UNDERSTANDING SEASONALITY IN DOMESTIC LEISURE TOURISM DEMAND

JULY 2019

FRESH INFO

CONTENTS

EXECUTIVE SUMMARY

Tourism expenditure in New Zealand varies across the year due to fluctuations in both the domestic and international visitor markets. The ideal situation from an economic efficiency perspective would be an equal spread of tourism expenditure across the year. The Ministry of Business, Innovation and Employment (MBIE) is therefore interested in exploring ways to reduce the variation in expenditure and ultimately create a more robust and sustainable visitor economy.

It is widely acknowledged that greater uniformity in international visitor expenditure will be difficult to achieve due to long-standing demand drivers that New Zealand has little control over e.g. weather patterns, the timing of holidays in foreign countries, airline capacity etc. MBIE would therefore like to have a better understanding of the domestic visitor market, and in particular the leisure (holiday) segment of that market which is considered to be the most influenceable.

The objective of this study is to develop an evidence base to help MBIE increase its understanding of the domestic leisure market in New Zealand. This has been achieved by mining data from the AA Traveller Monitor (AATM) to:

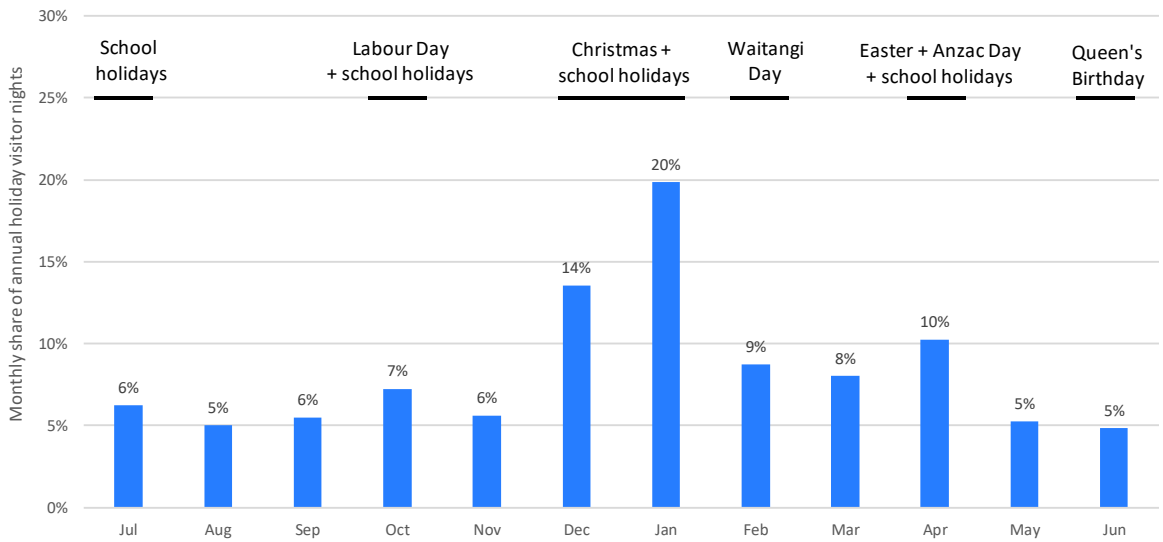
- Understand current seasonal and spatial patterns in domestic leisure travel
- Identify potential opportunities to grow domestic leisure travel as well as potential barriers

The analysis is limited to questions that have been included in the AATM for several years due to the immediate availability of data. Additional research may be required to explore aspects of the domestic leisure market that are not visible through existing AATM data.

Demand for domestic overnight leisure travel

The demand profile for domestic overnight leisure travel over the past 6 years (July 2013 – April 2019) is shown in the graph below. The results show that 20% of annual domestic holiday visitor nights occur in January (peak month), 14% occur in February and 10% occur in April. Just under 5% of annual domestic holiday visitor nights occur in the least-busy month of June. The impact of public holidays and school breaks is evident with all major milestones except Queen's Birthday having a material stimulatory effect on demand for domestic leisure travel.

FIGURE 1 SHARES OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS IN NEW ZEALAND (N = 61,978)



Measuring seasonality

While the concept of seasonality is well-established, the methods used to measure it are not. Three alternative measures of seasonality have been developed to inform this study:

- Variance approach – the statistical variance in the monthly shares of annual visitor nights
- Demand gap approach – the difference between the maximum and minimum monthly shares of annual visitor nights
- Busiest 3 months approach – the percentage of annual visitor nights that occur in the busiest 3 months

There is no 'optimal' measure of seasonality – the best approach will depend on the issue being addressed. The three approaches presented above all generate similar results in terms of order and relative magnitude so it shouldn't matter greatly which approach is used.

A key finding of this study is that all RTOs have some level of seasonality in domestic holiday visitor nights. However, the analysis shows that there is wide variation in the levels of seasonality experienced by RTOs ranging from extreme to moderate.

The RTOs that experience extreme seasonality tend to be popular summer holiday destinations, while those experiencing moderate seasonality tend to have strong year-round tourism propositions.

TABLE 1 LEVEL OF SEASONALITY IN DOMESTIC HOLIDAY VISITOR NIGHTS

Level of seasonality in domestic holiday visitor nights	RTO
Extreme	Eastland, Nelson, Northland, Coromandel, Central Otago
High	Bay of Plenty, Hawke's Bay, Marlborough, Whanganui, Clutha, Ruapehu, Taranaki, Manawatu, Southland, Waitaki, Auckland
Medium	Wairarapa, Timaru, Lake Wanaka, Kaikoura, Fiordland, West Coast, Waikato, Dunedin, Lake Taupo, Wellington
Moderate	Canterbury, Mackenzie, Rotorua, Queenstown

On average destinations in the North Island are more seasonal than destinations in the South Island. It is notable that 3 out of 5 destinations with extreme seasonality are in the North Island while 3 out of 4 destinations with moderate seasonality are in the South Island.

Drivers of demand

AATM respondents are asked several questions about their attitudes to domestic travel which provide useful insights into their travel preferences. The results indicate that most New Zealanders would like to travel more within New Zealand than they currently do, indicating that there may be latent potential in the domestic travel market. Interestingly over 70% of respondents also expressed a preference for domestic travel over international travel. However, the research also shows that time and money constraints are both major impediments to growing the domestic travel market.

The key findings of the analysis are:

- 69% of New Zealand residents would like to travel more within New Zealand than they currently do. This suggests that there may be latent potential in the domestic travel market, although the desire to travel begins to fall beyond 50 years of age.
- Three quarters of New Zealand residents enjoy visiting new places in New Zealand. This suggests that New Zealand residents are adventurous and could be induced to undertake more domestic travel under the right circumstances. It is unclear why the remaining one quarter of New Zealand residents don't enjoy visiting new places in New Zealand, although there is evidence that enthusiasm wanes with age.
- Only 22% of New Zealand residents think they have plenty of time to travel. This suggests that time constraints are a material impediment to growing domestic leisure travel, especially for residents aged 50 years or less.
- Just under half of New Zealand residents believe that their financial situation limits the amount they can travel. This suggests that financial constraints are a material impediment to growing domestic leisure travel. However, these constraints appear to ease with age.
- 29% of New Zealand residents agree that overseas trips limit the time and money they have to travel within New Zealand. This suggests that overseas travel competes with domestic travel for time and money, particularly for residents aged 40 and below.
- 37% of New Zealand residents take advantage of deals and offers on travel within New Zealand. This is consistent with the finding that around half of New Zealand residents are constrained by their financial situation and suggests that New Zealanders may be responsive to price-driven domestic travel offers. Our analysis suggests that people under 50 years of age are most responsive to price-driven domestic travel offers.
- Only 17% of New Zealand residents would describe themselves as luxury travellers. This is consistent with previous findings about financial constraints and travel deals.
- Only 28% of New Zealand residents like overseas travel more than domestic travel. This suggests that New Zealand residents have a strong appetite for domestic travel and may be responsive to initiatives that seek to stimulate demand, subject to time and financial constraints. The desire for overseas travel declines with age, probably due to the positive correlation between age and travel experience.
- 55% of New Zealand residents agree that there are a lot of events in other parts of New Zealand that they would like to attend. This suggests that events might be a good way to stimulate the domestic travel market, particularly outside peak tourism periods. It appears that all age cohorts would be responsive to this stimulus.

Next steps

This study used existing data from the AATM to develop a robust understanding of the domestic overnight leisure market. The richness of the data has allowed us to model seasonality and travel preferences at both the national and regional levels, providing a level of insight that has not previously been available.

Our findings indicate that the majority of New Zealanders have a positive attitude towards domestic leisure travel and would like the opportunity to do more. However, time constraints are a major barrier for most people and there is currently a strong preference for travel in the warmer months.

The key opportunity for regions, and New Zealand, is to grow domestic leisure demand outside traditional peak demand periods to reduce seasonal imbalances. This is likely to require a step-change in the way that domestic leisure tourism is promoted and sold in New Zealand.

The main challenge is the delivery of regional tourism propositions and pricing models that (a) resonate with New Zealand residents; and (b) are at least as attractive as the other things New Zealand residents could allocate their time and money to (including overseas travel).Exploration of these issues is the logical next step.

