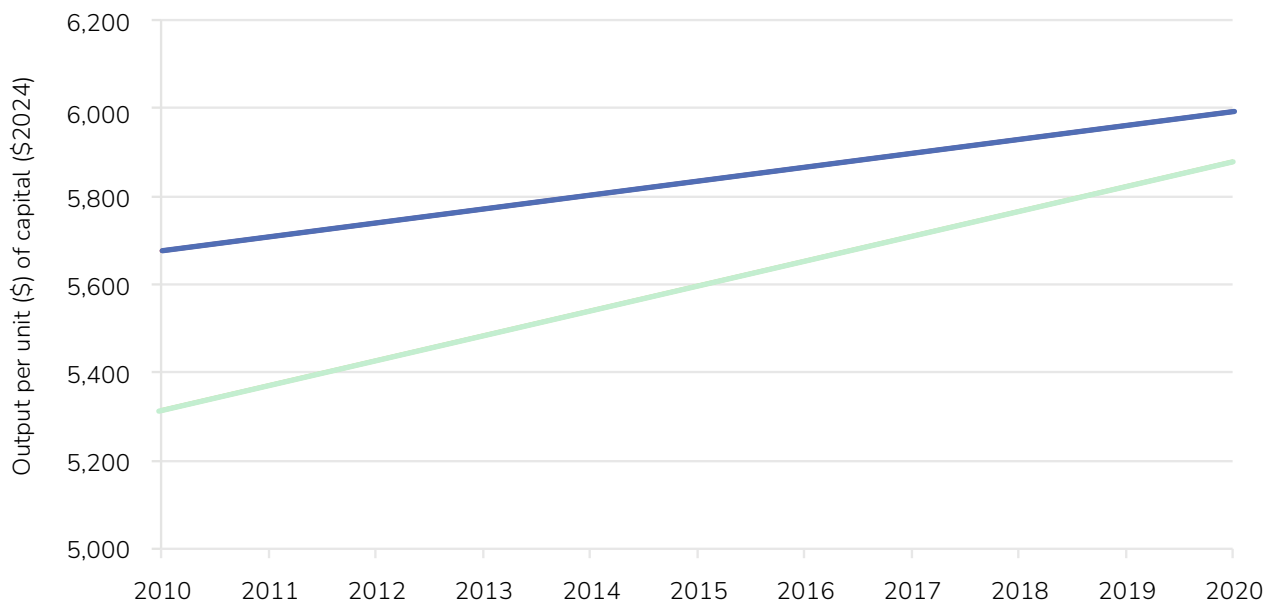
From 2010 to 2020, the capital productivity of Māori tourism businesses in the heritage, artistic, sport, and recreation activities industry group was greater than that of non-Māori tourism businesses in eight of the 11 years, including every year from 2016 onwards (Table 11).

Table 11 Heritage, artistic, sport, and recreation activities – Capital productivity (\$)

Capital productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	5,680	5,800
2011	6,240	5,370
2012	5,160	5,350
2013	5,930	5,170
2014	5,870	5,060
2015	5,450	5,720
2016	5,710	5,590
2017	6,140	5,830
2018	5,930	5,740
2019	5,980	5,920
2020	6,070	6,000

Source: BERL analysis

However, over this period, the difference in the general trend of growth in capital productivity between Māori and non-Māori tourism businesses has narrowed (Figure 13).

Figure 13 Heritage, artistic, sport, and recreation activities – Capital productivity (Linear)

Source: BERL analysis — Linear (Māori tourism businesses) — Linear (Non-Māori tourism businesses)

Accommodation, food, and beverage services

The capital productivity of Māori tourism businesses in accommodation, food, and beverage services industries was greater than non-Māori tourism businesses in 2010 (\$5,850 compared to \$5,450). By 2020, the average difference between Māori and non-Māori tourism businesses narrowed (Table 12).

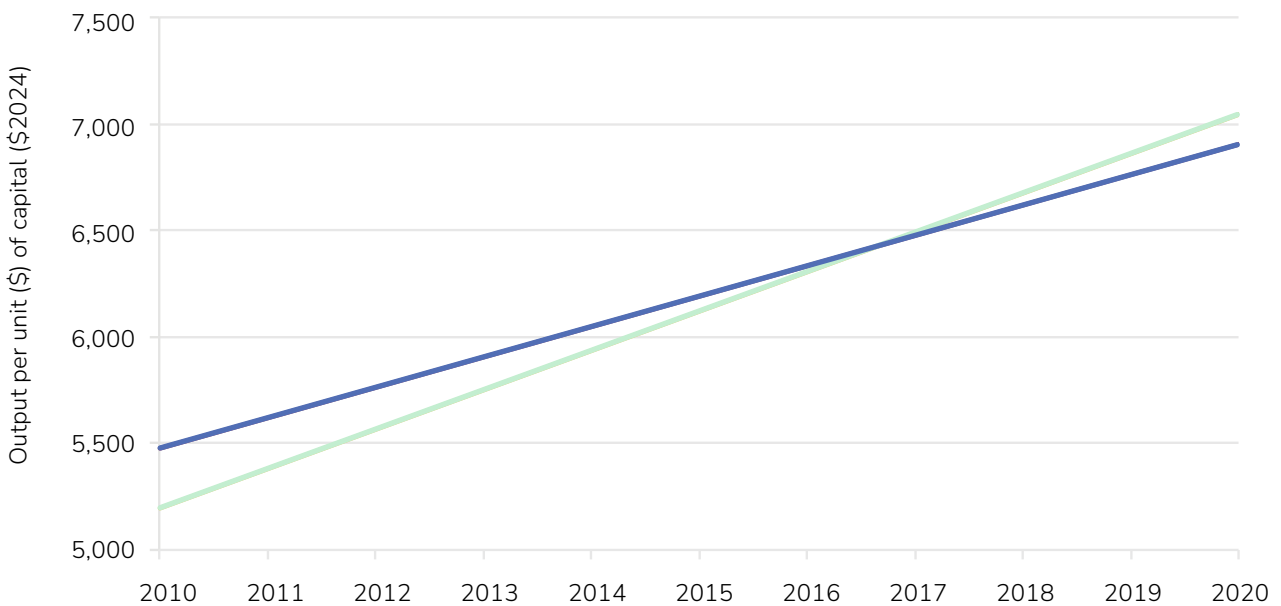
Table 12 Accommodation, food, and beverage services – Capital productivity (\$)

Capital productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	5,850	5,450
2011	5,690	5,390
2012	5,840	5,600
2013	5,550	5,540
2014	5,870	5,690
2015	5,940	6,050
2016	6,210	6,270
2017	6,500	6,610
2018	6,620	6,740
2019	6,850	6,890
2020	7,150	7,100

Source: BERL analysis

The general trend in growth of capital productivity for non-Māori tourism businesses in the accommodation, food, and beverage services industries slightly outpaced Māori tourism businesses (Figure 14). Although Māori tourism businesses in accommodation, food, and beverage services remained more productive in terms of capital productivity in 2020, the rate of growth in capital productivity for non-Māori tourism businesses has been higher.

Figure 14 Accommodation, food, and beverage services – Capital productivity (Linear)



Source: BERL analysis

Material productivity

Material productivity is defined as the output per unit (dollar value) of materials consumed in an input to produce the output. Material productivity is similar to capital productivity, but instead of looking at physical capital, it looks at materials. Materials may also be referred to as raw materials.

Heritage, artistic, sport and recreation activities

The material productivity of Māori tourism businesses was greater than that of non-Māori tourism businesses for eight years within our analysed time period in the heritage, artistic, sport and recreation activities.

