



**MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT**  
HĪKINA WHAKATUTUKI

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# New Zealand Tourism Forecasts 2019 – 2025

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May 2019

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**MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT**  
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## Ministry of Business, Innovation and Employment (MBIE)

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# INTERNATIONAL TOURISM FORECASTS 2019 – 2025





# International tourism forecasts, 2019 – 2025

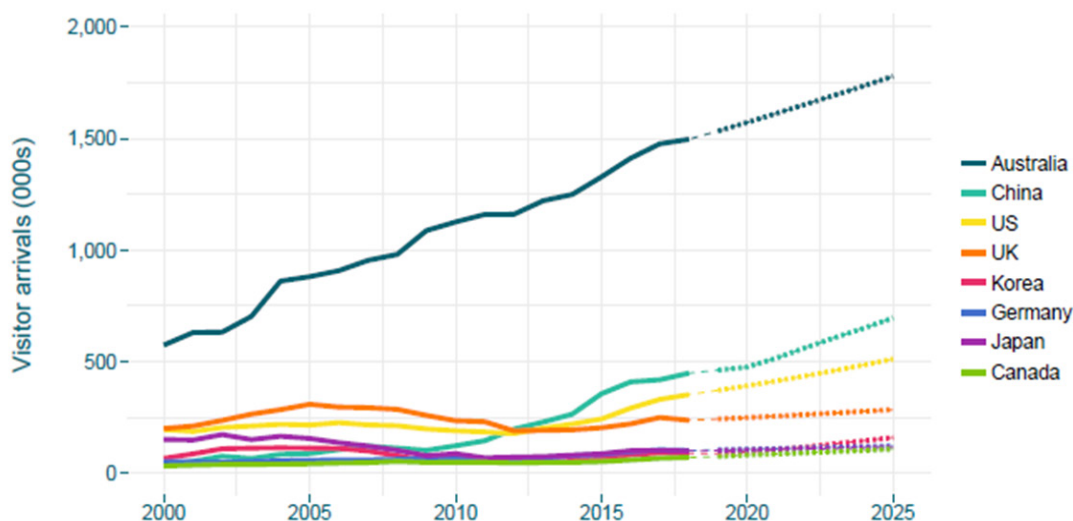
Moderate growth is forecasted for both international arrivals and spend in New Zealand across the forecast period. This will be driven in the short-term by strong growth in the US market, and over the longer-term by growth in Asian markets, especially China.

## Outlook to 2025

### Visitor arrivals to reach 5.1 million by 2025

- › Visitor arrivals to New Zealand are expected to grow an average of 4.0 per cent each year, reaching 5.1 million visitors in 2025 from 3.9 million in 2018.
- › Australia is New Zealand's largest visitor market, providing 1.5 million visitors in 2018, and is expected to remain so over the period of the forecasts. We expect this market to have an average growth of 2.5 per cent a year to 2025.
- › Short term growth will be driven by a range of factors, especially available seat capacity, and rising fuel costs affecting ticket prices and demand.

**Figure 1: Australia is projected to remain New Zealand's largest market in terms of volume**

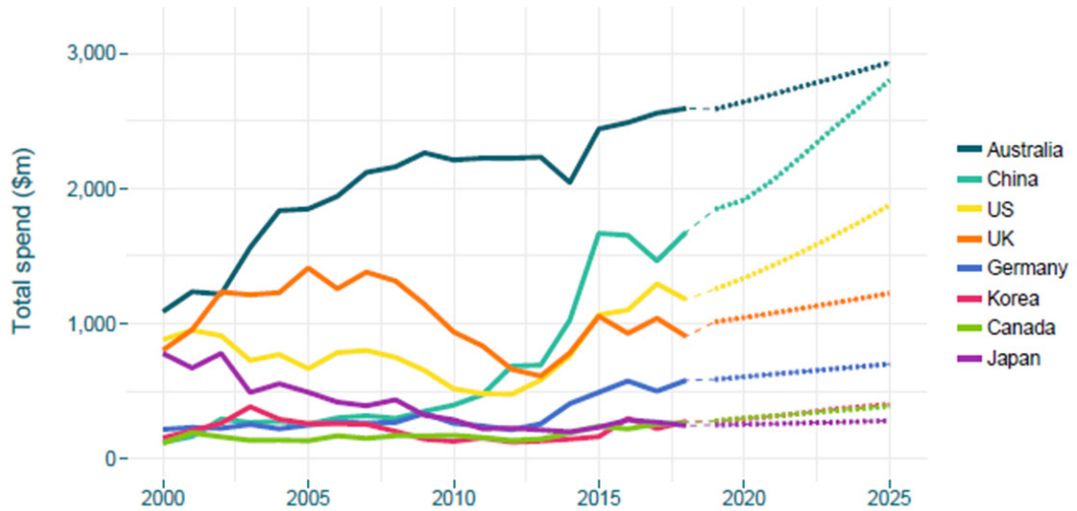


Source: Stats NZ and MBIE

### International visitor spend to reach \$15 billion by 2025

- › Total international spend is expected to reach \$15.0 billion in 2025, up 34 per cent from 2018, or 4.3 per cent per year. Spend growth is forecast to grow at slightly higher than the growth of visitor numbers, suggesting that spend per visitor will increase.
- › Australia is currently the largest market by spend, and will remain so, though Chinese spend will reduce the gap by 2025.

**Figure 2: Australia is currently our largest market by spend, but China is projected to approach it in the near future**



Source: MBIE

**The International Visitor Conservation and Tourism Levy and the Christchurch terror attack are not expected to impact on long-term tourism growth**

- › The International Visitor Conservation and Tourism Levy is not expected to make a significant impact on forecast visitor arrivals or spend.
- › The Christchurch mosque shootings are not expected to have any long-term impact on New Zealand’s attractiveness as a tourism destination.

## The Forecasts underpin the Aotearoa New Zealand Government Tourism Strategy

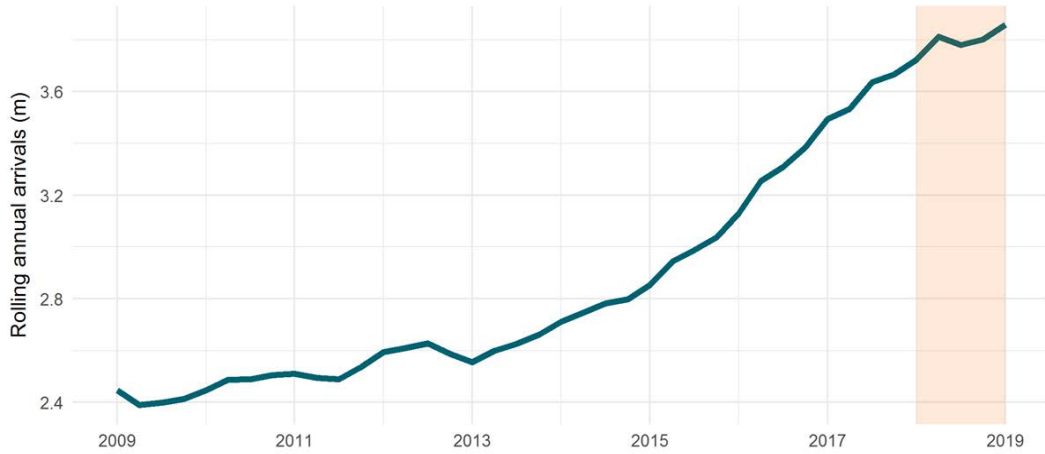
The Government wants New Zealand's tourism growth to be productive, sustainable and inclusive. That is, to grow Aotearoa New Zealand for all and to improve the wellbeing of New Zealanders. To ensure this happens, the Government will take a more active, deliberate and coordinated approach to tourism. Forecast data will be employed by government to inform policy and operational decision-making. We want to realise the potential gains from more visitors while making sure we are set up to better manage the impacts. Priorities identified in the Aotearoa New Zealand Government Tourism Strategy include:

- › Establishing Long-term Sustainable Funding Mechanisms – Ensuring that costs of infrastructure and services are funded by those who benefit from them. This includes the International Visitor Conservation and Tourism Levy and working on local revenue options through the Productivity Commission inquiry and in partnership with councils.
- › Destination Management Planning – MBIE is developing a set of guidelines on destination management planning to help support Regional Tourism Organisations and Economic Development Agencies in better managing their respective destinations.
- › Capability Development and Partnerships – This will involve MBIE building the capability of destination management planning across the sector and regions and support the implementation of destination management plans through partnering with regions and enabling access to sustainable funding sources and investment.
- › Strengthening Tourism Data and Insights – MBIE is working to implement key elements of the Tourism Data Domain Plan, which sets out the priorities for tourism statistics, based on agreement by industry and government stakeholders.
- › Protecting Aotearoa New Zealand's natural capital and indigenous biodiversity – DOC is working to prioritise how money raised through the conservation pillar of the International Visitor Conservation and Tourism Levy will be spent to support indigenous biodiversity. Other actions identified in the Strategy, such as long-term landscape-scale spatial and destination plans, will support better management of the impacts of tourism and protection of natural capital and indigenous biodiversity.
- › Transitioning to a low-emissions and climate resilient Aotearoa New Zealand – This will involve MBIE deepening current understanding of the implications of climate change for the tourism industry and the move towards a low-emissions economy.