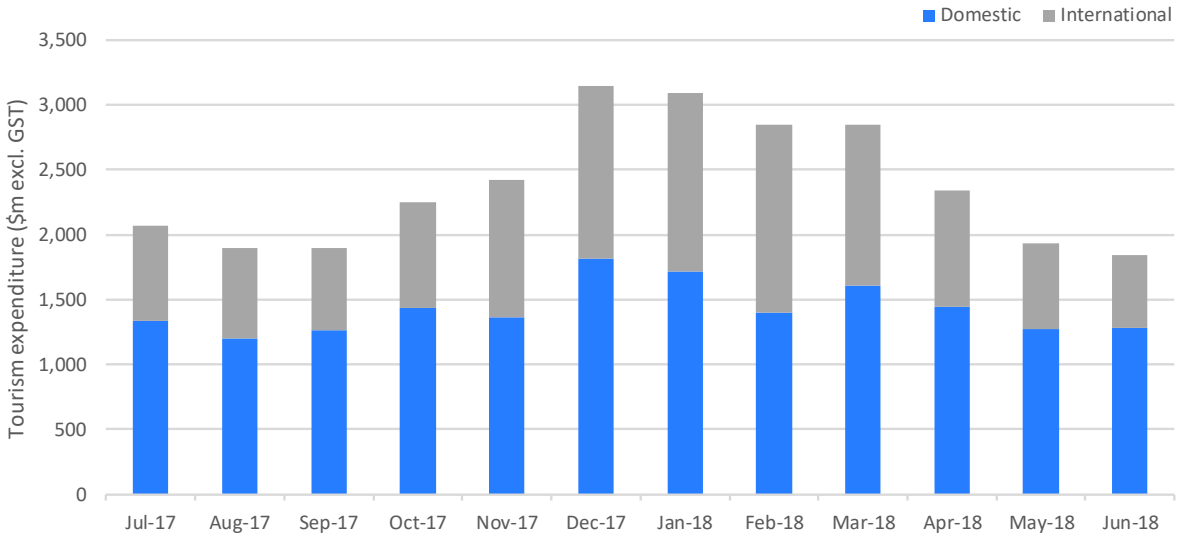
The question that needs to be addressed in the next stage is “can the domestic leisure market be grown outside traditional peak demand periods, and if so, what will it take?”. Possible research questions include:

- What would induce New Zealand residents to holiday within New Zealand outside traditional peak tourism periods? For example, what would induce an Auckland resident to visit Northland in the middle of winter? And more importantly, why would that person choose Northland over a traditional winter escape destination like Fiji?
- Is it feasible for regions to develop and promote ‘seasonal offerings’? For example, Northland’s summer proposition is well known but can it develop a compelling winter proposition around the same tourism assets?
- Do regions have the capability and resource to stimulate off-peak domestic travel?
- Can/will the industry support a multi-season offering?
- Can the market solve this problem or is some form of government intervention required?
- What is the size of the prize – is it even worth the effort?

INTRODUCTION

Tourism expenditure in New Zealand varies across the year due to fluctuations in both the domestic and international visitor markets. Demand peaks during the warm months of December – March when high domestic expenditure is reinforced by high international expenditure. Domestic demand is relatively consistent outside this peak period, while international demand declines quite significantly. The remainder of the year comprises elevated "shoulder" demand in October, November and April and a five-month "off-peak" period during the colder months of May – September.

FIGURE 2 MONTHLY PROFILE OF TOURISM EXPENDITURE IN NEW ZEALAND



This variation in expenditure is highly problematic for tourism businesses and the economy more generally for several reasons:

- Fixed infrastructure is under-utilised when demand is low and potentially over-utilised when demand is high
- It makes it difficult to maintain a stable workforce
- It makes it difficult for businesses to manage cashflow

The ideal situation from an economic efficiency perspective would be an equal spread of tourism expenditure across the year. The Ministry of Business, Innovation and Employment (MBIE) is therefore interested in exploring ways to reduce the variation in expenditure and ultimately create a more robust and sustainable visitor economy.

It is widely acknowledged that greater uniformity in international visitor expenditure will be difficult to achieve due to long-standing demand drivers that New Zealand has little control over e.g. weather patterns, the timing of holidays in foreign countries, airline capacity etc. MBIE would therefore like to have a better understanding of the domestic visitor market, and in particular the leisure (holiday) segment of that market which is considered to be the most influenceable.

The domestic visitor market currently accounts for around 60% ($23 billion) of all tourism expenditure in New Zealand and could therefore have a material impact on the economy if it can be stimulated. It isn't possible to calculate the share of domestic visitor expenditure generated by leisure travellers due to data constraints, but data from the AA Traveller Monitor (AATM) shows that 37% of domestic visitor nights are caused by leisure

travel. Using this as a rough estimate of the share of domestic visitor expenditure generated by leisure travellers suggests that this segment currently spends around $8.5 billion annually, which is significant.

The objective of this study is to develop an evidence base to help MBIE increase its understanding of the domestic leisure market in New Zealand. This has been achieved by mining AATM data to:

- Understand current seasonal and spatial patterns in domestic leisure travel
- Identify potential opportunities to grow domestic leisure travel as well as potential barriers

The analysis is limited to questions that have been included in the AATM for several years due to the immediate availability of data. Additional research may be required to explore aspects of the domestic leisure market that are not visible through existing AATM data.

MEASURING SEASONALITY

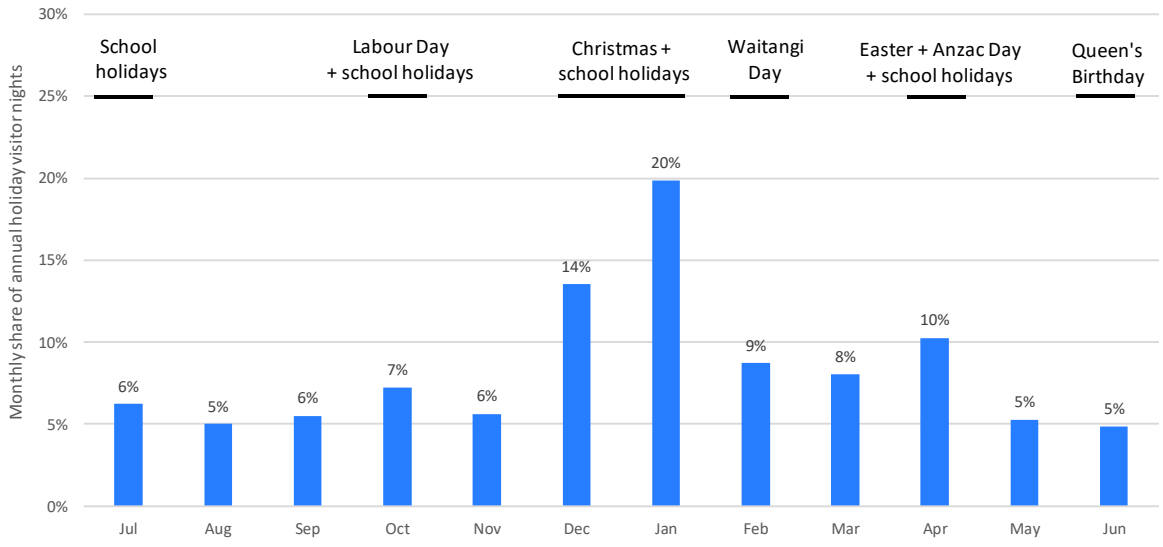
Seasonality is a term used in the tourism industry to describe fluctuations in demand within a certain timeframe – usually a one-year period. While the concept of seasonality is well-established, the methods used to measure it are not.

The first step in the measurement process involves developing reliable sub-annual estimates of demand for domestic leisure tourism. This has been achieved using data from the AA Traveller Monitor (AATM) which is a domestic travel survey completed by around 3,000 New Zealand residents each month. Over the past six years the AATM has collected detailed information about almost 62,000 overnight holiday visits to destinations in New Zealand, including the number of visitor nights generated. The visitor nights estimates have been aggregated into a single dataset and used to build a monthly demand profile for domestic holiday visitor nights for the period July 2013 to April 2019. The profiles therefore represent the average monthly levels of domestic holiday visitor nights observed during that six-year period.

The large sample sizes achieved by collapsing data across six years have allowed us to build demand profiles at a monthly frequency for every Regional Tourism Organisation (RTO) in New Zealand. The profiles have been expressed in percentage terms to enable valid comparisons across RTOs.

The results in the graph below show that 20% of annual domestic holiday visitor nights occur in January (peak month), 14% occur in February and 10% occur in April. Just under 5% of annual domestic holiday visitor nights occur in the least-busy month of June. The impact of public holidays and school breaks is evident with all major milestones except Queen's Birthday having a material stimulatory effect on demand for domestic leisure travel.

FIGURE 3 SHARES OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS IN NEW ZEALAND (N = 61,978)



Three alternative measures of seasonality have been developed to inform this study, which are discussed in more detail below:

- Variance approach – the statistical variance in the monthly shares of annual visitor nights
- Demand gap approach – the difference between the maximum and minimum monthly shares of annual visitor nights
- Busiest 3 months approach – the percentage of annual visitor nights that occur in the busiest 3 months

Variance approach

The variance approach measures how far the monthly shares of annual visitor nights are spread out from their average value. The variance of a demand profile is calculated by:

- Calculating the difference between each monthly share (the blue bars in the graph below) and the average monthly share (the black dotted line in the graph below).
- Squaring the differences calculated above and then averaging the resulting values.

If demand is relatively uniform across the year (close to the dotted line on the graph below) then the variance will be very small. Conversely, if demand is erratic across the year then the variance will be quite large. The variance approach has been used in this study to rank RTOs based on the volatility of their demand profiles. The variance calculation for domestic overnight leisure tourism in New Zealand is illustrated in the table below.

FIGURE 4 SHARES OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS IN NEW ZEALAND (N = 61,978)

