# CHANGING GEAR: THE IMPACTS OF TOURIST ACTIVITY AROUND A NEW CYCLE TRAIL (DRAFT PAPER)

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# **Introduction**

Cycle trails are a feature of many regional destinations (Reis, Lovelock, & Jellum, 2014). From an economic perspective, trails makes good sense. Previous research has shown that trail-related tourist expenditure, though difficult to measure (Ryan et. al., 2014), can bolster regional economies by providing new business opportunities for local and extra-local entrepreneurs and investors, and by widening the gamut of employment choices for residents (Dowsett, 2008; MacLeod, 2017). Tourist trails can also provide new recreational opportunities for locals; a new purpose for underutilised sites and buildings; and the impetus for new environmental and heritage restoration projects (Beeton, 2010; Wilson & Mackay, 2015). For tourists, cycle trails provide an alternative (low-emission) and unique travel experience in and through a region.

Following Reis & Jellum (2012), in this paper we consider the need for impact assessment that focuses on sustainability outcomes of tourist trails across *multiple* dimensions, and in an *integrated* manner, to better inform the planning, implementation and management of trails and tourism more generally in rural regions. The paper draws on research funded by New Zealand's *Building Better Homes Towns and Cities National Science Challenge* that has focused on the development of the Alps to Ocean Cycle Trail in the Waitaki District of New Zealand's South Island (Mackay, Taylor & Perkins, 2018). The research asks: how is the A2O and allied tourism-led regeneration initiatives working together to improve the economic, social and environmental performance of the District's settlements, what are the impacts, and how can improvements be made and supported?

# The Alps to Ocean Cycle Trail (A2O)

The A2O is a 300km, mostly off-road, cycle trail that descends from the base of Aoraki Mt Cook in a national park, through several small settlements located in the Waitaki Valley, before reaching the town of Oamaru (population 13,950) on the Pacific coast. The trail crosses mountain landscapes, alpine lakes, hydro-electricity canals, a large braided-river system and several geological features. The valley is a multifunctional setting with land uses ranging from conservation lands and national parks, to extensive pastoral farming, intensive, irrigated agriculture (dairy farming) and viticulture. Heritage features include stone buildings, industrial history and Māori rock art. The trail is linked to other major District initiatives with a visitor focus, including

the heritage area and harbour of Oamaru, where the cycle trail ends. In addition to being the trail end, the Oamaru harbour is recognised as a site of national significance by the New Zealand Historic Places Trust, and is home to the Oamaru Blue Penguin Colony. It is also one part of a new proposal to develop and brand the whole area as a geopark, with UNESCO recognition.

The A2O is one arm of the government-backed Nga Haerenga/NZ Cycle Trail (<u>https://www.nzcycletrail.com/</u>), an extensive and interconnected network of publicly accessible on and off-road bike trails, some newly built, others pre-existing but now formally linked into the national network (Kennett, 2013). A key characteristic of the Nga Haerenga/NZ Cycle Trail projects is their emphasis on partnerships between the state, territorial authorities and local communities, in their planning, co-funding and development. The A2O originated in the efforts of an enthusiastic local group concerned to develop a project with positive impacts on small towns along the trail, and the larger town of Oamaru. Positive outcomes are expected for local business and employment, along with an enhanced recreational environment and heritage protection. While the A2O began as a local initiative, it importantly received funding from central government through the Nga Haerenga initiative (Bell, 2018; Wilson, 2016) and strength from the involvement of Waitaki District Council in project management and dealing with local issues, such as property access over private farm land.

## **Methods**

Our study of the development and impacts of the A2O and allied tourism-led regeneration initiatives was conducted using mixed methods. Sources of data for the study included primary information through in-depth interviews and participant observation. Secondary, qualitative data included historical records, documentary research, reports, studies, media coverage, census data, economic and employment data, and GIS maps. The starting point for this research was to map and characterise the range of regeneration initiatives in the Waitaki District and the periods over which they developed, and then to hone in on and examine in greater detail the A2O as a regional exemplar. Key stakeholders were identified in the scoping analysis and their input helped to examine the effects of the trail, and the central themes of better, more integrated planning and assessment of regeneration initiatives – such as the A2O – and more sustainable development of tourism in the longer term.

### Effects on local economy and communities

Our research found that the A2O is helping to diversify and revitalise the District's economy and small towns along the way. This has happened in four key ways. First, our interviewees noted the direct positive effect of trail-related expenditure, which has boosted the revenue of many tourist service providers. Some stakeholders noted that the challenge was now to ensure tourists and tourism revenue are dispersed evenly through the District to ensure the *whole* trail is a success, rather than parts of it as is the current case. Relatedly, many stakeholders recognised that burgeoning national visitor numbers combined with rapid growth in bikers on the trail has implications for the capacity of local infrastructure, the natural environment and

heritage resources. Thus, the dispersal of tourists along the whole trail was seen as an important way to alleviate tourist pressure at several key sites.

