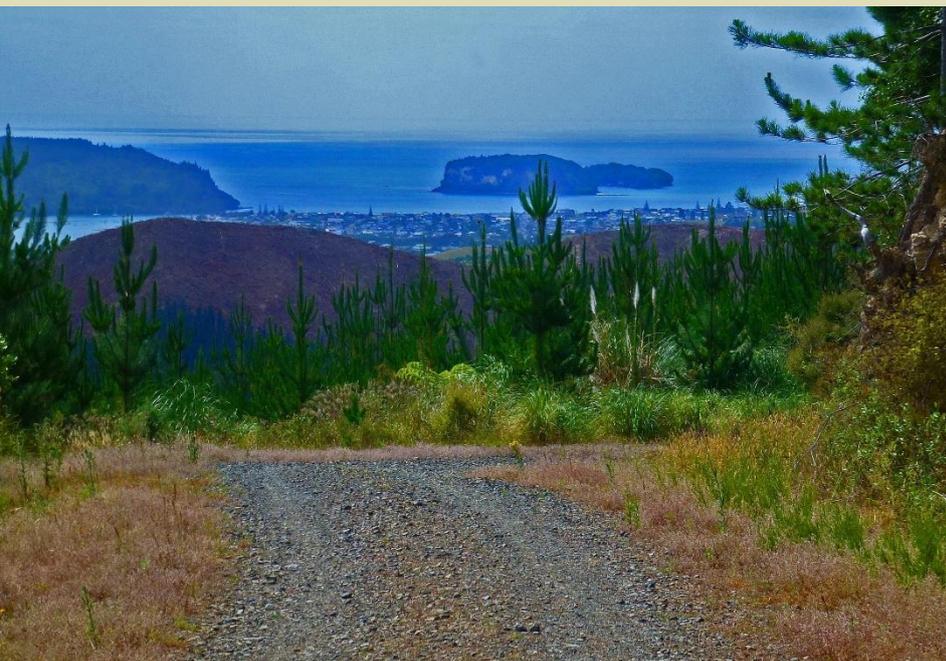




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People & Places

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Economic impacts of mountain biking in Coromandel's forests



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2. Introduction and overview

This report assesses the economic impacts of bike tourism in Coromandel's forests.

The analysis draws on a cohort of six Coromandel forests with recreational mountain bike access. The areas captured include: Hotoritori, Mangarehu, Tairua, Whangamata, Whangapoua, and Whitianga.

The objective of this report is to deepen understandings into how much economic activity and employment is supported by bike tourists to Coromandel's forests. Bike tourists are visitors for whom the main reason to visit a destination was to ride their bike.

At its heart, this report helps answer the following¹:

- How many people mountain bike in Coromandel's forests?
- What are the origin of the riders?
- How much spending is brought the local economy by people visiting to mountain bike in Coromandel's forests? How much employment does this spending support?
- What are recreational usage patterns by locals and what are the health benefits?
- What opportunities are there for future growth in recreational usage of Coromandel's forests?

2.1. Key findings

- Coromandel's forests welcomed 10,200 individual mountain bikers in 2022, about a 15% lift on the 8,900 bikers measured in 2021. Cumulatively these bikers went on around 42,200 rides.
- Of these 10,200 individual mountain bikers in 2022, about 500 were Coromandel residents riding in a forest close to home, while the remaining 9,700 were visitors to Coromandel from elsewhere.
- Mountain biking was primarily concentrated on Whangamata Forest, followed by Tairua and Whitianga.

\$8.4 million was spent by bike tourists in Coromandel's forests in 2022, a 47% increase over the past year.

- About 43 jobs are supported by spending in Coromandel by bike tourists to the region's forests.
- Health benefits from local residents biking in Coromandel's forests are worth \$250,000.
- Bike tourism in Coromandel's forests could grow by 9.5% to reach \$9.2 million within five years if the region can maintain its share of biking in New Zealand's forests.

Realising growth opportunities will be reliant not just on trail building and forest access, but also needs to be complemented by high quality governance systems and destination marketing to activate biking audiences within and beyond Coromandel's borders.

¹ Calculations have been informed by a range of government and private sources. Mountain bike usage patterns in forests were established by scaling data from Trailforks. Trailforks is a global trail management system with almost 1.3 million rider check-ins across all types of biking in New Zealand in 2022.