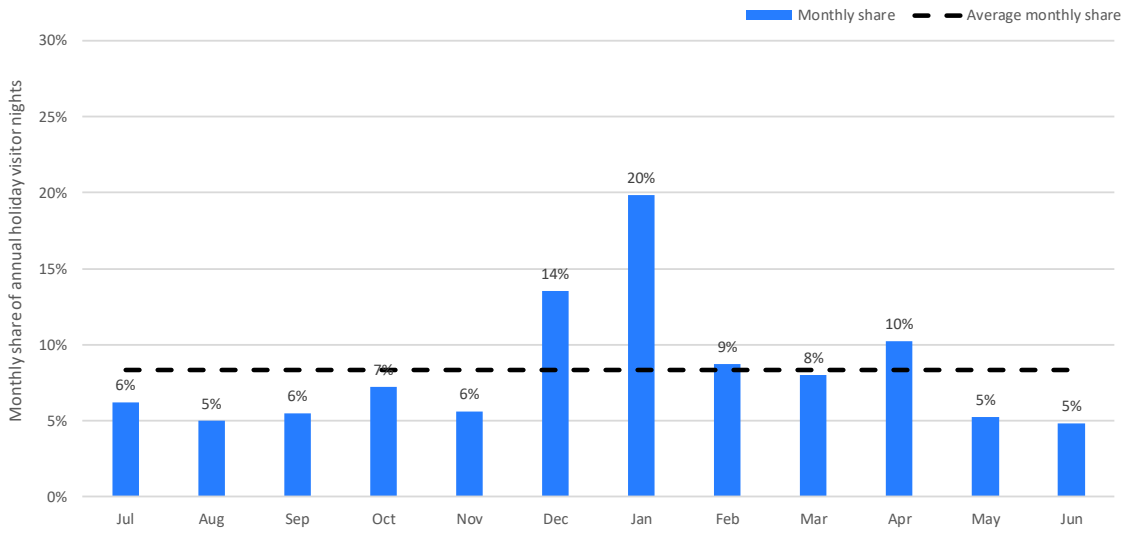


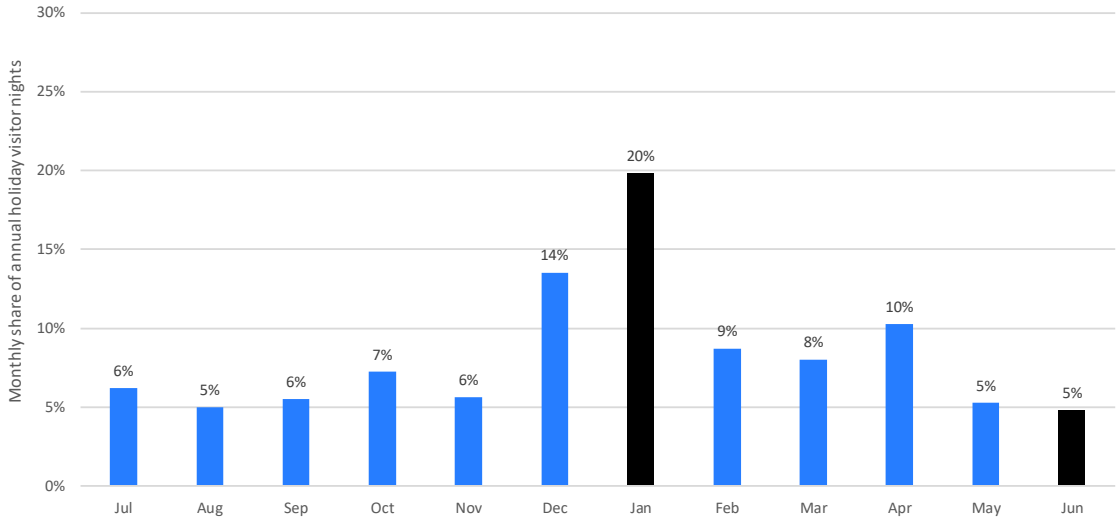
TABLE 2 CALCUATION OF VARIANCE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS IN NEW ZEALAND

	Monthly share	Difference between monthly share and average	(Difference between monthly share and average) ^2
Jul	6.21%	-2.12%	0.05%
Aug	4.99%	-3.34%	0.11%
Sep	5.50%	-2.83%	0.08%
Oct	7.24%	-1.09%	0.01%
Nov	5.62%	-2.71%	0.07%
Dec	13.52%	5.19%	0.27%
Jan	19.84%	11.50%	1.32%
Feb	8.71%	0.38%	0.00%
Mar	8.01%	-0.32%	0.00%
Apr	10.25%	1.92%	0.04%
May	5.26%	-3.08%	0.09%
Jun	4.84%	-3.49%	0.12%
Average	8.33%	0.00%	**0.18%**

Demand gap approach

The demand gap approach measures the difference between the percentage of visitor nights that occur in the busiest month (January in the graph below) and the quietest month (June in the graph below). The resulting value for the demand profile in the graph below would be 19.84% - 4.84% = 15.00%. The busiest and quietest months will vary depending on the destination being considered.

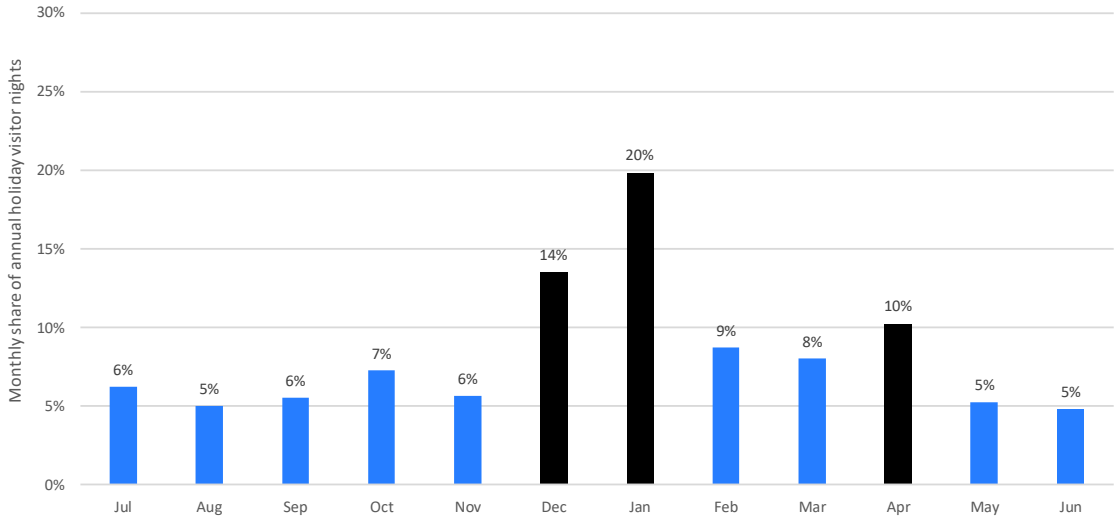
FIGURE 5 SHARES OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS IN NEW ZEALAND (N = 61,978)



Busiest 3 months approach

The busiest 3 months approach measures the percentage of annual visitor nights that occur in the busiest 3 months of the year. The resulting value for the demand profile in the graph below would be 19.84% + 13.52% + 10.25% = 43.61%. The busiest and quietest months will vary depending on the destination being considered.

FIGURE 6 SHARES OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS IN NEW ZEALAND (N = 61,978)



Which measure of seasonality is best?

There is no 'optimal' measure of seasonality – the best approach will depend on the issue being addressed. The three approaches presented above all generate similar results in terms of order and relative magnitude so it shouldn't matter greatly which approach is used. This is illustrated in the scatterplots below which show that all three approaches are highly correlated with one another despite being calculated in different ways.

FIGURE 7 CORRELATION BETWEEN VARIANCE AND DEMAND GAP APPROACHES

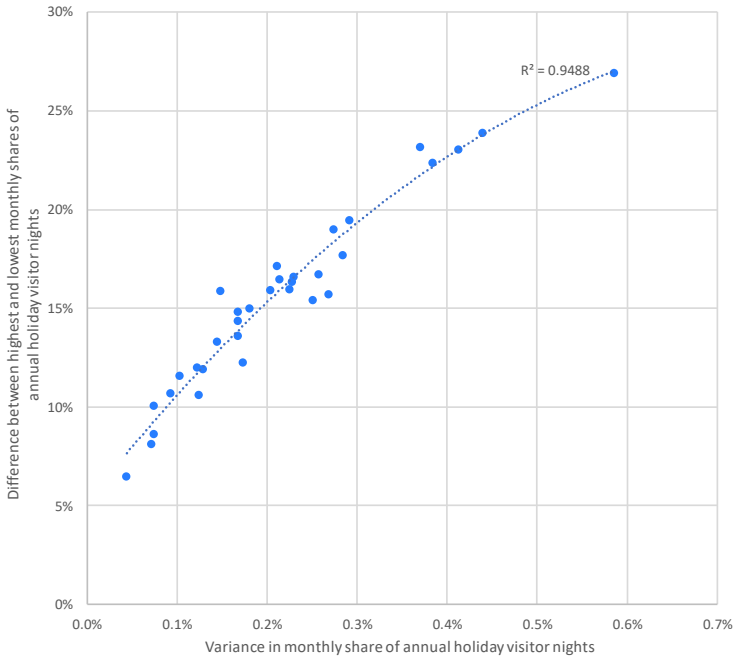


FIGURE 8 CORRELATION BETWEEN VARIANCE AND BUSIEST 3 MONTHS APPROACHES

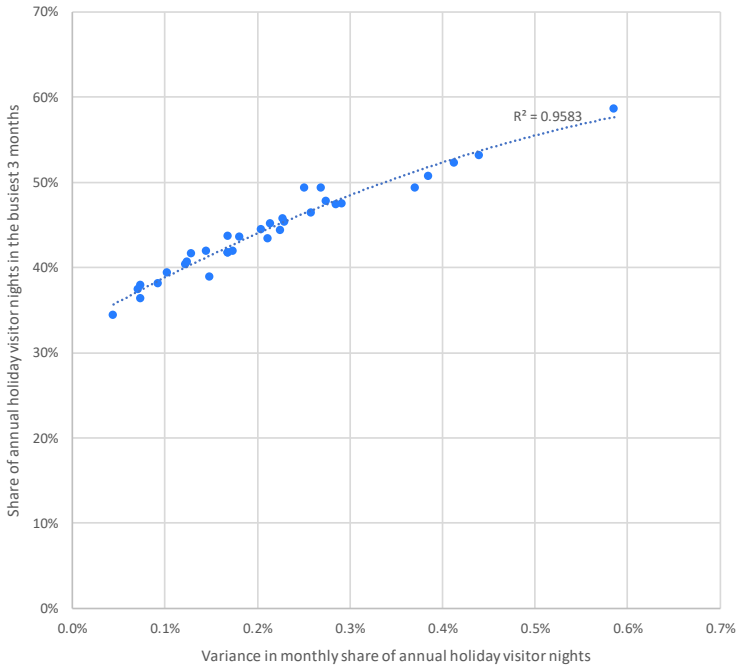
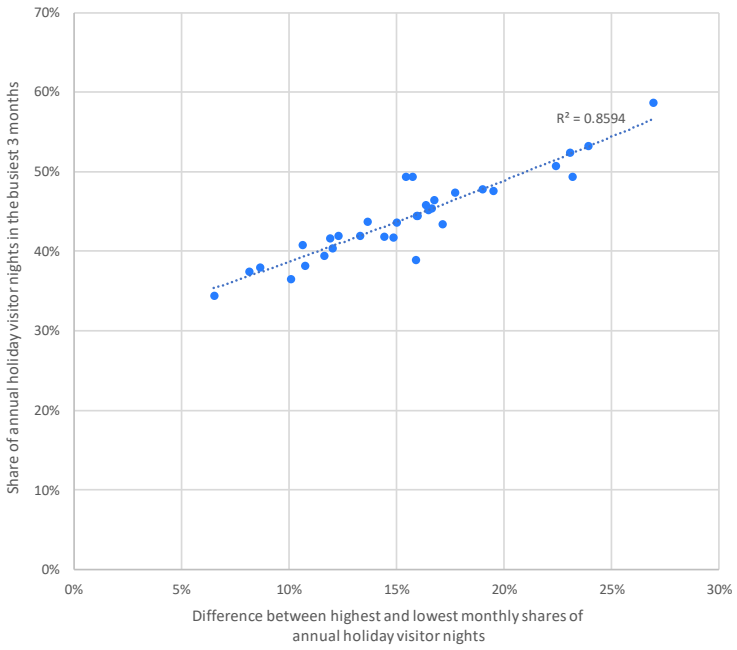