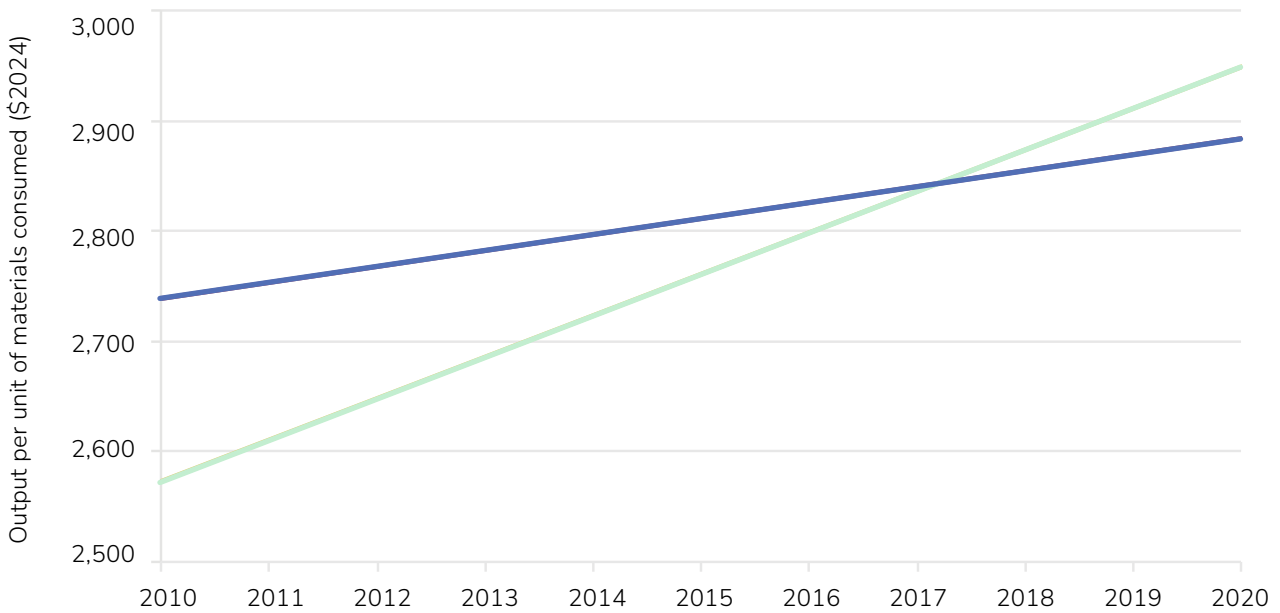
Table 13 Heritage, artistic, sport, and recreation activities – Material productivity (\$)

Material productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	2,800	2,600
2011	2,810	2,620
2012	2,820	2,660
2013	2,790	2,720
2014	2,720	2,680
2015	2,820	2,770
2016	2,670	2,750
2017	2,540	2,730
2018	2,990	2,880
2019	2,920	2,930
2020	3,040	3,030

Source: BERL analysis

However, growth in the material productivity of Māori tourism businesses has been slower than the rate of growth for non-Māori tourism businesses. This is evident in the narrowing of the difference of the material productivity between both groups of businesses (Table 13). Figure 15 also illustrates this with the linear regression of non-Māori tourism businesses material productivity exceeding Māori from 2017 onwards.

Figure 15 Heritage, artistic, sport and recreation activities – Material productivity (Linear)



Source: BERL analysis — Linear (Māori tourism businesses) — Linear (Non-Māori tourism businesses)

Accommodation, food, and beverage services

Growth in the average material productivity of Māori tourism businesses in the accommodation, food, and beverage industries exceeded that of non-Māori tourism businesses between 2010 and 2020 (Table 14). That is, while starting at the same level in 2010 (\$2,240), Māori tourism businesses material productivity improved more by 2020 (\$2,370 compared to \$2,280).

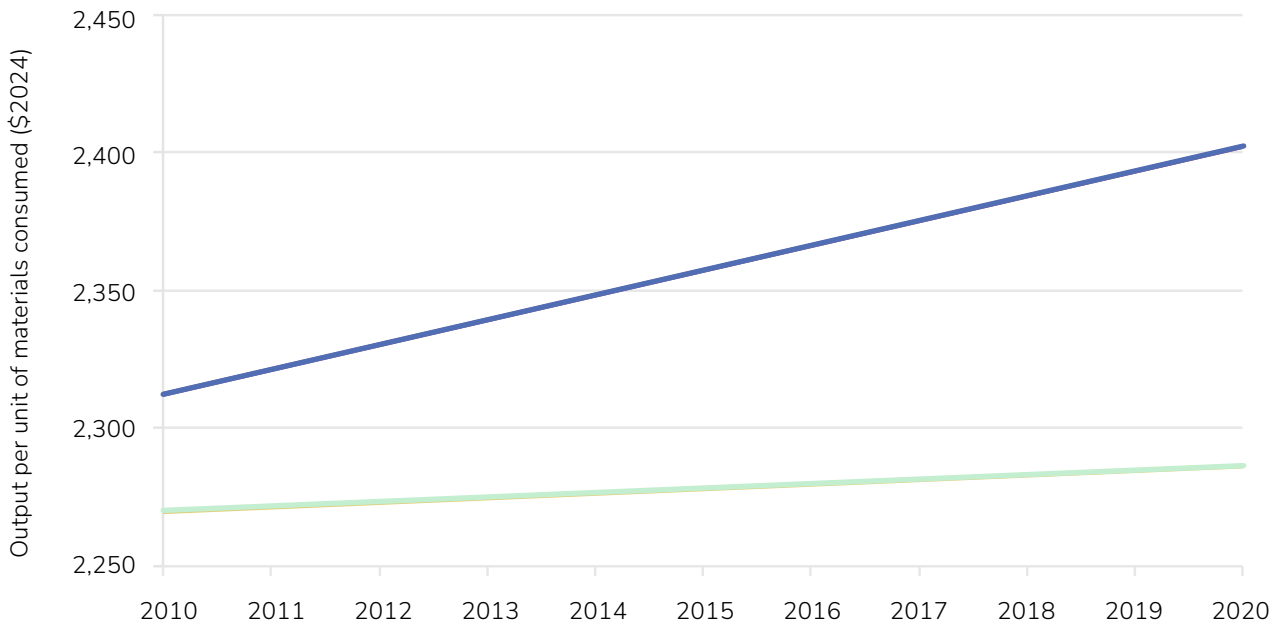
Table 14 Accommodation, food, and beverage services – Material productivity (\$)

Material productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	2,240	2,240
2011	2,290	2,290
2012	2,390	2,290
2013	2,370	2,270
2014	2,370	2,290
2015	2,360	2,260
2016	2,400	2,300
2017	2,410	2,280
2018	2,360	2,260
2019	2,370	2,300
2020	2,370	2,280

Source: BERL analysis

This is particularly evident in Figure 16 where the general trend in growth of material productivity for Māori tourism businesses in accommodation, food, and beverage services far exceeds that of non-Māori tourism businesses.

Figure 16 Accommodation, food, and beverage services – Material productivity (Linear)



Source: BERL analysis — Linear (Māori tourism businesses) — Linear (Non-Māori tourism businesses)

Multifactor productivity

Multifactor productivity (MFP) is defined as output per unit of combined inputs.

This incorporates the impacts of things such as management styles, knowledge, and organisational structures on output. For the purposes of this assessment, the inputs are a combination of labour and capital. MFP is calculated by dividing the value of outputs by the weighted-average value of the input factors. Changes in MFP reflect changes in output that cannot be explained by changes in inputs.

A challenge with single-factor productivity measures, whether it is output per FTE or output per unit of capital, is that it is easy to increase the productivity of one factor by replacing it with another. To account for this, multifactor productivity (MFP) is a measure of economic performance that compares the amount of output to the number of combined inputs used to produce that output. This reflects the overall efficiency with which labour and capital are used. It helps to show how efficiently the tourism industry is using its workers and equipment, while also accounting for improvements in technology and management practices that can boost productivity.

- **Growth in multifactor productivity** is measured as that part of GDP growth that cannot be explained by changes in labour and capital inputs. In simple terms, if labour and capital inputs remained unchanged between two periods, any changes in output would reflect changes in multifactor productivity. This indicator is measured as the annual growth rate.
- **Changes in multifactor productivity** reflect the effects of changes in management practices, brand names, organisational change, general knowledge, network effects, spillovers from production factors, adjustment costs, economies of scale, and the effects of imperfect competition.
- **An increase in multifactor productivity** indicates that labour and capital were used more efficiently. A decrease suggests that improvements could be made in how labour and capital are combined to produce output.

Results

Heritage, artistic, sport, and recreation activities

The productivity growth of Māori tourism businesses and non-Māori tourism businesses in the heritage, artistic, sport, and recreation activities industry group was positive each year between 2010 and 2020. Although both groups increased productivity, the rate of growth of MFP for Māori tourism businesses was superior to that of non-Māori tourism businesses each year (Table 15). This indicates that Māori tourism businesses in this industry group have been combining labour and capital more efficiently than their non-Māori counterparts.

