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# Regional and seasonal dispersal of international tourists

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Tourism Insight Series

November 2016

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New Zealand Government

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- › Statistics New Zealand
- › Tourism Industry Aotearoa
- › Tourism New Zealand

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## Executive summary

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Across 2015 and early 2016, the New Zealand tourism sector has experienced exceptional growth, with record levels of international visitors. Early indicators show that this growth has continued through the winter season. It is important to identify when these visitors are arriving, and which regions they are going to, in order to plan for pressures and opportunities in the sector, both now and in the future. This report provides an overview of the available information, and builds up a profile of international tourists' travel patterns while in New Zealand.

While there has been strong growth in international tourism spending, this growth is not equally distributed across New Zealand. International tourists' spending remains skewed towards the four main 'gateway' regions: Auckland, Wellington, Christchurch and Queenstown (covering 65 per cent of overall tourism spending in the June 2016 year). And this doesn't appear to be changing – the proportion of international visitors travelling to the non-gateway regions has remained flat over the past several years, at around 35 per cent. However, the distribution of international tourism spend within gateway regions and within non-gateway regions is changing. Tourism expenditure has grown faster in Queenstown and Christchurch than in Auckland and Wellington. Within the non-gateway regions, the South Island has on average grown faster than the North Island.

Where the visitor comes from makes a significant difference to whether they move outside of the main gateway regions. Over half of expenditure by visitors from Germany is in the non-gateway regions. In comparison, most Asian expenditure is not. Only a fifth of Chinese visitor expenditure, for instance, is outside of the gateway regions. That said, this number has grown substantially over the past eight years.

New Zealand has been and remains a highly seasonal destination, with the vast majority of visitors arriving over the summer months of December to February, and fewer arriving over the winter months of June, July and August. This is largely caused by a combination of distance and weather – because New Zealand is far away from most other parts of the world, trips here tend to be more expensive, and therefore more likely to be planned in advance around the most hospitable time of the year.

The overall pattern of when people visit New Zealand hasn't changed significantly over the past five years, with one main exception – there has been growth in the proportion of holidaymakers arriving during the autumn season, suggesting that marketing to tourists in the shoulder seasons has been to some degree successful. Seasonal patterns for other visitors (with the purpose of visit being visiting friends or relatives, and business reasons) have not changed significantly.

Certain market segments (holidaymakers from different countries at different age groups) do show a strong tendency to visit during off-peak and shoulder seasons. Going forward, this has the potential to help reduce the seasonal impact on the tourism industry. For example, retirees from China, the United States, the United Kingdom, Japan, and South Korea are more likely to travel during shoulder seasons than any other age groups.

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# INTRODUCTION

THIS PAPER ILLUSTRATES THE CURRENT STATUS OF SEASONALITY AND REGIONAL DISPERSAL AT BOTH NATIONAL AND REGIONAL LEVELS, PROVIDING A DETAILED INTERNATIONAL TOURIST PROFILE FOR EACH REGION IN NEW ZEALAND ACROSS THE YEAR.



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# 1. Introduction

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## 1.1 Background

### ■ Regional Dispersal

Governments, both national and local, have a strong interest in finding ways to encourage visitors to disperse, i.e. to visit several parts of their country/territory. A key reason is that visiting multi-destinations extends the time the tourist spends in the country – therefore increasing the value of the tourist in terms of the amount of money s/he spends.

International research suggests that proactively encouraging dispersal of tourists helps to:

- › Reduce pressure on the main tourism centres where the key attractions are located, by enticing visitors also to go elsewhere;
- › Disperse the income and wider benefits from tourism. The presence of visitors can open the eyes of local entrepreneurs to new opportunities and thus provide stimulation for the local economy that in turn leads to increased incomes and employment. A sustainable local tourism economy may also contribute to the preservation of local culture by encouraging locals to remain in their regions instead of going to larger cities to work;
- › Increase the overall attractiveness of a destination by presenting “new” features to visitors. This enables marketing programmes to be rejuvenated with the aim of increasing length of stay and total spending, and also to encourage repeat/return visitation.<sup>1</sup>

Whether or not a visitor will leave a main visitor centre depends on a number of interrelated factors. Chief among these is their perception of the distance to the other destination.

This has four elements:

- › Geographical distance – the actual travel distance from the centre to the new location;
- › Travel time – how long it takes to get to the new destination (particularly if it can be done as a one-day round trip which enables the tourist to return to the ‘main’ centre);
- › Amount of money – how much it costs to cover the distance and how that compares with the cost-effectiveness of other routes, how ‘valuable’ the attraction at the destination is, and generally whether or not they can afford the journey within their travel budget;
- › Cognitive distance – the perception that the tourism product will be sufficiently different to overcome a preference to remain in the main centre.

The perception of the barrier differs according to tourist motivation. For example those motivated by an interest in experiencing the countryside, visiting a specific place of interest (e.g. a group of wineries) or gaining a deeper understanding of the local culture are more likely to want to travel beyond the key tourism centres.

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<sup>1</sup> Meyer, D. (April 2004). Tourism routes and getaways: key issues for the development of tourism routes and gate ways with their potential for pro-poor tourism. *Overseas Development Institute*, p3

The international research literature also points to a number of other factors that influence visitors' decisions to visit multiple tourism sites. Recent Australian research<sup>2</sup>, which reviewed a number of previous studies and conducted other meta-analysis, concluded that the key factors determining the degree of dispersal of visitors include:

- › availability of good transport access – in particular air travel and long-distance trains and buses;
- › the number of different activities the international visitor wanted to try while in the country;
- › purpose of travel – those visiting friends and relatives disperse more widely than other visitors;
- › availability of guided multi-destination holiday tours;
- › the length of stay – people on short trips tend to disperse further than those on long visits;
- › people who travel as couples travel more widely than single travellers;
- › country of origin – some nationalities prefer to disperse beyond the key tourism centres and these nationalities behave so consistently that probabilities may be assigned to the chances they will visit multiple destinations.

This research suggests that factors previously thought to be determinants of propensity to disperse such as age of traveller, port of arrival and familiarity with the destination may have an insignificant influence on traveller decisions.<sup>3</sup>

Successfully creating new destinations outside of the key tourist centres requires planning and effort on the part of national and local governments. In particular it needs:

- › co-operation between the regional and the main centre to work to overcome the distance issues described above. The ideal is to create a tourist route, e.g. a regional wine trail, that guides tourists, engages the attention of the winemakers, and opens opportunities for other entrepreneurs (bus tour companies) to offer services that encourage the utilisation of the route;
- › the development of products (often innovative products that differentiate the destination from the main centres);
- › modes to travel to the destination that are suited to the experience wanted by the tourist (e.g. the level of comfort they require, the amount of time they are prepared to spend travelling);
- › strong social licence – that the locals are willing and prepared to welcome the tourists and grasp the opportunities the tourism industry has to offer them (and acceptance of the downsides such as crowding);
- › strenuous promotion of the destination so that visitors (and locals) are aware of the destination's opportunities;
- › transparency of the government's objectives in promoting tourism as a benefit for the new location (e.g. if it is about jobs then encouraging job-rich projects).

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<sup>2</sup> Koo, T.T.R, Wu, C.L. & Dwyers, L. (2012). Dispersal of visitors within destinations: descriptive measures and underlying drivers. *Tourism Management*, 33, 1209-1219

<sup>3</sup> A study in Brazil (also in 2012) pointed to additional determinants for visits to multiple centres: male, younger and older tourists with high levels of education; leisure visitors, especially those with longer stays – Santos, G.C., Ramos V., & Rey-Maqueira, J. (2012). Determinants of multi-destination tourism in Brazil. *Tourism Economic*, 18(6), 1331-1349

This discussion points to the importance of carefully targeting those visitors most likely to visit multiple destinations outside of key centres and of those involved with promoting the regional growth opportunities of tourism to ensure all the elements that underlie the success of new destinations are firmly in place.

### ■ Seasonal Dispersal

Seasonality in tourism involves the regular concentration of significant tourist flows in a region or country in relatively short periods of the year.<sup>4</sup>

According to international research, seasonality arises from several causes:

- › Natural factors such as climate are often key determinants – firstly as a pull factor, because they define what activities are available to attract a tourist to a destination (e.g. sunbathing or snowboarding); and secondly as a push factor, because they define the time of the year people prefer to be absent from their home destination (e.g. wintering over in warmer climes);
- › The timing of holidays, such as religious observances, school terms, national anniversary and celebratory days, and closedown times for industry, also significantly affects tourists' availability to take leave;
- › Also, customs such as 'seasons' for hunting or golfing or skiing and family traditions (e.g. 'our family always holidays in the second week of January') impact travel planning.

Thus, in tackling seasonality, the industry must take account of both the seasonal factors at the destination and the factors that affect the timing of tourists' ability to go on holiday.

Generally, seasonality is regarded as a problem for the tourism industry. Research studies show it is held to be responsible for:

- › delivering low returns on investment and therefore making operations financially risky;
- › sector participants facing difficulties in finding capital for expansion (especially for building hotels and other accommodation);
- › the difficulty of retaining quality staff (and the impact that can have on service standards) and not being able to offer full-time, year round employment;
- › problems associated with crowding and overuse of facilities (e.g. service standards being lowered because of the volume of tourists).

Seasonality can also impact local residents' views of the tourism industry when they experience traffic congestions, queues for services, extra litter, higher prices during the season, peaks of increased crime and having to meet the costs of providing additional infrastructure (e.g. sewerage schemes) larger than needed just for the resident population. International research suggests that this can lead to resentment and antagonism from the local community towards visitors.

However, seasonality also has benefits. It:

- › enables those in the industry to have their own 'down-time' and holidays;
- › enables local 'traditional' community life to be restored during the off-peak season and thus help to preserve its identity;

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<sup>4</sup> This discussion draws heavily on the article Cannas, R. (2012). An overview of tourism seasonality: key concepts and policies. *AlmaTourism*, N.5, 40-58

- › allows the local ecology to recover from use during the season;
- › allows time for maintenance work on buildings and attractions to be undertaken;
- › offers opportunities for temporary jobs and additional incomes for students, artists, foreign backpackers and the self-employed (e.g. farmers taking in guests at times when farm work is not pressured);
- › can create a scarcity value and added status for a region and its people when a limited number of those who want to visit it can do so.

Across various markets, efforts to counteract seasonality include seeking to market the benefits of visiting the destination in the shoulder or off-season, using pricing strategies to reduce demand during the season and encourage 'out of season' travel, creating events (including business events) or festivals to attract visitors at other times of the year, creating new products to attract tourists in different seasons, and transforming tourism infrastructure so it can be used throughout the year (e.g. turning a tourist hotel into a health spa in the off-season).

The research suggests that is also important for destination marketers to seek to understand the factors in the tourists' home country that drives the seasonality of their visits (e.g. school years changing from four to five terms).

## 1.2 Context

In late 2015, Tourism Ministers endorsed a government tourism strategy aimed at increasing the economic contribution made by tourism at a national and a regional level, by focusing and coordinating government efforts to support the sector.

The strategy identified three focus areas where the government needs to work together with the sector to achieve this goal and support the aspirations of the sector:

- › attracting the right mix of visitors to give us the biggest return on our marketing investment;
- › ensuring the sector continues to provide high-quality experiences in the face of increasing visitor numbers and a changing visitor mix;
- › supporting regions to be in a position to benefit from increasing visitor numbers.

The provision of data and insight will be an essential component supporting work towards increasing economic contribution of the sector. This report is the second of a series of insight papers on tourism that the Ministry of Business, Innovation and Employment (MBIE) is publishing across 2016 and 2017. The first paper was called *Tourism Infrastructure*.<sup>5</sup>

Reducing seasonality and boosting the spread of visitors across the regions will help 'spread the load' on infrastructure in the tourism sector – for example, increasing the economic impact of visitors in areas with poor occupancy. This will also help 'spread the wealth' into areas that have seen less benefit from the recent influx of international tourists. Many factors driving seasonality and lack of regional dispersal are highlighted in Tourism Industry Aotearoa's Tourism 2025<sup>6</sup> and potential solutions<sup>7</sup> were identified.

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<sup>5</sup> The report is available for download here: <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/tourism-insight-series>

<sup>6</sup> Tourism Industry Aotearoa. (n.d.). Tourism 2025. Retrieved from <http://www.tourism2025.org.nz/>

<sup>7</sup> Solutions to address seasonality include extending the summer season, developing new markets and new markets segments, and using events during off-peak season. Solutions to boost regional dispersal involve developing new markets and new market segments, targeting domestic tourism, and relying on the cruise sector to lift regional dispersal.