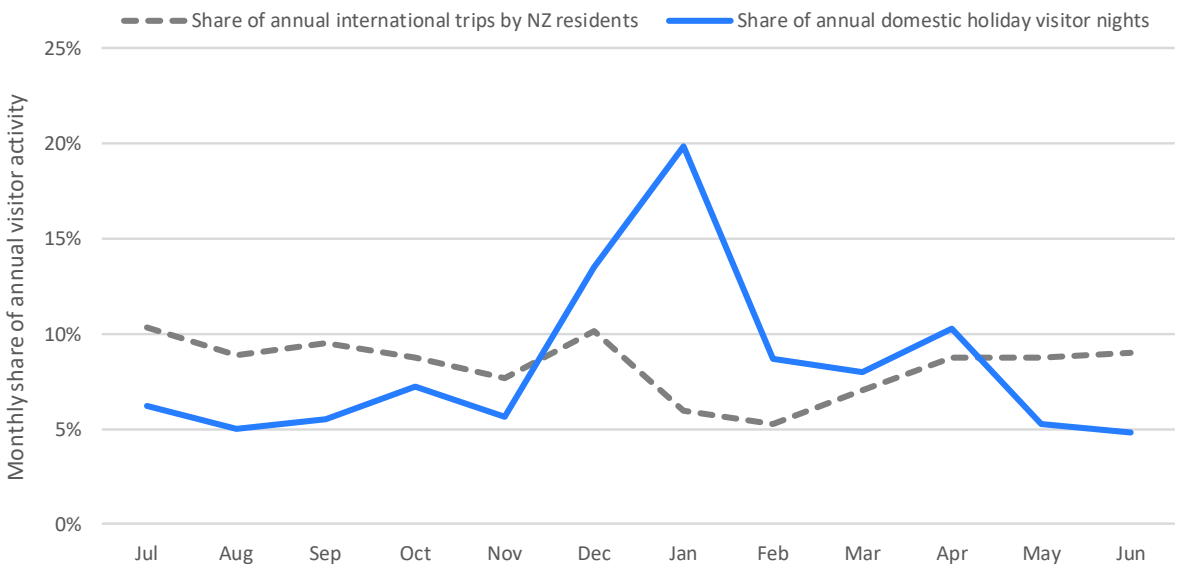
FIGURE 9 CORRELATION BETWEEN DEMAND GAP AND BUSIEST 3 MONTHS APPROACHES



Relationship between domestic and international travel

International travel by New Zealand residents is not directly relevant to this study, but it is an important consideration when trying to understand domestic travel behaviour. This is because international travel competes to some extent with domestic travel for discretionary time and money. The graph below supports this proposition by showing that the demand for international travel is generally low when domestic demand is high, and vice versa. Weather is likely to be the main driver of this pattern, with domestic travel being favoured during the warmer months and international travel being favoured during the colder months. This highlights a major impediment to altering the current demand profile for domestic leisure travel – developing an off-peak tourism proposition that can compete with New Zealand's traditional winter-escape destinations.

FIGURE 10 RELATIONSHIP BETWEEN DOMESTIC AND INTERNATIONAL TRAVEL



REGIONAL ANALYSIS

This section uses the three approaches described in the previous section to measure the seasonality of the domestic leisure market at a regional (RTO) level. The RTOs have been ranked from most-seasonal to least-seasonal to reveal differences across regions.

A key finding of this study is that all RTOs have some level of seasonality in domestic holiday visitor nights. However, the analysis shows that there is wide variation in the levels of seasonality experienced by RTOs ranging from extreme to moderate.

The RTOs that experience extreme seasonality tend to be popular summer holiday destinations, while those experiencing moderate seasonality tend to have strong year-round tourism propositions.

TABLE 3 LEVEL OF SEASONALITY IN DOMESTIC HOLIDAY VISITOR NIGHTS

Level of seasonality in domestic holiday visitor nights	RTO
Extreme	Eastland, Nelson, Northland, Coromandel, Central Otago
High	Bay of Plenty, Hawke's Bay, Marlborough, Whanganui, Clutha, Ruapehu, Taranaki, Manawatu, Southland, Waitaki, Auckland
Medium	Wairarapa, Timaru, Lake Wanaka, Kaikoura, Fiordland, West Coast, Waikato, Dunedin, Lake Taupo, Wellington
Moderate	Canterbury, Mackenzie, Rotorua, Queenstown

On average destinations in the North Island are more seasonal than destinations in the South Island. It is notable that 3 out of 5 destinations with extreme seasonality are in the North Island while 3 out of 4 destinations with moderate seasonality are in the South Island.

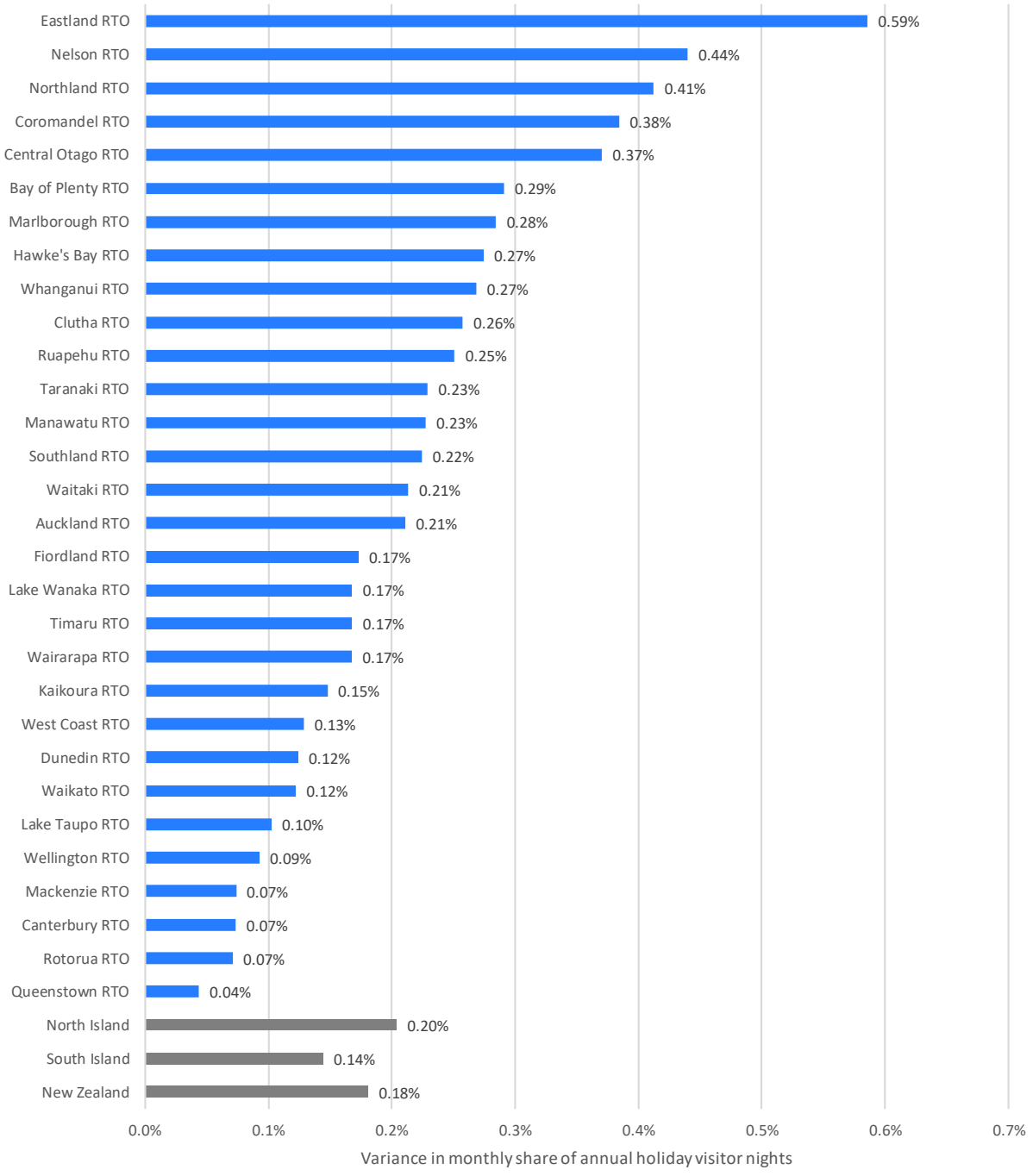
The remainder of this section presents RTO-level estimates of seasonality in domestic holiday visitor nights.

Variance approach

The variance approach measures how far the monthly shares of annual visitor nights are spread out from their average value. If demand is relatively uniform across the year then the variance will be very small. Conversely, if demand is erratic across the year then the variance will be quite large.

The variance approach reveals Eastland as the most seasonal RTO followed by Nelson, Northland and Coromandel. The least seasonal RTO is Queenstown followed by Rotorua, Canterbury and Mackenzie. At an aggregate level the North Island is more seasonal than the South Island.

FIGURE 11 VARIANCE IN MONTHLY SHARES OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS

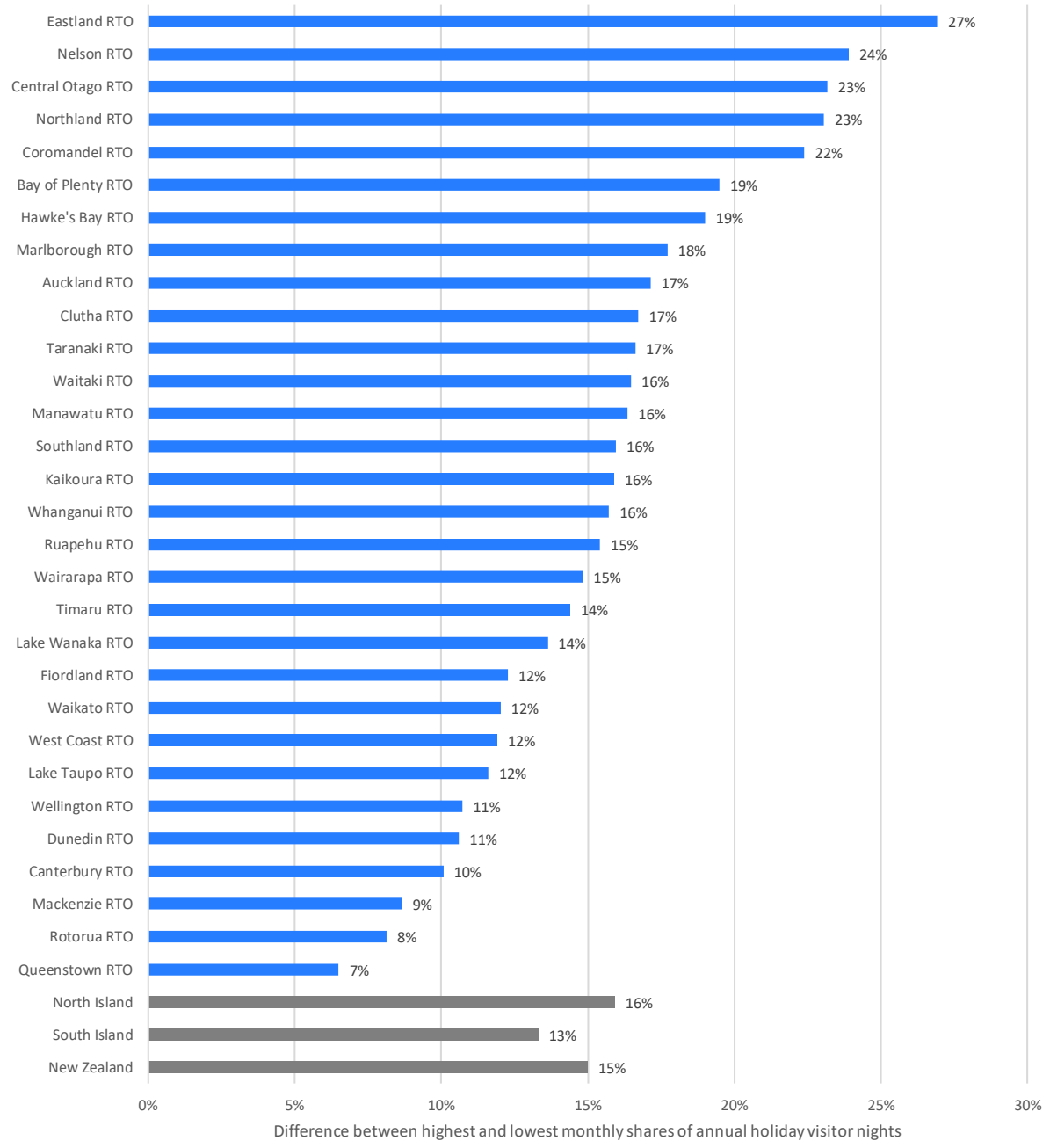


Demand gap approach

The demand gap approach measures the difference between the percentage of visitor nights that occur in the busiest month (January in the graph below) and the quietest month (June in the graph below).

The demand gap approach again reveals Eastland as the most seasonal RTO followed by Nelson, Central Otago and Northland. The least seasonal RTO using this approach is again Queenstown followed by Rotorua, Mackenzie and Canterbury. At an aggregate level the North Island is again more seasonal than the South Island.

FIGURE 12 DIFFERENCE BETWEEN HIGHEST AND LOWEST MONTHLY SHARES OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS

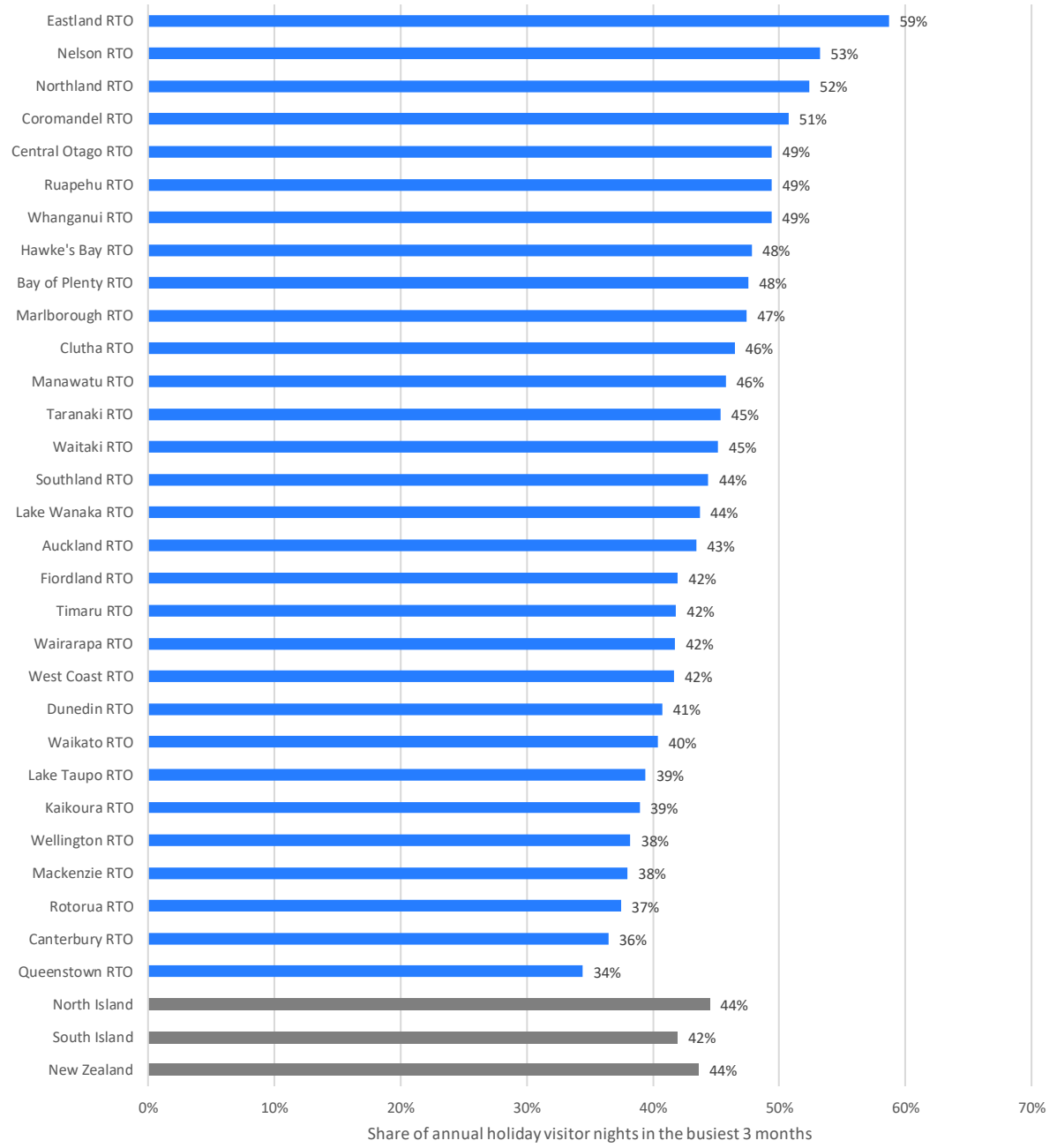


Busiest 3 months approach

The busiest 3 months approach measures the percentage of annual visitor nights that occur in the busiest 3 months of the year.

The busiest 3 months approach once again reveals Eastland as the most seasonal RTO followed by Nelson, Northland and Coromandel (same ordering as the variance approach). The least seasonal RTO using this approach is once again Queenstown followed by Canterbury, Rotorua, and Mackenzie. At an aggregate level the North Island is once again more seasonal than the South Island.

FIGURE 13 SHARE OF ANNUAL HOLIDAY VISITOR NIGHTS IN THE BUSIEST 3 MONTHS



Summary of seasonality values and rankings

The table below demonstrates the consistency of the seasonality rankings across the three approaches. Queenstown is consistently the least seasonal destination and Eastland is consistently the most seasonal.

TABLE 4 SUMMARY OF SEASONALITY VALUES AND RANKINGS

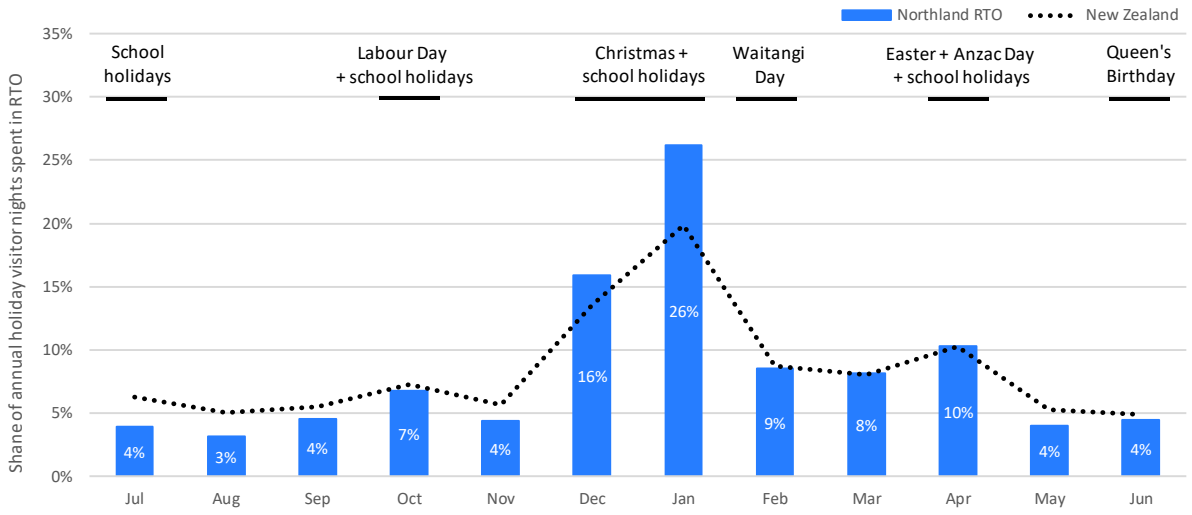
	Value				Rank		
	Variance approach	Demand gap approach	Busiest 3 months approach		Variance approach	Demand gap approach	Busiest 3 months approach
Queenstown RTO	0.04%	7%	34%		1	1	1
Rotorua RTO	0.07%	8%	37%		2	2	3
Mackenzie RTO	0.07%	9%	38%		4	3	4
Canterbury RTO	0.07%	10%	36%		3	4	2
Wellington RTO	0.09%	11%	38%		5	6	5
Lake Taupo RTO	0.10%	12%	39%		6	7	7
Dunedin RTO	0.12%	11%	41%		8	5	9
Waikato RTO	0.12%	12%	40%		7	9	8
West Coast RTO	0.13%	12%	42%		9	8	10
Fiordland RTO	0.17%	12%	42%		14	10	13
Kaikoura RTO	0.15%	16%	39%		10	16	6
Lake Wanaka RTO	0.17%	14%	44%		13	11	15
Timaru RTO	0.17%	14%	42%		12	12	12
Wairarapa RTO	0.17%	15%	42%		11	13	11
Auckland RTO	0.21%	17%	43%		15	22	14
Waitaki RTO	0.21%	16%	45%		16	19	17
Southland RTO	0.22%	16%	44%		17	17	16
Manawatu RTO	0.23%	16%	46%		18	18	19
Taranaki RTO	0.23%	17%	45%		19	20	18
Ruapehu RTO	0.25%	15%	49%		20	14	25
Clutha RTO	0.26%	17%	46%		21	21	20
Whanganui RTO	0.27%	16%	49%		22	15	24
Marlborough RTO	0.28%	18%	47%		24	23	21
Hawke's Bay RTO	0.27%	19%	48%		23	24	23
Bay of Plenty RTO	0.29%	19%	48%		25	25	22
Central Otago RTO	0.37%	23%	49%		26	28	26
Coromandel RTO	0.38%	22%	51%		27	26	27
Northland RTO	0.41%	23%	52%		28	27	28
Nelson RTO	0.44%	24%	53%		29	29	29
Eastland RTO	0.59%	27%	59%		30	30	30

