A Summer Story: Visitors and Retail Spending in Mangawhai

- Sustainable Mangawhai Project
- Research Note 1

Mangawhai Matters

Protecting our Environment, Sustaining our Community

The Sustainable Mangawhai Project aims to assess the physical risks to the integrity of the harbour and distal spit, and the consequences for the environment and community of any damage to them. The objective is to provide a comprehensive information base so that the agencies responsible can cooperate in the preparation and implementation of harbour management guidelines.

The harbour and its protective spit support biodiversity, recreation, economic activity, and cultural, community, and personal well-being. When considering how we might best manage the harbour, all the services it provides need to be considered.

This Research Report is one of several that address the value to the community.

A Summer Story: Visitors and Retail Spending in Mangawhai
Research Report 1, Sustainable Mangawhai Project
Mangawhai Matters Inc.
June 2023

For further information, visit www.mangawhaimatters.com/sustainablityproject

Mangawhai Matters

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SUMMARY

This research report outlines the growth in retail spending by residents and visitors in Mangawhai over the five years ending in March 2023. Values are expressed in 2023 dollars. Visitors are defined as people who are not full-time permanent residents of Mangawhai.

Key results are:

- Total retail sales in 2023 were $91m, a spectacular 65% ahead of 2019 sales of $55m.
- Although it grew less than spending by residents, visitor spending still grew 30% by 30% over the five years and accounted for 40% ($37m) of the Mangawhai total (and close to 50% over the three summer months).
- Spending by the local community (people living In the Heads, the Village, and the immediate rural area) grew over 90% on the back of more than 32% population growth over the five years. This means local spending per household increased substantially partly due to the opening of Bunnings and New World in the second half of the March year.
- Expanding resident spending also indicates that population growth was favoured younger, working households with higher income and spending than Mangawhai's long-standing retirement population.
- The importance of visitor spending is seen in the seasonal nature of sales, with the summer months accounting for around 30% of the annual total.
- Visitor spending is particularly important in hospitality (59% of sales over five years) and "other retail" (50%). (The latter covers gift shops, pharmacies, sports equipment, etc).
- The retailing least dependent on visitor spending comprises the home, hardware, and electrical stores (47% to visitors), automotive and fuel (44%), and liquor and groceries (39%).
- These figures changed balance with the opening of New World and Bunnings. In the second half of 2023 annual grocery sales grew by 40% and hardware by 145%. In groceries, visitor spending grew ahead of local spending, suggesting an expanded catchment. In hardware there was a strong local response to the increased capacity.
- Retailing is the major employer in Mangawhai, accounting for 225 jobs in February 2022 (20% of the total). The numbers doubled over five years even before the arrival of Bunnings and New World (which will have added at least another 60). Construction employment also doubled, to 180 jobs. Hospitality accounted for 13% of jobs, although this sector was hit hard by Covid and poor weather, having been the main employer through to February 2020.
- Although spending by the local community grew faster, spending by visitors remains important to the health of Mangawhai retailing. It is critical to the hospitality sector and has strongly supported the expansion of retail capacity following opening of the new large format stores. Visitors can be expected to remain a critical source of demand in support of existing stores and any planned retail (and consumer service) expansion. Conversely, any fall in visitor demand could reverse these gains in income, jobs, and retail choice.

1. Introduction

This report reviews retail spending in Mangawhai[1]. over the five years ending in March 2023[2] This was a period of considerable volatility as a result of two years of Covid disruption and unusually poor weather due to an extended La Nina weather pattern through 2022 and in the first half of 2023.

Spending estimates are based on credit and debit card transactions sourced from Marketview. The report deals primarily with March years and updates and replaces the note issued in February 2023.[3]

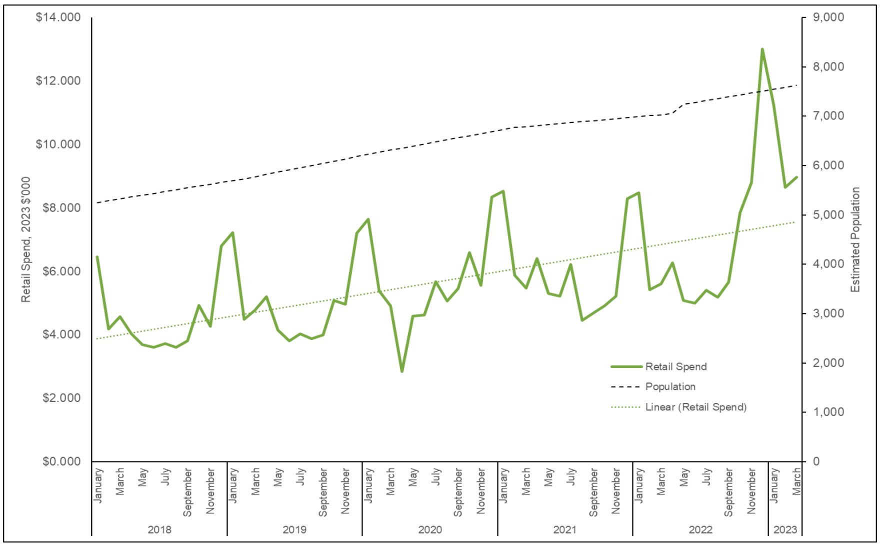
To protect merchant confidentiality spending is aggregated into the following categories:

Cafes, Restaurants, Bars & Takeaways (Hospitality)
Fuel & Automotive (Automotive)
Groceries & Liquor (Groceries)
Home, Hardware & Electrical (Hardware)
Rest of Consumer Spending (Other)

2. Growth

In the March 2023 year retail spending was $91m, 66% ahead of the inflation-adjusted 2019 figure of $55m (Figure 1). It also exceeded an estimated 32% population gain over[4], suggesting that while residential growth was the major driver of retail expansion, visitors still played a significant role.