One solution is to understand and develop new markets. New Zealand is set to, and is already benefitting from, growth in a range of new and emerging markets. For example, India, Indonesia and other markets in the Asia-Pacific region will become an increasing share of our international visitor market. These markets could have a different seasonal and regional profile to our traditional markets. As these markets grow further in size and value, this different seasonal and regional profile could help build the shoulder season and lift regional dispersal.

A piece of work has been commissioned by the Domestic Travel Working Group formed by Tourism Industry Aotearoa. This domestic market research is due to be released in November 2016, with the purpose of better understanding the domestic visitor market in order to improve outcomes for tourism businesses across New Zealand.

### 1.3 Purpose

This paper illustrates the current status of seasonality and regional dispersal at both national and regional levels, providing a detailed international tourist profile for each region in New Zealand across the year.

### 1.4 Out of scope

The following areas are out of scope for this project:

- › estimating future changes to seasonality and regional dispersal (beyond official forecasts, if any);
- › profiling domestic tourists;
- › identifying any solutions to seasonality and regional dispersal;
- › using data outside of the public domain (ie, MBIE and Statistics New Zealand). This may be seen as a limitation given that some regions, industry bodies and operators are already making use of geolocation data. However, acquiring, understanding and analysing the data would require significant investment, and make this report less timely.

### 1.5 Definitions

#### Regional tourism organisation

Data in this report is largely presented by regional tourism organisation (RTO) region. Data is not specific to the organisations themselves, but to the geographic boundaries associated with the RTO.<sup>8</sup> These boundaries are used in order to separate out areas of importance to the tourism sector in a more useful way than using other geographic boundaries. For example, in the standard regional council definition, Queenstown and Wanaka are included with Dunedin in the Otago Region, but they are separate in the RTO definition.

#### Regional dispersal

Regional dispersal in this report is defined as the proportion of international tourists' expenditure that disperses beyond the 'gateway' RTO regions (Auckland, Wellington, Christchurch and Queenstown) in New Zealand. These regions are defined as gateways because of their international connectivity through air travel. All other RTO regions are defined as 'non-gateway' for the purposes of this analysis. A market with a high proportion of spend in non-gateway RTO regions is determined to have a high regional dispersal, and vice versa.

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8 The RTO level is defined on the RTONZ website: <http://www.rtonz.org.nz/rto-location-map.html>

Regional international tourism spend from MBIE's Monthly Regional Tourism Estimates at RTO level<sup>9</sup> is the main data source used.

### Seasonal dispersal

Seasonal dispersal in this report is defined as the proportion of international visitors that disperses outside of the peak summer season.

Table 1 outlines the tourism seasons used in this report.

**Table 1: Months for each season**

Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
June, July, and August	September, October, and November	December, January, and February	March, April and May

Data on visitor arrivals from the International Travel and Migration statistics produced by Statistics New Zealand is the main source used in analysing seasonal dispersal.

### Market segments

In the seasonal dispersal section of the report, we analyse visitors by market segment. A market segment is identified by a combination of age group and country of origin.

We define seven age groups, as follows: 0–19, 20–29, 30–39, 40–49, 50–59, 60–69, and 70+.

For country of origin, we focus on 10 key tourism markets for New Zealand, as follows: Australia, China, the United States (US), the United Kingdom (UK), Japan, Germany, South Korea, Canada, India, and Indonesia.

Arrivals from these markets account for over 80 per cent of total international arrivals. The arrival by age group is not available for both India and Indonesia, due to confidentiality reasons. We can only examine their seasonal pattern as a whole.

## 1.6 Structure

Section 2 of this report presents a background outlining the importance of regional and seasonal dispersal. Section 3 provides a summary of regional dispersal. Section 4 presents a summary of seasonal dispersal. Appendix 1 provides one-page summaries of seasonal and regional profiles for 10 key markets. Appendix 2 presents international tourism spend by RTO region.

<sup>9</sup> The spend data is available on the MBIE website: <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/monthly-regional-tourism-estimates/data-download>

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SECTION

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## REGIONAL DISPERSAL

ALL AREAS IN NEW ZEALAND HAVE BENEFITED TO SOME DEGREE FROM THE STRONG GROWTH IN INTERNATIONAL TOURISM SPENDING OVER THE PAST THREE YEARS. HOWEVER, THE GROWTH IS NOT EQUALLY DISTRIBUTED ACROSS REGIONS.



## 2 Regional dispersal

### ■ Key messages

- › All areas in New Zealand have benefited to some degree from the strong growth in international tourism spending over the past three years. However, the growth is not equally distributed across New Zealand. International tourists' spending remains skewed towards the four main 'gateway' regions: Auckland, Wellington, Christchurch and Queenstown (covering 65 per cent of overall international tourism spending in the June 2016 year).
- › This doesn't appear to be changing – the proportion of expenditure by international visitors travelling to the non-gateway regions has remained flat over the past several years, at around 35 per cent.
- › However, the distribution of international tourism spend within gateway regions and within non-gateway regions is changing. Tourism expenditure has grown faster in Queenstown and Christchurch than in Auckland and Wellington. Within the non-gateway regions, the South Island has on average grown faster than the North Island.
- › Where the visitor comes from makes a significant difference to whether they move outside of the main gateway regions. Over half of expenditure by visitors to Germany are in the non-gateway regions. In comparison, most Asian expenditure is not. Only a fifth of Chinese visitor expenditure, for instance, is outside of the gateway regions.
- › Regional dispersal for both South Korea and China has improved significantly for the past eight years, while staying roughly the same or growing gradually for most other measured countries.

### 2.1 Spending in all RTO regions has grown

Over the last three years, international tourism expenditure grew in all RTO regions around the country. The largest growth in absolute spend occurred in gateway RTO regions, but all RTO regions saw some level of expenditure growth. Table 2 shows the 10 largest RTO regions by international tourism spend. The full list of RTO regions is presented in Appendix 2 of this report.

**Table 2: Top 10 RTO regions by international tourism spend**

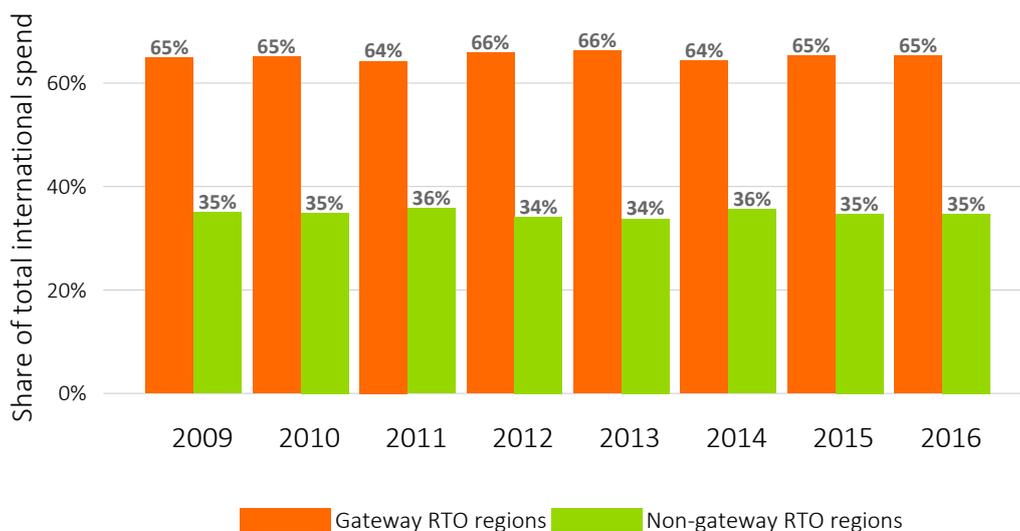
RTO region	International tourism spend (June 2016 year), \$ million	Change in spend between 2013 and 2016, \$ million	Compound annual growth rate, June 2013 to June 2016
Auckland	3,428	827	10.0%
Queenstown	1,203	418	15.0%
Christchurch	815	258	14.0%
Wellington	612	153	10.0%
Rotorua	314	101	14.0%
Waikato	274	98	16.0%
West Coast	229	81	16.0%
South Canterbury	223	63	12.0%
Northland	223	58	11.0%
Lake Wanaka	220	77	15.0%

Source: Monthly Regional Tourism Estimates, MBIE

## 2.2 The share of spending in the non-gateway RTO regions isn't changing

Regional dispersal for international tourists, measured by the proportion of international tourism spend in non-gateway RTO regions, has remained static during the past eight years (to June). Around 35 per cent of international tourism spend occurred in non-gateway RTO regions, while 65 per cent occurred in gateway RTO regions, as shown in Figure 1.

**Figure 1: Share of international tourism spend by gateway and non-gateway RTO regions, June years**



Source: Monthly Regional Tourism Estimates, MBIE

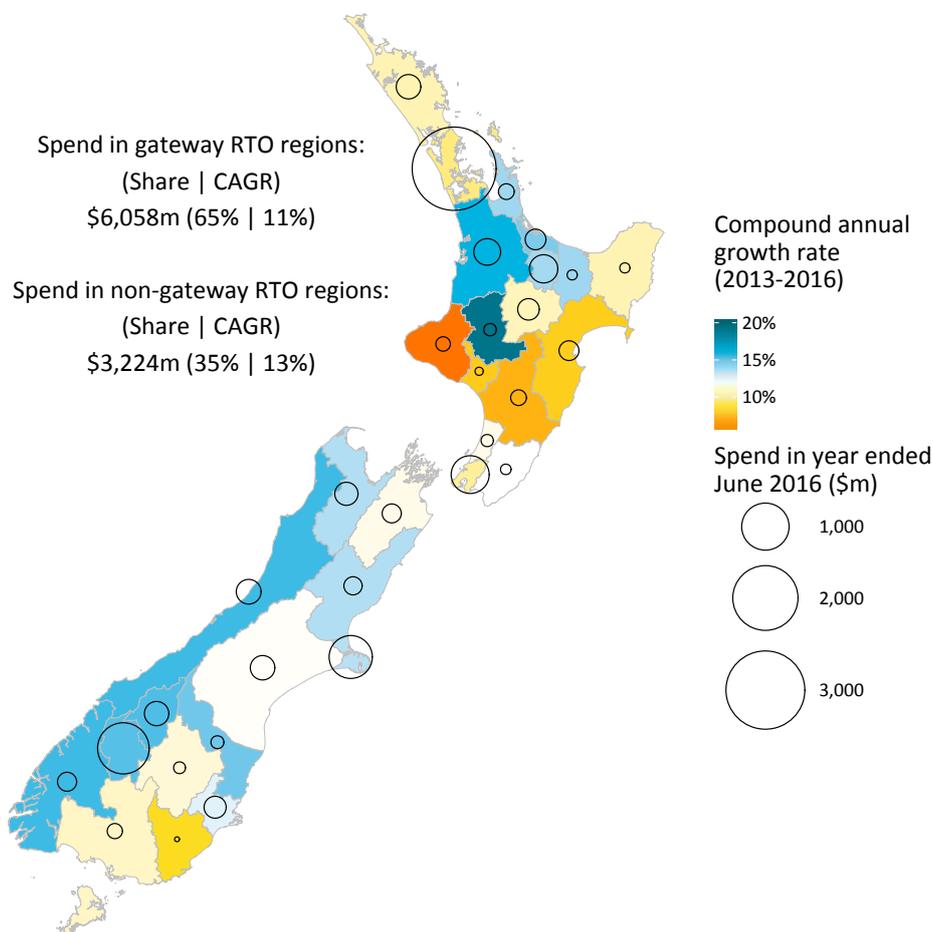
## 2.3 The distribution of spending within gateway and non-gateway RTO regions is changing

The distribution of international tourism spend within gateway and non-gateway RTO regions is changing. Within gateway RTO regions, spend grew faster in Queenstown and Christchurch than in Auckland and Wellington. Within non-gateway RTO regions, more South Island regions experienced above-average growth than North Island regions did – though much of this growth is the South Island recovering market share that was lost following the Canterbury earthquakes.

Figure 2 shows a map of international tourism spend for the year ended June 2016, and compound annual growth in spend for the past three years by RTO region.

Detailed information on spend, share, absolute changes, and growth by RTO region is available in Appendix 2.