Northland RTO

			<< Least seasonal									Rank among RTOs																Most seasonal >>		
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.41%	0.18%																												■		
Demand gap approach	23%	15%																											■			
Busiest 3 months approach	52%	44%																												■		

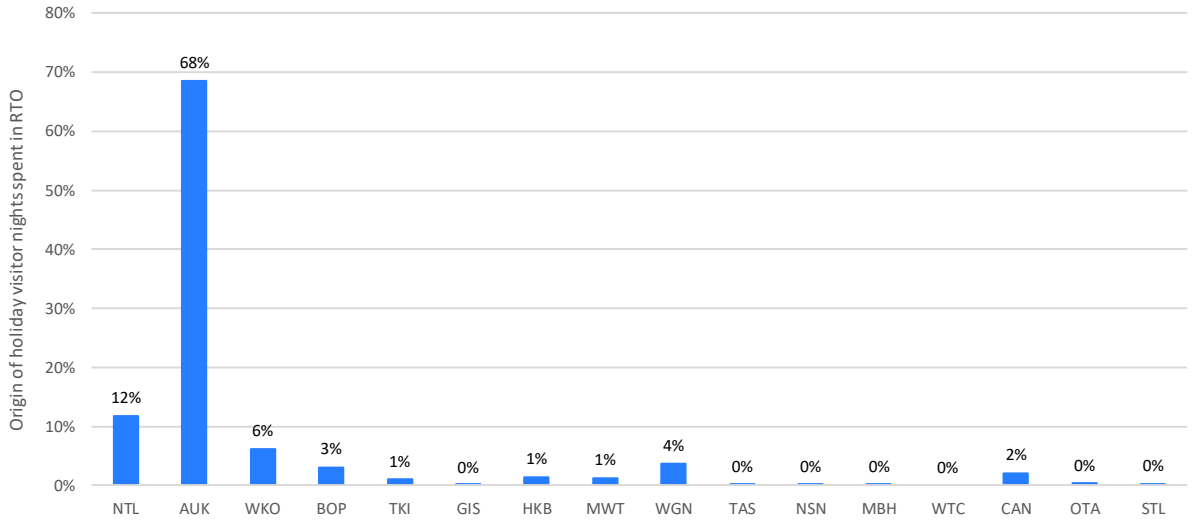
Northland RTO is one of the most seasonal destinations in New Zealand for domestic holiday demand. It is ranked 28th out of 30 based on the variance approach, 27th based on the demand gap approach, and 28th based on the busiest 3 months approach.

FIGURE 14 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 5,385)



Almost 70% of domestic holiday visitor nights in Northland RTO are generated by residents of the Auckland region. The next largest source region is Northland at 12% followed by Waikato at 6%.

FIGURE 15 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 5,385)

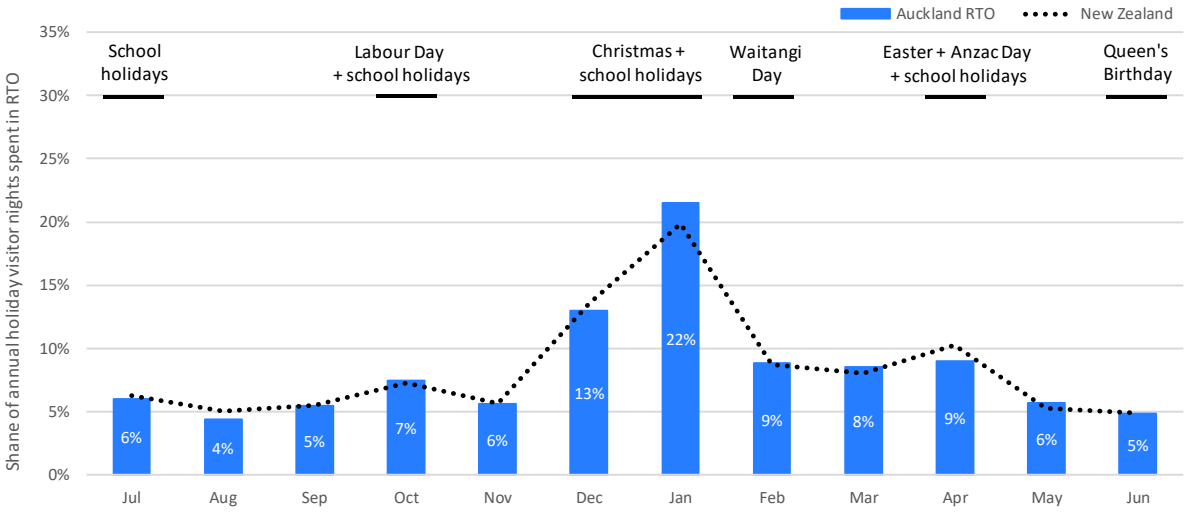


Auckland RTO

			<< Least seasonal													Rank among RTOs														Most seasonal >>
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.21%	0.18%															■															
Demand gap approach	17%	15%																						■								
Busiest 3 months approach	43%	44%														■																

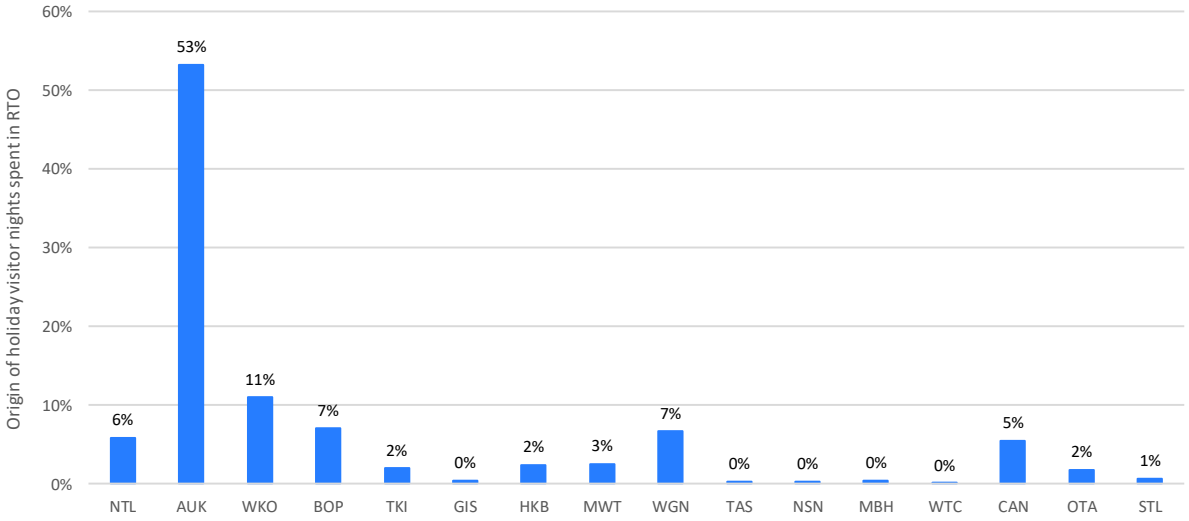
Auckland RTO has a similar seasonality profile to the national average. It is ranked 15th out of 30 based on the variance approach, 22nd based on the demand gap approach, and 14th based on the busiest 3 months approach.

FIGURE 16 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 5,002)



Over 50% of domestic holiday visitor nights in Auckland RTO are generated by residents of the Auckland region. The next largest source region is Waikato at 11% followed by Bay of Plenty and Wellington at 7% each.

FIGURE 17 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 5,002)

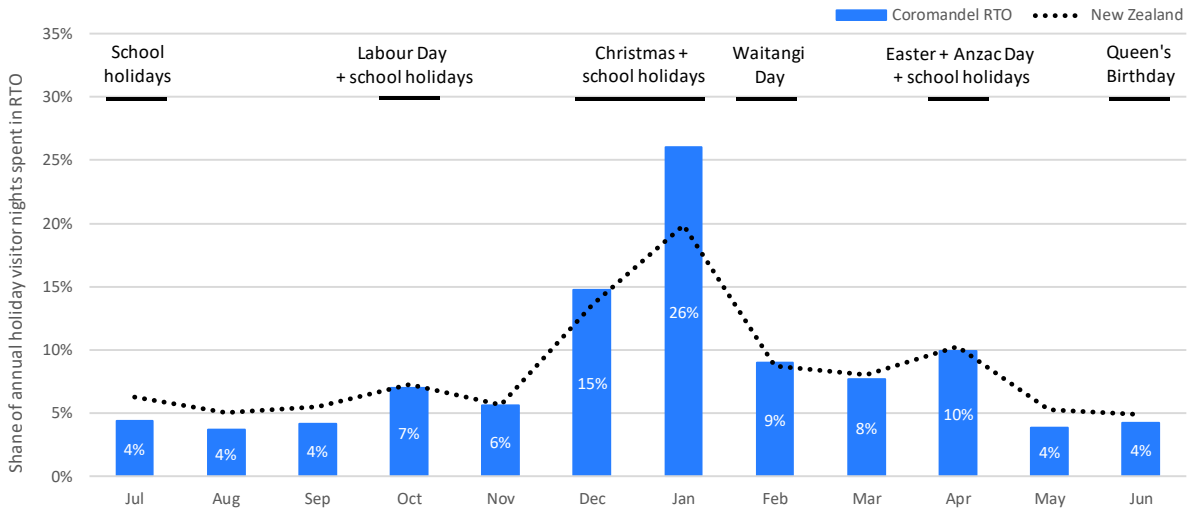


Coromandel RTO

			<< Least seasonal										Rank among RTOs														Most seasonal >>			
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.38%	0.18%																											■			
Demand gap approach	22%	15%																										■				
Busiest 3 months approach	51%	44%																											■			