Figure 1: Monthly Retail Sales, Mangawhai, January 2018-March 2023O



Population growth slowed in 2020 and 2021, but lifted in 2022 and 2023, presumably reflecting the relocation of households out of Auckland during and following the Covid lockdowns. Retail growth also moderated in 2020 and 2021, accelerating again from October 2023 when two large format stores opened (Bunnings for hardware and building products and a New World supermarket).

1 Defined as Statistics NZ Statistical Areas *Mangawhai* (Village), *Mangawhai Heads*, and *Mangawhai Rural*.

2 Marketview (www.marketview.co.nz), consolidates Paymark spending data and has been a trusted source of retail data since 2001. It used extensively by retailers and retail chains, investors and developers, and local and central government. It covers the value of spending in the majority of businesses selling to consumers, and includes origin of payment, date and time of purchase, and type of merchant by ANZSIC categories.

3 That note has been withdrawn. Some December 2022 data was omitted leading to erroneous conclusions.

4 Based on interpolation between Stats NZ February estimates from 2017 to 2022 and extrapolating for 2023.

3. Visitor Spending

This section explores the geographic origins of spending aggregated into regions and districts.

Who are the visitors?

Visitors include casual holiday makers who may stay at a public camping ground (most likely Mangawhai Heads Holiday Park) or rent baches. Some of these people will holiday regularly in Mangawhai, others only occasionally. Yet others may stay just a night or two as passers-by during a multi-destination holiday or road trip.

Second home (or bach) owners are another group. Having made a significant investment in Mangawhai, they can be expected to visit frequently and stay for extended periods.

Many visitors stay with friends and relatives who may live or have a bach in Mangawhai. Another group comprises day visitors, some of whom may live nearby and return regularly for recreation or shopping purposes. Others might visit on an occasional basis or simply stop while passing-through.

Finally, there is a small group of people who live in adjoining districts (rural Auckland and Whangarei) who may visit on personal business or to do their shopping in Mangawhai. While they may contribute to local spending, they are not the focus of this analysis.

How is their spending identified?

Marketview data is based on electronic transactions and can be disaggregated by store type and by district. The geographic origin of spending is based on the residential address of cardholders. This means second homeowners who may visit Mangawhai frequently or stay for prolonged periods are treated the same as holiday makers who come for just a few days. It is reasonable to assume that both, however, are attracted to the recreational and social amenities and character of the area.

Because geographic disaggregation is by district, spending by Mangawhai households cannot be separated from spending by other Kaipara households. Mangawhai accounted for 22% of the district population in the 2018 Census. They are likely to have grown to over 25% since. Around 66% of Kaipara residents live west of SH1, well outside the catchment defined by Mangawhai Rural subdivision used by Statistics NZ.

For present purposes, however, it is assumed that the bulk of Kaipara spending in Mangawhai originates in Mangawhai itself and the immediate rural hinterland. This means that *local* spending (by residents) will be slightly overestimated and *non-local* spending (by visitors) slightly underestimated.

How important is visitor spending?

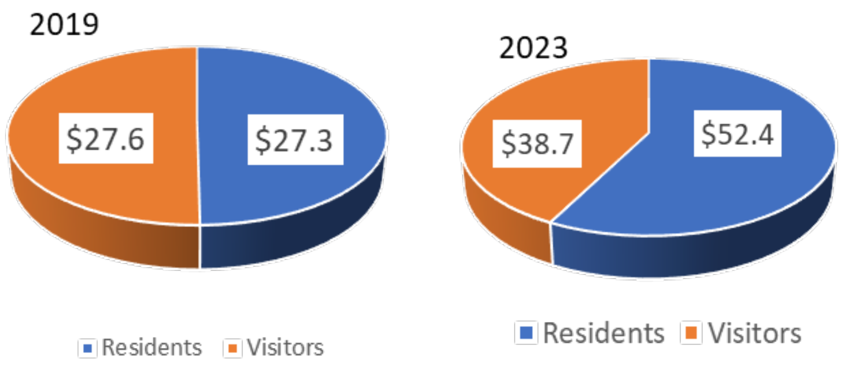
Over the five years to March 2023 visitors made 45% of annual retail purchases in Mangawhai, and 51% over the summer months (December to February). However, the annual share fell from 50% in 2019 (60% in the summer) to 42% in 2023 (Figure 2), still accounting for half of summer sales.

The gains in the local share are consistent with rapid population growth but also indicate a large increase in spending per resident household.

In fact, applying the 32% rate of population growth to local spending in 2017 projects an $8.8m gain, $25m short of reported resident spending in 2023. This is likely to reflect higher spending by residents in Mangawhai in response to an increased range of merchandise available locally. It also reflects demographic change as more working people and younger family groups move into Mangawhai, complementing the established retirement households.