Table 15 Heritage, artistic, sport, and recreation activities – Multifactor productivity

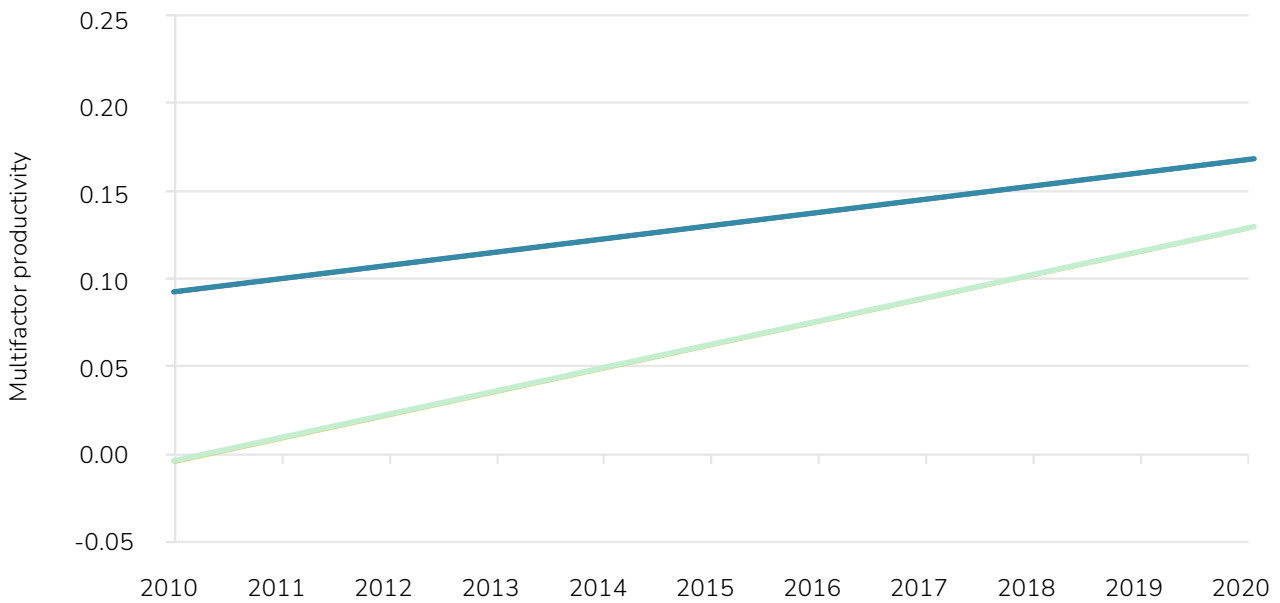
Multifactor productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	0.09	0.03
2011	0.15	0.00
2012	0.08	0.03
2013	0.12	0.02
2014	0.12	0.02
2015	0.12	0.07
2016	0.13	0.06
2017	0.09	0.08
2018	0.17	0.11
2019	0.17	0.11
2020	0.19	0.15

Source: BERL analysis

The nature of MFP assessments across industry groups means we are unable to use the data to identify the specific underlying factors that have contributed to this higher efficiency. Since each business is unique, the difference is likely to be explained by a number of the effects identified above, that, when combined, contribute to superior performance. However, we can identify that the large decline in 2017 is consistent with a fall in MFP.

Figure 17 indicates that Māori tourism businesses in the heritage, artistic, sport and recreation activities industries have generally outperformed non-Māori tourism businesses in terms of multifactor productivity between 2010 and 2020. However, the gap between them has narrowed over time.

Figure 17 Heritage, artistic, sport and recreation activities – MFP (Linear)



Source: BERL analysis — Linear (Māori tourism businesses) — Linear (Non-Māori tourism businesses)

Accommodation, food, and beverage services

Over the period from 2010 to 2020, the percentage change in MFP growth of Māori tourism businesses and non-Māori tourism businesses in the accommodation, food, and beverage services industry group increased every year except 2013 (Table 16). However, across this period, the MFP of Māori tourism businesses in the industry group was between 0.01 percent (2010 and 2011) and 0.04 percent (2016 and 2017) greater than that of non-Māori tourism businesses.

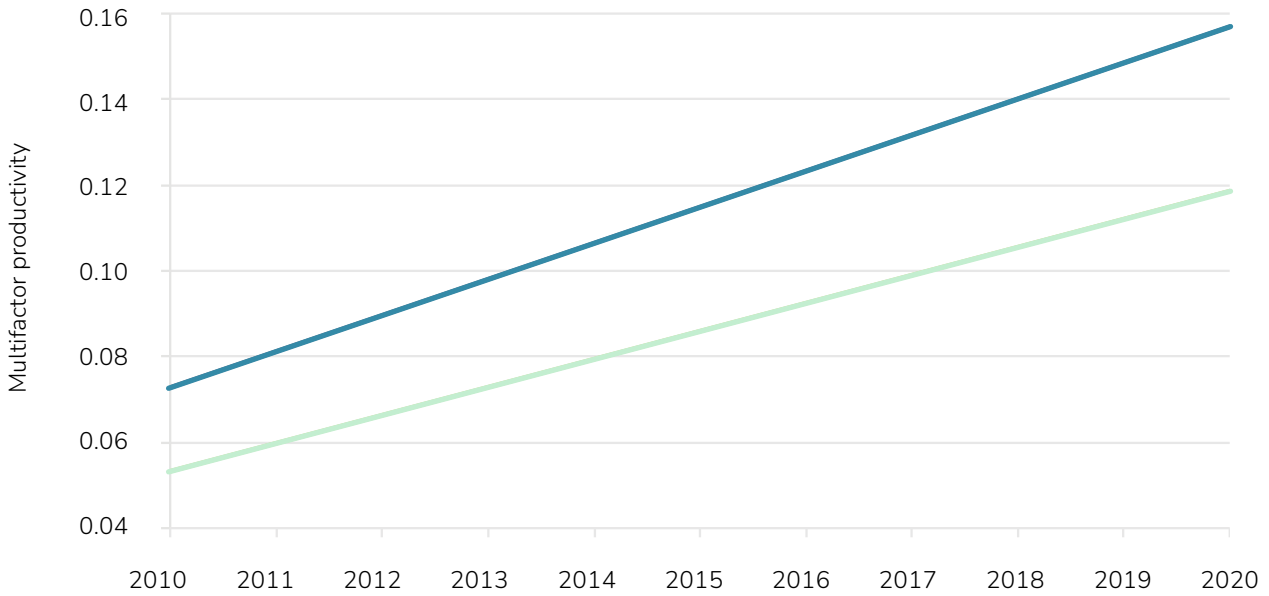
Table 16 Accommodation, food, and beverage services – Multifactor productivity

Multifactor productivity	Māori tourism businesses	Non-Māori tourism businesses
2010	0.07	0.06
2011	0.08	0.07
2012	0.10	0.07
2013	0.09	0.06
2014	0.10	0.08
2015	0.12	0.08
2016	0.13	0.09
2017	0.14	0.10
2018	0.14	0.11
2019	0.15	0.12
2020	0.15	0.12

Source: BERL analysis

This suggests that Māori tourism businesses in the accommodation, food, and beverage services industry group were combining their capital and labour resources more efficiently than the non-Māori tourism businesses. Over the 2010-2020 period, the growth patterns of Māori and non-Māori tourism businesses in this industry group have followed a similar pattern.

Figure 18 Accommodation, food, and beverage services – MFP (Linear)



Source: BERL analysis — Linear (Māori tourism businesses) — Linear (Non-Māori tourism businesses)

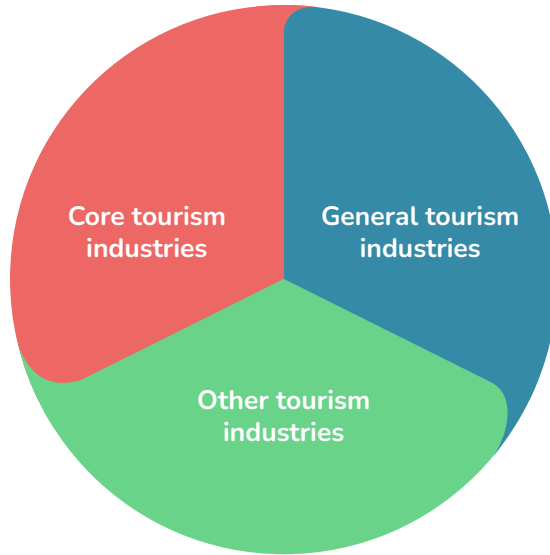
Figure 18 indicates that Māori tourism businesses operating in accommodation, food, and beverage services have notably outperformed non-Māori tourism businesses in terms of multifactor productivity between 2010 and 2020. Specifically, the general trend in growth exceeded that of non-Māori tourism businesses. That is, Māori tourism businesses on average were more productive per unit of combined inputs (capital and labour).