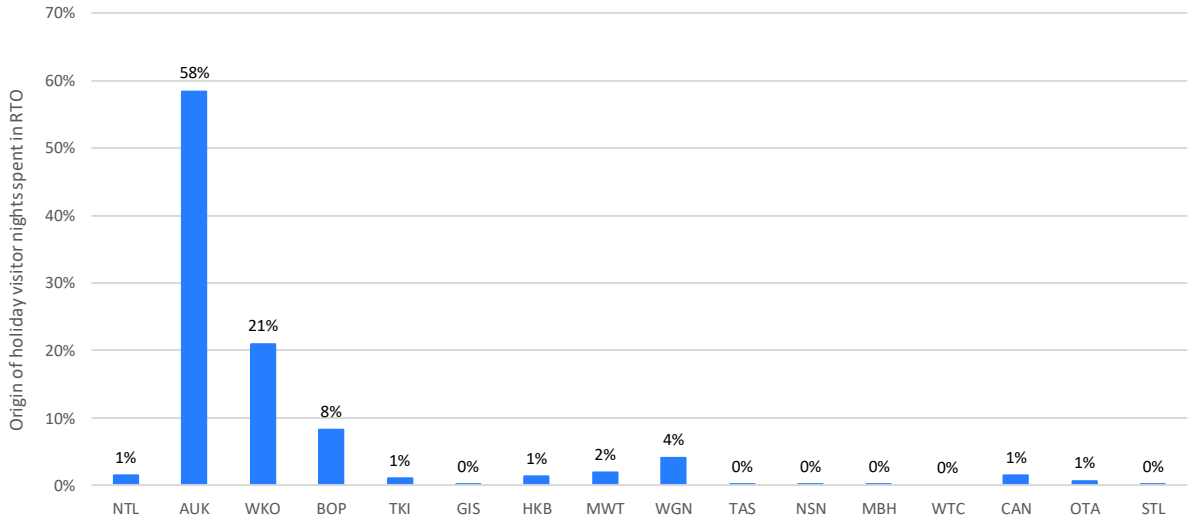
Coromandel RTO is one of the most seasonal destinations in New Zealand for domestic holiday demand. It is ranked 27th out of 30 based on the variance approach, 26th based on the demand gap approach, and 27th based on the busiest 3 months approach.

FIGURE 18 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 4,303)



Almost 60% of domestic holiday visitor nights in Coromandel RTO are generated by residents of the Auckland region. The next largest source region is Waikato at 21% followed by Bay of Plenty at 8%.

FIGURE 19 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 4,303)

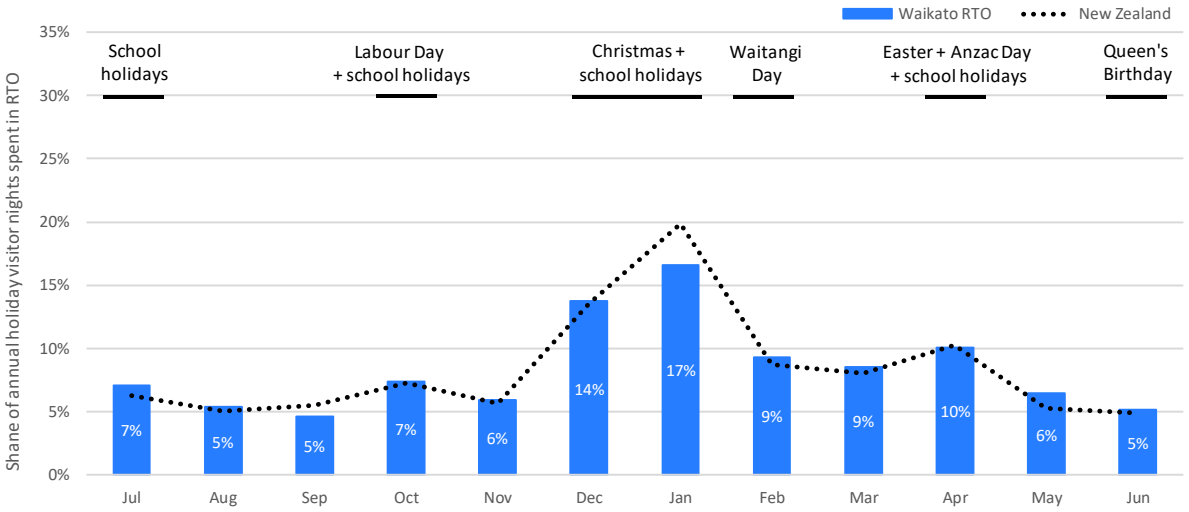


Waikato RTO

			<< Least seasonal											Rank among RTOs															Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.12%	0.18%							■																							
Demand gap approach	12%	15%									■																					
Busiest 3 months approach	40%	44%								■																						

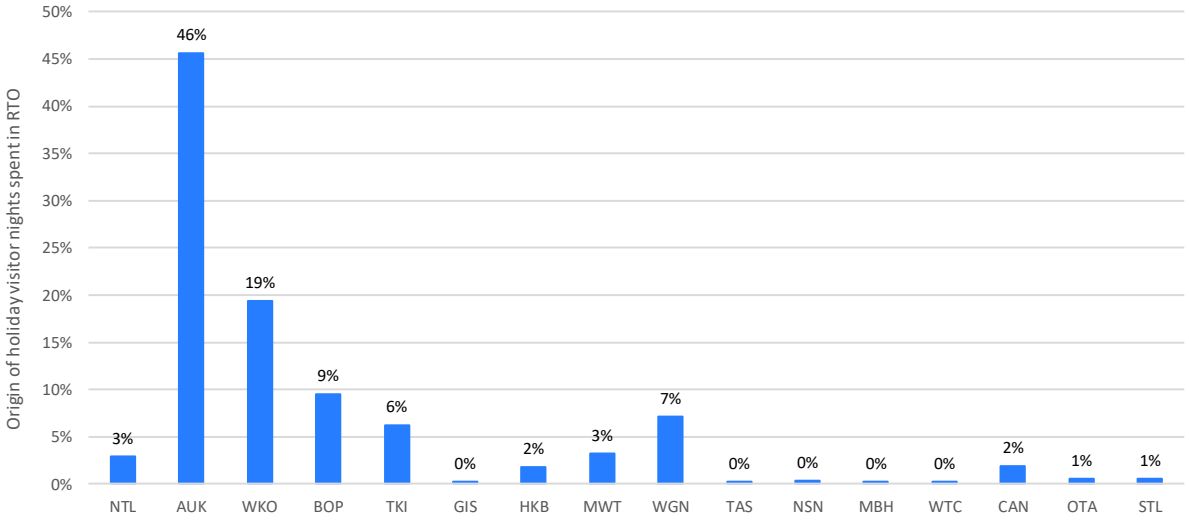
Waikato RTO is less seasonal than average for domestic holiday demand. It is ranked 7th out of 30 based on the variance approach, 9th based on the demand gap approach, and 8th based on the busiest 3 months approach.

FIGURE 20 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,314)



Almost 50% of domestic holiday visitor nights in Waikato RTO are generated by residents of the Auckland region. The next largest source region is Waikato at 19% followed by Bay of Plenty at 9%.

FIGURE 21 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,314)

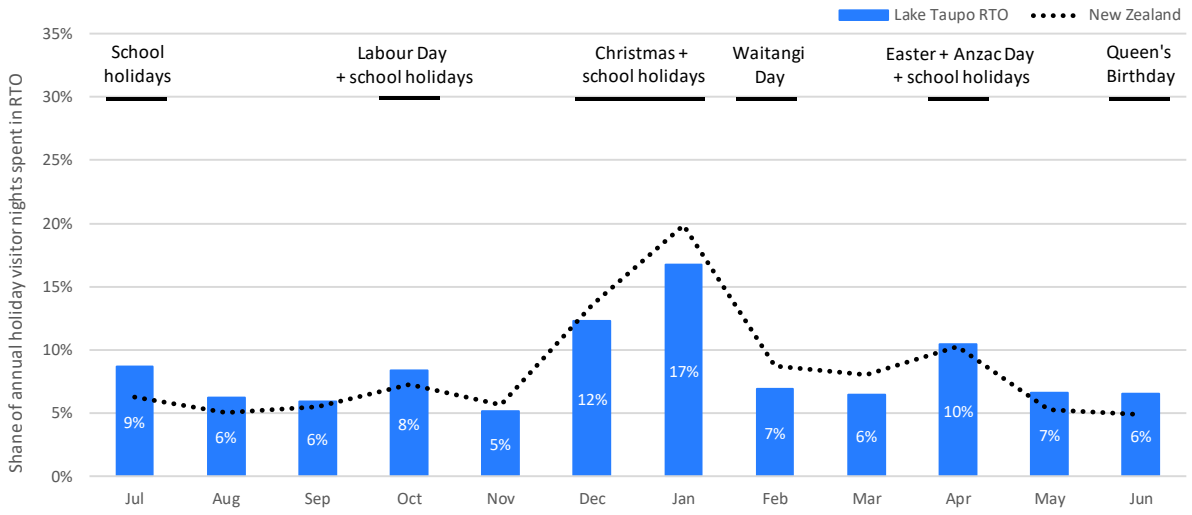


Lake Taupo RTO

			<< Least seasonal											Rank among RTOs																Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.10%	0.18%						■																								
Demand gap approach	12%	15%							■																							
Busiest 3 months approach	39%	44%							■																							

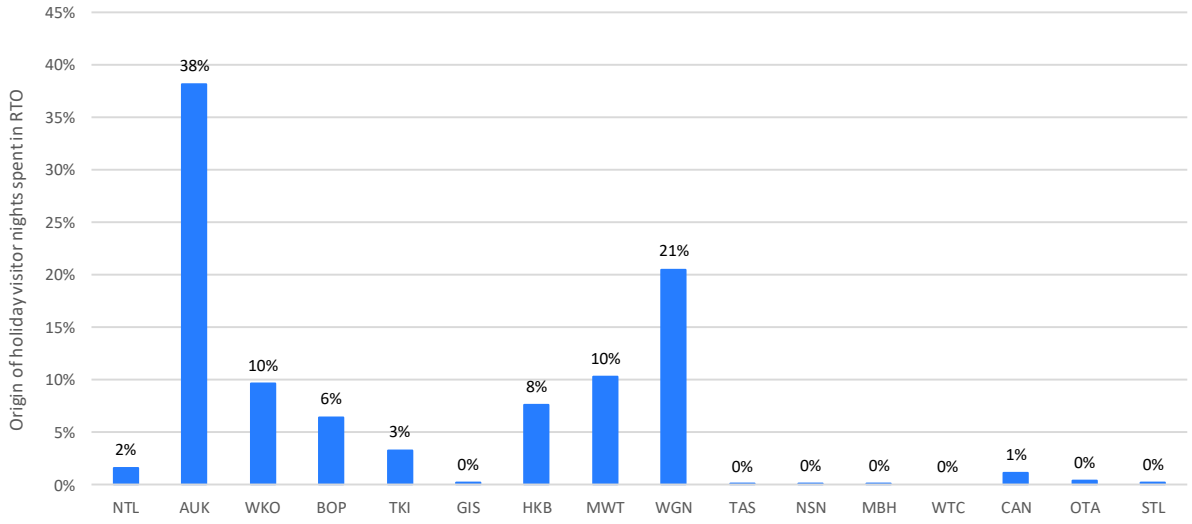
Lake Taupo RTO is less seasonal than average for domestic holiday demand. It is ranked 6th out of 30 based on the variance approach, 7th based on the demand gap approach, and 7th based on the busiest 3 months approach.