Increased retail choice and convenience should also lift the attractiveness of Mangawhai to potential permanent residents. It can also be expected to increase visitor spending in the area, and its attraction as a holiday destination with an increasing depth of local amenities.

Figure 2: Shares of Resident and Visitor Spending (2023 $m)
(March Years)



While visitor spending lagged residents' spending, it nevertheless grew substantially. In addition, it lifted its share of spending significantly in the second half of the 2023 financial year (October to March) to 46%. This boost is unlikely to have been associated with increased holiday visitors given that the adverse weather curtailed summer holiday making. It is more likely to reflect an extension of the retail catchment in the Auckland and Whangarei district hinterlands, including the townships Tomorata, perhaps Wellsford, Waipu, and Waipu Cove.

Table 1: Source of All Retail Spending, 2019-2023
(March Years)

	Local	Visitors	Total	Visitor %
2019	$27.3	$27.6	$54.9	50%
2020	$31.0	$29.2	$60.2	48%
2021	$37.0	$31.6	$68.6	46%
2022	$40.4	$29.7	$70.2	42%
2023	$52.4	$38.7	$91.1	42%
Change	$25.0	$11.1	$36.2	31%
%	92%	40%	66%	

Some 78% of visitor spending came from Auckland residents over the five-year period. However, this was down to 74% in 2023 ($29m) in 2023. The rest of Northland accounted for $3.8m in sales, the rest of New Zealand $3.4m, and international visitors $2.9m.

While strong residential growth and the expansion of store numbers and floor area are driving the rapid growth of retail sales in Mangawhai, the visitor market nevertheless remains a major source of demand. Maintaining and expanding spending by visitors, particularly those from Auckland, will be critical to the health of the sector and the viability of retail businesses for the foreseeable future.

4. Seasonality

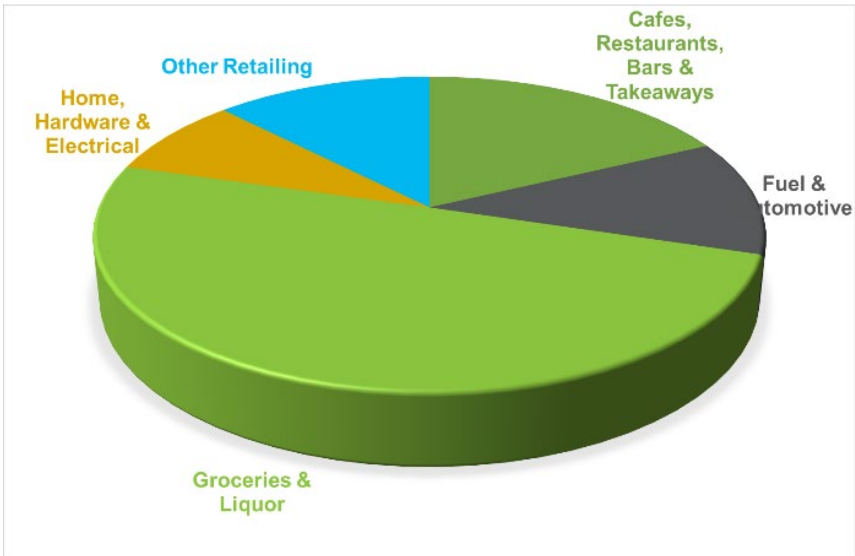
Figure 1 (page 1) demonstrates how peaked retail spending is in Mangawhai, most evident in the high December and January figures. Figure 3 further demonstrates seasonal spending, comparing summer sales (December to February) with autumn sales (April, May, and the following March), winter (June to August), and spring (September to November). Summer accounts for about 30% of all spending, reflecting the influence of the substantial holiday contribution at that time of year. In contrast, winter accounted for between 20% and 24% over the five years.

Figure 3: Seasonal Shares of All Retail Spending in Mangawhai, 2019-2023
(March Years)

The recent investment in new retail capacity and prospects for growth mean that recent gains in turnover should be sustained, provided public infrastructure investment can match the potential for further residential development. An expanded retail catchment and continuing population growth should reduce the high level of seasonality, regardless of visitor spending growth.

Spending figures within retailing are dominated by the grocery and liquor sector, which accounted for 50% of sales over the five years (Figure 4). Among other things, this reflects the limited number of stores in other categories. In fact, the hospitality sector was the next most significant at 18%, reflecting the character of Mangawhai as a recreational destination.