### Recent results showed continued growth in the tourism sector

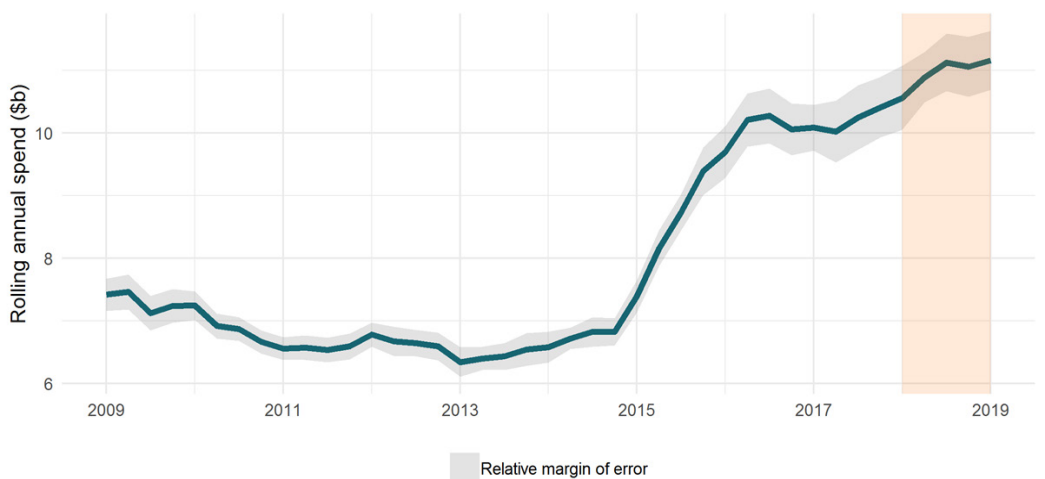
While visitor numbers grew by 3.5 per cent in 2018, total spend was up by 5.7 per cent in the same period. The difference can be attributed to an increase in spend per trip over the period. Total spend reached \$11.2 billion by the end of 2018, about 47 per cent higher than its pre-global financial crisis (GFC) peak of \$7.6 billion in 2007.

**Figure 3: Total international visitor arrivals to New Zealand**



Source: International Travel and Migration, Stats NZ

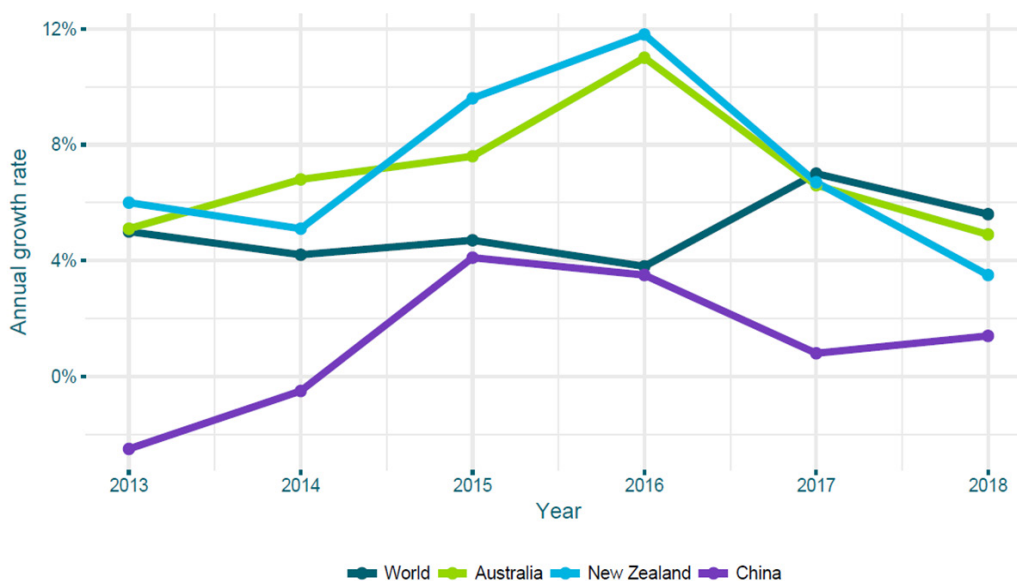
**Figure 4: Total international visitor spend in New Zealand**



Source: International Visitor Survey, MBIE

The growth in New Zealand’s international visitor arrivals peaked over the 2015-2016 period where it grew at a much faster rate than the world average. While New Zealand’s growth continued to be positive in successive years, the rate of growth has slowed, down to 3.5 per cent in 2018 (lower than the world average). This pattern has been very similar to Australia’s rate of growth over the same period of time.



**Figure 5: Growth in international visitor arrivals**

Source: World Tourism Organisation

### Note the limitations of the forecast model when interpreting the results

The expenditure data in these forecasts will not align with the results found in the official total tourism expenditure produced in the Tourism Satellite Account, and which has been used in many areas such as the Government Tourism Strategy and Tourism 2025. This is because the forecasts use as base data the International Visitor Survey, which excludes international education services and international airfares. Therefore all forecasts produced will also exclude these factors – so please consider this when interpreting the results. To provide an indication, in the Tourism Satellite Account for the March 2018 year, international education was \$3.4b, approximately 21% of total international tourism expenditure.

The current approach uses time-series forecasting, treating each of the four key indicators for each market (total expenditure, visitor arrivals, spend per day and length of stay) as independent variables. The spend per day measure comes from the International Visitor Survey (a survey of visitors leaving New Zealand international airports), while the length of stay measure comes from Stats NZ's International Travel statistics (derived from customs data and visitor arrival cards). The length of stay measure does not align with the derived length of stay from the IVS – this is a consequence of using two different data sources in our forecasts. As a result, the forecasts will not necessarily be additive (i.e. you will not be able to derive spend per day by dividing the total spend by the total length of days). This is a limitation of the methodology and should be recognised when interpreting the results, especially for Japan, South Korea and Canada.

Also, the forecasts are based on the overall average length of stay for each market and the methodology does not separately calculate the average length of stay by the purpose of visit. This means that for some markets with a small number of long staying visitors the 'average' length of stay is not reflective of the 'typical' travellers from this market. Again, this is a limitation of the methodology and should be recognised when interpreting the results.

## The forecasts were developed using an industry Tourism Forecast Moderation Committee

The forecasts were developed using MBIE's tourism forecasting model with input and advice provided by the Tourism Forecast Moderation Committee (TFMC), a technical moderation committee of industry participants. This approach, supported by discussions with members of the industry, helped develop this outlook.

The moderation committee this year was made up of representatives from:

- › Accor Hotels Ltd
- › Air New Zealand
- › Airways New Zealand
- › Auckland Airport Limited
- › Christchurch Airport Limited
- › Hospitality New Zealand
- › Queenstown Airport Limited
- › Tourism Holdings Limited
- › Tourism Industry Aotearoa
- › Tourism New Zealand
- › Wellington Airport Limited

The forecasts are based on microeconomic drivers, such as projected airfare costs and airline capacity, as well as macroeconomic drivers, such as projected exchange rates, oil prices, the global economy and the economies of our key visitor markets.

## Several factors were considered in the Forecasts in 2019

A number of factors were considered when producing the forecasts this year. These included:

- › The rising price of aviation fuel
- › Changes in short term seat capacity
- › The International Visitor Conservation and Tourism Levy
- › The Impact of the Christchurch shootings

### The price of aviation fuel has been rising since the beginning of 2016

While aviation fuel is not as high as the US\$120 a barrel seen in early 2014, it remains significantly higher than the US\$40 a barrel recorded at the beginning of 2016 (which coincided with massive visitor and air capacity growth to New Zealand). In April 2019, IATA data shows jet fuel prices were approximately US\$80 a barrel.

Rising aviation fuel prices will have an impact on seat prices, and hence dampen demand. Over the medium term, capacity can be affected. As shorter-haul flights are less fuel-efficient (using more fuel per kilometre), and may have thinner margins, the profitability of these air routes could be affected, leading to cancelled or reduced flights.

Overall, if fuel prices continue to increase, some budget airlines may choose to exit the New Zealand market in the medium term. We expect, however, that new entrants and expansion of existing services will more than compensate for the reduction in capacity – with the consequences being slightly lower growth rates than forecast in previous years.

### Seat capacity of airlines drives visitor arrivals in the short-term

Intelligence from the TFMC suggests that the seat capacity of airlines is essentially fixed for the first 18 months of the forecasts, and this is what drives overall visitor arrivals in the short term.

Key announcements to changes in flights that will impact significantly on the capacity of specific markets are as follows:

- › Hong Kong Airlines cancelled its services between Hong Kong and Auckland from 22 May 2019, which will reduce direct seat capacity by approximately 10,000 over the year. This will negatively impact on short term growth for New Zealand for markets serviced by the Hong Kong hub.
- › Air Asia X cancelled its Auckland to Kuala Lumpur route from 11 February 2019. The impact will be moderate given alternative options.
- › Air New Zealand will be launching a three-times per week service to Seoul in South Korea, starting in 23 November 2019, and potentially up to five times per week over the peak period of December to February.
- › A new seasonal Air Canada service has been announced, connecting Auckland direct with Vancouver from 12 December 2019. This will add 30,000 seats to the route. This should significantly increase short-term growth in the Canadian market.
- › The proposed joint business agreement (JBA) between American Airlines and Qantas has the potential to reduce the cost of connecting airfares and stimulate additional demand between the US and Australasia.

### **The International Visitor Conservation and Tourism Levy is not expected to affect visitor volumes**

New Zealand will introduce a \$35 International Visitor Conservation and Tourism Levy (IVL) from July 2019 (and made compulsory by October 2019) on all international visitor arrivals excluding Australia and the Pacific.

While an increase in the cost of travel could reduce New Zealand's competitiveness as a destination, the likelihood of the IVL having a negative impact was considered to be very low by the committee. Evidence from other countries shows a negligible impact from the introduction of similar fees.

There was agreement by the TFMC that the IVL is expected to have relatively little impact on overall visitor volumes, and that any impact would be within the margin of error of the forecasts.

### **The Christchurch shootings has not impacted on visitor arrivals so far**

Initial analysis of economic indicators around the Christchurch shootings suggests a minimal short-term impact on international visitor expenditure. International visitors are unlikely to cancel bookings if the consequence is losing a significant proportion of the ticket price. A more significant concern is around whether risk-averse markets (such as China or Japan) will reduce bookings in the longer term. At this stage, and barring any additional intelligence, the TFMC do not see any significant impact on long-term forecasts.

### **Other factors were considered in the tourism forecasts**

Looking forward, there are some acknowledged major events on the calendar, for example:

- › New Zealand hosting APEC in 2021
- › New Zealand hosting the 36th America's Cup in 2021.

Based on current understanding, these events are not expected to have a statistically significant impact on the forecasts.

Another point to note is the increasing concerns around carbon use from Governments and consumers. There is the potential risk of a medium-to-long term shift in worldwide consumer behaviour leading to reduced demand for long-haul flights, which could affect growth in the later forecast period.