**Figure 2: International tourism spend, June 2016 year, and compound annual growth rate (CAGR) for the past three years by RTO region<sup>10</sup>**



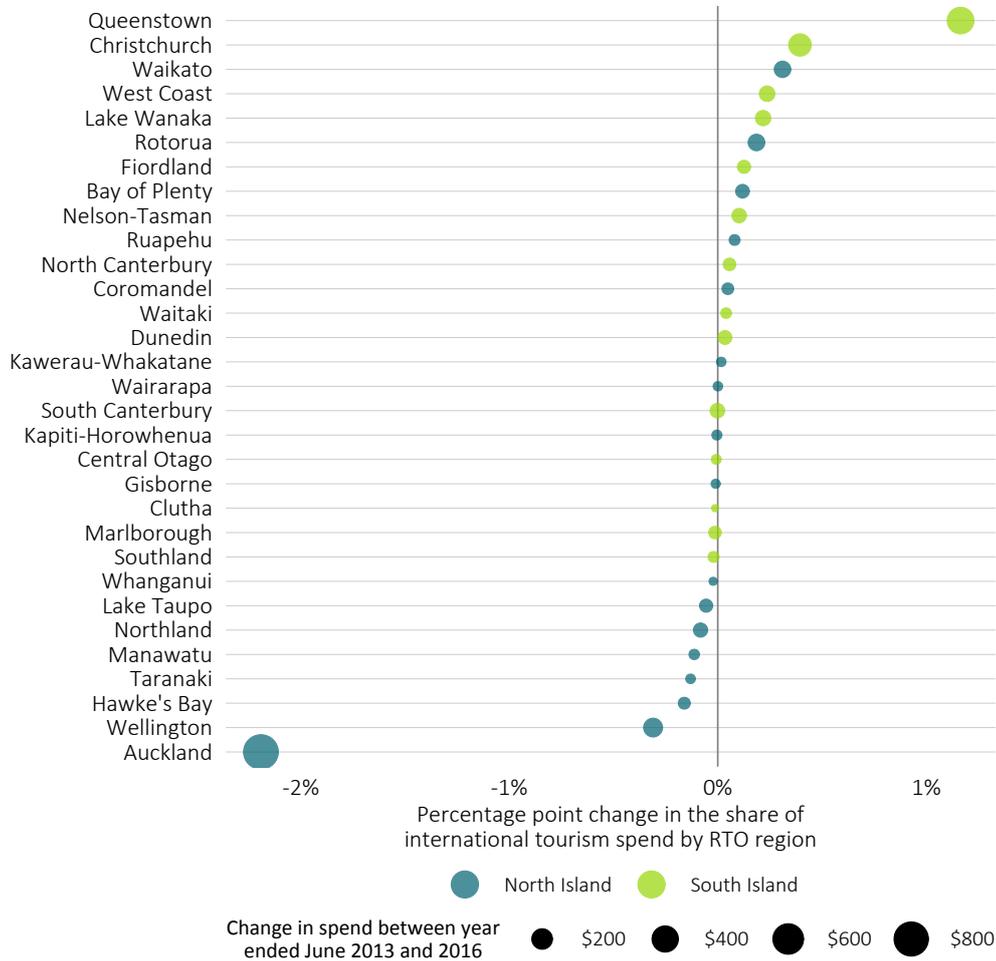
Source: Monthly Regional Tourism Estimates, MBIE

Figure 3 shows changes in the share of international tourism spend by RTO region for the past three years. For the gateway RTO regions, the shares for Auckland (down 2.2 percentage points) and Wellington (down 0.3 percentage points) fell over the period, while the shares for Queenstown (1.2 percentage points) and Christchurch (0.4 percentage points) grew.

In the non-gateway RTO regions, South Island regions (green bubbles) are either gaining or maintaining their shares, while most North Island regions' shares are falling (blue bubbles). West Coast, Lake Wanaka, Fiordland, and Nelson-Tasman experienced large gains in their share of spend while Hawke's Bay, Taranaki, Manawatu, Northland, Lake Taupo, and Wanganui lost their shares.

<sup>10</sup> The bubbles on the map illustrate international tourism spend. The size of bubbles corresponds with the size of spend. The colour on the map reflects compound annual growth rate for the past three years.

**Figure 3: Change in share of international tourism spend between June 2013 and June 2016 by RTO region**



Source: Monthly Regional Tourism Estimates, MBIE

### 2.4 Regional dispersal varies significantly by country

People from countries with English as a primary or secondary language tend to have greater regional dispersal when in New Zealand – suggesting they may be more comfortable to go ‘off the beaten track’. Germany (55 per cent), Canada (46 per cent), the UK (44 per cent), the US (39 per cent), and Australia (35 per cent) all have a relatively higher level of regional dispersal, while South Korea (28 per cent), Japan (27 per cent), and China (21 per cent) have a relatively lower level.

Germany is the only market that spends more in non-gateway than in gateway RTO regions. Although China is the least regionally dispersed market, the spend in non-gateway RTO regions (\$293 million) was greater than Germany’s (\$273 million) as a result of the sheer size of the market.

Figure 4 shows both spend and share of spend in gateway and non-gateway RTO regions for key markets.

**Figure 4: Spend in gateway and non-gateway RTO regions by key markets, year ended June 2016**

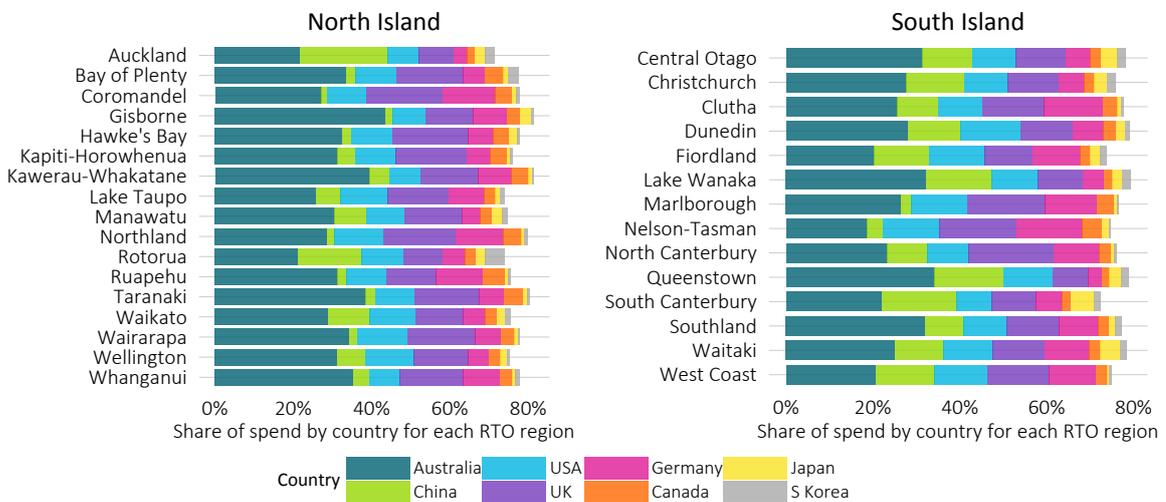


Source: Monthly Regional Tourism Estimates, MBIE

The share of international tourism spend by country varies significantly for different RTO regions. Australians’ tourism spend dominated all RTO regions apart from Auckland, in which Chinese spend was proportionately larger. The share of spend from China was significantly higher in the gateway RTO regions, along with Rotorua – indicating a clear preference for regions with built-up infrastructure and recognised international tourism attractions. Regions such as Gisborne, Ruapehu, Northland, Bay of Plenty and Hawke’s Bay have very low shares of spend by Chinese tourists.

Spend from the US, the UK, Germany, and Canada were significant sources of international tourism income for all RTO regions, but tended to be a greater share in the non-gateway RTO regions.

**Figure 5: Share of international tourism spend by selected markets for each RTO region, June 2016**



Source: Monthly Regional Tourism Estimates, MBIE

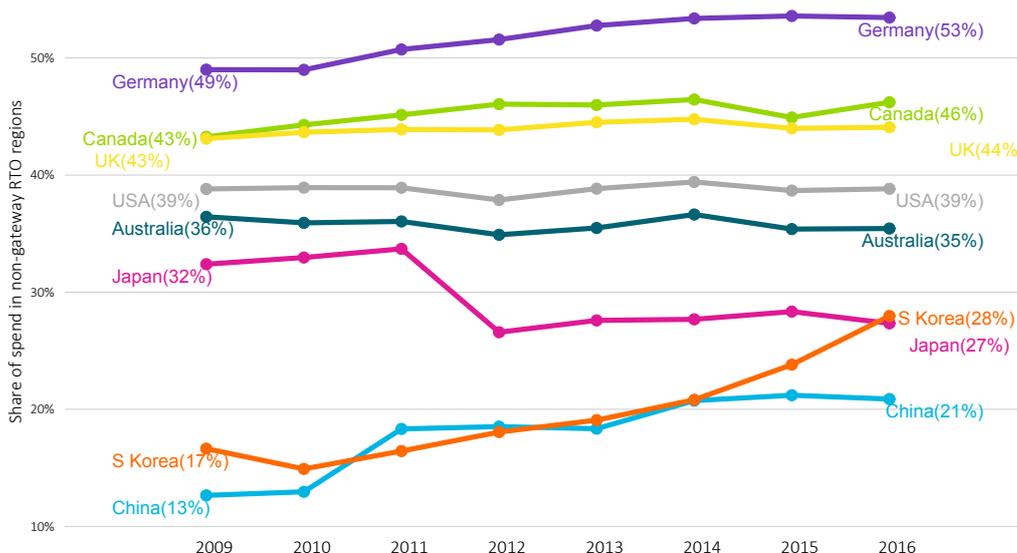
## 2.5 South Korea and China lead growth in regional dispersal

Regional dispersal for both South Korea and China has improved significantly for the past eight years, while staying roughly the same or growing gradually in other countries. Figure 6 shows the share of spend in non-gateway RTO regions for selected markets over time.

South Korea experienced the greatest growth in the proportion of spending going to the non-gateway RTO regions, increasing from 17 to 28 per cent in eight years – and becoming the most regionally dispersed Asian market in the June 2016 year. China’s share of spend in non-gateway RTO regions jumped from 13 to 17 per cent in the June 2011 year, and has been increasing slowly since then, reaching 21 per cent in the June 2016 year. In comparison, Japan’s share of spend into the non-gateway RTO regions has fallen, from 32 per cent in the June 2011 year to 27 per cent in the June 2012 year, and has been steady at that level since.

Germany’s share of spend in non-gateway RTO regions is the highest of all countries analysed, at 53 per cent in the June 2016 year. Canada, the UK, the US, and Australia’s share of spend in non-gateway RTO regions has remained roughly the same over the June 2009 to June 2016 period.

**Figure 6: Share of spend in non-gateway RTO regions by country from 2009 to 2016, June years**



Source: Monthly Regional Tourism Estimates, MBIE

## SEASONAL DISPERSAL

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SECTION  
**3/5**

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NEW ZEALAND HAS BEEN AND REMAINS A HIGHLY SEASONAL DESTINATION, WITH THE VAST MAJORITY OF VISITORS ARRIVING OVER THE SUMMER MONTHS OF DECEMBER TO FEBRUARY. AN INCREASING PROPORTION OF VISITORS ARE ARRIVING IN THE AUTUMN SEASON.



## 3 Seasonal dispersal

### ■ Key messages

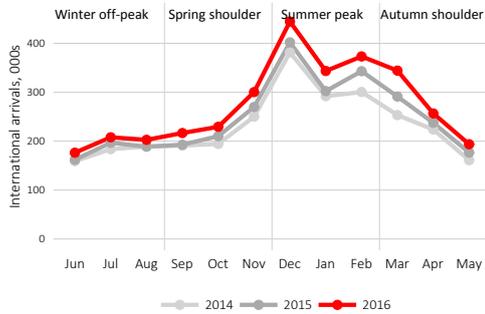
- › International arrivals in New Zealand are highly seasonal. Arrivals in the summer season are twice the number of the winter season. The pattern of arrivals is relatively similar over the last three years, with recent growth in holidaymakers seen in the autumn season.
- › An increasing proportion of holidaymakers are arriving in the summer and autumn seasons, with a lower proportion in the winter season. Seasonal patterns for other visitors (with the purpose of visit being visiting friends or relatives, and business reasons) have remained static.
- › Business travellers have a different seasonal pattern. Business arrivals are almost equally spread across all seasons, with slightly more arrivals during spring and autumn seasons, and the least arrivals during summer.
- › People in different age groups show different seasonal travel patterns. Although the majority of visitors prefer to visit during summer, older travellers are more likely to travel in shoulder seasons (especially autumn).
- › People from different countries show different degrees of seasonality. These travel patterns are unchanged across multiple years. People from all countries (apart from India and Indonesia – their peak season is autumn and winter respectively) show a strong tendency to visit during summer rather than in winter. However, for certain countries, such as China, holidaymakers almost equally prefer to visit in the autumn shoulder season.
- › Certain market segments (holidaymakers from different countries for different age groups) show a strong tendency to visit during the off-peak season and shoulder seasons. They have the potential to help reduce tourism seasonality. For example, older travellers from China, the US, the UK, Japan, and South Korea are more likely to travel during shoulder seasons than any other age groups.
- › The seasonal visitor dispersal pattern at a regional level remains static. Each region has varying degrees of seasonality. Urban centres and gateway RTO regions have a lower degree of seasonality than in the non-gateway RTO regions.