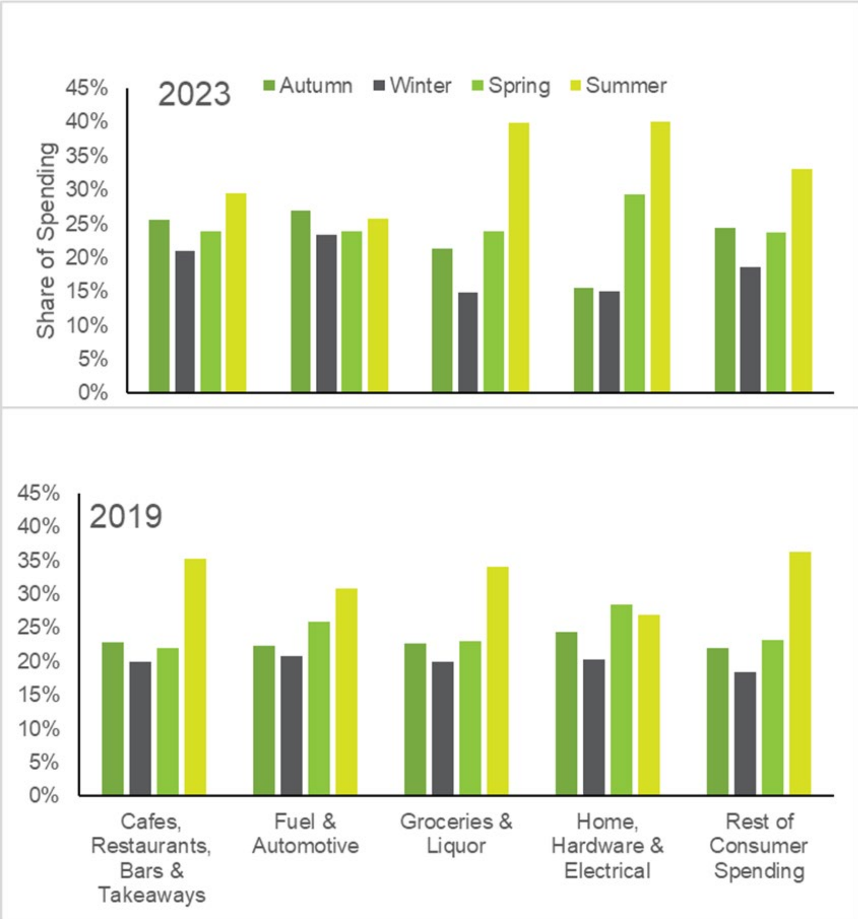
Figure 4: Sector Shares of total Spending, 2019 -2023
(March Years)



Seasonality was initially most pronounced in the hospitality and other retail sectors (the latter covering clothing, pharmacy, and gift shops) through most of the period. In 2019 summer accounted for 35% of sales in the hospitality (food and accommodation) sector.

However, this changed in 2023. The opening of the large format stores boosted the grocery and hardware sectors in the second half of the year, while a poor holiday season will have suppressed summer visitor spending in the categories most dependent on it (Figure 5.

Figure 5: Seasonal Shares of Spending by Retail Category, 2019 & 2023
(March Years)



5. The Sectors

Groceries and Liquor

Grocery stores accounted for 50% of Mangawhai sales over the five years, and 58% of growth (65% of growth between 2022 and 2023). Sales increased by 70% from 2019 to 2023 with around 70% of growth as attributable to increased local spending (Table 2). $17m of sales were attributable to visitors in 2023.

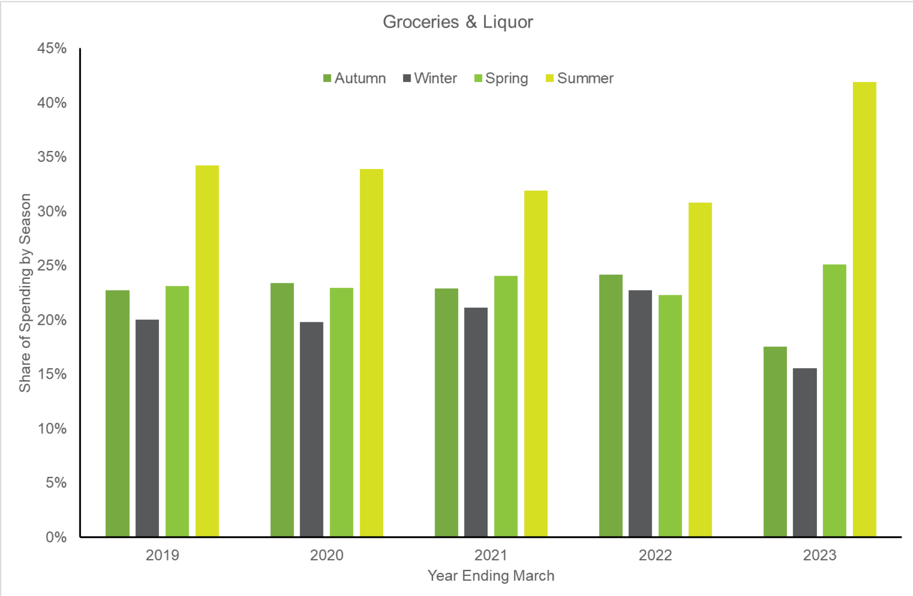
Much of this growth can be attributed to the opening of New World in 2023, with a $14m increase in sales between 2022 and 2023, $11m of which took place in the second half of the year. This development underlies peak spending in 2023 (Figure 6). Rather than seasonal behaviour, this signals mainly the overall lift in spending as shoppers are attracted from a wider catchment and residents and bach owners take advantage of a greater local retail capacity.

Table 2: Source of Spending on Groceries and Liquor, 2019-2023
(March Years))

March Years	Local		Visitors		Total
	$m	Share	$m	Share	$m
2019	$15	57%	$12	43%	$27
2020	$16	58%	$12	42%	$28
2021	$20	60%	$14	40%	$34
2022	$22	64%	$12	36%	$34
2023	$28	62%	$17	38%	$46
Growth	$13	70%	$6	30%	$19

While residents accounted for most growth over the five years, visitors contributed 49% in the last six months, including 35% from Auckland and elsewhere in Northland (mainly Whangarei District).