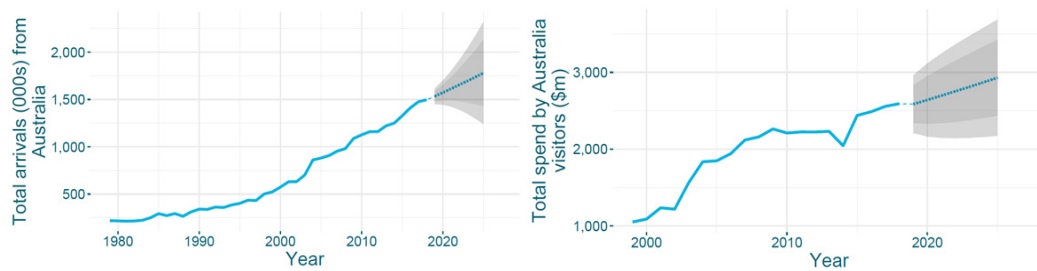
## The forecasts are affected by a degree of uncertainty

Any forecast will involve uncertainty; MBIE’s tourism forecasts are no exception. The published results only show a set of point estimates, which can be thought of as weighted-average values of possible outcomes from our forecast models. There is a wide range of uncertainty for those point estimates. Countries that have relatively few visitors to New Zealand, or have volatile or unstable visitor growth patterns, reveal greater levels of uncertainty around their forecasts.

Figures 6 and 7 illustrate the degree of uncertainty in the forecasts. They display the prediction intervals at an 80 per cent (darker grey region) and 95 per cent (dark and light grey regions) confidence level respectively, for the total arrival and spend by both Australian and Chinese visitors. A 95 per cent confidence level would mean that there is a 95 per cent chance that future value will fall in the grey area.

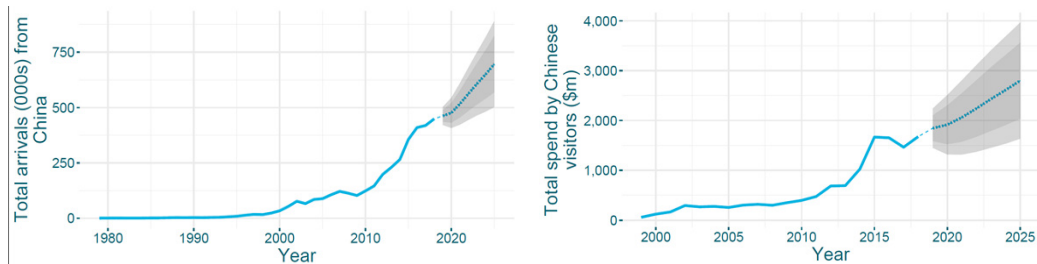
In the case of China, there are relatively wide prediction intervals, especially for expenditure. The intervals suggest that there is a 95 per cent chance that spending from Chinese visitors could be between \$1.8 billion and \$4 billion in 2025.

**Figure 6: Prediction intervals of total arrivals and spending of Australian visitors**



Source: MBIE.

**Figure 7: Prediction intervals of total arrivals and spending of Chinese visitors**



Source: MBIE.



# APPENDIX 1: PERFORMANCE OF THE 2018 – 2024 FORECASTS

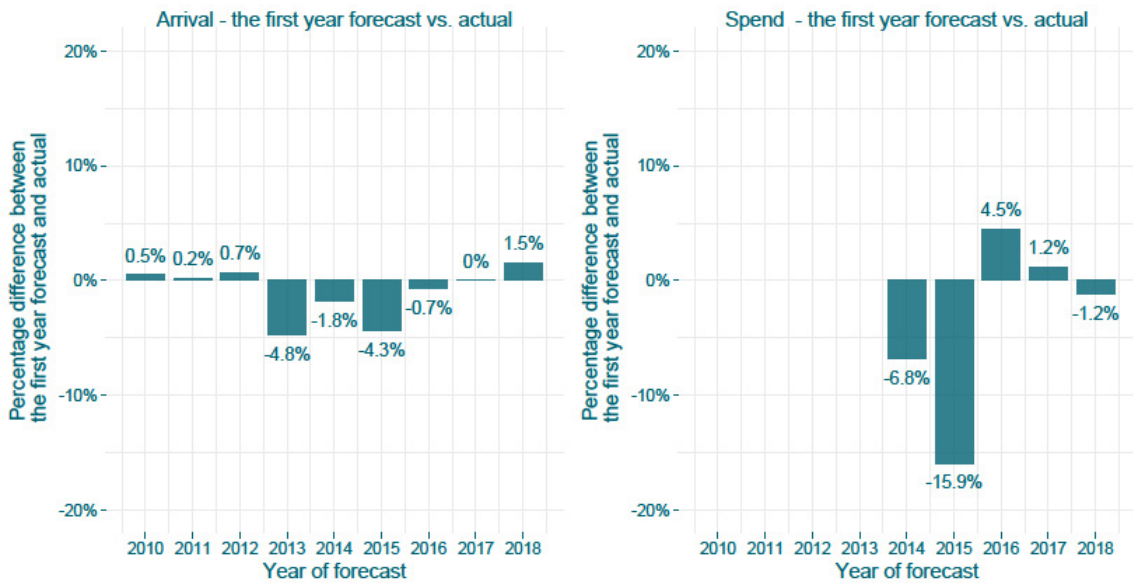




# Appendix 1: Performance of the 2018 – 2024 forecasts

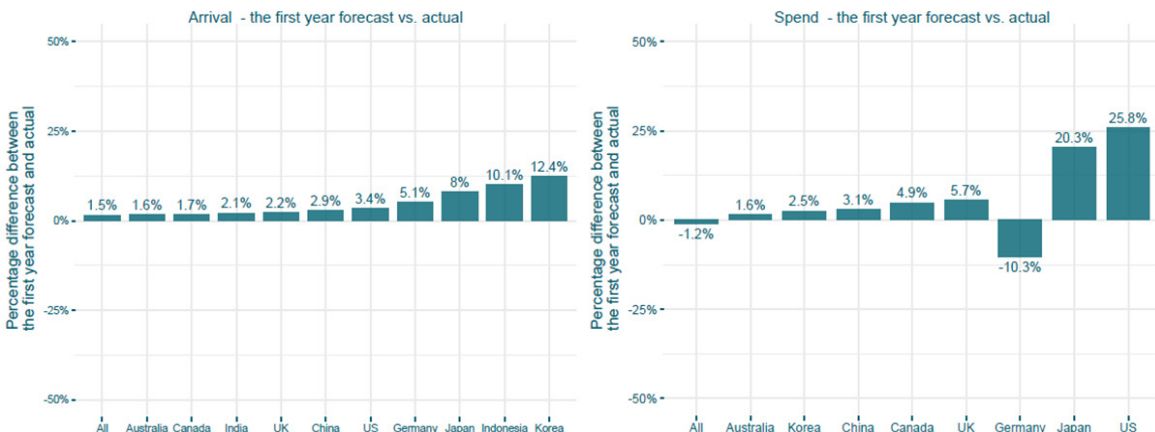
This section provides an overview of the performance of MBIE’s 2018-2024 tourism forecasts. For the 2018 year from the 2018-2024 forecasts, total arrivals were over-forecast by 1.5 per cent, while spend was under-forecast by 1.2 per cent. Spend is generally considered more difficult to forecast due to a greater number of complicating factors, including the sampling error associated with the source data. On a per-country basis, results were more varied. Smaller countries showed greater divergence from the forecasts, while more established countries were generally more accurate. The main exception was the US, where a lower-than-expected result from the International Visitor Survey in the year ended December 2018 has led to a significant discrepancy between forecast and actual spend.

**Figure 8: Forecast vs actual for previous forecasts**



Source: MBIE.

**Figure 9: Forecast vs actual for 2018-2024 forecast by country**



Source: MBIE.

# APPENDIX 2: NEW ZEALAND INTERNATIONAL TOURISM FORECASTS – BY MARKET

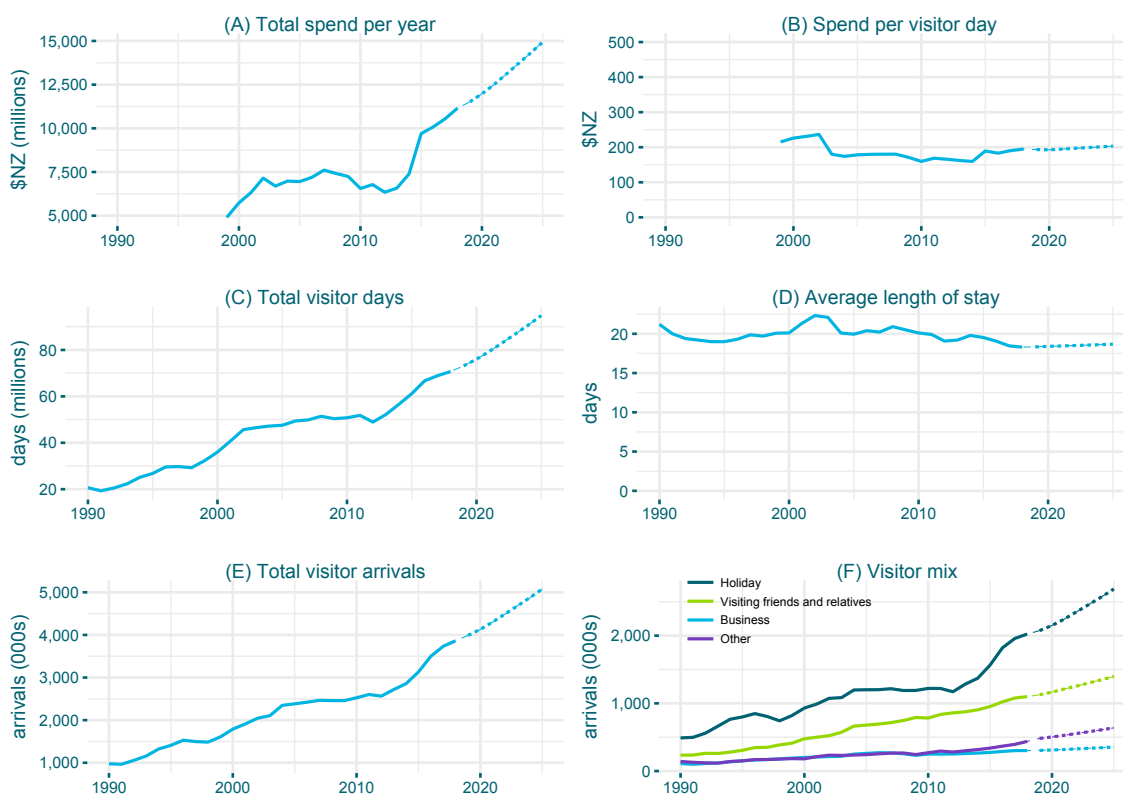


## Outlook for all markets



Summary	2018	2025	
Total spend (\$m) <sup>1</sup>	11,162	14,937	↑
Total visitors (000s) <sup>2</sup>	3,863	5,077	↑
Total days (000s) <sup>2</sup>	70,710	94,834	↑
Spend per day (\$)³	195	203	↑
Avg length of stay (days)²	18	19	↑