Community leaders recognised that burgeoning national visitor numbers will feed into the increasing popularity of the A2O and test the capacity of local infrastructure and the environment, including heritage resources. Monitoring of tourism impacts in New Zealand typically is demand driven, considering total visitor numbers and visitor nights with some segmentation of the tourist market (usually by domestic and international and then by country of origin). For trails, automated counters provide crude, localised information. The International Visitor Survey provides additional information at a national level with some disaggregation possible by tourist type and region. Survey data specific to the trail, such as Wilson (2016), provides information about where people go, and how, the activities they engage in and their expenditure. This information is useful for basic strategic planning.

Second, some of our interviewees spoke of the positive effect of trail-related investment in building activity. The A2O has prompted some locals (including farmers), often with help from outside investors, to purchase and convert old rural buildings (e.g., churches, woolsheds, old rail stations, disused pubs) into accommodation, agri-tourism attractions, bike shops and/or hospitality services (such as cafes) for visiting cyclists. In these terms, the A2O is contributing in a very significant way to the conservation of built rural heritage across the region, a process that has happened in less then five years along the trail. Rapid change, however, tests the adaptive capacity of communities and raises the likelihood of host resistance to further tourism developments as residents sense a loss of place, potentially undermining the localised relationships necessary to initial development of the A2O.

Third, stakeholders reported that the trail has given several small rural towns in the district a much-needed economic boost, while providing the impetus for local entrepreneurial experimentation in tourism. This is particularly evident in the small neighbouring villages of Duntroon and Kurow, where a number of old buildings have been, or are in the process of being repurposed to accommodate new enterprises that serve cycle tourists. Another particularly interesting example is the experience of the village of Otematata, a small rural community (population 186) situated near the mid point of the trail (Wilson & Mackay, 2015). In the late 1950s, this was a hub for workers and their families who were constructing two hydro-electricity dams – the town's population peaked at around 4,000 people in the 1960s. Since then the town's population and economy has dwindled. The residents spoken to about the A20 expect that the trail will diversify and revitalise their local economy and pointed to examples of new local business activity that was prompted by the cycle trail (Mackay, Wilson & Taylor, 2015).

Fourth, stakeholders reported that because the A2O is just one dimension of the region's diversifying tourism offering, it was contributing to emerging tensions about the best ways to promote the area and particular sites to visitors in a cohesive way. As noted earlier, in addition to the A2O the region is the site of a geopark, and home to Steam Punk and Victorian Heritage communities, who host numerous festivals and

events. Multiple naming of areas, festivals and events reflects the ad hoc nature of these initiatives over time, each with particular leadership, energy and local organisation. This multifaceted approach has served to capture and maximise a diverse base of social entrepreneurship, organisational capacity and volunteerism. On the other hand, in the longer term, and for larger-scale initiatives such as the A2O, a common approach is needed for promotion. with a consistent marketing message. To sustain multiple local efforts, care is needed to balance enterprise, site and event promotion with any wider branding, so that enterprises and individuals are not discouraged.

The possibility arises for the A2O to act as an integrating mechanism as it links several communities, a range of businesses such as transport, cafes and accommodation providers, and a number of local conservation and heritage projects. In addition, the local council and other community leaders have to achieve integration between economic development and other initiatives such as employment creation, worker housing and social services, all alongside environmental and heritage projects. The integrative potential of the trail, used effectively, could see communities along it working in a common approach to sustainable tourism management within a broad approach to enhanced social wellbeing.

The proposed Waitaki Whitestone Geopark might also play a role in stimulating and organising sustainability thinking. As noted above, the A2O traverses the geopark. Like the A2O, this initiative is the innovation of a group of volunteers, in this case associated with the Vanished World Fossil Centre – a community organisation located in the small settlement of Duntroon, 30 minutes inland from Oamaru at a key point on the A2O. The Centre was created by a group of local land owners with assistance from the Geology Department of Otago University. It provides an interactive gallery and education centre and showcases sites of local geological significance. It also sits behind the current Whitestone Waitaki Geopark brand. This initiative is now in the process of upscaling via an official bid for UNESCO Global Geopark accreditation – a process involving Waitaki District Council. The proposal will include a global geopark management plan, with sustainability front and centre.

### **Concluding remarks**

Our research shows that (with caveats) the A2O is helping to diversify and revitalise the local economy beyond cycles of economic development and activity typical of resource-based communities (Taylor, Fitzgerald & McClintock, 2001). Stakeholders recognise positive effects and sustainable futures depend on their ability to scale up and integrate multiple tourist initiatives and opportunities. Much more is needed in planning and implementing new tourist trails, such as the A2O, in a sustainable way. A narrow focus on increasing visitor numbers, nights and expenditure, as in the current visitor strategy (Gaskill, Elliot and Currie n.d.), is unlikely to meet sustainability objectives. To underpin sustainable tourism development, ongoing impact assessment, with monitoring, needs to move up a gear and cover all aspects of Waitaki tourism: bio-physical environment, cultural, heritage, economic and social. A sustainable planning framework must ensure the results of ongoing assessment are integrated into future strategic plans, natural resource plans, and infrastructure investment. Key gaps include information on visitor satisfaction and the social carrying capacity of particular sites, employment and skills. Effects on community cohesion and the distribution of positive and negative effects are of particular concern. Community leaders, planners and local government need to address issues of investment, capacity and skills across private sector investors, social enterprises and local government.

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