Figure 6: Seasonal Shares of Spending on Groceries and Liquor, 2019-2023
(March Years)



Cafes, Restaurants, Bars & Takeaways

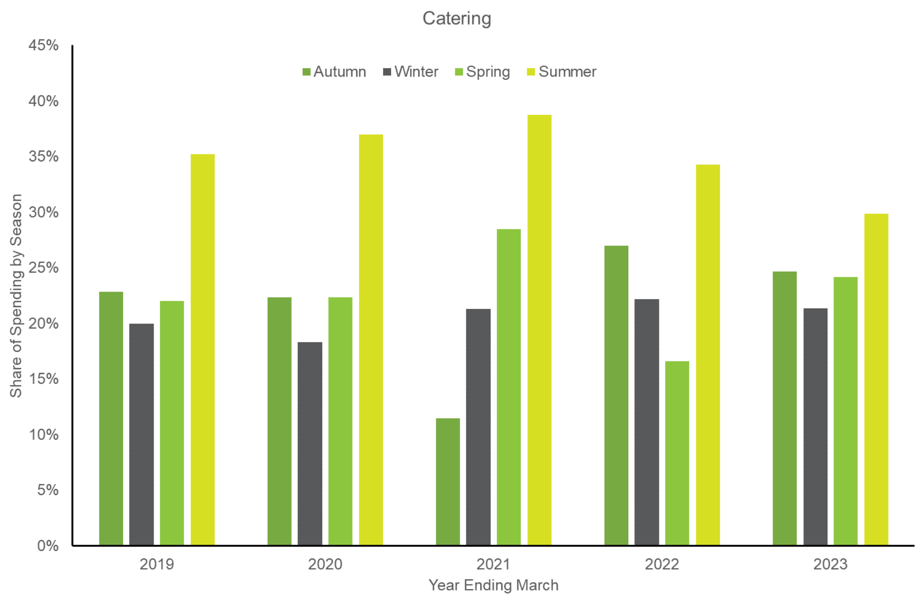
Turnover in hospitality increased by 40% in the five years to 2023, to $15m (Table 3). Hospitality accounted for 18% of all retail spending, although fell to 17% in 2023 as the grocery sector boomed. Unsurprisingly, visitor spending in cafes, restaurants and hotels is high. It was 64% of the total in 2019, although declined in relative terms as the local population grew, down to 58% in 2023.

Table 3: Source of Spending on Cafes, Bars, Restaurants & Takeaways, 2019-2023
(2023 Dollars)

March Years	Local		Visitors		Total
	$m	Share	$m	Share	$m
2019	$3.6	36%	$6.2	64%	$9.8
2020	$4.3	39%	$6.7	61%	$10.9
2021	$5.1	40%	$7.6	60%	$12.7
2022	$5.8	44%	$7.4	56%	$13.2
2023	$6.4	42%	$8.7	58%	$15.0
TOTAL	$25.0	41%	$36.6	59%	$61.7
Growth	$2.8	53%	$2.5	47%	$5.3

Given the reliance on visitors, sales in the sector have been highly seasonal (Figure 7). Diminished seasonality in the last two years reflects both a larger local population providing greater year-round demand and some reduction in spending due to Covid in 2022 and a poor summer in 2022-23.

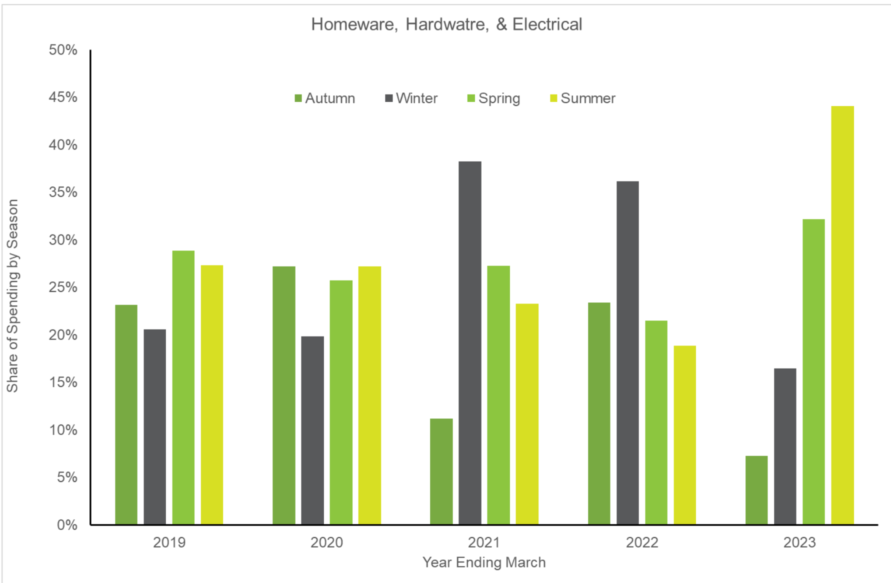
Figure 7: Seasonal Shares of Spending on Cafes, Bars, Restaurants & Takeaways, 2019-2023
(March Years)



Homeware, Hardware, and Electrical

The hardware sector accounted for less than 8% of Mangawhai's retail sales between 2019 and 2023 (and just 5% in 2022), with sales probably aligned with the building than holiday season (Figure 8).[5]

Figure 8: Seasonal Shares of Spending on Homeware, Hardware & Electrical Goods, 2019-2023
(March Years)



5 The bulk of building materials associated with residential and commercial constriction are more likely to be billed from and recorded as Auckland (wholesale) sales, with local retail sales more dependent on household demand.