Appendix B Industry classification

Approach

The following appendix details our approach to measuring and defining Māori tourism, specifically presenting the industry classification used for separating Māori tourism into our three identified components (Figure 19).

Figure 19 Defining and measuring Māori tourism



Source: BERL

The primary purpose for measuring Māori tourism in this manner was to understand the industry at a nuanced level of detail. Given that tourism is represented across multiple industry definitions, this approach allowed us to determine the extent of Māori tourism businesses' involvement in the tourism industry. We were able to distinguish between businesses that are heavily involved in the tourism industry (e.g., accommodation), businesses that are operating in industries partly involved in the tourism industry (e.g., supermarkets), and businesses that are operating in industries with very little influence from tourism (e.g., education).

Classification

We have allocated Australian and New Zealand Standard Industrial Classification (ANZSIC) industries to either 'core' or 'general' based on Stats NZ Tourism Satellite Account (TSA) ratios. TSA ratios indicate the contribution tourism makes to production and employment in an industry. For example, accommodation has a TSA ratio of 0.68, indicating that tourism has a very large role to play in the accommodation industry, hence, it is classified as a core tourism industry. The focus of this report has mostly been on industries classified as either core or general tourism industries. Other tourism industries form the remainder of the entire industry. Industries included in this classification source a very small proportion of production and employment from tourism. For example, education is included in 'other tourism industries' and has a TSA ratio of 0.02.

Core tourism industries

Table 17 presents the industries included in core tourism industries, the associated ANZSIC codes, and a brief description of the activities, services, and experiences included.

Table 17 ANZSIC industries included in core tourism industries

Core tourism industries	ANZSIC	Description
Accommodation	H440000	Includes motels, hotels, resorts, holiday houses and parks, lodge operations, and serviced apartments.
Scenic and sightseeing transport	I501000	Includes cable cars, charter fishing, whale watching, harbour sightseeing, and sightseeing buses.
Motion picture	J551100 -J551300	Includes motion picture and video production (e.g., television commercials, videos), distribution, and exhibition (e.g., cinema, festival operation).
Heritage, sports, and physical recreation activities	R891000 -R911400	Includes, for example, art galleries, museums, historical, cultural, and heritage sites, botanical gardens, nature reserves, sporting venues, amusement parks, bush walks, and rafting.
Creative and performing arts	R900100 -R900300	Includes providing and producing live theatrical or music performances, creation of artistic or cultural works, and operating venues for the presentation and rehearsal of performing arts.

Source: BERL, Stats NZ TSA

General tourism industries

Table 18 presents the industries included in general tourism industries, the associated ANZSIC codes, and a brief description of the activities, services, and experiences included.

Table 18 ANZSIC industries included in general tourism industries

General tourism industries	ANZSIC	Description
Supermarkets	G411000 -G412900	Includes supermarket and grocery stores, fresh meat, fish, and poultry retailing, liquor retailing, and other specialised food retailing (i.e., cakes, bread, confectionary, and pastry).
All other retail industries	G421100 -G432000	Retailing including furniture, houseware, manchester, garden supplies, entertainment, clothing, footwear, pharmaceutical, flowers, and watches.
Cafes and restaurants	H451100	Includes providing food and beverage serving services for consumption on the premises.
All other food and beverage industries	H451200 -H453000	Includes takeaway food services, catering services, pubs, taverns, bars, and clubs.
Road passenger	I461000 -I462300	Includes road freight transport (i.e., towing, truck hire), bus transport, and taxi and other road transport (i.e., hire car service, taxi service).
Other transport, storage, and transport services	I510100 -I530900	Includes postal services, courier, customs, freight forwarding, port, water transport, etc.
Car rental	L661100 -L661900	Includes car rental services and other transport rental services (i.e., aeroplane, boat, bus, motor home, truck).

Source: BERL, Stats NZ TSA

Other tourism industries

Under Stats NZ Tourism Satellite Account (TSA), which is an internationally recognised methodology for measuring tourism in an economy, each individual industry is assigned a ratio determining the proportion of production and employment resulting from tourism. At a minimum and as a default, an industry is assigned a ratio of 0.02. This results in a significant number of industries where tourism barely, if at all, plays a role in demand, contributing to the overall economic activity created from tourism.

To more truly present what makes up Māori tourism, we have focused only on industries where a significant (core) or good (general) amount of production and employment results from tourism, and have not included the remaining industries placed within the other tourism industries grouping.

Table 19 provides a high-level overview of the industries captured within the other tourism industries grouping. For presentation purposes, we have aggregated several industries together.

Table 19 Broad industries included in other tourism industries

Other tourism industries
Agriculture, forestry, and fishing
Mining
Manufacturing
Electricity, gas, and waste services
Construction
Wholesaling
Information media
Property and rental services
Professional, financial, scientific, and technical services
Administrative services
Health, education, and social services
Repair and maintenance
Personal and other services

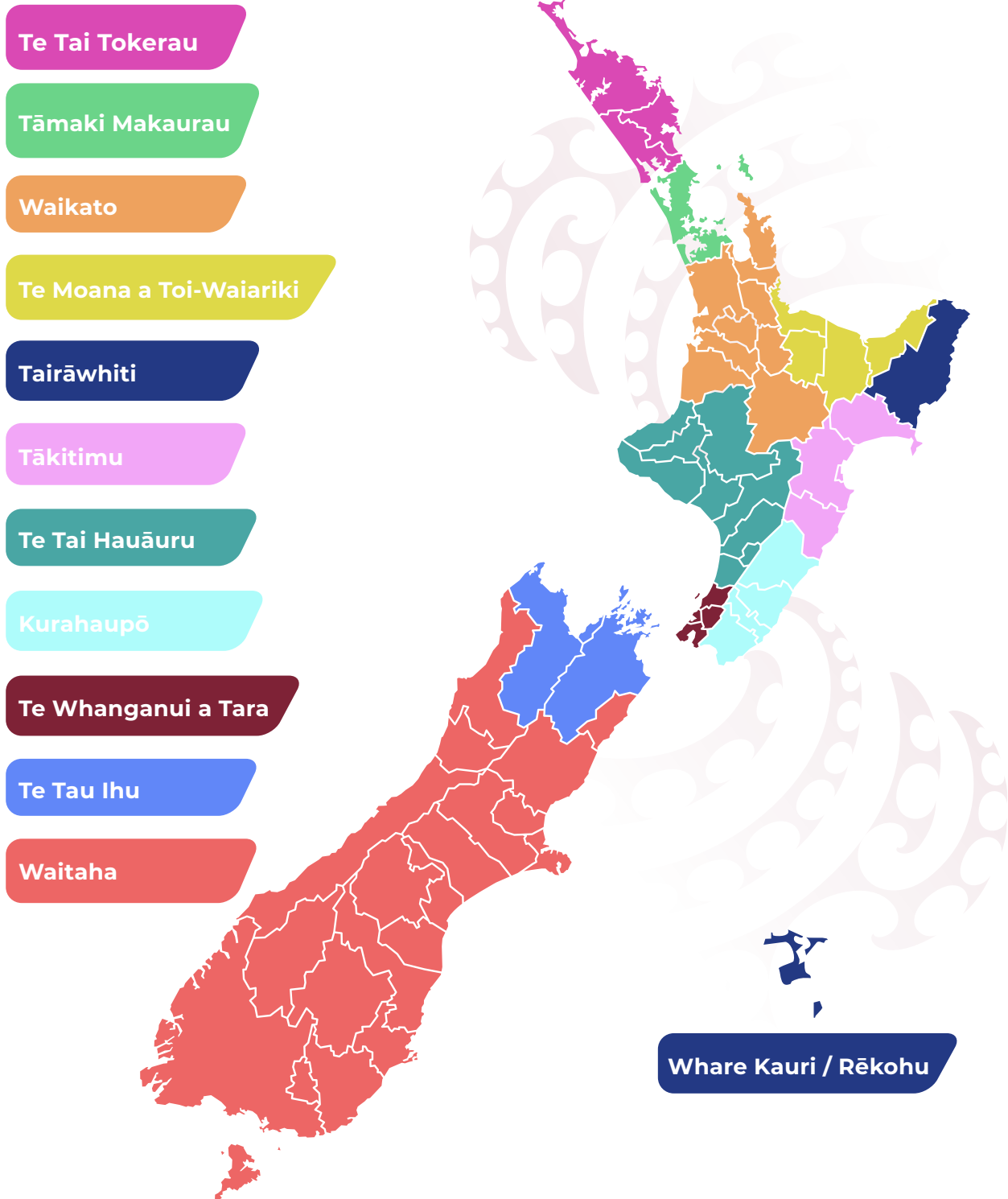
Source: BERL, Stats NZ TSA

Appendix C Rohe classification

Figure 20 Rohe classification of Aotearoa New Zealand

Legend

Rohe



Appendix D References

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Appendix E Methodology

The core of our analysis started with identifying privately owned Māori businesses within Stats NZ Integrated Data Infrastructure (IDI), utilising Census 2018 and the administrative population census (APC) 2022, in order to identify individuals of Māori ethnicity and/or Māori descent. We also used Inland Revenue Department (IRD) tax records to identify individual owners of private businesses. This provided us with a subset of Māori and non-Māori businesses.