### 3.1 New Zealand's seasonal pattern has remained largely unchanged, apart from growth in the autumn season

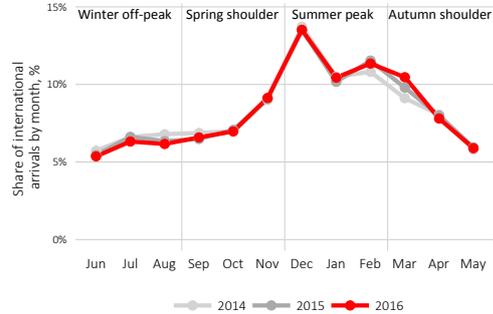
New Zealand has been and remains a highly seasonal destination, with the vast majority of visitors arriving over the summer months of December to February, and fewer arriving over the winter months of June, July and August. Despite a large growth in the number of international arrivals over the past year, this seasonal peak-and-trough pattern has not changed significantly. International arrivals in the peak summer season are twice the number of the off-peak winter season. Over the past three years, international arrivals increased in all months, but grew at different speeds – slower in winter and faster in autumn. This resulted a slight decrease in the share of arrivals in June to August (the winter season), and an increase in March (a month in the autumn season). The share of arrivals for the months in the spring and summer season stayed roughly the same.

**Figure 7: New Zealand international arrivals**

**a. Monthly arrivals**



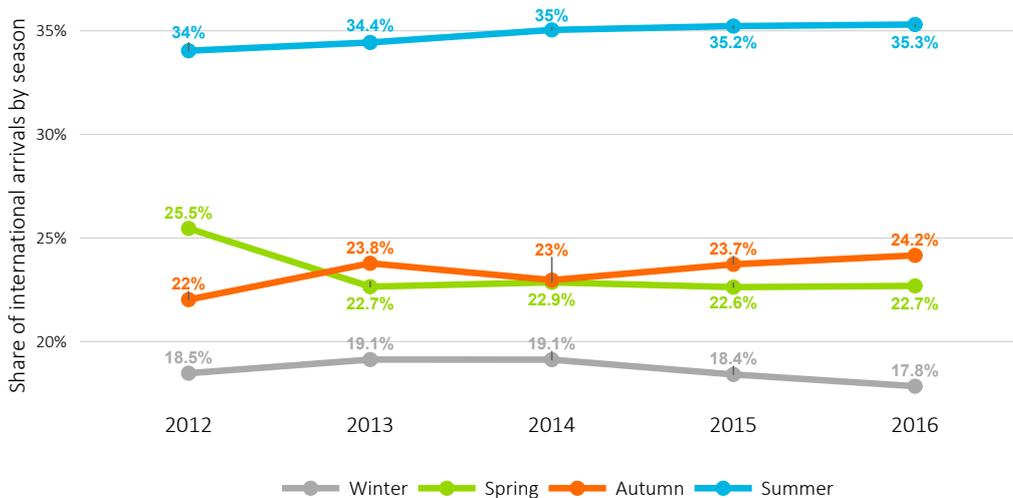
**b. Share of arrivals by month**



Source: International Travel and Migration, Statistics New Zealand

Figure 8 shows the share of international arrivals by each season for the past five years. The proportion of visitors is slowly getting smaller for the winter season, but improving for the autumn season, suggesting that marketing in the ‘shoulder seasons’ has been successful in encouraging a longer peak season and more visitors to arrive summer/autumn. The growth in autumn arrivals has been driven by more arrivals in March.

**Figure 8: Share of international arrivals by season over the past five years**

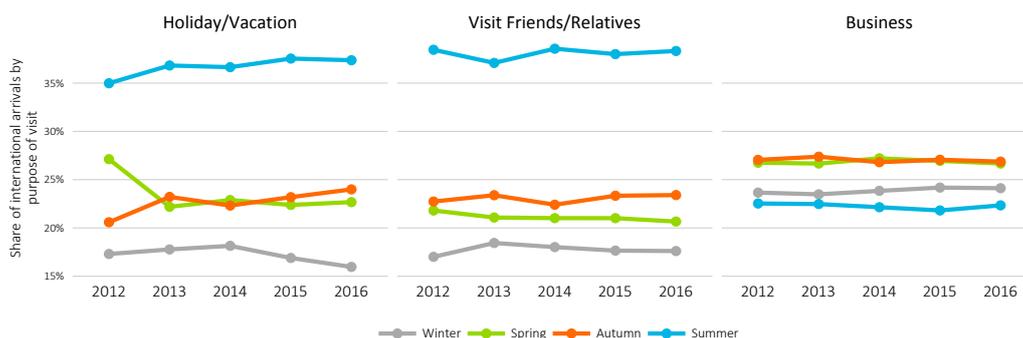


Source: International Travel and Migration, Statistics New Zealand

### 3.2 Holidaymakers drive changes in seasonal patterns

A greater proportion of holidaymakers are arriving during the autumn season, while less are arriving during the winter season. Seasonal patterns for other types of visitors, such as visiting friends or relatives, and business, are largely unchanged. Business travellers, as would be expected, have a different travel pattern, as they are not obviously influenced by season. A similar level of business passengers travel in the spring and autumn, fewer in winter, and the least in summer – during the holiday season.

Figure 9: Share of arrivals by season by purpose of visit over the past five years



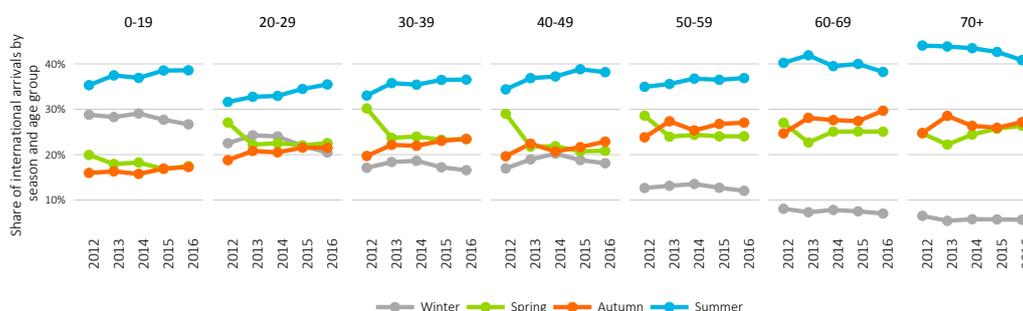
Source: International Travel and Migration, Statistics New Zealand

### 3.3 Older travellers tend to travel in shoulder seasons

People in different age groups show different seasonal patterns. Figure 10 shows the share of arrivals by season for different age groups.

Although people of all ages prefer to visit during summer, older travellers show an increasing tendency to travel in shoulder seasons (especially autumn) at the expense of the summer season. The share of holidaymakers within the 60–69 and 70+ age groups arriving in summer has steadily declined over the past five years, whereas the number of arrivals in the shoulder seasons has increased. Older age groups are much less likely to travel in winter than other groups.

Figure 10: Share of international arrival by season for each age group for the past five years



Source: International Travel and Migration, Statistics New Zealand

### 3.4 Holidaymakers from Australia and Asia have a higher tendency to travel during non-peak seasons

Holidaymakers from different countries show different rates of seasonal dispersal. Seasonal patterns have remained unchanged or showed growth in summer months. Holidaymakers from some countries are more likely to travel during the shoulder seasons than others.

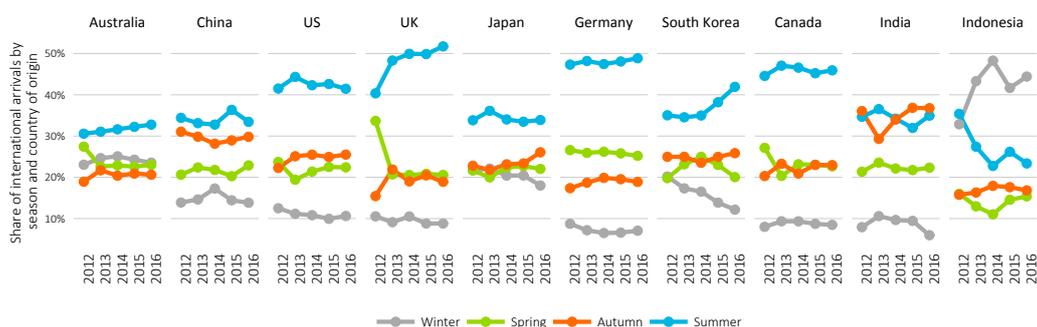
Australia is New Zealand’s largest tourism market by visitor number and spend. It is short-haul and one of the least seasonal markets. Different from most other markets, the low season for Australia is autumn instead of winter. That is because the skiing season in winter attracts more Australian holidaymakers than in shoulder seasons.

Long-haul traditional tourism markets such as the US, the UK, Germany, and Canada are affected the most by seasonality. This is likely a factor of distance, as trips from these countries tend to be more expensive, and therefore more likely to be planned in advance around the most hospitable time of the year in New Zealand (as well as less hospitable for these northern hemisphere markets). The number of holidaymakers’ arrivals in these markets in summer is four to six times higher than arrivals in winter. The US, Germany, and Canada’s seasonal pattern has remained unchanged over the last five years, while more UK visitors are arriving in summer.

On the other hand, closer tourism markets such as China, Japan, and South Korea have a lower degree of seasonality. In these markets, the proportion of arrivals in summer is two to three times higher than in winter. The tendency to travel during shoulder seasons is also higher. On average, around 28 per cent of holidaymakers travelled during the autumn shoulder season from these markets, compared with an average of around 20 per cent for the US, the UK, Germany, and Canada.

Both India and Indonesia are emerging tourism markets for New Zealand. Holidaymakers from these markets have very different seasonal patterns. Most holidaymakers from India arrive during the autumn shoulder instead of summer. For Indonesia, the peak season for holidaymakers is winter, which is completely opposite to other markets. Caution should be made when looking at the data in these markets, as they are relatively small, and growing numbers can be volatile.

**Figure 11: Share of arrivals by season for each country of origin for the past five years**



Source: International Travel and Migration, Statistics New Zealand

### 3.5 The seasonal pattern for holidaymakers varies greatly by age and country of origin

Figure 12 provides an overview of the seasonal pattern for holidaymakers within different market segments (a combination of age and country of origin), by season. For example, of all holidaymakers arriving in winter from Germany, 28 per cent were aged 0–19; 47 per cent were aged 20–29.