### Summary of forecasts: All



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>4</sup>
Total spend (\$m) <sup>1</sup>	11,162	11,513	11,975	12,505	13,099	13,707	14,309	14,937	34%	4.3%
Total visitors (000s) <sup>2</sup>	3,863	3,989	4,131	4,304	4,492	4,683	4,874	5,077	31%	4%
Total days (000s) <sup>2</sup>	70,710	73,139	76,004	79,418	83,104	86,903	90,747	94,834	34%	4.3%
Spend per day (\$)³	195	193	193	195	197	199	201	203	4%	0.6%
Avg length of stay (days)²	18	18	18	18	19	19	19	19	2%	0.3%

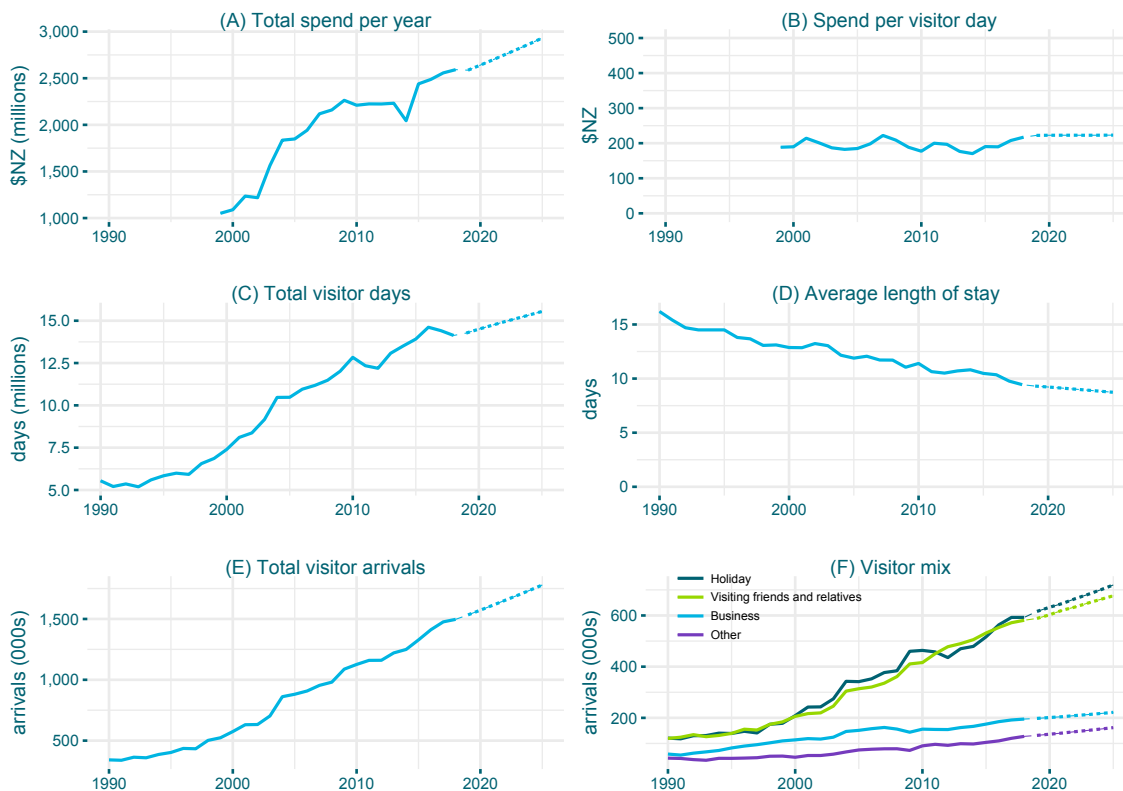
1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. Compound annual growth rate (2018-2025).

# Australia



Summary	2018	2025	Visitor market characteristics <sup>4</sup>	
Total spend (\$m) <sup>1</sup>	2,592	2,931	GDP per capita (PPP)	49,378
Total visitors (000s) <sup>2</sup>	1,497	1,779	Population (millions)	25
Total days (000s) <sup>2</sup>	14,128	15,545	Outbound departures (millions)	11
Spend per day (\$) <sup>3</sup>	217	223	Outbound spend (USD mn)	34,251
Avg length of stay (days) <sup>2</sup>	9	9		

## Summary of forecasts: Australia



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	2,592	2,586	2,641	2,697	2,755	2,812	2,871	2,931	13%	1.8%
Total visitors (000s) <sup>2</sup>	1,497	1,534	1,573	1,613	1,654	1,694	1,736	1,779	19%	2.5%
Total days (000s) <sup>2</sup>	14,128	14,272	14,503	14,720	14,935	15,136	15,339	15,545	10%	1.4%
Spend per day (\$) <sup>3</sup>	217	222	223	223	223	223	223	223	3%	0.4%
Avg length of stay (days) <sup>2</sup>	9	9	9	9	9	9	9	9	-7%	-1.1%

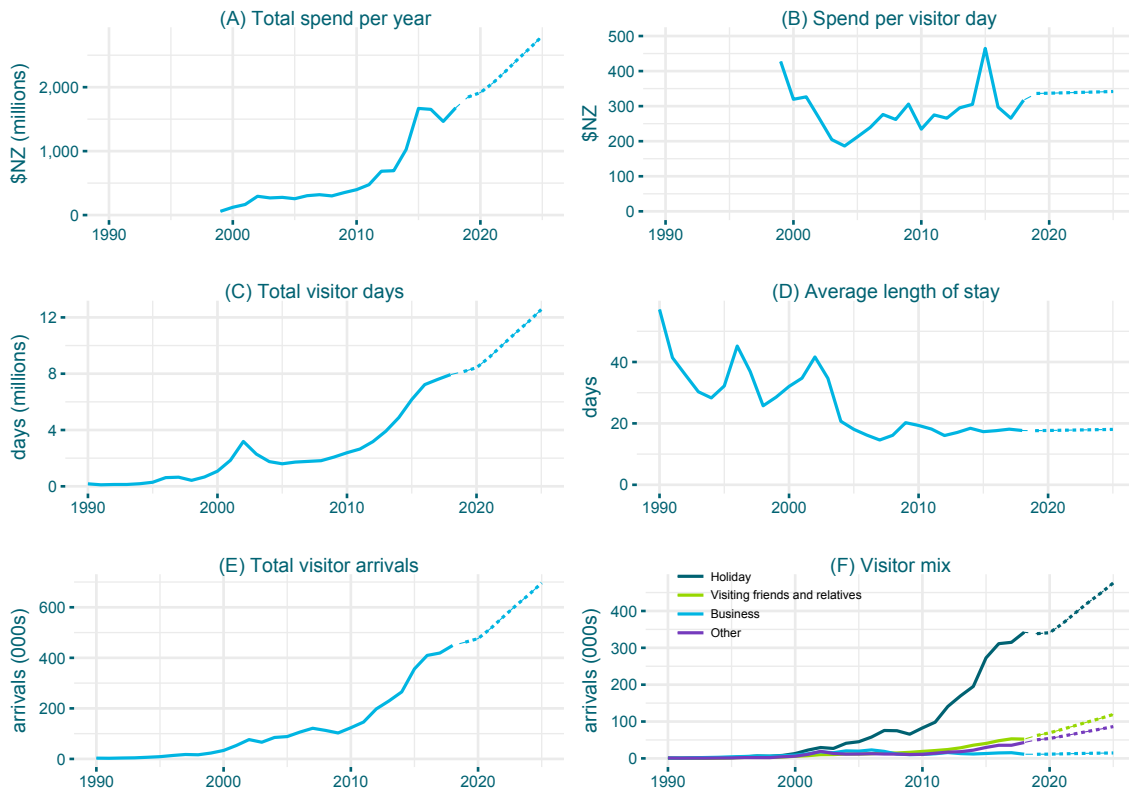
1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. World Bank data (<http://data.worldbank.org/indicator>); 5. Compound annual growth rate (2018-2025).

# China



Summary	2018	2025	Visitor market characteristics <sup>4</sup>	
Total spend (\$m) <sup>1</sup>	1,676	2,800	GDP per capita (PPP)	16,842
Total visitors (000s) <sup>2</sup>	449	696	Population (millions)	1,386
Total days (000s) <sup>2</sup>	7,938	12,561	Outbound departures (millions)	143
Spend per day (\$) <sup>3</sup>	317	342	Outbound spend (USD mn)	257,733
Avg length of stay (days) <sup>2</sup>	18	18		

## Summary of forecasts: China



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	1,676	1,846	1,916	2,063	2,242	2,432	2,612	2,800	67%	7.6%
Total visitors (000s) <sup>2</sup>	449	462	476	517	563	608	650	696	55%	6.5%
Total days (000s) <sup>2</sup>	7,938	8,150	8,426	9,178	10,039	10,884	11,688	12,561	58%	6.8%
Spend per day (\$) <sup>3</sup>	317	336	337	338	339	340	341	342	8%	1.1%
Avg length of stay (days) <sup>2</sup>	18	18	18	18	18	18	18	18	2%	0.3%

1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. World Bank data (<http://data.worldbank.org/indicator>); 5. Compound annual growth rate (2018-2025).