At a glance: Biking in Coromandel's forests

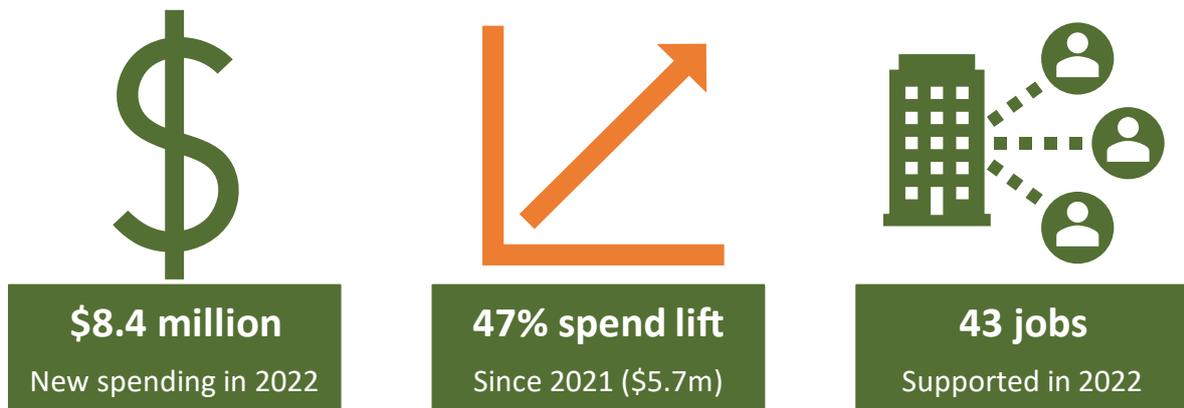
Mountain biking in six Coromandel forests analysed

Number of bikers in 2022 within Coromandel's forests



Visitor stay characteristics: 3.9 nights and \$292 per day

Economic impacts in Coromandel by bike visitors to Coromandel's forests



Top forests: Whangamata Tairua Whitianga

Potential future spending by bike visitors to Coromandel's forests



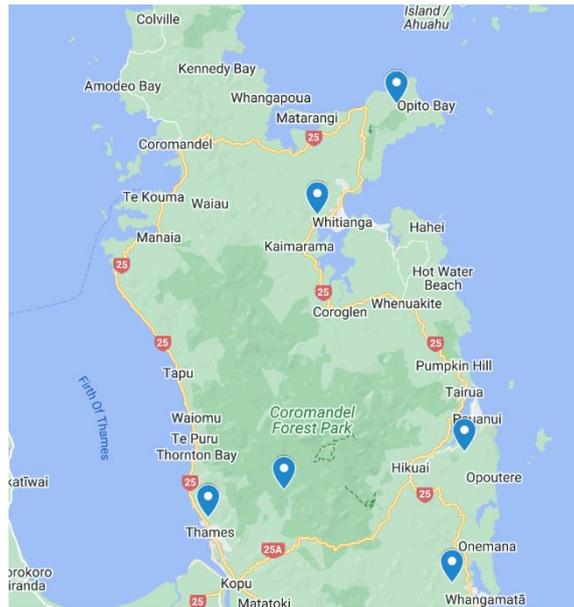
3. Current state of biking in Coromandel's forests

This section introduces how much mountain bike usage currently occurs within Coromandel's forests.

3.1. Forests included in the analysis

Mountain biking across six Coromandel forests has been included in this report. The areas captured in the analysis include: Hotoritori, Mangarehu, Tairua, Whangamata, Whangapoua, and Whitianga².

Figure 1 – Coromandel forests with recreational mountain bike access included in the analysis

