

Case Study

Grand Pacific Tours





CASE STUDY

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What does your company do?

We are a New Zealand coach and holiday specialist aimed at the mature traveller.

What countries do you trade with / which currencies do you trade in?

New Zealand, AUD/NZD.

What are your typical monthly currency volumes in AUD?

This is seasonal but from Sep – May it averages \$1.5M per month.

What are your currency risks?

We are based in Australia but purchase many millions of NZD in services from hotels and attractions throughout New Zealand. We cost our services at a particular rate meaning we need to manage our NZD exposure so that we achieve that rate or better and so that our customers aren't negatively impacted.

What is your biggest challenge when it comes to receiving international payments and currency risk management?

We don't receive any international payments; only around 20% of our revenue is in NZD which we like as it typically acts as a natural hedge for us.

Are there any examples of how currency risks have negatively affected your business in the past?

We mainly used foreign exchange contracts for the first 15 years of the business when we dealt with a major bank, so we weren't able to participate in any upsides if the market presented so.

Was there a specific reason that made you look to use a third party to manage your currency risks?

Years ago, we used to go through a bank for our currency needs, which was very expensive. You never got the best possible rate and there were substantial fees. They had all the power and they weren't interested in really working with you. So that's when we started looking for third parties.

How do you use Corpay to manage your currency exposure and payments?

We have a great relationship with our Corpay manager and dealer; they are very proactive in working with us and recommending various products at crucial times throughout the year.

What products/solutions do you use?

Forward Contracts and FX Options.

How has Corpay helped you to address the challenges you face when trading internationally?

We now have a more strategic approach to managing our FX exposure and overall we spend less time throughout the year on FX as the time we do spend with Corpay is very productive and targeted.

What specific metrics can you share about the business impact using Corpay has had?

Our average exchange rate for the season has outperformed the average for the last few years since using Corpay and we've been very happy with the products we have used with Corpay and what they've achieved.

What is the single biggest reason you would recommend Corpay's service offering?

We have developed a fantastic relationship with our manager and dealer at Corpay. They are very proactive and great at keeping in touch. In addition, their product recommendations are spot on for our business needs which they have taken their time to understand.