This changed in 2023. Like the grocery sector, the homeware and hardware sector was boosted by the opening of a large format store. This gives the appearance of seasonality as sales of little over $4m in 2022 more than doubled to $10m in 2023, with 85% of that gain occurred in the spring and summer months. Over that six-month period 52% of growth came from residents and 48% from visitors. Aucklanders accounted for 77% of the increase, suggesting a significant expansion of the catchment in response to opening of Bunnings (Table 4).

Table 4: Source of Retail Spending on Homeware, Hardware & Electrical, 2019-2023
(March Years)

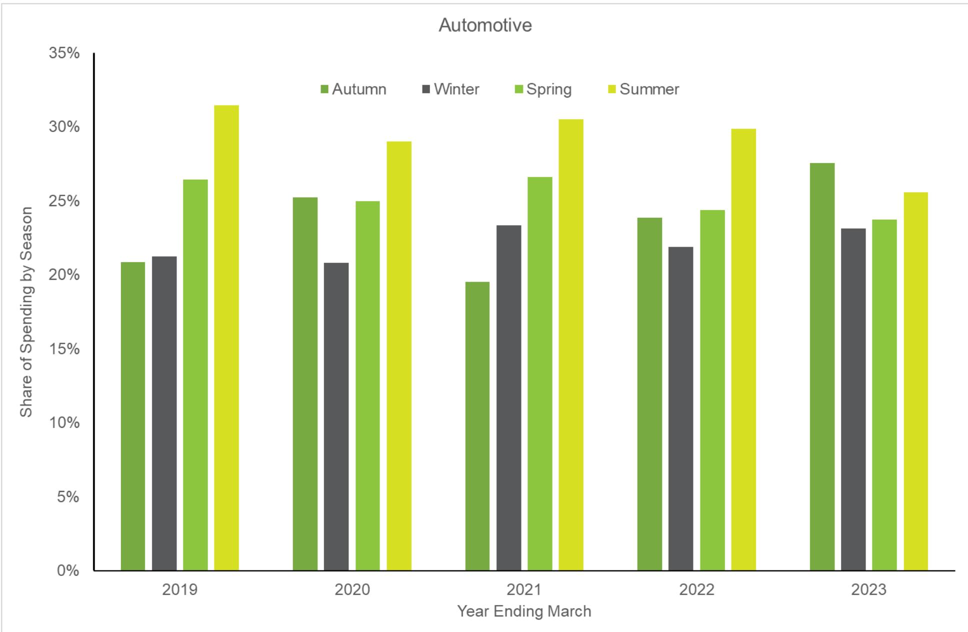
March Years	Local		Visitors		Total
	$m	**Share**	**$m**	**Share**	**$m**
2019	$2.1	48%	$2.2	52%	$4.3
2020	$2.2	48%	$2.4	52%	$4.6
2021	$2.9	54%	$2.5	46%	$5.3
2022	$2.2	55%	$1.8	45%	$4.1
2023	$5.6	57%	$4.3	43%	$10.0
Growth	$3.6	39%	$5.7	61%	$9.2

The implication is that while the recent expansion of retail capacity may be a response to recent (and anticipated) residential growth, it still depends heavily on the attractiveness of Mangawhai to visitors and the transfer of consumer and trade spending from a wider hinterland.

Fuel & Automotive (Automotive)

While seasonality is least pronounced in automotive and fuel sales (Figure 9) it has been the sector most dependent on the visitor sector (Table 5).

Figure 9: Seasonal Shares in the Automotive and Fuel Sector, 2019-2023
(March Years)



This apparent contradiction suggests that Mangawhai operates as a (sub-regional) service centre. Residents from the hinterland nearby towns using Mangawhai-based services in non-holiday periods complement those passing through or staying for short stopovers.

Visitor spending fell behind local spending during the Covid lockdowns (2021 and2022) and, subsequently, the unsettled weather in summer 2022-23.

Table 5: Source of Spending in the Automotive and Fuel Sector, 2019-2023
(March Years)

March Years	Local		Visitors		Total
	$m	Share	$m	Share	$m
2019	$3.1	45%	$3.8	55%	$6.9
2020	$3.8	49%	$4.0	51%	$7.8
2021	$4.2	55%	$3.5	45%	$7.7
2022	$5.5	59%	$3.8	41%	$9.3
2023	$6.2	68%	$3.0	32%	$9.1
Growth	$3.1	35%	$5.7	65%	$8.8