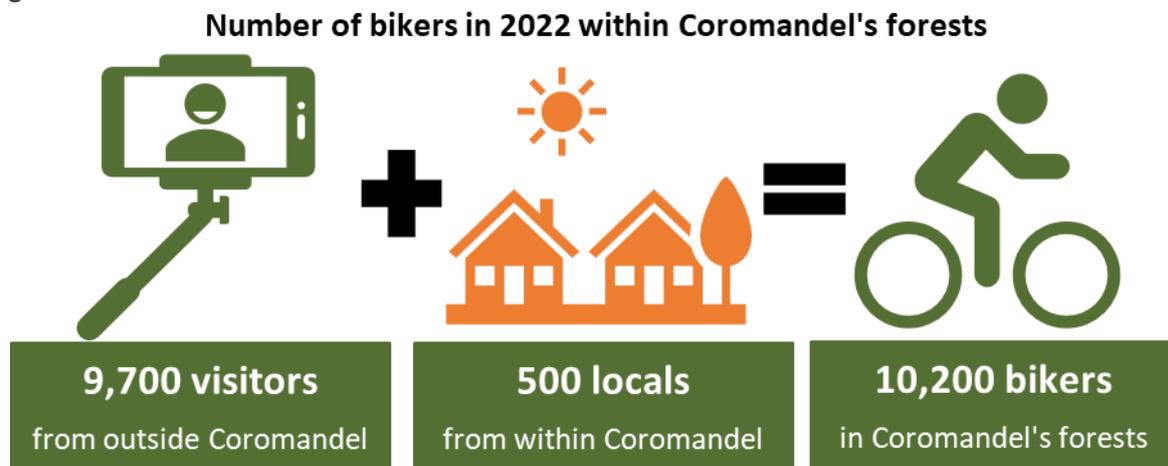


3.2. How many people bike in Coromandel's forests?

Usage of Coromandel's forests for mountain biking has risen rapidly recently.

Coromandel's forests welcomed 10,200 individual mountain bikers in 2022, about a 15% lift on the 8,900 bikers measured in 2021.

Figure 2 – Number of mountain bikers in Coromandel's forests in 2022.



² These forests are a cohort where mountain biking usage in 2022 could be verified with publicly available data sources; there may also be some forests that allow mountain bike access which were not captured.

Of these 10,200 individual mountain bikers in 2022, about 500 were Coromandel residents riding in a forest close to home, while the remaining 9,700 were visitors to Coromandel from elsewhere.

3.3. Which forests have the most mountain biking?

Table 1 summarises where this biking activity occurred across the six forests included in the analysis.

The table is indicative only, based on calculations from scaled Trailforks data. Forests with less than 250 estimated individual bikers who utilise the forests are not included due to data quality considerations.

The 10,200 mountain bikers went on a total of 42,200 rides within Coromandel's forests during 2022. This mountain biking was primarily concentrated on Whangamata Forest, followed by Tairua and Whitianga.

Table 1

Coromandel forests which attract the most individual mountain bikers		
<i>Individual bikers (2022), calculated for areas with >250 bikers due to data quality</i>		
Forest	Individual bikers	Number of rides
Whangamata	8,500	34,700
Tairua	900	3,600
Whitianga	350	1,400
Mangarehu	250	1,400
Other	200	1,100
Total Coromandel	10,200	42,200



Credit: Paloma Ayala

4. Economic impacts of biking in Coromandel's forests

This section introduces the economic impacts of biking in Coromandel's forests. The analysis focusses on spending by bike visitors because their spend represents fresh money into Coromandel that would not have existed in the absence of the bikers' visits. The potential employment supported by this spending is also estimated.

Spending by local residents biking within Coromandel is not factored into core economic impacts as it is likely they would spend their budget on other things in the local area had they not biked. But the wellbeing benefits of locals' biking must be acknowledged because it contributes to their physical and mental health.

4.1. Characteristics of a typical bike visitor's holiday

The average visitor who likes to enjoy mountain biking in forests on their holiday stays for 3.9 nights in a destination and spends \$292 per day.

These bike visitors stay almost twice as long and spend more than 50% extra per day compared with the typical traveller³.

Figure 3 – Stay length + daily spend by visitors who bike in forests (author calculations, national averages)

Characteristics of a typical bike visitor's holiday



Biking is the primary purpose of travel for 76% of bike visitors⁴ to an area, which suggests that biking in a forest was the primary motivation for travel for 7,400 of the 9,700 bikers visiting from outside Coromandel.

The cohort of visitors for whom biking was the primary purpose of the trip, rather than simply something they did along the way, represent a group of people who may not have travelled had it not been for recreational bike access to forests.

³ Bike visitors' stay characteristics pertain to 2022. These have been calculated by the author, drawing on information from Trailforks, the 2021 Evaluation of Ngā Haerenga Great Rides of New Zealand, and inflation data. Characteristics across all visitors are New Zealand averages based on author calculations of data drawn from the Ministry of Business, Innovation and Employment (MBIE), Statistics New Zealand, and Data Ventures.