Figure 12: Share of arrivals by age group for select markets for each season in 2015/16

Winter off-peak								Spring shoulder							
70+	1%	2%	4%	1%	5%	0%	1%	70+	5%	5%	16%	10%	12%	3%	3%
60-69	6%	10%	7%	5%	9%	3%	11%	60-69	14%	19%	25%	24%	25%	9%	28%
50-59	11%	16%	14%	8%	8%	6%	21%	50-59	16%	26%	13%	15%	10%	11%	30%
40-49	13%	25%	13%	8%	10%	7%	14%	40-49	14%	15%	8%	6%	10%	8%	13%
30-39	18%	16%	16%	14%	10%	10%	15%	30-39	17%	17%	16%	12%	14%	16%	12%
20-29	30%	11%	27%	45%	10%	47%	18%	20-29	19%	15%	18%	30%	11%	30%	9%
0-19	20%	21%	20%	18%	48%	28%	19%	0-19	16%	2%	3%	3%	17%	23%	6%
	Australia	China	US	UK	Japan	Germany	S Korea		Australia	China	US	UK	Japan	Germany	S Korea
Summer peak								Autumn shoulder							
70+	5%	3%	13%	11%	11%	4%	2%	70+	7%	5%	13%	7%	8%	4%	4%
60-69	12%	12%	26%	34%	27%	10%	15%	60-69	15%	28%	23%	17%	21%	7%	31%
50-59	16%	19%	16%	17%	11%	17%	29%	50-59	17%	27%	16%	14%	10%	13%	35%
40-49	14%	22%	8%	6%	12%	11%	18%	40-49	14%	14%	8%	7%	10%	10%	12%
30-39	16%	19%	14%	12%	10%	18%	11%	30-39	17%	13%	14%	15%	12%	15%	10%
20-29	20%	12%	18%	17%	15%	27%	13%	20-29	16%	11%	21%	29%	17%	33%	6%
0-19	18%	13%	5%	5%	13%	13%	13%	0-19	13%	2%	4%	11%	21%	18%	2%
	Australia	China	US	UK	Japan	Germany	S Korea		Australia	China	US	UK	Japan	Germany	S Korea

Source: International Travel and Migration, Statistics New Zealand

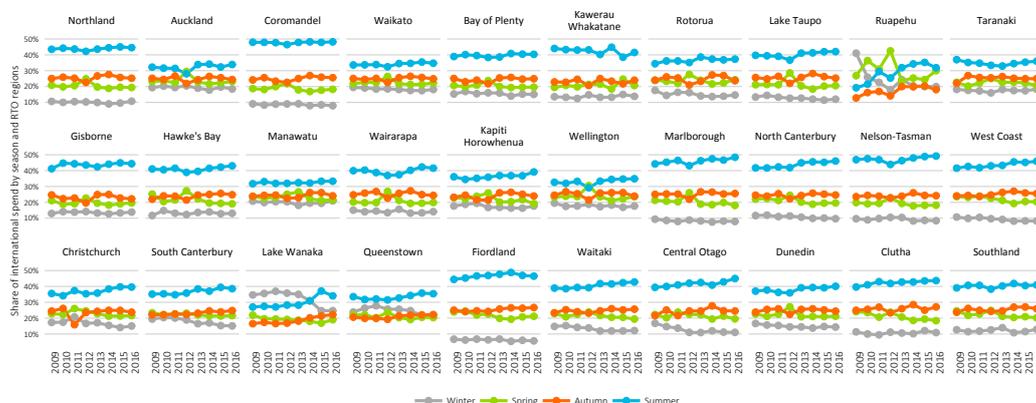
Certain market segments show a strong tendency to travel during non-peak seasons.

- › For the winter off-peak season, travellers aged under 30 from all measured markets (apart from China, and South Korea) account for the majority share. There are particularly high concentrations of under-30-year-old visitors from the UK and Germany during this time of year.
- › For both the spring and autumn shoulder seasons, over-50-year-olds make up a larger proportion of visitors. Younger travellers (aged 20 to 29) from the UK and Germany also tend to arrive in the shoulder seasons.

### 3.6 Urban centres less affected by seasonality

The degree of seasonality varies significantly by region, with the gateway RTO regions showing more even dispersal across the year. For example, the spend during summer was two to three times higher than the spend in the winter season in Auckland, Wellington, Christchurch and Queenstown RTO regions. By contrast, Northland, the Coromandel, Gisborne, Nelson-Tasman, Marlborough and Fiordland spend was four to five times higher in summer than in the winter season.

**Figure 13: Share of international spend by season and RTO region**

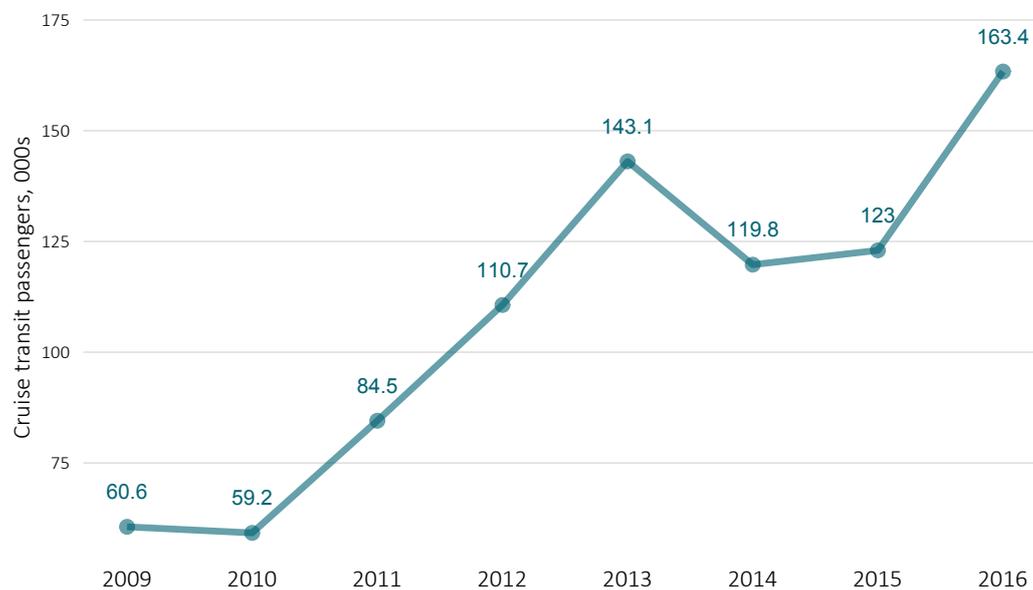


Source: Monthly Regional Tourism Estimates, MBIE

**3.7 Cruise visitors arrive mainly over summer, but a growing number are coming in autumn**

The number of cruise transit passengers<sup>11</sup> increased on average by 13.2 per cent per year from 2008/2009 (the year ended May 2009) to reach 163,400 in 2015/2016 (the year ended May 2016) – equivalent to around 5 per cent of total international visitors for the same period.

**Figure 14: Cruise transit passenger numbers**

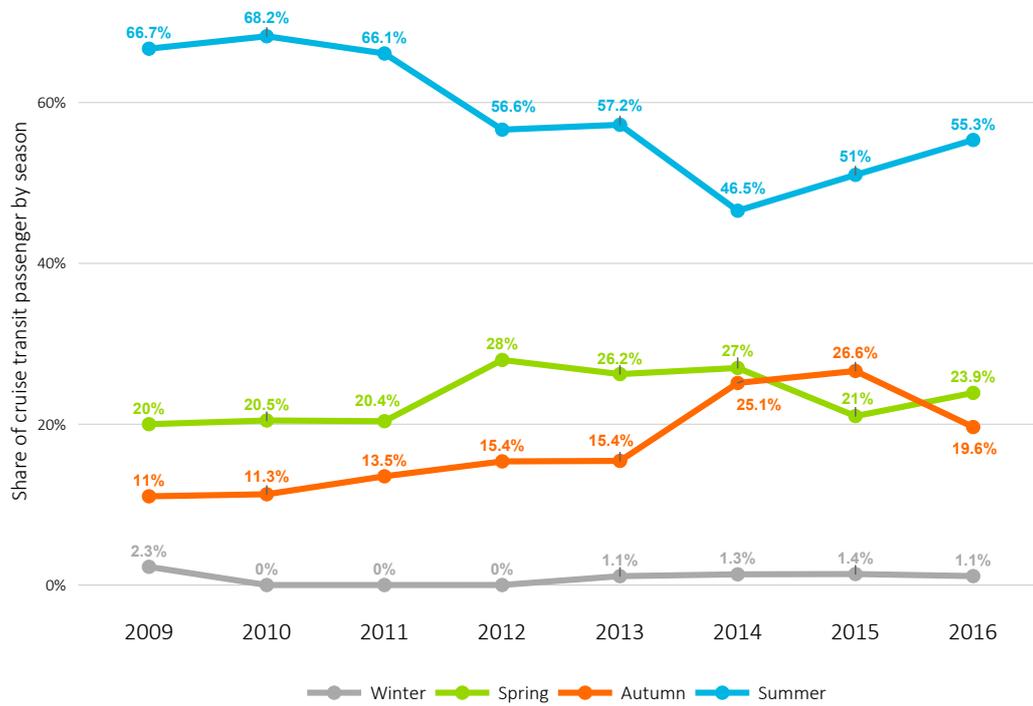


Source: Cruise New Zealand

The cruise sector in New Zealand is more affected by the season than other international tourism, with the majority of cruises arriving over summer. More than half arrive in the summer season, compared with just over a third of international holidaymakers arriving by air. Over the last eight years, the share of arrivals in the summer season has declined from 66.7 per cent in 2008/2009 to 55.3 per cent in 2015/2016. This has largely been driven by growth in transit passengers in autumn.

<sup>11</sup> Cruise transit passengers are visitors who arrive in and leave New Zealand by cruise ship. As such, they are not required to fill in arrival or departure cards, and are therefore not measured in official visitor arrival and departure statistics.

Figure 15: Share of cruise transit passenger by season



Source: Cruise New Zealand

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SECTION  
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## APPENDIX 1

25

SUMMARIES OF SEASONALITY AND REGIONAL DISPERSAL PROFILES FOR SELECTED MARKETS : THIS APPENDIX PRESENTS ONE-PAGE SUMMARIES ON SEASONALITY AND REGIONAL DISPERSAL FOR 10 SELECTED MARKETS. THIS INCLUDES AUSTRALIA, CHINA, THE US, THE UK, JAPAN, GERMANY, SOUTH KOREA, CANADA, INDIA, AND INDONESIA. DUE TO LACK OF DATA, RELATIVELY LIMITED INFORMATION CAN BE PRESENTED FOR INDIA AND INDONESIA.



# Australia



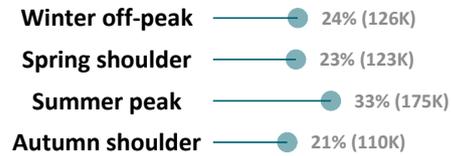
## Seasonality profile: summary and highlights

- › Australia is New Zealand’s largest tourism market. It is short-haul and one of the least seasonal markets. In addition to summer, visitors also prefer to travel during winter for the skiing season.
- › Arrivals grew strongly in both spring and summer on last year.
- › Holidaymakers aged under 30 accounted for the lion’s share during winter. For other seasons, people of different age groups were quite evenly distributed.
- › Arrivals for holidaymakers aged 30–39 and those 70+ grew faster than other age groups during the last year.

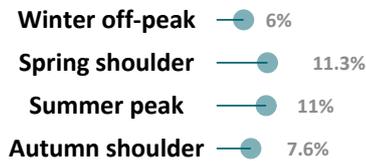
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



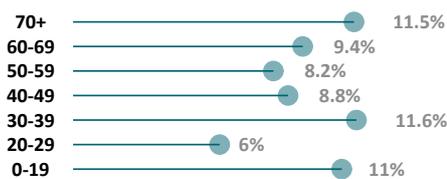
Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

70+	1%	5%	5%	7%
60-69	6%	14%	12%	15%
50-59	11%	16%	16%	17%
40-49	13%	14%	14%	14%
30-39	18%	17%	16%	17%
20-29	30%	19%	20%	16%
0-19	20%	16%	18%	13%
	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder

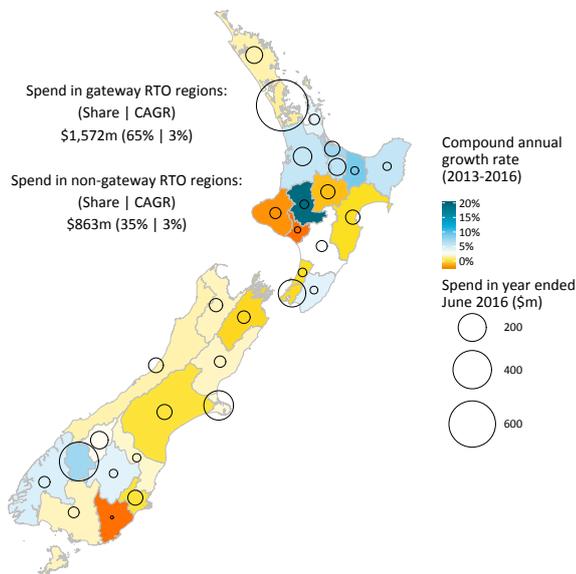
Arrivals growth on the last year by age group