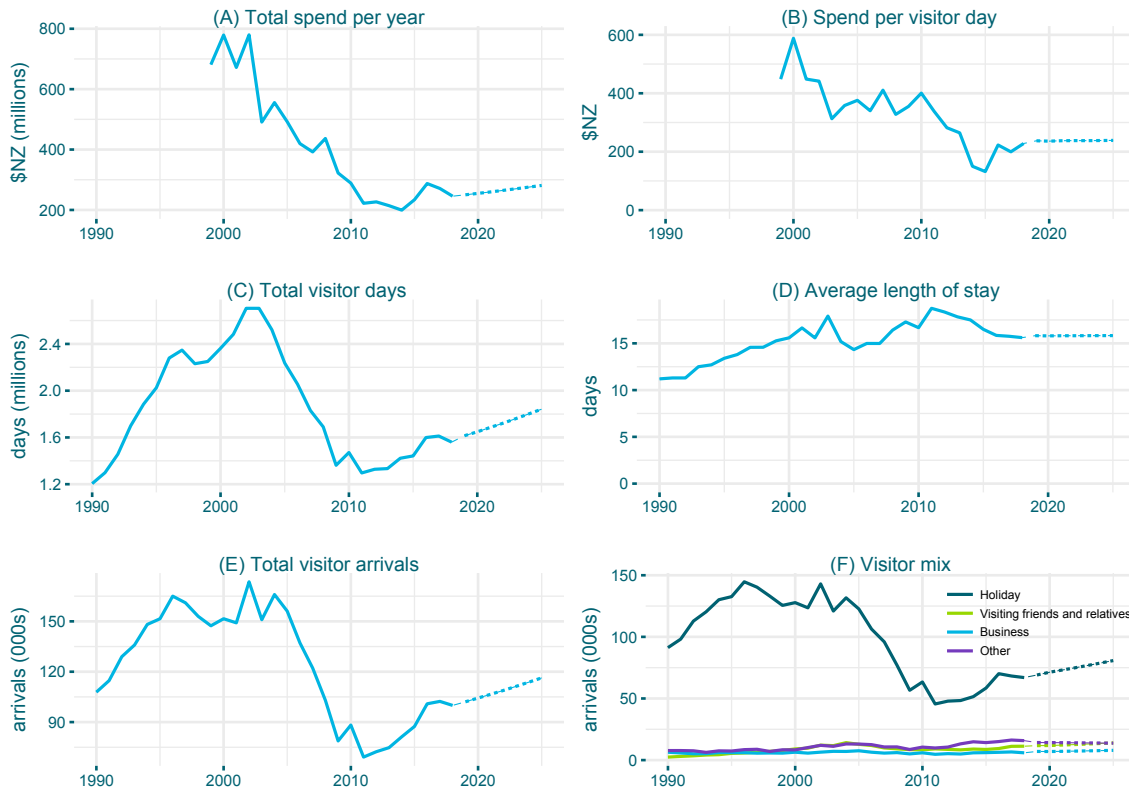


# Japan



Summary	2018	2025	Visitor market characteristics <sup>4</sup>	
Total spend (\$m) <sup>1</sup>	246	281	GDP per capita (PPP)	42,067
Total visitors (000s) <sup>2</sup>	100	116	Population (millions)	127
Total days (000s) <sup>2</sup>	1,560	1,841	Outbound departures (millions)	18
Spend per day (\$) <sup>3</sup>	228	239	Outbound spend (USD mn)	18,177
Avg length of stay (days) <sup>2</sup>	16	16		

## Summary of forecasts: Japan



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	246	250	255	260	265	270	276	281	15%	2%
Total visitors (000s) <sup>2</sup>	100	102	104	107	109	111	114	116	16%	2.2%
Total days (000s) <sup>2</sup>	1,560	1,615	1,648	1,685	1,722	1,761	1,801	1,841	18%	2.4%
Spend per day (\$) <sup>3</sup>	228	237	236	238	238	238	238	239	5%	0.7%
Avg length of stay (days) <sup>2</sup>	16	16	16	16	16	16	16	16	1%	0.2%

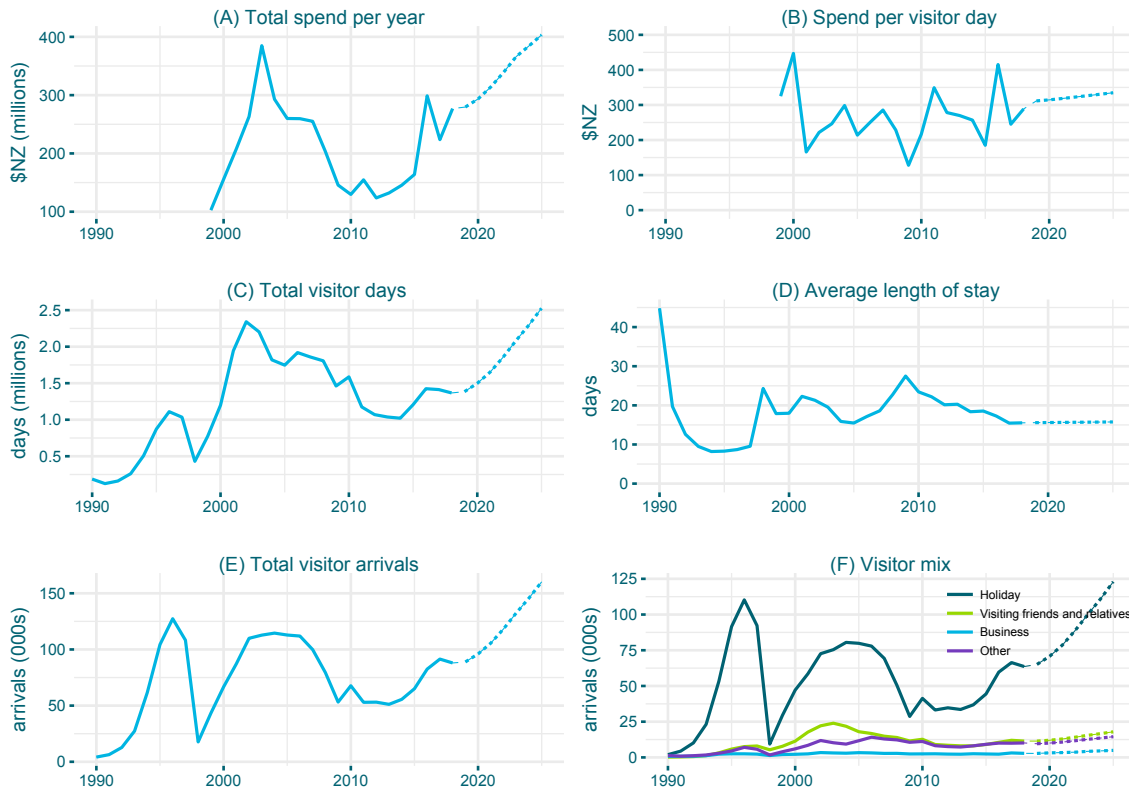
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# South Korea



Summary	2018	2025	Visitor market characteristics <sup>4</sup>	
Total spend (\$m) <sup>1</sup>	277	403	GDP per capita (PPP)	38,824
Total visitors (000s) <sup>2</sup>	88	160	Population (millions)	51
Total days (000s) <sup>2</sup>	1,367	2,525	Outbound departures (millions)	26
Spend per day (\$) <sup>3</sup>	289	335	Outbound spend (USD mn)	30,600
Avg length of stay (days) <sup>2</sup>	16	16		

## Summary of forecasts: Korea



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	277	280	293	314	339	366	384	403	46%	5.5%
Total visitors (000s) <sup>2</sup>	88	89	96	106	118	132	146	160	82%	8.9%
Total days (000s) <sup>2</sup>	1,367	1,384	1,498	1,652	1,853	2,080	2,292	2,525	85%	9.2%
Spend per day (\$) <sup>3</sup>	289	312	315	318	322	327	331	335	16%	2.1%
Avg length of stay (days) <sup>2</sup>	16	16	16	16	16	16	16	16	1%	0.2%

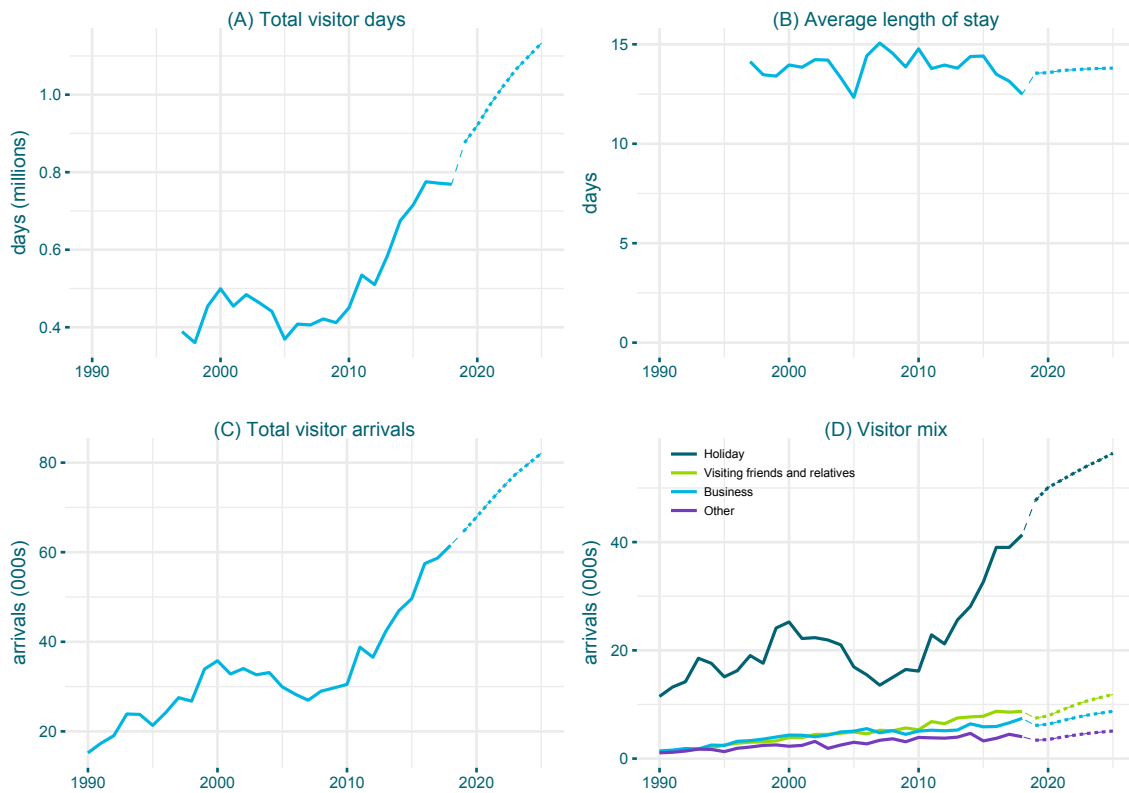
1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. World Bank data (<http://data.worldbank.org/indicator>); 5. Compound annual growth rate (2018-2025).