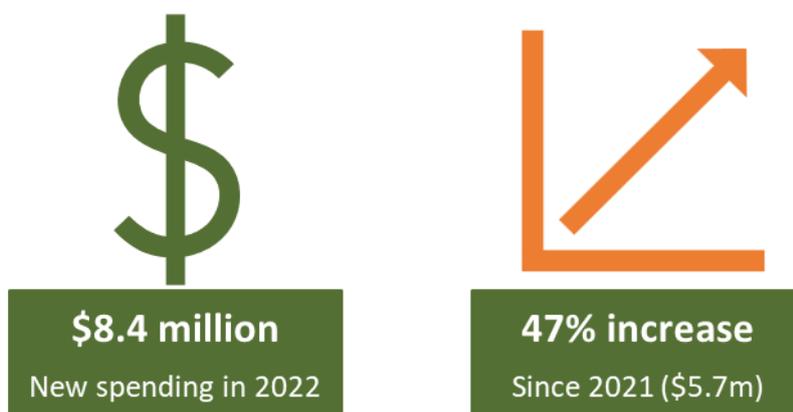
⁴ This insight is calculated from data in the 2021 Evaluation of Ngā Haerenga Great Rides of New Zealand and is also consistent with a Rotorua Lakes Council 2020 survey of Whakarewarewa Forest mountain bikers.

4.2. Spending by bike visitors to Coromandel's forests

It is estimated that \$8.4 million of new expenditure in 2022 was supported by bike visitors to Coromandel's forests for whom biking was the primary purpose of their visit to the region. This represents a 47% increase from the \$5.7 million of new visitor expenditure that was estimated to have occurred in 2021⁵.

Figure 4

New spending in Coromandel by bike visitors to Coromandel's forests



Biker visitors spend money not just on biking-related activities, repairs, and retail, but also on other services during their holiday (eg. accommodation, hospitality, and transport).

Around one third of bike visitors' spending typically is directly on bike specific expenses, with the remainder spent on other elements of their holiday⁶.

4.3. Jobs supported by bike visitors to Coromandel's forests

New spending by bike visitors to Coromandel's forests supports a considerable amount of employment in host regions.

It is estimated that as many as 43 filled jobs in 2022 were supported by the spending of bike visitors to Coromandel's forests during their time in Coromandel⁷. This represents a 43% increase on the 30 jobs supported by forest bike visitors' spending in 2021.

These calculations are based on the theoretical level of employment which could be supported by bike visitors' spending. Actual outcomes may differ depending on each business' hiring behaviour.

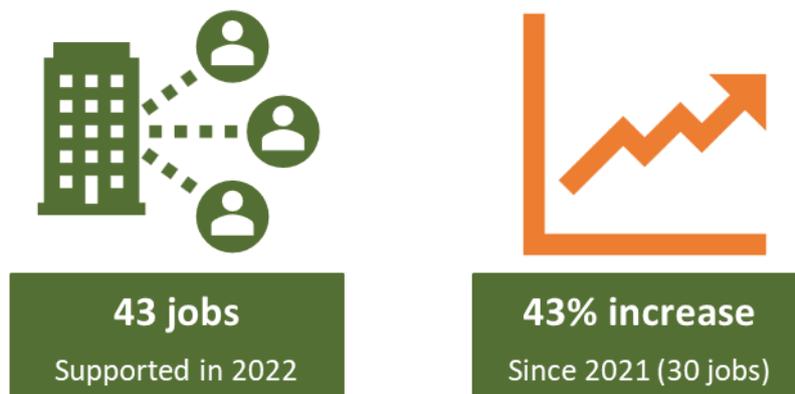
⁵ The new expenditure supported in host regions was calculated as the total number of visitors to Coromandel who bike in a forest, for whom biking was the main purpose of their trip, multiplied by the average stay length and daily spend.

⁶ Calculated from the Rotorua Lakes Council 2020 survey of Whakarewarewa Forest mountain bikers.

⁷ A filled jobs estimate was formed by using a multiplier of tourism spending to jobs (calculated with inflation-adjusted data from Statistics New Zealand's Tourism Satellite Account).

Figure 5

Jobs supported in Coromandel by forest bike visitors' spend



4.4. What does each forest contribute to economic impacts?

The following table provides an indicative split as to how spending by bike visitors can be spread across the forests included in the analysis. The data corresponds to usage patterns, highlighting that most spending can be attributed to visitors biking in Whangamata, followed by Tairua, and Whitianga.