Rest of Consumer Spending

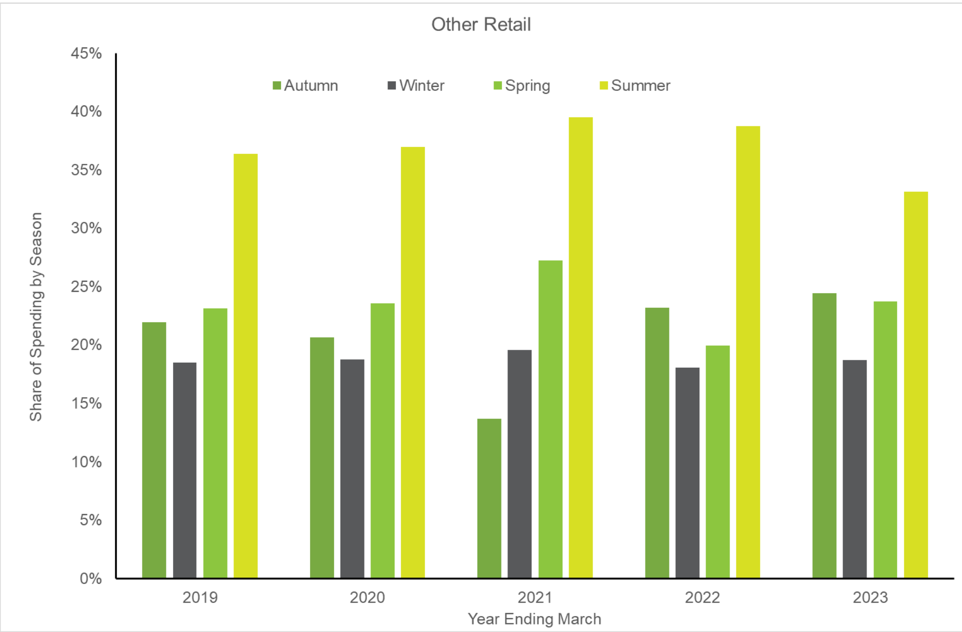
Consumer spending in the other sectors has been subdued since the onset of Covid in 2020 and did not recover in 2022 and 2023. Consequently, the share of Mangawhai sales fell from 13% in 2019 to 10% in 2023, with what growth has occurred dominated by resident spending (Table 6).

Table 6: Source of Rest of Consumer Spending, 2019-2023
(March Years)

March Years	Local		Visitors		Total
	$m	Share	$m	Share	$m
2019	$3.4	47%	$3.8	53%	$7.1
2020	$3.8	49%	$4.0	51%	$7.9
2021	$4.5	49%	$4.6	51%	$9.1
2022	$4.8	51%	$4.5	49%	$9.3
2023	$4.8	52%	$4.4	48%	$9.1
Growth	$1.4	69%	$0.6	31%	$2.0

The stalled level of visitor spending is reflected in a reduction in seasonality (Figure 10).

Figure 10: Rest of Consumer Spending Seasonality, 2019-2023
(March Years)



6. Prospects

The Significance of Retail Employment

The retail market is the major employer in Mangawhai, accounting for 20% of local jobs in February 2022. [6] These figures do not include the contribution of Bunnings and New World. Based on average turnover per employee in the sector, they could have added 60 to 70 new retail jobs in 2023.

This share exceeds retail shares of employment in the rest of Northland (11%) and Auckland (9%), illustrating a high level of dependence on retailing for local employment and income in Mangawhai.

Accommodation and food services (which overlaps the hospitality sector in the preceding discussion) accounted for another 13% of Mangawhai employees, although well down from 21% in 2019 because of the impact of Covid. It was still ahead of Auckland and Northland, both at 7%.

Table 7: February Employment Numbers by Sector, 2017-2022

Sector	2017	2018	2019	2020	2021	2022	2017-2022		Shares		
							Number	%	2017	2022	2017-22
Manufacturing	87	79	81	104	107	97	10	11%	11%	9%	3%
Construction	83	122	137	142	160	180	97	117%	10%	16%	31%
Retail	112	165	155	171	195	225	113	101%	14%	20%	36%
Hospitality	164	146	197	181	196	140	-24	-15%	21%	13%	-8%
Logistics	3	9	9	9	18	24	21	700%	0%	2%	7%
Business Services	20	41	38	35	38	40	20	100%	3%	4%	6%
Scientific & Technical Services	42	54	55	71	60	68	26	62%	5%	6%	8%
Public Services	95	150	61	72	83	70	-25	-26%	12%	6%	-8%
Education	74	74	87	100	110	110	36	49%	9%	10%	11%
Health & Social Care	12	15	12	21	18	28	16	133%	2%	3%	5%
Arts & Recreation	15	15	18	21	21	21	6	40%	2%	2%	2%
Other Services	21	24	27	24	36	45	24	114%	3%	4%	8%
Minor Sectors	63	58	62	58	60	57	-6	-10%	8%	5%	-2%
TOTAL	791	952	939	1,009	1,102	1,105	314	40%	100%	100%	100%

Source: Statistics NZ

Retailing also made the biggest contribution to job growth over the five years, accounting for 36% of net job gains (acknowledging that several sectors shrank). While hospitality also grew substantially through to 2021, it was clearly a victim of Covid in the year ending February 2022.

Construction also made a significant contribution to job growth. Even more than retailing, the health of the construction sector depends on the capacity to sustain population growth. Interestingly, private services (financial, IT, administrative) made little progress. The Business Services category (which comprises mainly real estate and hiring) did make some progress but will rely mainly on household demand. Education and health care grew modestly in terms of absolute numbers, especially in relation to 47% population growth between June 2017 and 2022.