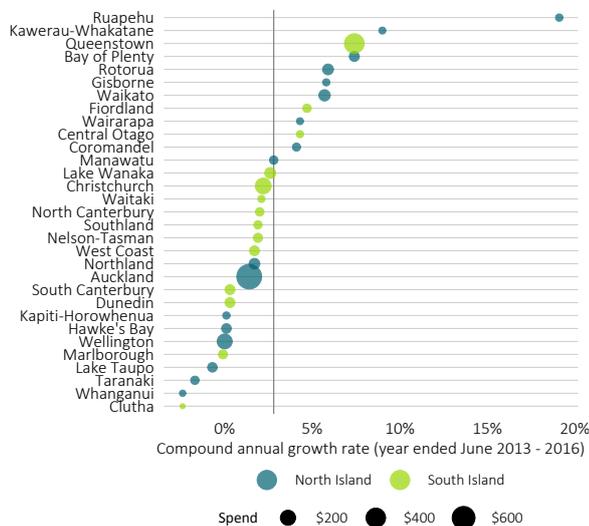
**Regional dispersal profile: summary and highlights**

- › Australians are the largest spender in non-gateway RTO regions, contributing to \$863 million in tourism income in 2016. However, regional dispersal level for the market just sits on average – 35 per cent spent in non-gateway RTO regions.
- › Spend in both gateway and non-gateway RTO regions grew at the same speed (3 per cent per year) for the past three years, implying a static regional dispersal level.
- › All RTO regions experienced positive growth in spend from Australian visitors for the past three years, except for Clutha, Whanganui, and Lake Taupo.
- › Only a handful of RTO regions experienced above-average growth, and most are in the North Island.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



# China



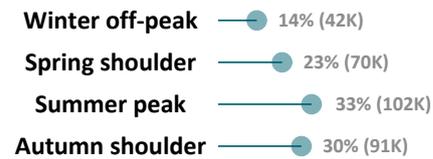
## Seasonality profile: summary and highlights

- China is New Zealand’s largest long-haul tourism market by arrivals and has a relatively low level of seasonality. Visitors prefer to travel during summer, and almost equally during autumn.
- Arrivals grew more strongly in all non-peak seasons than in the peak season during the last year.
- Winter is a more popular holiday season for families with young kids, suggested by the age group distribution. For the shoulder season, visitors aged 50+ account for the majority of arrivals.
- Arrivals for holidaymakers aged 20–29 and 50+ grew faster than other age groups during the last year.

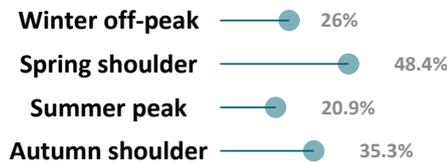
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



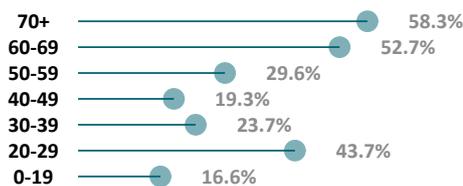
Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

Age Group	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
70+	2%	5%	3%	5%
60-69	10%	19%	12%	28%
50-59	16%	26%	19%	27%
40-49	25%	15%	22%	14%
30-39	16%	17%	19%	13%
20-29	11%	15%	12%	11%
0-19	21%	2%	13%	2%

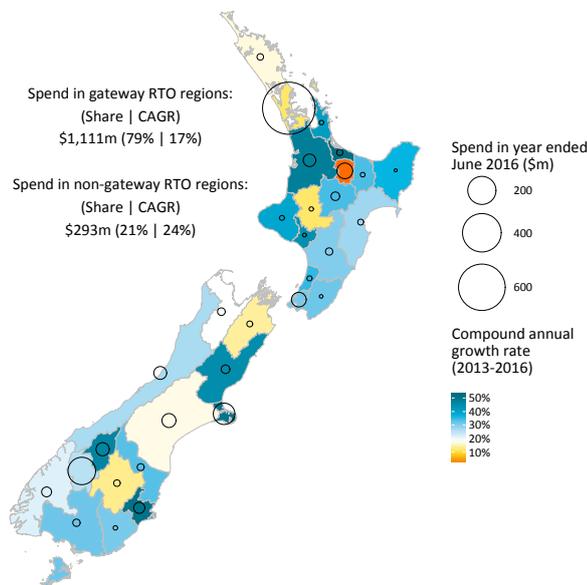
Arrivals growth on the last year by age group



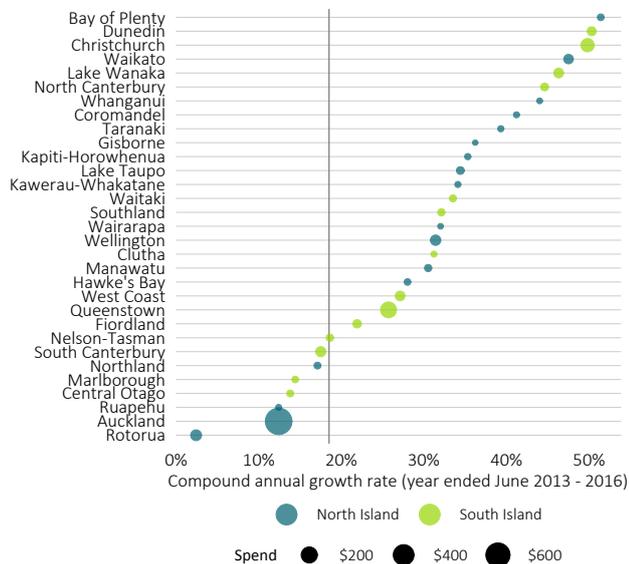
**Regional dispersal profile: summary and highlights**

- › China is the least regionally dispersed market – 21 per cent spent in non-gateway RTO regions. However, the absolute spend (\$293 million) ranks China fourth place, and is higher than Germany’s (\$273 million), which is the most regionally dispersed market.
- › Spend in non-gateway RTO regions (24 per cent) grew at a higher speed than in gateway RTO regions (17 per cent) for the past three years, implying an improving regional dispersal level.
- › All RTO regions experienced positive growth in spend from Chinese visitors for the past three years.
- › Apart from only a handful of RTO regions, all others experienced above-average growth for the past three years, albeit from a small base.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



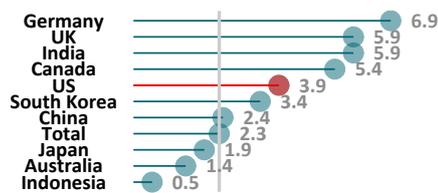
# United States of America



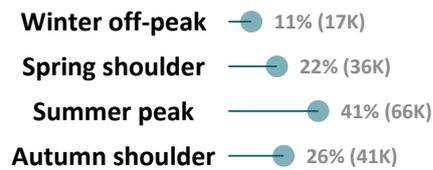
## Seasonality profile: summary and highlights

- › The US is New Zealand’s third largest tourism market by arrivals. It has a higher degree of seasonality than Asian markets but the lowest among long-haul countries with English as a primary or secondary language. Most visitors arrive in summer.
- › Arrivals grew more strongly in all non-peak seasons than in the peak season during the last year.
- › Winter is a popular holiday season for young travellers, suggested by the age group distribution. For all other seasons, people aged 20–39 and 50+ account for the majority of arrivals.
- › Arrivals for holidaymakers aged 20–29 grew faster than other age groups during the last year.

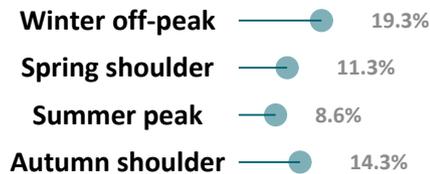
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



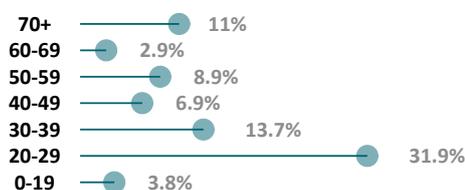
Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

Age Group	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
70+	1%	10%	11%	7%
60-69	5%	24%	34%	17%
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40-49	8%	6%	6%	7%
30-39	14%	12%	12%	15%
20-29	45%	30%	17%	29%
0-19	18%	3%	5%	11%

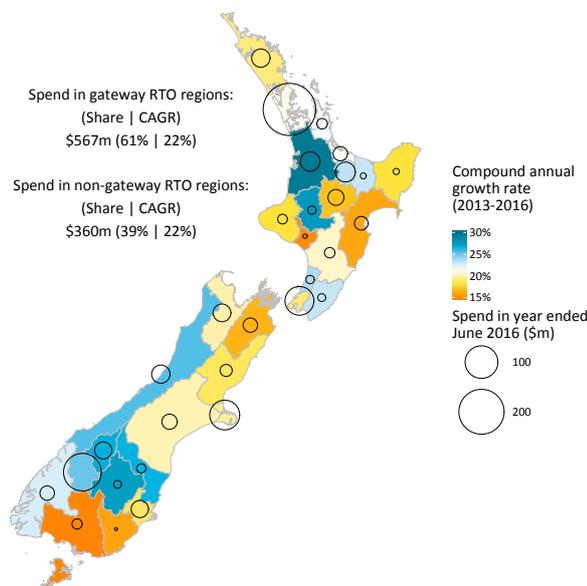
Arrivals growth on the last year by age group



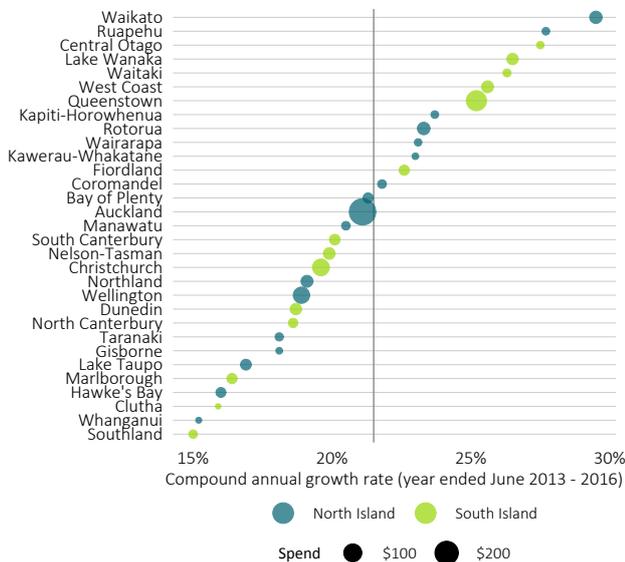
**Regional dispersal profile: summary and highlights**

- › The regional dispersal level for the US is slightly above average – 39 per cent spent in non-gateway RTO regions. It is the third largest spender (\$360 million) in non-gateway RTO regions after Australia (\$863 million) and the UK (\$457 million).
- › Spend in both gateway and non-gateway RTO regions grew at the same speed (22 per cent per year) for the past three years, implying a static regional dispersal level.
- › All RTO regions experienced strong and positive growth in spend from American visitors for the past three years.
- › About half of RTO regions experienced above-average growth, and they are tourism hot spots in both the South and North Islands.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



# United Kingdom



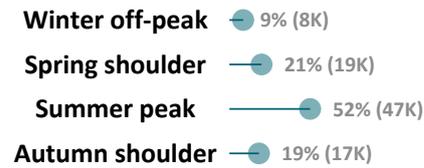
## Seasonality profile: summary and highlights

- › The UK is New Zealand’s fourth largest tourism market by arrivals. It is a long-haul market with the second highest degree of seasonality after Germany. More than 50 per cent of visitors arrive in summer.
- › Arrivals grew more strongly in the peak season than in non-peak seasons, implying a worsening seasonal pattern.
- › Winter is a popular holiday season for young travellers, suggested by the age group distribution. For all other seasons, both retirees (aged 50+) and people aged 20–29 account for the lion’s share of arrivals.
- › Arrivals for holidaymakers aged 70+ and under 20 grew faster than other age groups during the last year.