Table 2

Contributions of biking in Coromandel's different forests to new visitor spending	
New visitor spending in Coromandel supported by biking in each forest, 2022	
Forest	New visitor spending (\$m)
Whangamata	\$7.2m
Tairua	\$0.7m
Whitianga	\$0.3m
Mangarehu	\$0.1m
Other	\$0.1m
Total Coromandel	\$8.4m

4.5. Health benefits for locals

Spending by locals is not captured within the core economic benefits as anything that locals spend is not new money into a local economy and represents money that could have been spent on other pastimes had it not been for biking. But the fact that 500 bikers in Coromandel's forests are local residents, demonstrates that biking is clearly an important component of day-to-day life and identity for many.

Recreational cycling by locals also brings quantifiable health benefits. Waka Kotahi calculates that the [health benefits of cycling](#) are \$4.90 per kilometre.

It is estimated that cycling in Coromandel's forests by local residents could add about \$250,000 each year of mental and physical health benefits⁸.

⁸ This estimate builds off the Waka Kotahi health benefit rate and the 500 local people who biked in forests, coupled with evidence from Trailforks that New Zealanders typically ride an average of 9.4 times per year in forests within their local area for an average distance of 21.4km. It is also conservatively assumed that only half the biking in forests is exercise that would not have otherwise occurred, with the remainder being baseline exercise that would still occur in some other shape or form had the forest not been available.

5. Future growth opportunities

Previous sections identified the current contribution of biking in Coromandel's forests to the local economy. But with recreational demand to use forests rising, there are opportunities for future growth.

5.1. Economic impacts of a potential scenario for growth

Future analysis has been based on the following five-year scenario for growth to 2027:

- Biking in Coromandel's forests grows in line with the region's share of biking in forests across New Zealand.
- Biking in New Zealand's forests rises in line with population growth trends⁹, as well as a 20% lift in the participation rate in biking in forests among travellers on holidays¹⁰.

Under the future growth scenario, the total number of people biking in Coromandel's forests could rise from 10,200 in 2022 to 11,200 in 2027. Most of this growth is visitors who mountain bike (from 9,700 to 10,600), however, the number of locals who bike will also rise (from 500 to 600).

Figure 6

Future visitation to Coromandel for biking in the region's forests



If spending by mountain biking holidaymakers continues to follow a similar pattern to the present day, then the increase in bike visitors estimated above would push total spending by bike visitors to Coromandel's forests up by \$0.8 million (9.5%) from \$8.4 million in 2022 to \$9.2 million by 2027.

Figure 7

Potential future spending by bike visitors to Coromandel's forests



⁹ Statistics New Zealand projects median population growth of 4.0% over a five-year period from 2023.

¹⁰ Such growth is reasonable given an increasing array of bike-focussed travel products and evidence in some places of already high levels of visitor bike participation. Previous [research](#) by Benje Patterson showed 8% of international travellers to New Zealand biked, while in markets like Queenstown 12% of travellers bike.

6. Concluding remarks

This report has highlighted that there are significant social benefits of recreational access to Coromandel's forestry estate.

Recreational mountain bike usage has been measured across a cohort of six forests within Coromandel. Collectively these forests welcomed 10,200 bikers in 2022. These bikers were a mix of locals and visitors to the host region.

The economic benefit of the bike tourists to Coromandel's forests was around \$8.4 million of additional visitor spend within Coromandel that would not have otherwise occurred without biking being permitted within local forests. On top of these economic benefits, there are also health benefits to local residents from increased exercise, these health benefits were in the order of \$250,000 over the past 12 months.

Over the next five years, there is an opportunity for mountain biking in Coromandel's forests to grow by about 9.5%, which would take total spending by bike tourists in the forests to around \$9.2 million.

To realise these opportunities will require delivering unique and exciting biking experiences. To create such experiences, trail managers need to focus not only on building high-quality trails and associated infrastructure, but also developing strong partnerships with local forestry companies and solid governance models.

The marketing side of a trails network is also important not to neglect, with destination promotion and leveraging off the profile of key events also helpful. And finally, trail managers and forestry owners need to focus on sustainable practices that protect the forest and ensure its long-term viability for recreational access.



Credit: Miles Holden



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