We were then able to link the identified businesses with their 2023 annual enterprise survey records, which cover the 2022–2023 financial year ending in March 2023. This provides financial information for each business (including annual revenue, expenditure, industry of operation, employment, equity, liabilities, compensation of employees, profit, and dividends).

In this appendix, we explore in more detail the process of identifying privately owned Māori businesses within the IDI, the analysis of businesses' annual financial data, and grouping businesses together into the core and general tourism industries (see Appendix A for industry details) and into rohe (see Appendix C for map of rohe used in this report).

Data lab disclaimer

Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Data and Statistics Act 2022. The results presented in this study are the work of the author, not Stats NZ, or individual data suppliers.

These results are not official statistics. They have been created for research purposes from the IDI, which is carefully managed by Stats NZ. Careful consideration has been given to the privacy, security, and confidentiality issues associated with using administrative and survey data in the IDI. Further detail can be found in the privacy impact assessment for the IDI available from www.stats.govt.nz.

For more information about the IDI, please visit: <https://www.stats.govt.nz/integrated-data/>.

Identifying privately owned Māori businesses

As already noted earlier in this report, we followed the same approach to identifying privately owned Māori businesses as used by Te Puni Kōkiri (TPK) in Te Matapaeroa 2021. For this approach, we first identified all individual owners of private businesses using ownership income directly reported to Inland Revenue (IRD). This method allows us to identify active owners, and the share of each business that is owned by each individual. In the IDI, ownership income is a combination of shareholder payments and partnership payments made from the business to its owners (based on the exact ownership model of the business).

In order to determine the ethnicity and descent of owners, we used the 2018 Census and the administrative population census (APC) 2022 to provide Māori ethnicity and Māori descent data for all individual owners.²² In combining the data, we decided that if an individual identified as being of Māori ethnicity or Māori descent within either of the two datasets, they would be noted as being of Māori ethnicity or Māori descent in the combined dataset.

With privately owned active Māori and non-Māori businesses identified, we then linked this data to businesses through the Annual Enterprise Survey (AES) 2022–23 financial records in the Longitudinal Business Database (LBD), which is co-located with the IDI. IDI and LBD records can be linked together through a cross-reference table available in the IDI, which contains unique references for businesses. It should be noted that not all privately owned Māori and non-Māori businesses identified using IRD records were able to be linked to an Annual Enterprise Survey (AES) 2022–23 record, either because they do not have an AES record or because the linkage process failed and a match between the two datasets was unable to be established.

With Māori and non-Māori businesses linked to their AES records, we were able to use the Australian and New Zealand Standard Industrial Classification (ANZSIC) designation provided by Stats NZ to group Māori and non-Māori businesses together within the core and general tourism industries noted in Appendix A.

22 Relevant 2023 Census data was not yet available at the time of undertaking this analysis.

We then progressed on to examine and calculate the average and median results for each financial variable for both Māori and non-Māori businesses. This required us to meet Stats NZ confidentiality standards. The financial variables examined and outputted include annual revenue, expenditure, employment, compensation of employees, equity position, liabilities, profit, and dividend payments.

Once the data for each industry, including counts of businesses, was outputted from the IDI, we were able to continue our analysis of the data. In this case, our first step was to again reconcile our counts with those published by TPK in the Te Matapaeroa 2021 report for each industry to ensure that our counts matched those already published. Undertaking this throughout the process allows us to be confident in the quality of the financial data used in this report and its consistency with other published reports.

Rohe classification

As shown in Appendix C, the country has been split into 11 rohe. These are the same as those used in Te Ōhanga Māori 2018 (BERL, 2021). To determine where each of the identified businesses was located, we used a datatable within the LBD, which contained the local authority area code for each location operated by the business. This datatable was matched to our list of identified privately owned Māori and non-Māori businesses. For those businesses with a single location, we had a one-to-one match between the two datasets. For the small number of businesses with multiple locations, we decided to use employment at each location to determine the main operational location of the business and assign that local authority area to the business for the purpose of this report.

Once all businesses were able to be matched to a location, we commenced matching those local authority areas to each rohe. At the end of this process, each identified privately owned Māori and non-Māori business with an identifiable location was assigned to a single rohe.

Identifying self-employed Māori

To identify individuals who are self-employed, we used the data on income from self-employed as declared on an individual's IR3 form for the 2022–23 financial year, while also ensuring that these individuals did not receive ownership income from a private business.

We followed the same approach as detailed above for determining Māori self-employed, leveraging ethnicity and descent data available in the 2018 Census and 2022 APC. Next, we used identifiers from the IRD datatable to link the self-employed individuals to an ANZSIC industry classification. This enabled us to identify which of the self-employed individuals were part of the core and general tourism industries. For these individuals, we analysed their level of income obtained from self-employment and assigned them to different income groupings.

Determining tourism GDP

In order to provide an initial estimate of tourism gross domestic product (GDP), without a full picture of the economy-wide Māori economy, we used the following approach. The calculation of tourism GDP both for Aotearoa New Zealand and for Te Ōhanga Māori relies upon the work undertaken by Stats NZ in developing the tourism satellite account (TSA). The TSA integrates data about the supply and use of tourism-related goods and services into a single format. It summarises the contribution tourism makes to production and employment and is consistent and integrated with Aotearoa New Zealand's official national accounts. This ensures that the importance of the tourism sector is measured and understood in the context of the Aotearoa New Zealand economy as a whole. The TSA measures expenditure by both resident and non-resident tourists, and thus gives a picture of the overall size of the tourism industry, including its contribution to GDP and employment. As part of understanding the impact each industry has on the overall tourism sector, Stats NZ calculates a tourism industry ratio, or the percentage of an industry's output, GDP, and employment that is related to the tourism sector. For our current calculations of tourism GDP for the year to March 2023, we have used the tourism industry ratio calculated for the year to March 2020. These tourism industry ratios are calculated for the following ten industries:

- Tourism characteristic industries or main tourism industries:
 - Accommodation – 68 percent
 - Food and beverage services – 39 percent
 - Road, rail, and water transport – eight percent
 - Air and space transport – 86 percent
 - Other transport, transport support, and travel and tour services – 22 percent
 - Rental and hiring services – 30 percent
 - Arts and recreational services – 17 percent
- Tourism-related industries:
 - Retail trade – 14 percent
 - Education and training – nine percent
- All non-tourism-related industries or all other industries in the economy – two percent.

Applying these tourism industry ratios to the GDP calculated by BERL across the entire 506 ANZSIC industries for the year to March 2023, provided an estimated GDP total for 2023 of \$23.1 billion. This was 9.4 percent higher than the estimated March 2018 tourism GDP of \$21.1 billion, which was used to calculate the tourism GDP total (\$975 million) in Te Ōhanga Māori 2018.

Given that the overall tourism sector GDP draws from industries outside the core and general tourism industries, which are the focus of this report, we have only a few options for determining an estimate of the overall Māori tourism GDP in 2023. The first option is to assume that the share of the Māori tourism sector, including businesses and collectives, is the same in 2023 as it was in 2018, at 4.6 percent (\$975 million divided by \$21.1 billion). Applying that same percentage to the overall tourism sector estimate of \$23.1 billion in 2023 yields an estimate of \$1,060 million.