# Singapore



Summary	2018	2025	Visitor market characteristics <sup>2</sup>
Total visitors (000s) <sup>1</sup>	62	82	GDP per capita (PPP)
Total days (000s) <sup>1</sup>	769	1,133	Population (millions)
Avg length of stay (days)	12	14	Outbound departures (millions)
			Outbound spend (USD mn)
			24,543

## Summary of forecasts: Singapore



Year	2018	2019	2020	2021	2022	2023	2024	2025	GROWTH	
									Total	Annual <sup>3</sup>
Total visitors (000s) <sup>1</sup>	62	65	68	71	74	77	80	82	33%	4.2%
Total days (000s) <sup>1</sup>	769	876	921	974	1,021	1,065	1,099	1,133	47%	5.7%
Avg length of stay (days) <sup>1</sup>	12	14	14	14	14	14	14	14	10%	1.4%

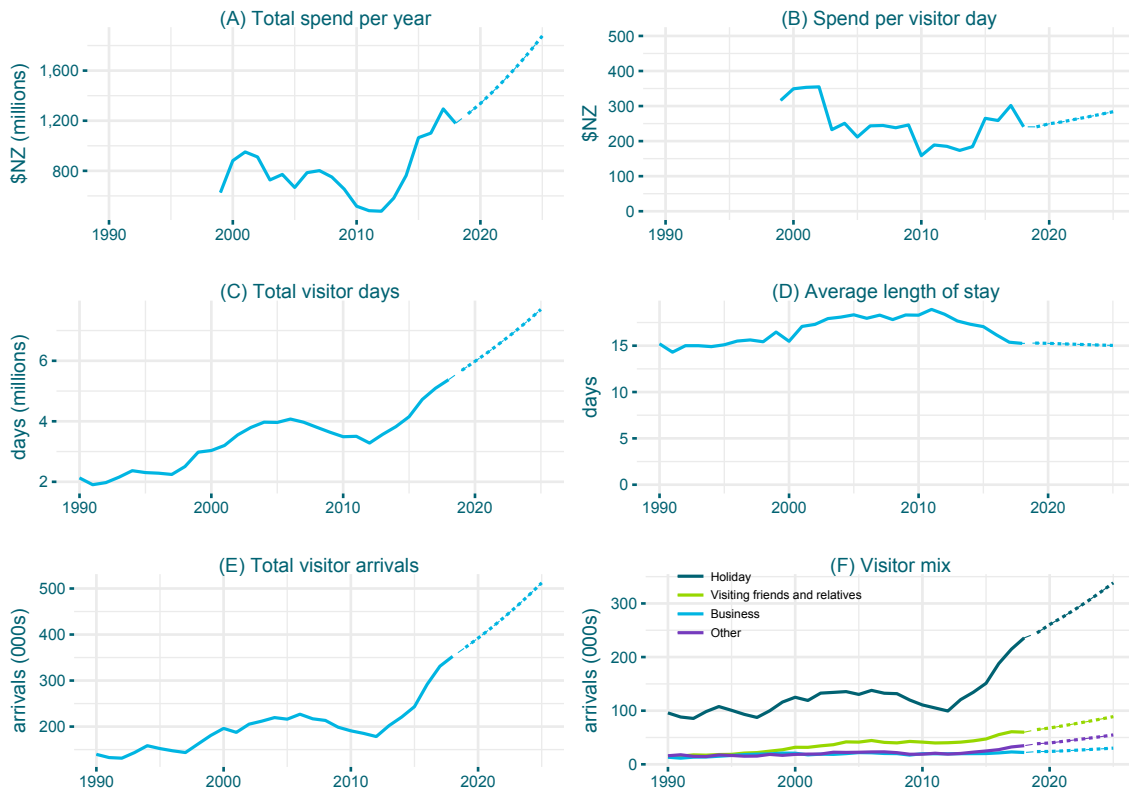
1. International Travel & Migration data, Statistics New Zealand; 2. World Bank data (<http://data.worldbank.org/indicator>); 3. Compound annual growth rate (2018-2025); 4. For Singapore, India, and Indonesia, we are not able to produce spend forecasts as the sample size is not sufficiently large in the source data from the International Visitor Survey.

# United States of America



Summary	2018	2025	Visitor market characteristics <sup>4</sup>	
Total spend (\$m) <sup>1</sup>	1,179	1,877	GDP per capita (PPP)	59,928
Total visitors (000s) <sup>2</sup>	353	512	Population (millions)	325
Total days (000s) <sup>2</sup>	5,376	7,699	Outbound departures (millions)	88
Spend per day (\$) <sup>3</sup>	241	284	Outbound spend (USD mn)	135,023
Avg length of stay (days) <sup>2</sup>	15	15		

## Summary of forecasts: US



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	1,179	1,255	1,337	1,431	1,532	1,639	1,754	1,877	59%	6.9%
Total visitors (000s) <sup>2</sup>	353	372	392	414	436	460	486	512	45%	5.5%
Total days (000s) <sup>2</sup>	5,376	5,683	5,983	6,288	6,617	6,956	7,318	7,699	43%	5.3%
Spend per day (\$) <sup>3</sup>	241	241	249	255	262	269	276	284	18%	2.4%
Avg length of stay (days) <sup>2</sup>	15	15	15	15	15	15	15	15	-1%	-0.2%

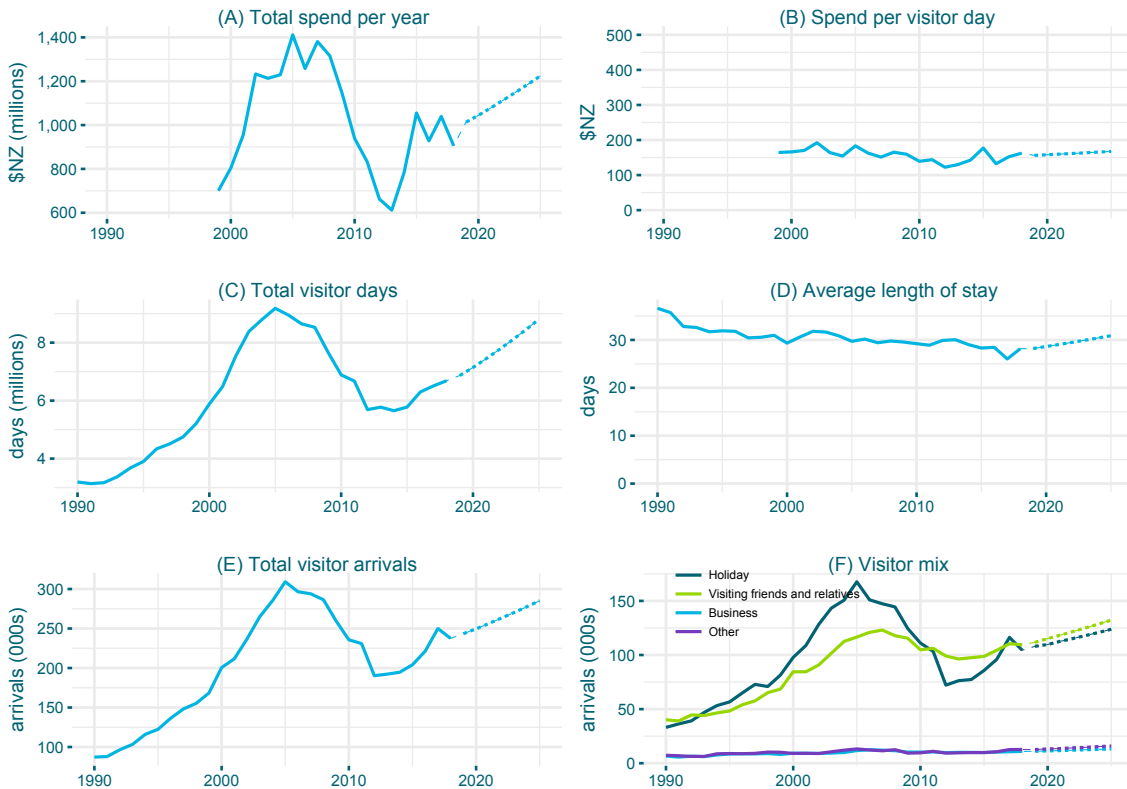
1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. World Bank data (<http://data.worldbank.org/indicator>); 5. Compound annual growth rate (2018-2025).

# United Kingdom



Summary	2018	2025	Visitor market characteristics <sup>4</sup>
Total spend (\$m) <sup>1</sup>	906	1,224	GDP per capita (PPP) 44,920
Total visitors (000s) <sup>2</sup>	237	285	Population (millions) 66
Total days (000s) <sup>2</sup>	6,687	8,804	Outbound departures (millions) 74
Spend per day (\$) <sup>3</sup>	162	168	Outbound spend (USD mn) 71,671
Avg length of stay (days) <sup>2</sup>	28	31	

## Summary of forecasts: UK



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	906	1,013	1,044	1,078	1,114	1,149	1,186	1,224	35%	4.4%
Total visitors (000s) <sup>2</sup>	237	243	250	256	263	270	278	285	20%	2.7%
Total days (000s) <sup>2</sup>	6,687	6,867	7,142	7,446	7,766	8,096	8,442	8,804	32%	4%
Spend per day (\$) <sup>3</sup>	162	156	158	160	162	164	166	168	3%	0.4%
Avg length of stay (days) <sup>2</sup>	28	28	29	29	29	30	30	31	10%	1.3%

1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. World Bank data (<http://data.worldbank.org/indicator>); 5. Compound annual growth rate (2018-2025).