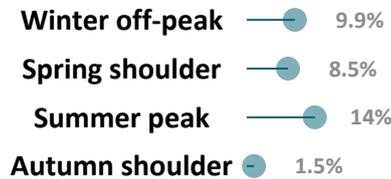
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

Age Group	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
70+	1%	10%	11%	7%
60-69	5%	24%	34%	17%
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40-49	8%	6%	6%	7%
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20-29	45%	30%	17%	29%
0-19	18%	3%	5%	11%

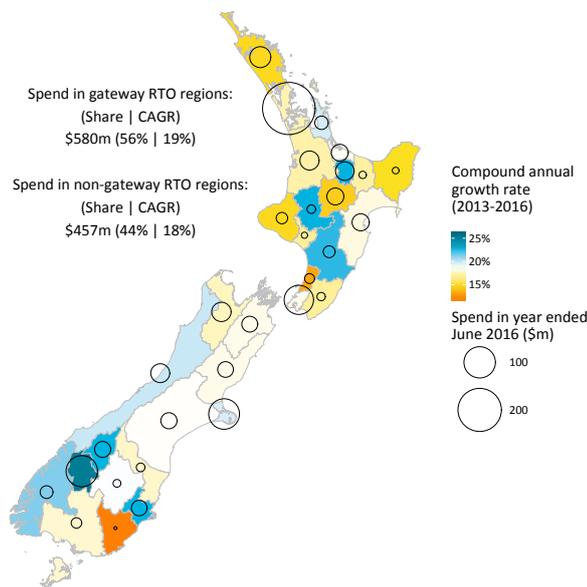
Arrivals growth on the last year by age group



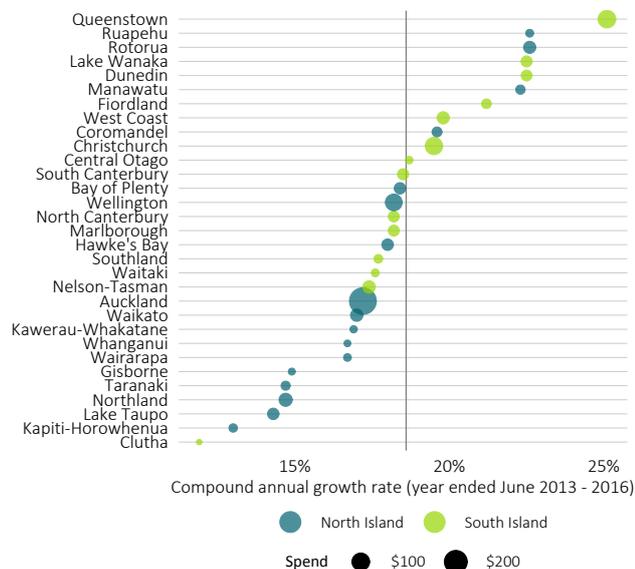
**Regional dispersal profile: summary and highlights**

- › The UK is the third most regionally dispersed market after Germany and Canada – 44 per cent spent in non-gateway RTO regions. It is the second largest spender (\$457 million) in non-gateway RTO regions after Australia (\$863 million).
- › Spend in both gateway and non-gateway RTO regions grew at roughly the same speed (18 per cent per year) for the past three years, implying a static regional dispersal level.
- › All RTO regions experienced strong and positive growth in spend from visitors from the UK for the past three years.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



# Japan



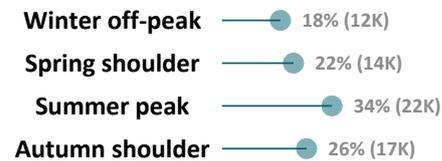
## Seasonality profile: summary and highlights

- › Japan has a relatively low level of seasonality. Visitors prefer to travel during summer as well as during autumn.
- › Arrivals grew more strongly in autumn than in other seasons.
- › Winter is a popular holiday season for young travellers, suggested by the age group distribution. For all other seasons, people aged 20–29 and 60+ account for the majority of arrivals.
- › Arrivals for holidaymakers aged 20–49 and 70+ grew faster than other age groups during the last year.

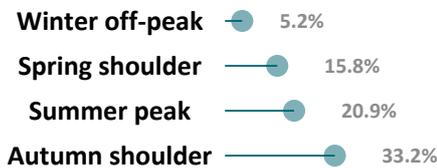
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

Age Group	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
70+	5%	12%	11%	8%
60-69	9%	25%	27%	21%
50-59	8%	10%	11%	10%
40-49	10%	10%	12%	10%
30-39	10%	14%	10%	12%
20-29	10%	11%	15%	17%
0-19	48%	17%	13%	21%

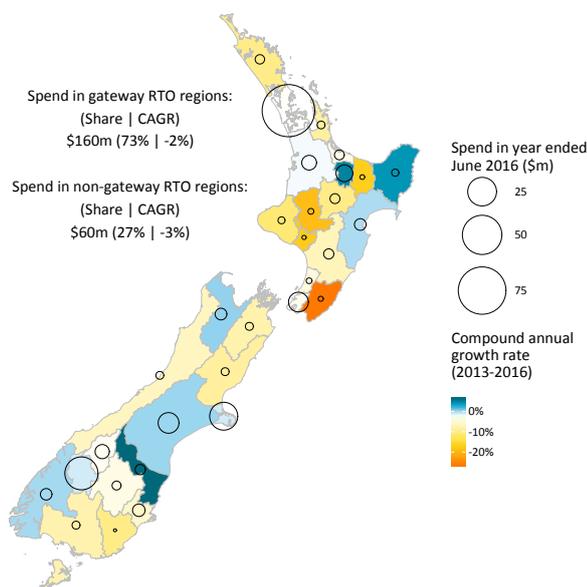
Arrivals growth on the last year by age group



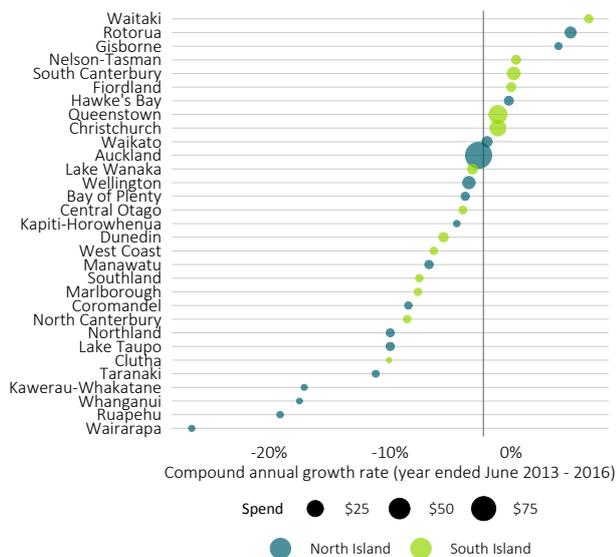
**Regional dispersal profile: summary and highlights**

- › Japan is the only market that experienced a decrease in spend. Its share of spend in non-gateway RTO regions is 27 per cent (\$60 million).
- › Spend in both gateway and non-gateway RTO regions decreased at roughly the same speed (2 per cent per year) for the past three years, implying a static regional dispersal level.
- › All RTO regions experienced a decrease in spend from Japanese visitors for the past three years, except for Waitaki, Rotorua, and Gisborne.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



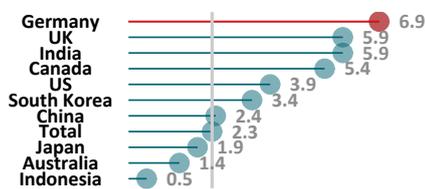
# Germany



## Seasonality profile: summary and highlights

- › Germany has the highest degree of seasonality – around seven times more visitors arriving in summer than in winter.
- › Arrivals grew more strongly in winter than in other seasons.
- › Winter is the most popular holiday season for young travellers, suggested by the age group distribution. For all other seasons, young travellers aged 20–29 also dominate.
- › Arrivals for holidaymakers aged 50+ and under 30 grew faster than other age groups during the last year.

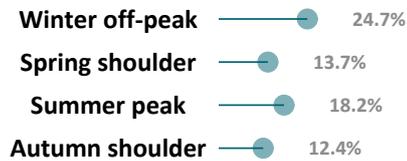
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

Age Group	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
70+	0%	3%	4%	4%
60-69	3%	9%	10%	7%
50-59	6%	11%	17%	13%
40-49	7%	8%	11%	10%
30-39	10%	16%	18%	15%
20-29	47%	30%	27%	33%
0-19	28%	23%	13%	18%

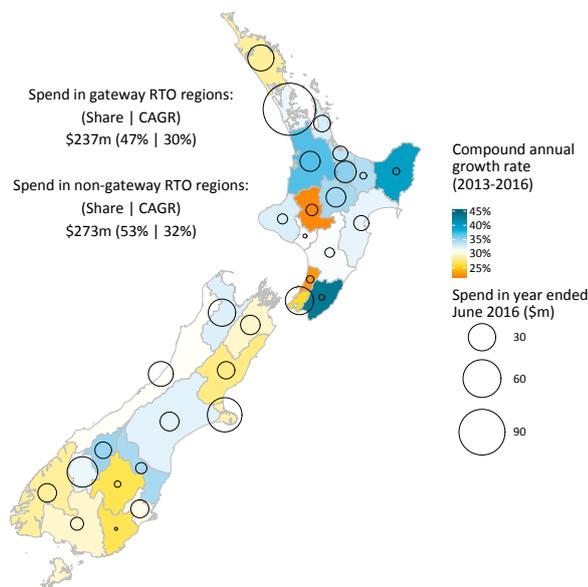
Arrivals growth on the last year by age group



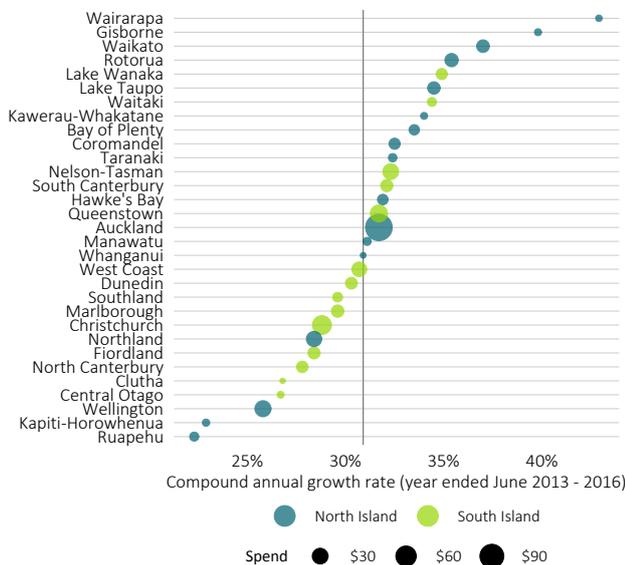
**Regional dispersal profile: summary and highlights**

- › Germany is the most regionally dispersed market – 53 per cent spent in non-gateway RTO regions. This could be partly due to the longer length of stay for this market. Germany is the fifth largest spender (\$273 million) in non-gateway RTO regions after Australia, the UK, the US, and China.
- › Spend in both gateway and non-gateway RTO regions grew at roughly the same speed (32 per cent per year) for the past three years, implying a static regional dispersal level.
- › All RTO regions experienced strong and positive growth in spend from German visitors for the past three years.
- › Interestingly, certain conventionally less popular RTO regions experienced above-average growth in German tourism spend – Wairarapa, Gisborne, Taranaki, and Hawke’s Bay.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



# South Korea



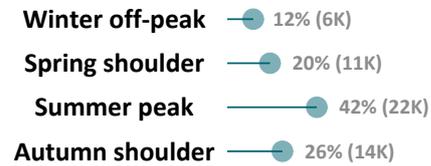
## Seasonality profile: summary and highlights

- › South Korea has a relatively low level of seasonality. Most visitors prefer to travel during summer.
- › Arrivals grew more strongly in the peak season than in all non-peak seasons during the last year, implying a worsening seasonal pattern.
- › For the shoulder seasons, people aged 50+ account for over 60 per cent of arrivals.
- › Arrivals for holidaymakers aged 60+ grew faster than other age groups during the last year.

