

CHAIRMANS REPORT for 2023

Dear members

I am delighted to bring you my report for the year ended December 2023, and it is good to have the AGM back on time and held in conjunction with the Convention.

While we successfully navigated the year with four Journals (and a bonus issue), and we completed the Archive with every Journal from 1946, it has also been a year which has revealed the essential need for us to review who we are and what we are doing.

You will no doubt all be aware of the pressures on the news media and some of the radical changes that they have had to make. The same applies to the magazine world with the number of titles and the volume of sales dropping away.

Some of this is connected to costs, however we cannot overlook the change in the way that people want to consume their news and other information feeds. We have seen the inevitable shift towards social media platforms (Facebook being the primary one for our hobby).

This impacts on where people spend their time, and very importantly where people post their views, thoughts, model developments, WOMWB etc. I firmly believe we have reached a critical time where we need to innovate or die – just as the whole news media is having to do.

The critical influence on our world today is how people want to take part and contribute. Membership of clubs is dropping and the number of people willing to put their hand up to manage those clubs is also evaporating. Time is just too precious to make that contribution, and so much is now so easily accessible online.

A paper by Craig Fisher, an Audit Partner for RSM (an accounting and advisory firm) raises the question "Is Membership Dead or Dying?" A copy of this short paper is provided as a link from our website.

Craig asks if we are noticing that many people now just seem to want a more casual involvement. This is certainly something we are seeing. This, according to Craig, is as a result of demographic and lifestyle changes in our society. Some of these are:

- An aging population
- Busier lifestyles than in past generations
- Increasingly a more independent and self-absorbed focus for many individuals
- More individual than collective pursuits
- More choice and therefore more competition for one's time.

So we reach somewhat of a crossroads. We have to take into account our ability to relate to our audience (not just our members but the wider model railway world). We have to make the connections and enable those connections to be under the control of those engaging with us.

We also need to address the rapidly rising costs. Last year (2022) we noted the downturn in overall revenues. Fortunately, we only published three issues of the Journal in 2022 so our costs were also reduced and we reached a close to breakeven position.

In 2023 we were not so fortunate. We did publish five issues of the Journal (making up for the one missing in 2022 which we felt we owed our subscribers). In addition, we have brought through the costs of setting up the rest of the Archive, and as promised we have progressed with the development of a new website, a website which is far more user interactive and immediate – more on this separately.

As a result, we have declared a significant loss for the 2023 year (see our Treasurer's report). While we have been able to sustain this from our reserves, we cannot sustain an operational cost that is greater than our income into the future.

The costs of publishing the magazine (and especially its distribution costs) mean that we cannot progress further with our current operations without significantly increasing our subscription rates. Four issues a year has costs that now exceed our income. We need to also be able to provide funds to support the Archive and the website.

In light of the changing demographics and lifestyle changes discussed above, we believe that the current subscription rates are at the maximum that many of our members will tolerate. As a result, putting all these considerations together, we have decided that rather than increase the rates, we move the Journal to two printed issues per year (in March and September) while enhancing the new website with news and articles that would otherwise have gone into the Journal. Our website effectively then becomes the Journal online as well as the social media platform to bring modelers together to show their wares and discuss their interests – and access to the Journal Archive as a bonus.

We promised last year to bring a new website online and we are pleased to advise that www.thejournal.nz went live on 15th April 2024. This is a complex piece of work and is in every way a Beta version which we will continue to enhance as our contributors reflect their thoughts and desires for how they can interact with the site.

We also noted last year that our newsletters did not reach all our members due to our aging website platform. While our legacy website will remain in operation for some time, we have lifted our email system out into a separate platform.

All this does mean that we have been using some of the funds we have been holding back over the years, however we believe that both this online refresh together with the archive will ensure that having a subscription to the Journal will continue to be well worthwhile.

In the wider hobby, we are seeing almost unbelievable developments occurring, many of which are being well utilised and are making an enormous contribution to modelling our local scene – both past and present – in a whole new way.

We will now be able to bring these developments to you more quickly through the interactive nature of the site.

And finally, I am very appreciative of the work done by the team this year and especially our editors Celyn Bennet and Lewis Holden. We hope you continue to enjoy what we can achieve together as part of your enjoyment of the hobby.

Alan Curtis
President, NZMRG
15th April 2024