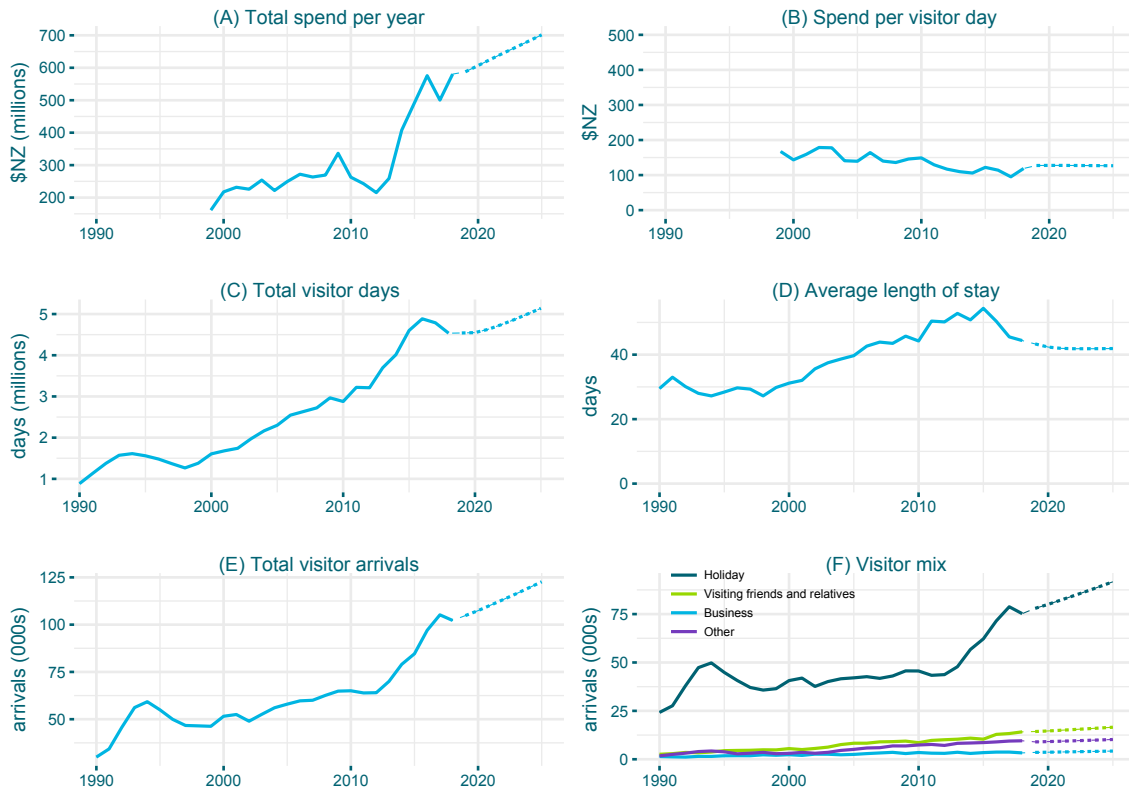


# Germany



Summary	2018	2025	Visitor market characteristics <sup>4</sup>
Total spend (\$m) <sup>1</sup>	580	701	GDP per capita (PPP) 52,556
Total visitors (000s) <sup>2</sup>	102	123	Population (millions) 83
Total days (000s) <sup>2</sup>	4,535	5,139	Outbound departures (millions) 92
Spend per day (\$) <sup>3</sup>	119	127	Outbound spend (USD mn) 89,677
Avg length of stay (days) <sup>2</sup>	44	42	

## Summary of forecasts: Germany



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	580	588	607	626	645	664	683	701	21%	2.7%
Total visitors (000s) <sup>2</sup>	102	105	107	110	113	116	119	123	20%	2.6%
Total days (000s) <sup>2</sup>	4,535	4,541	4,550	4,629	4,742	4,868	5,002	5,139	13%	1.8%
Spend per day (\$) <sup>3</sup>	119	127	128	128	127	127	127	127	7%	0.9%
Avg length of stay (days) <sup>2</sup>	44	43	42	42	42	42	42	42	-6%	-0.8%

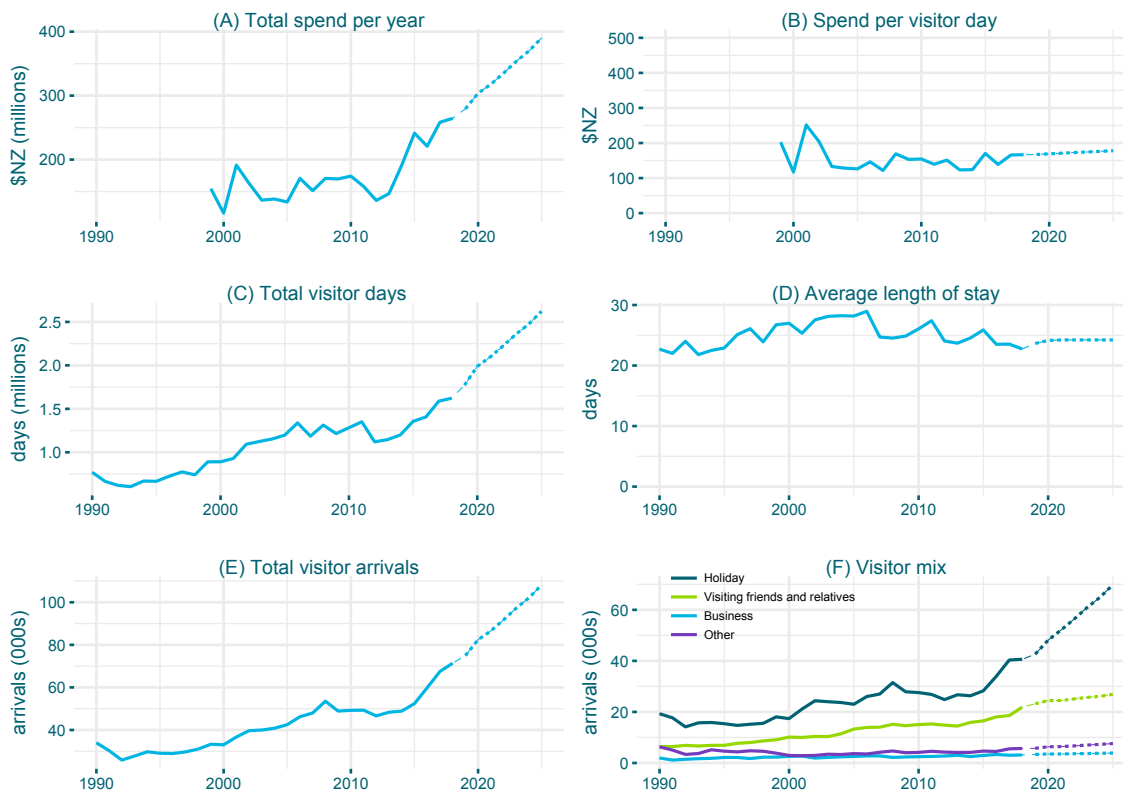
1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. World Bank data (<http://data.worldbank.org/indicator>); 5. Compound annual growth rate (2018-2025).

# Canada



Summary	2018	2025	Visitor market characteristics <sup>4</sup>	
Total spend (\$m) <sup>1</sup>	264	390	GDP per capita (PPP)	46,510
Total visitors (000s) <sup>2</sup>	71	108	Population (millions)	37
Total days (000s) <sup>2</sup>	1,622	2,622	Outbound departures (millions)	33
Spend per day (\$) <sup>3</sup>	167	178	Outbound spend (USD mn)	31,816
Avg length of stay (days) <sup>2</sup>	23	24		

## Summary of forecasts: Canada



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>5</sup>
Total spend (\$m) <sup>1</sup>	264	279	304	318	335	354	370	390	48%	5.7%
Total visitors (000s) <sup>2</sup>	71	75	82	87	92	97	102	108	52%	6.1%
Total days (000s) <sup>2</sup>	1,622	1,772	1,989	2,096	2,223	2,357	2,474	2,622	62%	7.1%
Spend per day (\$) <sup>3</sup>	167	167	169	171	173	175	176	178	7%	0.9%
Avg length of stay (days) <sup>2</sup>	23	24	24	24	24	24	24	24	7%	0.9%

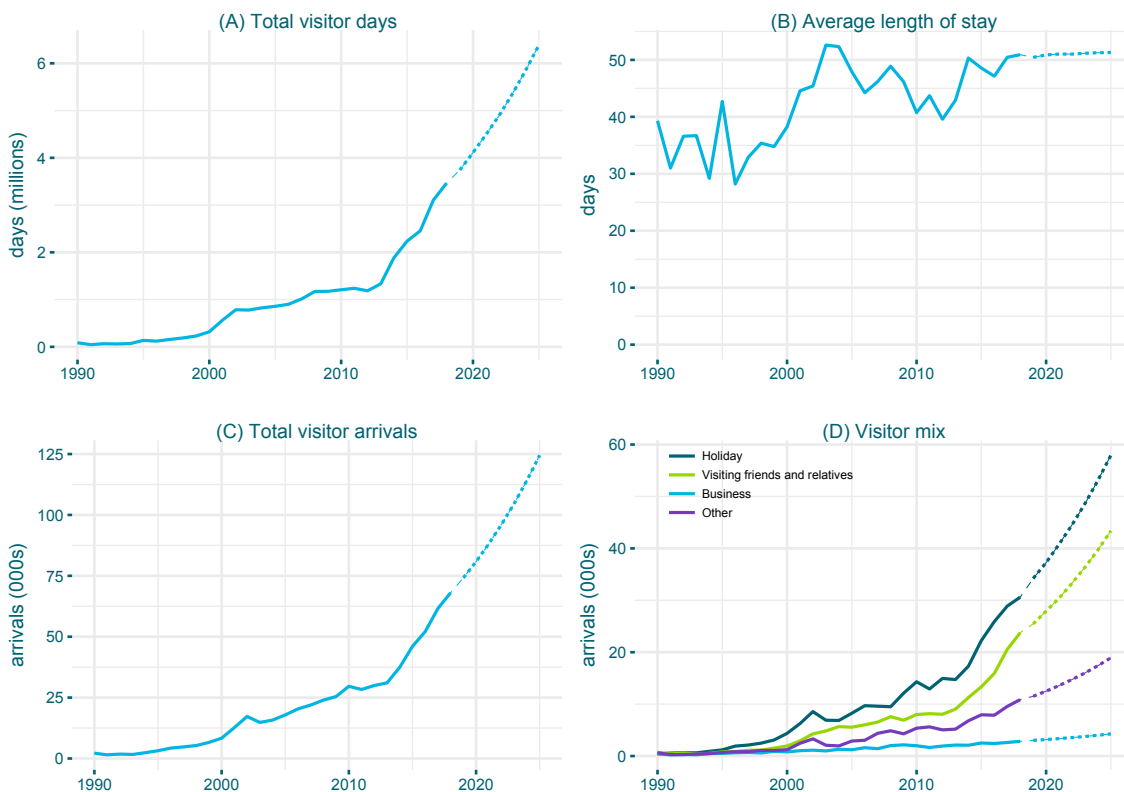
1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. World Bank data (<http://data.worldbank.org/indicator>); 5. Compound annual growth rate (2018-2025).

