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Whale Watch Kaikoura

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Synopsis and Learning Outcomes

Leading up to 2001, the international whale-watching industry was valued at over US\$1 billion (Hoyt, 2001), and attracted over 9 million people annually. According to the International Fund for Animal Welfare (IFAW), by 2008 the number grew to over 13 million people, participating in over 119 countries and its economic value is estimated to be worth in excess of US\$2.1 billion per annum in revenue (O'Connor *et al.*, 2009:8). The WWK venture is one of the first whale-watching companies in this rapidly globalising field.

Internationally, the annual growth rate for whale watching exceeds that of tourism. The growth rate in five of the seven regions in of the world: Asia (17% per year), Central America and the Caribbean (13% per year), South America (10% per year), Oceania and the Pacific Islands (10% per year) and Europe (7%), provides evidence of the strength of this emerging industry (O'Connor *et al.*, 2009). Based on this trajectory of growth, the IFAW suggests that whaling countries would benefit from switching to whale watching. Whale watching has become a valuable resource for tourism and the destination communities that are able to develop it. Kaikoura, located on New Zealand's South Island, is one example of a community which has developed this activity and whose reputation as a whale-watching destination is growing.

Whale Watch Kaikoura (WWK) is New Zealand's only marine-based whale-watching company, operating year round and offering visitors an exciting and up-close encounter with sperm whales. WWK is an indigenous, 100% Maori owned and operated venture in the small coastal town of Kaikoura. The company has played a vital role in rebuilding the local economy through the development of community-based tourism in Kaikoura. The company was founded in 1987 by local Maori to create jobs for local Maori and to establish an economic base for the Ngati Kuri community. It has since grown into a multi-million

dollar ecotourism business. WWK has been successful in developing a business run by the local, indigenous community while at the same time meeting the requirements and guidelines of ecotourism, including those related to whale watching. The profitability of WWK has enabled them to secure the Kaikoura Peninsula, which has been occupied by Maori for about 1,000 years and which was at risk of being lost to overseas investors.

Many community-based ecotourism operators are working within a new politico-economic space, created by the shared language of 'sustainability' and a more mainstream environmental agenda. Many of these groups are keenly aware of the relationships between environmental issues and tourism that have come into prominence, especially the interrelationships between humans and environmental risks. This chapter examines the WWK from this perspective.

After completing this case study learners should be able to understand:

- 1 The way local ecotourism ventures can meet the varying demands of sustainability, in respect of how this term is conceived, applied and implemented into the management of such enterprises.
- 2 The scope and scale of the economic, social, cultural and biophysical impacts of whale watching as a tourism activity in a variety of contexts.
- 3 The relationship between whaling, whale-watching tourism and the natural environment.
- 4 The policies and industry-based initiatives related to whale watching as a sustainable tourism activity.

■ Background

WWK is located in the small coastal town of Kaikoura, a two and a half hour drive northeast of Christchurch, on New Zealand's South Island (see Figure 12.1 and Figure 12.2). Kaikoura is widely known as one of the leading ecotourism destinations in New Zealand, and WWK has driven community development through interactive wildlife activities focusing on the natural environment. WWK specialises in providing guests with an exciting, up-close encounter with the world's largest toothed predator — the giant sperm whale — in its natural environment. Whale-watching tours take place all year round (weather permitting).

Whale Watch was established in 1987, at a time when Maori were suffering from a decline in the Kaikoura economy. Kati Kuri leaders believed that the local sperm whales held the answer to unemployment in the local the Maori community. This view was grounded in belief that their ancestor 'Paikea' had journeyed to a new life in New Zealand on the back of the whale 'Tohora'. It therefore seemed appropriate for Paikea's descendants to once again ride on the back of the whale in search of a new life.

The Kati Kuri founders of Whale Watch mortgaged their houses in order to secure a loan to start the business. In the early days, small inflatable boats were used. Over time, these were replaced by a larger boat with an upper viewing deck – the ‘Uruao’. Today, the Whale Watch fleet includes four modern catamarans especially designed for whale watching. The expansion of the Whale Watch fleet resulted in the building of a new marina in South Bay. It is from here that all whale watching tours currently depart (source: <http://www.whalewatch.co.nz/content/who-we-are>).



Figure 12.1: Locating WWK. Source: <http://www.kaikoura.co.nz>

WWK is a 100% Maori-owned business with two indigenous shareholders. Governance is provided by a Board of Directors and the Chief Operating Officer, the company’s senior executive, who reports directly to the Chairman of the Board (see Organisational Chart). The COO and his management team oversee all the day-to-day operations and functions of the company. WWK hires up to 50 full-time employees and as many as 75 employees during the peak season (e.g. cleaners, guides, captains, maintenance, customer service, retail & merchandise, food & beverage, transport, administration, marketing, communications, management), making the company one of the largest employers in the region. Other large employers in Kaikoura include Fonterra, New World Supermarket, Kaikoura Mill, and EDI Works.