A second option, and the approach we have taken, is to use the employment and asset base data (assuming asset base is a good proxy for value-add contributions to the economy) for the core and general tourism industries, for Māori and non-Māori businesses. We could then use this data to calculate a percentage share to be used as the share of GDP Māori businesses within that industry contribute. This would not include the Māori collectives, which would need to be estimated separately based on an analysis of changes in their asset base between 2018 and 2023. This would also not include the GDP contribution coming from industries outside the core and general tourism industries, which would need to be estimated separately. For the core and general tourism industries, the percentage share would also need to be adjusted to account for the businesses not able to be identified, with the assumption that a substantial portion of the uncounted businesses in each industry will be non-Māori, though some will be Māori businesses (that are unable to be identified using the current ownership income-based approach). But, given the size of the count for businesses in the core and general tourism industries that have been included in the covered dataset, we can be confident that these uncounted businesses would have similar levels of employment and assets as those identified. Therefore, the adjustment would be made separately for each industry based on the share of businesses that have been missed

for that industry. Overall, this adjustment process reduced the percentage share ratio by around three percent per industry, from an average of 11 percent to eight percent.

For the Māori collectives, we used an initial analysis of a select group of Māori collectives with tourism activities in both 2018 and 2023 to estimate the change in asset values between 2018 and 2023. While we were only able to analyse a small number (under ten) of Māori collectives, the information gleaned from that analysis provided a good indication of the percentage growth in the asset value and therefore the GDP contribution of those tourism assets. Taking an initial estimate of the growth in tourism GDP for Māori collectives, we applied this to the 2018 GDP contribution from Māori collectives of \$113 million, of which \$9 million was for core tourism industries and \$45 million was for general tourism industries. This process resulted in an initial estimate of Māori collectives' contribution to Māori tourism GDP of \$150 million.

The last piece of the puzzle to solve under this approach was estimating the contribution to Māori tourism GDP coming from industries outside the core and general tourism industries. To estimate this value, BERL used our analysis of the change in value for the Māori collectives, the change in GDP for the core and general tourism industries between 2018 and 2023, as well as data from Te Ōhanga Māori 2018, and changes in GDP values between 2018 and 2023 for non-tourism industries. This enabled us to create an initial estimate of the Māori tourism GDP coming from non-tourism industries in 2023.

Identifying productivity variables for businesses

To determine the productivity of the identified privately owned Māori and non-Māori businesses in the tourism industry, BERL took the datatable of identified Māori and non-Māori owned businesses joined to the AES dataset and joined it to two productivity tables also contained within the LBD, built by Richard Fabling and David Maré.²³ Richard Fabling and David Maré have been working on productivity measurement within the IDI and LBD for a number of years. They have created a number of specific and highly useful data tables in which they have pulled a large array of data from other data tables within the IDI and LBD (including employment data, GST data, industry data, and a unique permanent enterprise number for each active business within the LBD). In addition, Richard Fabling and David Maré have enabled these tables to be accessed by other users within the IDI and LBD.

These two productivity tables contained business-level data on the calculated gross output, intermediate consumption, capital, and labour inputs for 2010 through 2020. These four inputs are those required to determine productivity levels for each business. Further, these tables also contained a production factor industry classification that Richard Fabling and David Maré used to calculate multifactor productivity values for each business using a Cobb-Douglas production function.

Therefore, joining our list of identified privately owned Māori and non-Māori businesses to these two productivity tables enabled us to determine, for each production factor industry level, the average gross output, intermediate consumption, capital, and labour inputs per Māori and non-Māori business within each of these industries. We could therefore estimate the average annual change in labour productivity, capital productivity, material productivity, and overall multifactor productivity for Māori and non-Māori businesses within each industry grouping. Overall, two of the production factor industries were directly linked to tourism: the heritage, artistic, sport, and recreation activities industry, and the accommodation, food, and beverage services industry.

Calculating productivity

Productivity in this assessment has been calculated using the methodology and productivity datasets created by Richard Fabling and David Maré for their report, 'Improved productivity measurement in New Zealand's Longitudinal Business Database.'²⁴

This report and the datasets it created are intended as a resource for researchers using the Aotearoa New Zealand LBD to study the productivity of Aotearoa New Zealand firms, and they have been updated to 2020. The methodology used creates a consistent dataset of production data, combining survey and administrative data sources.

These datasets are made available to researchers in the Stats NZ IDI. The IDI is a large research database that holds de-identified microdata about people and households drawn from government agencies, Stats NZ surveys, and non-government organisations. The IDI and LBD are linked through tax data.

23 Fabling, R and Maré, D (2019).

24 Retrieved from; https://motu-www.motu.org.nz/wpapers/19_03.pdf

Individual firm data is aggregated to form industry-level statistics, and a weighted average is used, whereby the data on individual firms is weighted by their size, to represent their relative importance in the industry. Weighted averages allow for the representation of the relative influence or significance of different entities. Firms within an industry vary significantly in size or scale of operations. A weighted average provides a more accurate portrayal of the average or typical characteristics of the tourism industry by accounting for the varying sizes and capabilities of individual entities.

Because the monetary values that are produced by the Fabling and Marè datasets are all produced in 2010-dollar values, we have used the Producer Price Index (PPI) for the March quarter to adjust the results to 2024-dollar values.

Calculating labour productivity

Labour productivity has been calculated as the average GDP per business (output) divided by the average number of full-time employees (FTEs) per business (input). This results in GDP per FTE.

Calculating capital productivity

Capital productivity has been calculated as the average GDP per business (output) divided by the average value of capital per business (input). This result is productivity measured as GDP per dollar of capital.

Calculating material productivity

Material productivity has been calculated as the average GDP per business (output) divided by the average value of the intermediate materials consumed in the production of a good or service (input). This result is productivity measured as GDP per dollar of expenditure on intermediate materials consumed in production.

Calculating multifactor productivity

Multifactor productivity (MFP) has been calculated using the Cobb-Douglas production function, an economic model that describes the relationship between labour and capital inputs, and output. The general form of the Cobb-Douglas production function is: $Y = A * L^\alpha * K^\beta$ where:

- Y is the output (goods or services produced)
- L is the labour input
- K is the capital input
- A is the change in output that cannot be directly attributed to changes in the quantity of inputs
- α and β are the output elasticities. The responsiveness of output to changes in inputs. MFP is calculated by the formula: $(Y / (L^\alpha * K^\beta)) * A$.

Industry groups

To avoid calculations based on small sample sizes, we are unable to calculate productivity at the same industry level as used elsewhere in this report. To capture the number of businesses required for statistical accuracy, and to avoid disclosure risks, categorisation of industries differs, and tourism productivity is reported as two broader industry groupings: Heritage, artistic, sport, and recreation activities, and Accommodation, food, and beverage services.

Case study methodology

Data collection

Case studies were proposed to provide valuable and contextual information to New Zealand Māori Tourism and its stakeholders on the outcomes and experiences of Māori tourism operators offering “mainstream” tourism experiences. Operators participating in the case study research were identified in collaboration with New Zealand Māori Tourism. These operators covered both main motu, a variety of tourism experiences, and a variety of ownership structures. The five operators, their experiences, locations, ownership structure, and iwi affiliations are:

- **Whale Watch Kaikōura** – Mainstream tourism experience; regional South Island in Kaikōura; iwi/hapū ownership (Ngāti Kuri, Ngāi Tahu)
- **Tauhara North No.2 Trust** – Mainstream tourism experience (Rapids Jet Taupō) and Māori cultural experience (Te Pā Tū); regional North Island in Taupō; Ahu Whenua Trust ownership
- **Kohutapu Lodge and Tribal Tours** – Mainstream tourism experience and Māori cultural experience (accommodation, marae tours, guided nature tours); regional North Island in Murupara; whānau owned (Ngāti Manawa)
- **Dive Tatapouri** – Mainstream tourism experience (reef ecology tour); regional North Island in Tairāwhiti; whānau owned (Ngāti Porou)
- **Kāpiti Island Nature Tours** – Mainstream tourism experience (accommodation, transport, guided nature tours); regional North Island in Kāpiti; whānau owned (Ngāti Toa, Te Āti Awa).

An email introduction was provided for New Zealand Māori Tourism to send to the potential operators outlining the purpose and context of the case study research, the collaboration with BERL, and what being a case study participant would mean for them (logistics, participation, and benefits). Engagement with the operators was kanohi ki te kanohi to enable whakawhanaungatanga and manaakitanga. Participation in the experiences the businesses offered enabled interaction with some of their customers (market research), as well as meetings with owners and key staff. The kōrero was semi-structured using high-level pātai as the foundation, but not restricted to these pātai if other kaupapa emerged that might lead to a better understanding of outcomes. The focus was on the totality of their operations to get a broader perspective on their businesses.