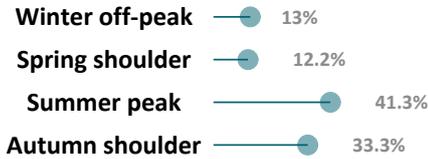
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



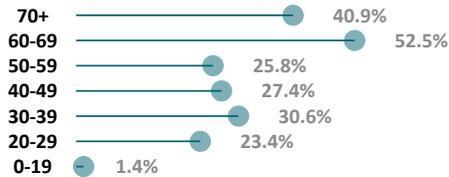
Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

Age Group	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
70+	1%	3%	2%	4%
60-69	11%	28%	15%	31%
50-59	21%	30%	29%	35%
40-49	14%	13%	18%	12%
30-39	15%	12%	11%	10%
20-29	18%	9%	13%	6%
0-19	19%	6%	13%	2%

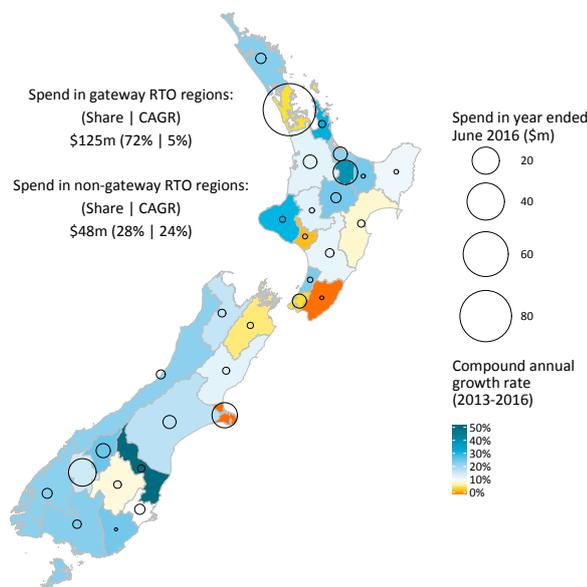
Arrivals growth on the last year by age group



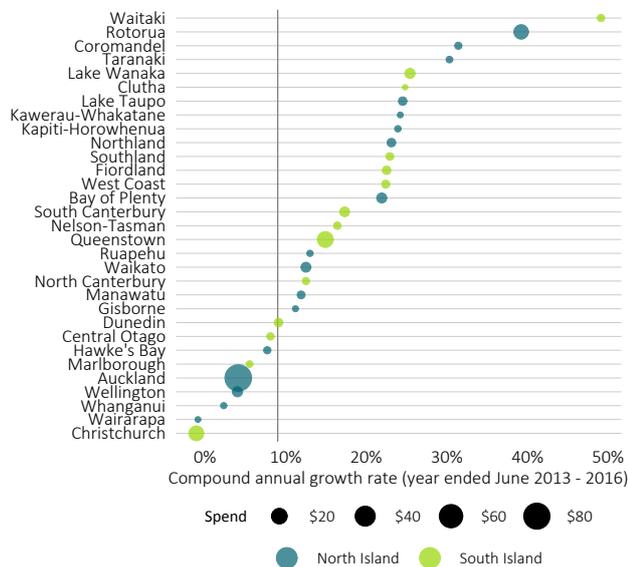
**Regional dispersal profile: summary and highlights**

- › South Korea is the most regionally dispersed market among Asian countries – 28 per cent spent in non-gateway RTO regions.
- › Spend in non-gateway RTO regions grew at a significantly higher speed (24 per cent) than in gateway RTO regions (5 per cent) for the past three years, implying an improving regional dispersal level.
- › All RTO regions experienced positive growth in spend from South Korean visitors for the past three years, except for Christchurch and Wairarapa.
- › Apart from only a handful of RTO regions, all others experienced above-average growth for the past three years, albeit from a small base.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



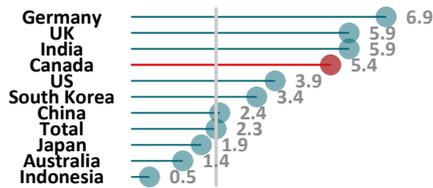
# Canada



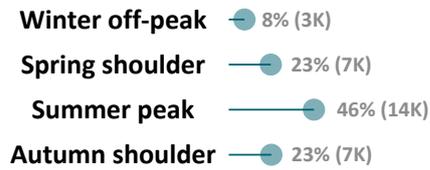
## Seasonality profile: summary and highlights

- › Canada has a relatively high level of seasonality. Most visitors prefer to travel during summer.
- › Arrivals grew more strongly in the peak season than in all non-peak seasons during the last year, implying a worsening seasonal pattern.
- › Winter is the most popular holiday season for young travellers, suggested by the age group distribution. For all other seasons, people aged 20–29 and 50+ account for a majority of arrivals.
- › Arrivals for holidaymakers aged 30–39 grew faster than other age groups during the last year.

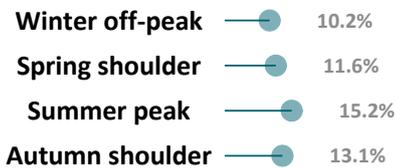
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



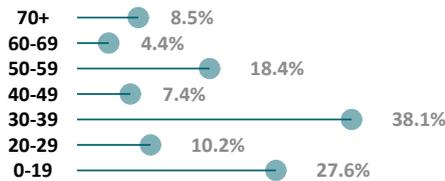
Arrivals growth on the last year by season



Age profile – percentage of arrivals by age group by season

Age Group	Winter off-peak	Spring shoulder	Summer peak	Autumn shoulder
70+	0%	12%	13%	6%
60-69	7%	32%	27%	21%
50-59	16%	16%	18%	18%
40-49	12%	6%	7%	9%
30-39	10%	9%	13%	12%
20-29	33%	21%	18%	22%
0-19	22%	4%	5%	11%

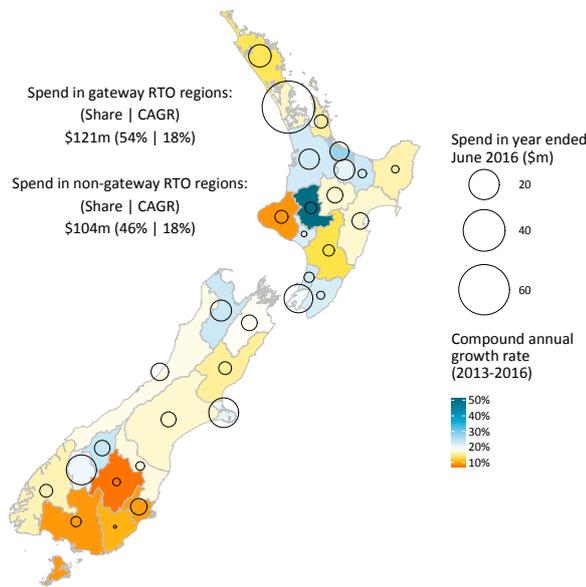
Arrivals growth on the last year by age group



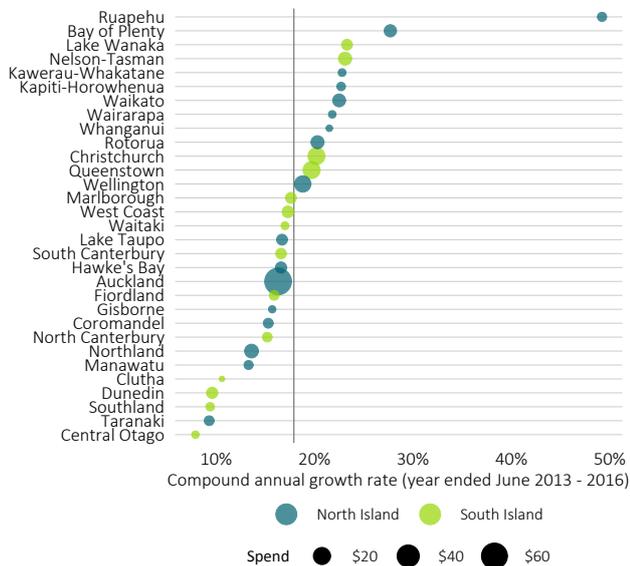
**Regional dispersal profile: summary and highlights**

- › Canada is the second most regionally dispersed market – 46 per cent spent in non-gateway RTO regions. It is the sixth largest spender (\$104 million) in non-gateway RTO regions after Australia, the UK, the US, China, and Germany.
- › Spend in both gateway and non-gateway RTO regions grew at the same speed (18 per cent per year) for the past three years, implying a static regional dispersal level.
- › All RTO regions experienced strong and positive growth in spend from Canadian visitors for the past three years.
- › About half of RTO regions experienced above-average growth, and they are tourism hot spots in both the South and North Islands.

Spend and CAGR for the past three years by RTO region



Change in spend by RTO region from the fastest to the slowest



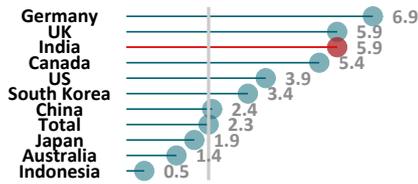
# India



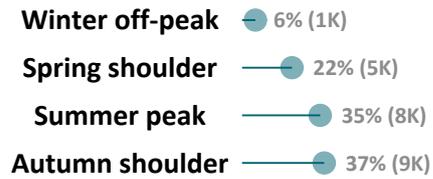
## Seasonality profile: summary and highlights

- › India is an emerging tourism market for New Zealand. India has a different seasonality profile, with autumn being the peak season instead of summer.
- › Arrivals grew more strongly in the peak season than in all non-peak seasons during the last year, implying India's seasonal pattern shifting to a more conventional one.

Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



Arrivals growth on the last year by season



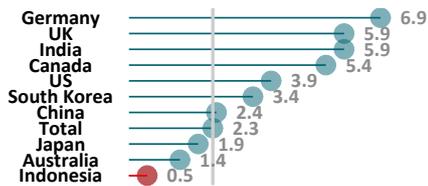
# Indonesia



## Seasonality profile: summary and highlights

- › Indonesia is an emerging tourism market for New Zealand. Indonesia has a completely opposite seasonality profile with winter being the peak season instead of summer.
- › Arrivals grew more strongly in both the winter and spring seasons than in all other seasons during the last year.

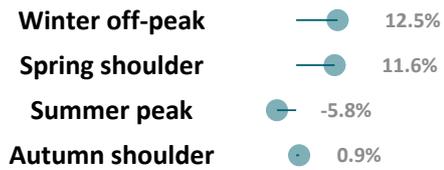
Ratio of arrivals, summer vs winter



Share of arrivals by season (2015/16)



Arrivals growth on the last year by season



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SECTION

5/5

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## APPENDIX 2

INTERNATIONAL TOURISM SPEND BY RTO REGION,  
JUNE 2013 TO JUNE 2016



## 5 Appendix 2: International tourism spend by RTO region, June 2013 to June 2016

### *Holidayhouses.co.nz properties, March 2016*

RTO REGION	INTERNATIONAL TOURISM SPEND (JUNE 2016 YEAR), \$ MILLION	SHARE OF SPEND BY RTO REGION IN 2016	CHANGE IN SPEND BETWEEN 2013 AND 2016, \$ MILLION	CHANGE IN SHARE BETWEEN 2013 AND 2016	COMPOUND ANNUAL GROWTH RATE
Auckland	\$3,428	37%	\$827	-2.20%	10%
Queenstown	\$1,203	13%	\$418	1.20%	15%
Christchurch	\$815	9%	\$258	0.40%	14%
Wellington	\$612	7%	\$153	-0.30%	10%
Rotorua	\$314	3%	\$101	0.20%	14%
Waikato	\$274	3%	\$98	0.30%	16%
West Coast	\$229	2%	\$81	0.20%	16%
South Canterbury	\$223	2%	\$63	0.00%	12%
Northland	\$223	2%	\$58	-0.10%	11%
Lake Wanaka	\$220	2%	\$77	0.20%	15%
Nelson-Tasman	\$196	2%	\$62	0.10%	14%
Dunedin	\$174	2%	\$52	0.00%	13%
Lake Taupo	\$164	2%	\$43	-0.10%	11%
Bay of Plenty	\$149	2%	\$50	0.10%	15%
Hawke's Bay	\$134	1%	\$27	-0.20%	8%
Fiordland	\$122	1%	\$43	0.10%	16%
Marlborough	\$122	1%	\$34	0.00%	11%
North Canterbury	\$110	1%	\$35	0.10%	14%
Coromandel	\$77	1%	\$25	0.00%	14%
Manawatu	\$77	1%	\$14	-0.10%	7%
Southland	\$71	1%	\$19	0.00%	11%
Taranaki	\$63	1%	\$9	-0.10%	5%
Waitaki	\$47	1%	\$16	0.00%	15%
Ruapehu	\$43	0.50%	\$18	0.10%	19%
Kapiti-Horowhenua	\$42	0.40%	\$12	0.00%	11%

Central Otago	\$38	0.40%	\$10	0.00%	11%
<b>Wairarapa</b>	<b>\$30</b>	<b>0.30%</b>	<b>\$8</b>	<b>0.00%</b>	<b>12%</b>
Gisborne	\$27	0.30%	\$7	0.00%	11%
<b>Kawerau- Whakatane</b>	<b>\$27</b>	<b>0.30%</b>	<b>\$9</b>	<b>0.00%</b>	<b>14%</b>
Wanganui	\$18	0.20%	\$4	0.00%	8%
<b>Clutha</b>	<b>\$12</b>	<b>0.10%</b>	<b>\$3</b>	<b>0.00%</b>	<b>8%</b>

Source: Monthly regional tourism estimates, MBIE