The conclusion can be drawn that the Mangawhai economy remains relatively shallow in terms of the range of sectors and occupations available, heavily dependent on retail and accommodation. Those sectors, in turn, remain heavily dependent on spending brought into the area by visiting holiday makers.

6 The figures are based on Statistics New Zealand Business Directory, updated each February, and grouped by the Australia-New Zealand Standard Industrial Classification of sectors). 2023 figures are not yet available. Note, the employment data is analysed over a different period from the sales data, 2018-2022.

Mixed Prospects

The current expectation is for continuing growth in Mangawhai. However, that growth is likely to be constrained by infrastructure capacity. Limits to growth can be expanded by substantial investment in water supply, roads, and sewage treatment and disposal, although the costs are likely to be such that the rate of growth experienced over the past decade is unlikely to be sustained.

The increasing intensity of recent rainstorms suggest a volatile climate in the future could severely challenge local stormwater management and increase maintenance costs associated with the other elements. They may also call for a rethink of where future development might take place, how much, and the form it might take.

Another possibility is that the environmental, aesthetic, and recreational qualities of the harbour are undermined by a more volatile climate. Frequent severe storms combined with sea level rise and inadequate management and mitigation policies could see deteriorating water quality, wave action overtopping dunes, and increased flooding both on the harbour itself and in the upper reaches.

Critically, if breached today's harbour would become an ocean estuary and would lose much of its recreational value and experience significant ecological changes. m

Assessing the probability and scope of such events is not the role of this report. However, the possibility of a fall in the appeal of Mangawhai, especially to holiday makers, as a result would pose a major threat to the retail sector given its dependence on significant visitor spending. Any decline in retailing would, in turn, be a major disruption to employment and business in the community.

7. Conclusion

The visitor sector currently accounts for 42% of spending into Mangawhai supporting a level and diversity of retailing and retail jobs that would not otherwise be sustained by a population of 7,000.

While this report deals with retailing only, it no doubt underestimates the amount of local business supported by the visitor market by omitting revenue from accommodation, personal services, and the trades. It is likely that the non-retail service sectors also depend on summer visitor demand for a substantial share of revenue, in particular the combined patronage of many mainly Auckland-based bach owners, holidaymakers, and day visitors.

Given the high level of non-resident spending, any threats to the attractiveness of Mangawhai to holidaymakers represents a threat to the Mangawhai economy and community, with the capacity to seriously reduce local income and employment while undermining choice and levels of service available to residents generally, and consequently lowering property values.

The risk of any decline, or loss of momentum, in demand from visitors may be offset somewhat – and in the long term – by residential expansion and the conversion of holiday homes to permanent residences. However, the conditions that might undermine Mangawhai's appeal as a holiday destination, including the loss of recreational and aesthetic values or degradation of the coastline and harbour, are also likely to undermine its appeal as a destination for permanent residents.

11 July 2023

Mangawhai Matters c/o Phil McDermott

Re: Review of Report "Shopping in Mangawhai Visitors and Retail Spending Retail Sales 2019-2023"

Dear Mangawhai Matters c/o Phil McDermott

This note provides a review and high-level commentary on a report entitled "Shopping in Mangawhai Visitors and Retail Spending Retail Sales 2019-2023" ("the report") dated June 2023, written on behalf of Mangawhai Matters.

The purpose of the review is to verify and comment on the retail sales data, the analysis and the conclusions reached.

The report evaluates customised BNZ Marketview data for the Mangawhai area. The data provides a statistically relevant sample of spending patterns and is adjusted to reflect the size of the total Mangawhai market. This data is considered to be the most reliable for evaluating retail spending patterns as it is based on a large sample of transactions.

The report identifies a rapid increase in retail sales, from $55m in 2019 to $91m in 2023. This exceeds the rate of population growth seen recently in Mangawhai, and confirms that the additional growth is in large part attributed to the increase in range of stores trading in Mangawhai (e.g. Bunnings and New World are notable recent additions) and the retention of a greater proportion of expenditure in the local market.

The report identifies that visitors account for just over 40% of expenditure. This is consistent with the high proportion of holiday homes (i.e. non-permanent residents) and tourists visiting Mangawhai. This is also reflected in the seasonal variations in spending. While visitor spending has been a decreasing percentage of total spend, it has increased in nominal terms (refer Table 1).

The report identifies that Mangawhai has had an increase in younger working households. This suggests that Mangawhai has become more attractive to permanent residents, potentially due to the increase in the range of services and amenities that the town has available (most notably a large supermarket).

In general, the report identifies an important structural change is occurring in Mangawhai, from a med-sized coastal holiday town to a larger coastal town with more permanent residents, many of which are younger working families.

The report identifies the important contribution of visitor retail spending for ongoing economic activity and employment in Mangawhai. This conclusion is supported by the data and analysis in the report, most notably the ongoing nominal increases in visitor spending. As the town grows and becomes increasingly self-sufficient, there is the potential for its attractiveness as a holiday destination to decrease for some sectors of the market. Ensuring Mangawhai retains its appeal to the visitor market will be an important element to its success over the next 1-2 decades and beyond. The report concludes that retaining degradation of the harbours and coastline are threats in this regard, which is agreed on the basis that a key advantage of Mangawhai is its premium coastal location and proximity to Auckland.

In summary, the report relies on credible data and analysis which supports the conclusions reached.

Kind Regards

Adam Thompson
Lead Economic & Property Researcher