Research pātai

The high-level pātai were:

- What influence, if any, did being Māori-owned have on business strategy and operations?
- What did busy look like for operators? E.g., measured by the number of customers/manuhiri or sales, labour capacity/constraints, price points
 - What were the impacts of being busy?
 - What were the costs of doing business?
- What did success as a business look like for operators (across strategy, operations, and offerings)?
 - How ambitious were operators?
 - If being Māori-owned influenced business strategy and operations, in what ways did they measure and talk about success?
 - As an operator offering a “mainstream” experience/activity, what were their perceptions of how the wider tourism industry viewed their role?
- What was a quality experience for customers/manuhiri?

Research ethics

The research was designed, conducted, and reported in a manner that respected the rights and privacy of those affected by and contributing to the research. The research was guided by the Aotearoa New Zealand Research Association's Research Standards for Aotearoa New Zealand.

Principles upheld by all involved in this research included:

- Respectful, meaningful relationships were built, nurtured, and maintained over time; Engagement between New Zealand Māori Tourism, researchers, and operators participating in the research was negotiated, respectful of differences, mutually beneficial, and occurred in culturally appropriate ways. The historical and contemporary context(s) in which people came together for the purpose of the research were acknowledged. The interconnectedness of people's roles as individuals, members of families, whānau, organisations, and communities, and in relation to other living and inanimate entities and the environment, was acknowledged and appropriately negotiated in establishing relationships, arrangements, and agreements.
- Ethic of care: Kindness, respect, humanity, and reciprocity were extended to all involved. Care was taken to ensure that the dignity of everyone was enhanced. Indigenous and other cultural worldviews, concepts, and protocols were valued. Cultural sensitivity, safety, and inclusion occurred. This also applied to ethnicity, religion, gender, disability, age, sexual orientation, and any other identities. Individual and collective rights and protections, including privacy and confidentiality, were negotiated.
- Responsive methodologies and trustworthy results: The methodology and methods were culturally responsive, appropriate for the context, and "fit for purpose". Research findings, judgements, and conclusions were credible, trustworthy, and contextually and culturally meaningful.
- Competence and usefulness: Research was well-managed and undertaken by people with the appropriate professional, contextual, and cultural competencies. Research was planned, designed, and implemented to ensure it produced information that was useful.

Specific ethical issues addressed in the research included:

- Informed consent: Operators participating in the research were informed of the purpose of the research, how their information and the findings would be used, and who would have access to their information. Informed consent was obtained from all operators participating in the research.
- Voluntary participation: Participation occurred free from coercion, and operators participating in the research were free to withdraw at any time without negatively impacting their involvement in current or future projects or relationships with any parties associated with the research.
- Anonymity: Where quotes have been used, they have been checked with the operators. Because of the nature of the case studies, however, the names of the operators participating in the research are not anonymous.
- Storage and transfer of information: Data is kept in a secure digital location. When sending information, care was taken to ensure that this was sent securely.
- Reciprocity: Operators participating in the research were not financially disadvantaged by their participation, either through the researchers participating in the experiences or through their time. They received a koha to acknowledge that their participation was valued, and that the information they provided is a taonga. Thought was given as to how best to provide feedback to operators on the case study findings. They were provided with the photos and the text used in the case studies for their feedback prior to being included in this report. They have also been provided with a copy of their case study for their use.

All kōrero with operators was audio recorded, and Vibe was used for transcribing. Vibe is software specifically designed to transcribe conversations, which can be easily searched and analysed. The software was used to transcribe already recorded conversations, as it is extremely fast at transcribing interviews and accurate in its transcription, including in kupu Māori transcription. This enables a focus on the analysis of the recorded audio rather than on writing notes during the kōrero.



Appendix F Extended tables

The following section presents actual results from analysis across different financial measures for Māori and non-Māori tourism businesses.

Table 20 Tourism businesses' average revenue, 2023

Average revenue (\$000s)	Māori tourism businesses	Non-Māori tourism businesses
Scenic and sightseeing transport	414	410
Motion picture	484	230
Heritage, sports, and physical recreation activities	571	458
Creative and performing arts	293	159
Accommodation	592	527
Core tourism industries	483	338
Cafes and restaurants	939	864
All other food and beverage industries	653	751
Supermarkets	3,840	5,568
All other retail industries	2,960	2,268
Road passenger	1,647	602
Car rental	838	1,048
Other transport, storage, and transport services	775	488
General tourism industries	1,967	1,913

Source: BERL analysis

Table 21 Tourism businesses' average expenditure, 2023

Average expenditure (\$000s)	Māori tourism businesses	Non-Māori tourism businesses
Scenic and sightseeing transport	342	404
Motion picture	444	181
Heritage, sports, and physical recreation activities	543	419
Creative and performing arts	253	101
Accommodation	480	436
Core tourism industries	421	274
Cafes and restaurants	890	795
All other food and beverage industries	597	684
Supermarkets	3,662	5,328
All other retail industries	2,839	2,153
Road passenger	1,484	531
Car rental	826	880
Other transport, storage, and transport services	627	401
General tourism industries	1,848	1,798

Source: BERL analysis

Table 22 Percent of tourism businesses earning a profit, 2023

Percent with profit	Māori tourism businesses	Non-Māori tourism businesses
Scenic and sightseeing transport	77	65
Motion picture	82	87
Heritage, sports, and physical recreation activities	86	82
Creative and performing arts	86	88
Accommodation	70	71
Core tourism industries	80	82
Cafes and restaurants	84	80
All other food and beverage industries	86	86
Supermarkets	87	85
All other retail industries	81	82
Road passenger	89	92
Car rental	70	74
Other transport, storage, and transport services	89	90
General tourism industries	84	85

Source: BERL analysis

Table 23 Tourism businesses' average assets, 2023

Average revenue (\$000s)	Māori tourism businesses	Non-Māori tourism businesses
Scenic and sightseeing transport	539	654
Motion picture	363	210
Heritage, sports, and physical recreation activities	630	973
Creative and performing arts	225	137
Accommodation	1,150	1,183
Core tourism industries	644	600
Cafes and restaurants	447	571
All other food and beverage industries	321	566
Supermarkets	1,214	2,656
All other retail industries	1,191	1,289
Road passenger	1,337	565
Car rental	2,431	2,596
Other transport, storage, and transport services	1,345	571
General tourism industries	1,149	1,158

Source: BERL analysis

Appendix G Glossary

Table 24 Kupu Māori glossary

Kupu Māori	English	Part of speech	Additional information
ahi kā	Burning fires of occupation	Noun	Continuous occupation; title to land through long-term occupation
ahurea	Culture, identity	Noun	
Aotearoa	New Zealand	Noun	Literally "land of the long white cloud"
araara	Trevally	Noun	A common edible fish
Aratiatia	Stairway of Tia	Noun	Placename of the Aratiatia rapids
aroha	Love, compassion	Noun/Verb	
atawhai	Kindness, care	Noun/Verb	
Atua	Deity, God	Noun	
awa	River	Noun	
haka	Traditional war dance	Noun	
hāngī	Earth oven meal	Noun	Meal cooked in an earth oven with heated stones
hapū	Sub-tribe	Noun	A social unit of related families in a geographical area
iwi	Tribes	Noun	A group of related hapū
kai	Food, to eat	Noun/Verb	
kaikaranga	Caller	Noun	Woman who makes the ceremonial call in a pōwhiri
kaimahi	Worker, employee	Noun	
kaitiakitanga	Guardianship	Noun	Environmental and resource stewardship
kanohi ki te kanohi	Face to face	Phrase	In person
kapa haka	Māori performing arts	Noun	
karakia	Prayer, incantation	Noun/Verb	
kaumātua	Elder	Noun	Person of status within the whānau
kotahitanga	Unity, togetherness	Noun	
kōrero	Conversation, discussion, narrative	Noun	Also verb, to speak, to tell
kura	School	Noun	
mana	Prestige, authority	Noun	