# India



Summary	2018	2025	Visitor market characteristics <sup>2</sup>	
Total visitors (000s) <sup>1</sup>	68	125	GDP per capita (PPP)	7,166
Total days (000s) <sup>1</sup>	3,465	6,387	Population (millions)	1,339
Avg length of stay (days)	51	51	Outbound departures (millions)	24
			Outbound spend (USD mn)	18,443

## Summary of forecasts: India



Year	2018	2019	2020	2021	2022	2023	2024	2025	GROWTH	
									Total	Annual <sup>3</sup>
Total visitors (000s) <sup>1</sup>	68	74	81	88	96	105	114	125	83%	9%
Total days (000s) <sup>1</sup>	3,465	3,742	4,112	4,497	4,903	5,358	5,854	6,387	84%	9.1%
Avg length of stay (days) <sup>1</sup>	51	50	51	51	51	51	51	51	1%	0.1%

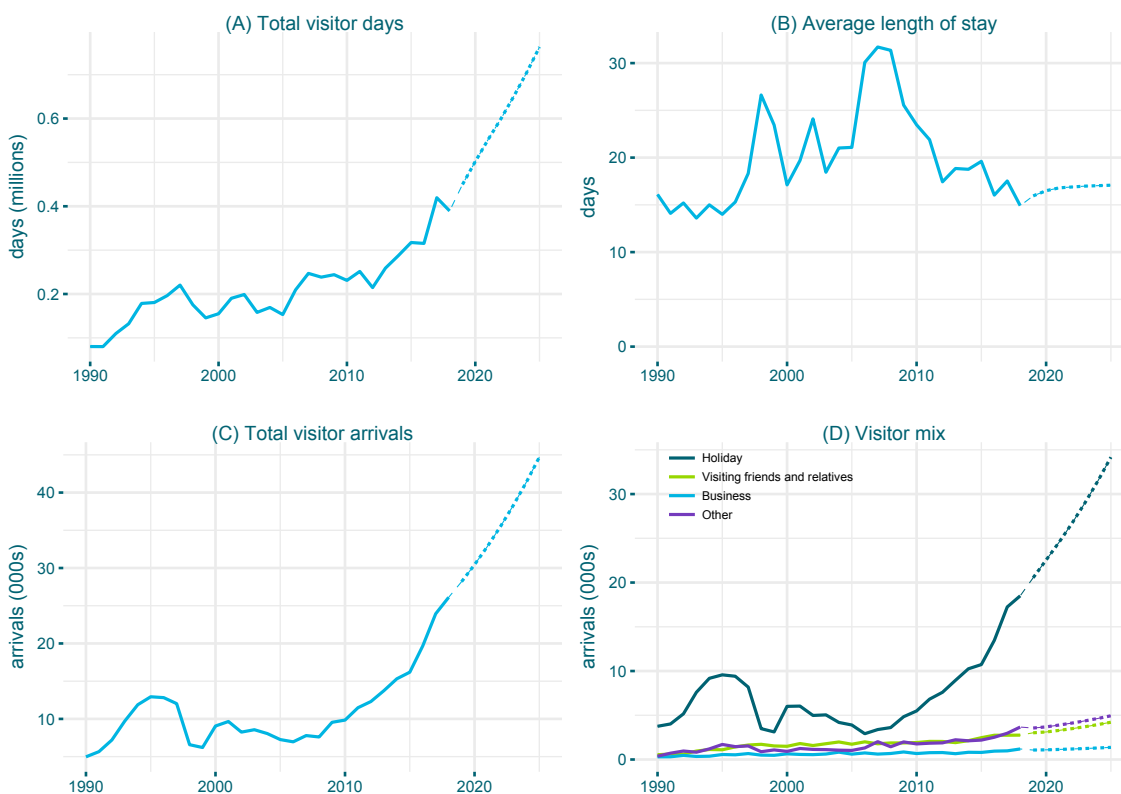
1. International Travel & Migration data, Statistics New Zealand; 2. World Bank data (<http://data.worldbank.org/indicator>); 3. Compound annual growth rate (2018-2025); 4. For Singapore, India, and Indonesia, we are not able to produce spend forecasts as the sample size is not sufficiently large in the source data from the International Visitor Survey.

# Indonesia



Summary	2018	2025		Visitor market characteristics <sup>2</sup>	
Total visitors (000s) <sup>1</sup>	26	45	↑	GDP per capita (PPP)	12,310
Total days (000s) <sup>1</sup>	389	763	↑	Population (millions)	264
Avg length of stay (days)	15	17	↑	Outbound departures (millions)	9
				Outbound spend (USD mn)	8,289

## Summary of forecasts: Indonesia



Year	2018	2019	2020	2021	2022	2023	2024	2025	GROWTH	
									Total	Annual <sup>3</sup>
Total visitors (000s) <sup>1</sup>	26	28	30	33	35	38	41	45	71%	8%
Total days (000s) <sup>1</sup>	389	450	502	552	600	651	705	763	96%	10.1%
Avg length of stay (days) <sup>1</sup>	15	16	16	17	17	17	17	17	15%	2%

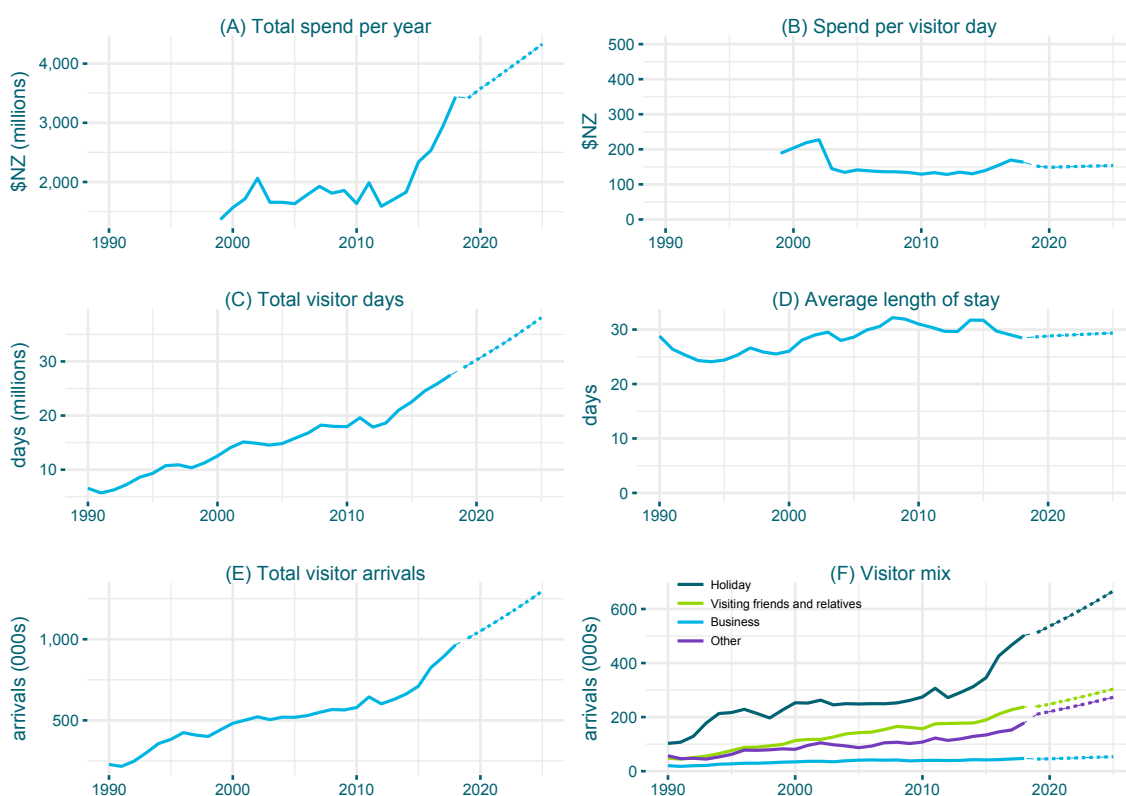
1. International Travel & Migration data, Statistics New Zealand; 2. World Bank data (<http://data.worldbank.org/indicator>); 3. Compound annual growth rate (2018-2025); 4. For Singapore, India, and Inodnesia, we are not able to produce spend forecasts as the sample size is not sufficiently large in the source data from the International Visitor Survey.

## Other markets

**31%**  
Share of all  
spend in NZ

Summary	2018	2025	
Total spend (\$m) <sup>1</sup>	3,441	4,328	↑
Total visitors (000s) <sup>2</sup>	966	1,297	↑
Total days (000s) <sup>2</sup>	27,497	38,097	↑
Spend per day (\$) <sup>3</sup>	163	154	↓
Avg length of stay (days) <sup>2</sup>	28	29	↑

Summary of forecasts: Other



Year	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
									Total	Annual <sup>4</sup>
Total spend (\$m) <sup>1</sup>	3,441	3,416	3,578	3,718	3,872	4,021	4,174	4,328	26%	3.3%
Total visitors (000s) <sup>2</sup>	966	1,007	1,050	1,096	1,143	1,193	1,243	1,297	34%	4.3%
Total days (000s) <sup>2</sup>	27,497	28,855	30,265	31,725	33,207	34,766	36,392	38,097	39%	4.8%
Spend per day (\$) <sup>3</sup>	163	152	149	150	151	152	153	154	-6%	-0.8%
Avg length of stay (days) <sup>2</sup>	28	29	29	29	29	29	29	29	3%	0.5%

1. International Visitor Survey, MBIE; 2. International Travel & Migration data, Statistics New Zealand; 3. Derived from the International Visitor Survey; 4. Compound annual growth rate (2018-2025); Note: India, Indonesia and Singapore are included within "other markets". This is because we do not individually forecast tourism spend for these markets..