Appendix G Glossary

Table 24 Kupu Māori glossary

mana whenua	Territorial rights	Noun	Authority over land or territory
manaaki	To support, host	Verb	
manaakitanga	Hospitality, generosity	Noun	Showing respect and care for others
manuhiri	Visitor	Noun	
Māoritanga	Māori culture, practices, and beliefs	Noun	
marae	Meeting ground	Noun	Traditional Māori gathering place
maramataka	Māori lunar calendar	Noun	
mātauranga Māori	Māori knowledge	Noun	Traditional Māori knowledge and wisdom
mihi whakatau	Informal welcome	Noun	Less formal than pōwhiri
mokopuna	Grandchild	Noun	
ōhanga	Economy	Noun	
oranga	Wellbeing	Noun	
pātai	Question	Noun/Verb	
poi	Ball on a string	Noun	Used in traditional Māori performances
pōwhiri / pōhiri	Formal welcome ceremony	Noun	
pūrākau	Legends, myths	Noun	
rangatahi	Youth	Noun	
rangatiratanga	Chieftainship, self-determination	Noun	Authority and autonomy of a chief or leader
rohe	District, region	Noun	Area of land or boundary
rongoā	Medicine	Noun	Traditional Māori medicine
rōpū	Group	Noun	
tamariki	Children	Noun	
taonga	Treasure, something precious	Noun	May include goods, possessions, resources, ideas, and valuable items (culturally, socially, or financially)
Te Ao Māori	The Māori world	Noun	
Te Ōhanga Māori	The Māori economy	Noun	
Te reo Māori	The Māori language	Noun	

Appendix G Glossary

Table 24 Kupu Māori glossary

Te taiao	The natural environment	Noun	The natural world
tikanga	Custom, protocol	Noun	Correct procedure; customary system of values and practices
tūpuna	Ancestor	Noun	
ūkaipōtanga	Nurturing	Noun	Connection to a place that sustains you and where you belong
wairuatanga	Spirituality	Noun	
whaea	Mother, respected female elder	Noun	
whaikōrero	Formal speech	Noun	Art of oratory; speech-making
whakapapa	Genealogy	Noun	Lines of descent and connections
whakatauki	Proverb	Noun	A saying that embodies a cultural truth
whakawhanaungatanga	Relationship building	Noun	Process of establishing relationships and connecting with others
whānau	Family	Noun	Extended family group; can also refer to immediate family
whānaungatanga	Kinship, connection	Noun	Sense of family connection and relationship
whare	House, building	Noun	General term for a dwelling or structure
wharenui	Meeting house, main building of marae	Noun	
wharepaku	Restroom, toilet	Noun	

Table 25 Technical terms glossary

Term	Definition
Assets	Land, buildings, machinery, equipment, vehicles, cash, shares that can be used to produce goods and services. Includes fishing quota, forest cutting rights, exploration and mining rights.
Compensation of employees	Payments to employees working in an enterprise, including wages, salaries, overtime payments, bonuses, and other remuneration.
Consumption spending	Spending by households on goods and services, for example food, clothing, motor vehicles and servicing, petrol, electricity, gas and other energy, entertainment, visits to doctor and other medical supplies, insurance. Includes notional rent paid by owner-occupiers to themselves (refer owner-occupied housing). Contrast with investment spending.

Appendix G Glossary

Table 25 Technical terms glossary

Core tourism industries	An industry where a significant proportion of its production and employment are dependent on tourism. That is, tourism demand plays a strong role in influencing the performance of the industry. These industries are typically on the frontlines of tourism, providing unique experiences and services to tourists.
Employment count (EC)	Employment Count (EC) refers to the total number of employees within an enterprise or organization. This includes all individuals who are employed, whether they are full-time or part-time.
Enterprises	Organisations that engage in producing goods and services for others to consume. Includes trusts, incorporations, businesses, service providers (profit and not for profits), iwi holding companies, rūnanga, Mandated Iwi Organisations (MIOs), Post-Settlement Governance Entities (PSGEs) and other similar entities.
Expenditure	Equivalent to spending. Sometimes termed outlays.
Final goods and services	Goods and services produced by enterprises that are purchased by or supplied to households, government, or foreigners. Also includes goods and services purchased by or supplied to enterprises as a result of their investment spending. Contrast with intermediate goods and services.
General tourism industries	An industry where tourism is not the primary source of demand (e.g., supermarkets), but where tourism still plays a substantial part in the performance of the industry. General tourism industries largely comprise industries that are the supporting features of the tourism ecosystem.
Gross Domestic Product (GDP)	A measure of the total value added generated by all enterprises in an area, region, or country. GDP is equivalent to the sum of all compensation of employees and operating surplus (including all forms of profits) earned by workers and owners engaged in all enterprises in an area. Strictly speaking, GDP also includes indirect taxes levied on production. This is also equivalent to the total expenditure on final goods and services produced by enterprises in the area.
Income	For enterprises, this is equivalent to the total revenue gained through the sale of their goods and services. For households, this includes compensation of employees; interest or dividends received; social security benefit or other welfare payment transfers; superannuation payments.
Industry	All enterprises in an area (region or country) that produce similar goods, or deliver similar services. They can be defined broadly (e.g. primary), narrowly (agriculture), or precisely (apples). Industry data for this study is based on Statistics New Zealand's Australian New Zealand Standard Industrial Classification (ANZSIC).

Appendix G Glossary

Table 25 Technical terms glossary

Integrated Data Infrastructure (IDI)	The Integrated Data Infrastructure (IDI) is a large research database. It holds de-identified microdata about people and households (Stats NZ, 2022). The data is about life events, like education, income, benefits, migration, justice, and health. It comes from government agencies, Stats NZ surveys, and non-government organisations (NGOs). The data is linked together, or integrated, to form the IDI.
Labour force	Comprises all those employed (part-time or full-time), or those unemployed. Note to be unemployed the individual must be available for and be actively seeking work. The measure of the labour force will exclude those retired, studying or otherwise not available for work. The labour force is a subset of the working age population.
Māori collectives	Māori collectives are used to describe collectively owned Māori organisations typically involved in the management of commercial assets on behalf of Māori, hapū, and iwi. Māori collectives may take many forms and include trusts, incorporations, Post-Settlement Governance Entities (PSGEs), and iwi commercial arms.
Māori individuals' classification	An individual is classified as Māori if they self-identified as having Māori ethnicity in the 2013 or 2018 Census. This includes individuals that selected Māori and any other number of ethnic groups.
Māori population	This refers to the sum of all individuals that self-identified as having Māori ethnicity in the 2013 or 2018 Census.
Māori tourism business	Active, privately owned business, with at least one identifiable owner who is of Māori ethnicity or descent, operating within a tourism defined industry.
Nominal growth	The rate at which the sales of final goods and services increases. For example, if sales in one year totalled \$100 and then \$105 the next year, then nominal growth is said to be five percent per year (or 5% p/a). Note this growth includes the effect of changes in prices, as well as changes in the quantity, of final goods and services produced. Contrast with real growth.
Non-Māori tourism business	Active, privately owned business, with no single identifiable owner who is of Māori ethnicity or Māori descent, operating within a tourism defined industry.
Operating surplus	Total revenue from sales of an enterprise less payments for intermediate goods and services and compensation of employees. This is equivalent to the income return to the owners of the assets being used by the enterprise. While not strictly precise, this can be thought of as akin to profit. A component of this return will be the equivalent of consumption of fixed capital (akin to depreciation), being the portion of assets that have been used up during the period.

Appendix G Glossary

Table 25 Technical terms glossary

Other tourism industries	This component of Māori tourism is broad and far-reaching, covering most industries in the economy. Tourism has a very small role to play in the demand within this grouping of industries. Although tourism only has a small influence within the other tourism industries grouping, given the breadth, size, and number of businesses and collectives with activities in these industries, the economic activity created is significant.
Output	In the context of economic analysis, 'output' refers to the value of production, often measured as gross sales or turnover.
Rohe	The boundary determinations of the eleven rohe in the report are depicted in Figure 15. These determinations follow those used in Te Ōhanga 2018. These details are aligned with Te Puni Kokiri and Māori Land Court classifications.
Sector	Aggregated equivalent to industry.
Tourism Satellite Account (TSA)	A tourism satellite account integrates data about the supply and use of tourism-related goods and services into a single format. It summarises the contribution tourism makes to production and employment and is consistent and integrated with New Zealand's official national accounts. This ensures that the importance of the tourism sector is measured and understood in the context of the New Zealand economy as a whole. New Zealand's tourism satellite account (TSA) measures expenditure in New Zealand by both resident and non-resident tourists, and thus gives a picture of the overall size of the tourism industry, including its contribution to gross domestic product (GDP) and employment (Stats NZ, 2024).
Value added	The result of the production processes or service delivery activities of enterprises. This is total revenue from sales less payments for intermediate goods and services used in their processes or activities. Value added is the equivalent of the compensation of employees plus the operating surplus generated by enterprises. Closely related to GDP.
Wellbeing	Holistic perspective (or measure) of standard of living.



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