FIGURE 22 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 3,627)



Almost 40% of domestic holiday visitor nights in Lake Taupo RTO are generated by residents of the Auckland region. The next largest source region is Wellington at 21% followed by Waikato and Manawatu-Whanganui at 10% each.

FIGURE 23 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 3,627)

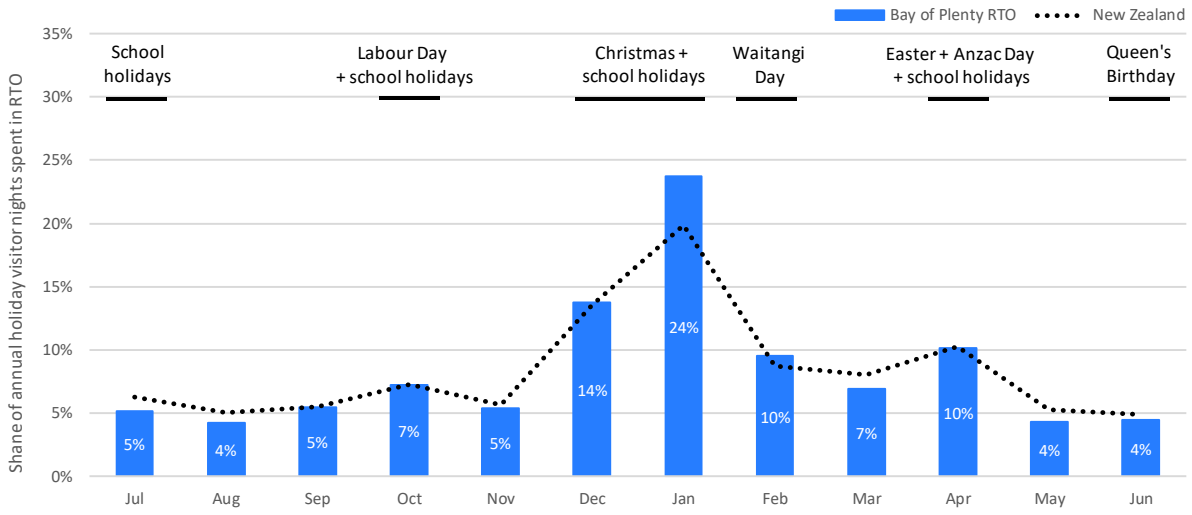


Bay of Plenty RTO

			<< Least seasonal											Rank among RTOs															Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.29%	0.18%																									■					
Demand gap approach	19%	15%																									■					
Busiest 3 months approach	48%	44%																						■								

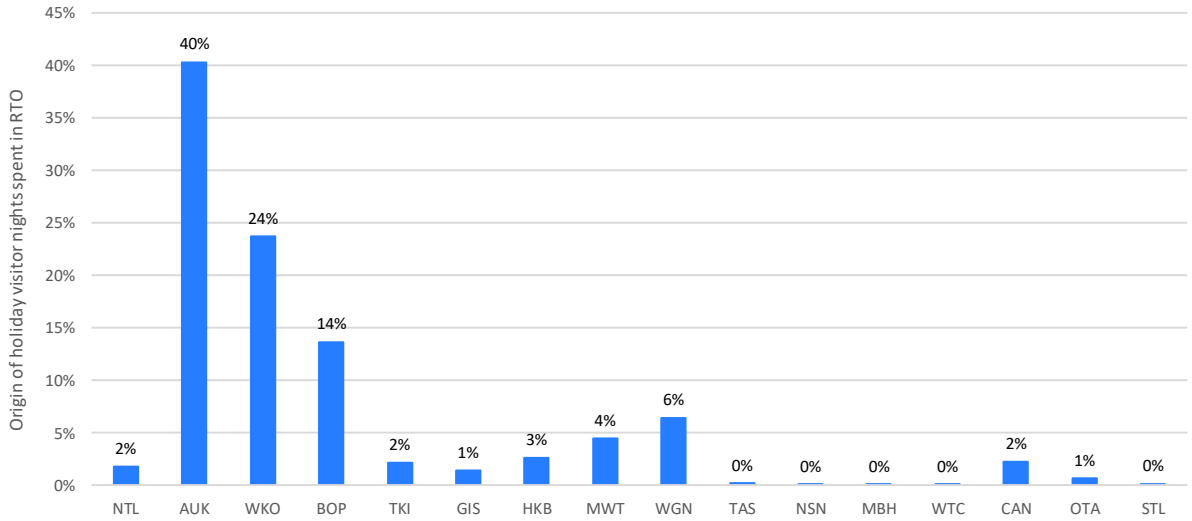
Bay of Plenty RTO is one of the most seasonal destinations in New Zealand for domestic holiday demand. It is ranked 25th out of 30 based on the variance approach, 25th based on the demand gap approach, and 22th based on the busiest 3 months approach.

FIGURE 24 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,815)



About 40% of domestic holiday visitor nights in Bay of Plenty RTO are generated by residents of the Auckland region. The next largest source region is Waikato at 24% followed by Bay of Plenty at 14%.

FIGURE 25 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,815)

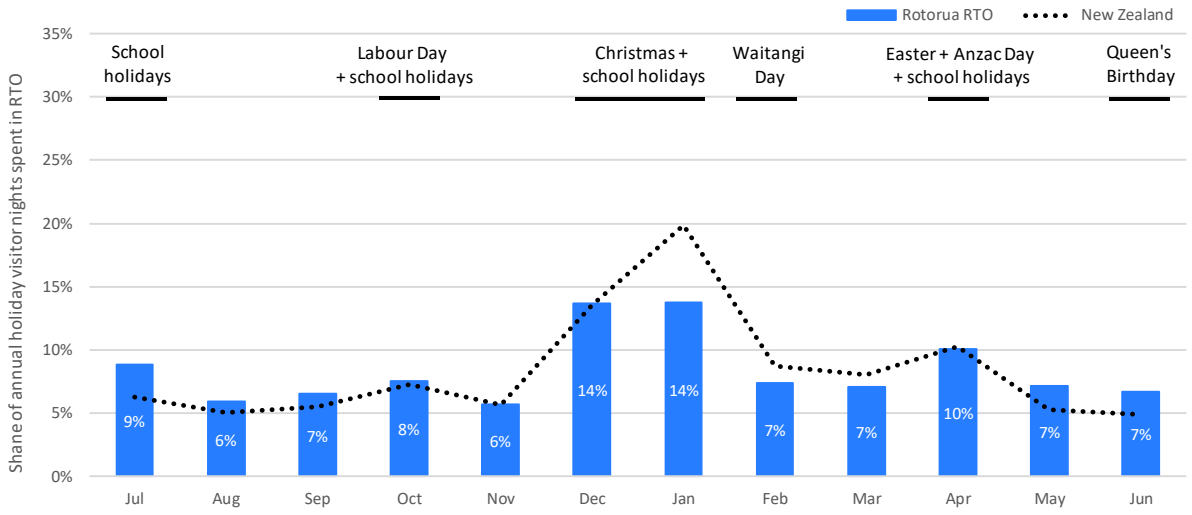


Rotorua RTO

			<< Least seasonal										Rank among RTOs																	Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.07%	0.18%		■																												
Demand gap approach	8%	15%		■																												
Busiest 3 months approach	37%	44%			■																											

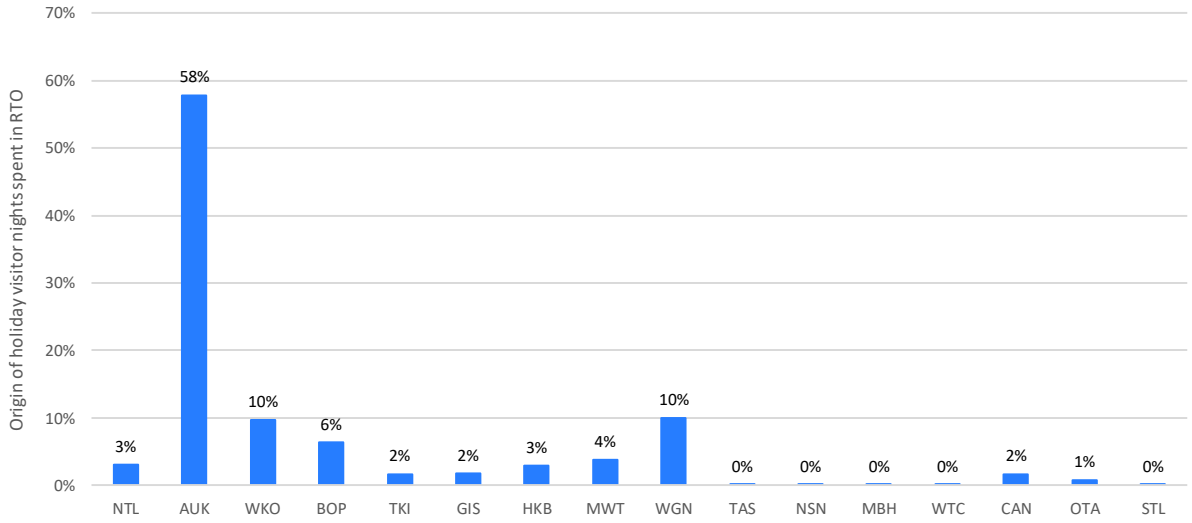
Rotorua RTO is one of the least seasonal destinations in New Zealand for domestic holiday demand. It is ranked 2nd out of 30 based on the variance approach, 2nd based on the demand gap approach, and 3rd based on the busiest 3 months approach.

FIGURE 26 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,672)



Almost 60% of domestic holiday visitor nights in Rotorua RTO are generated by residents of the Auckland region. The next largest source region is Wellington and Waikato at 10% each.

FIGURE 27 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,672)

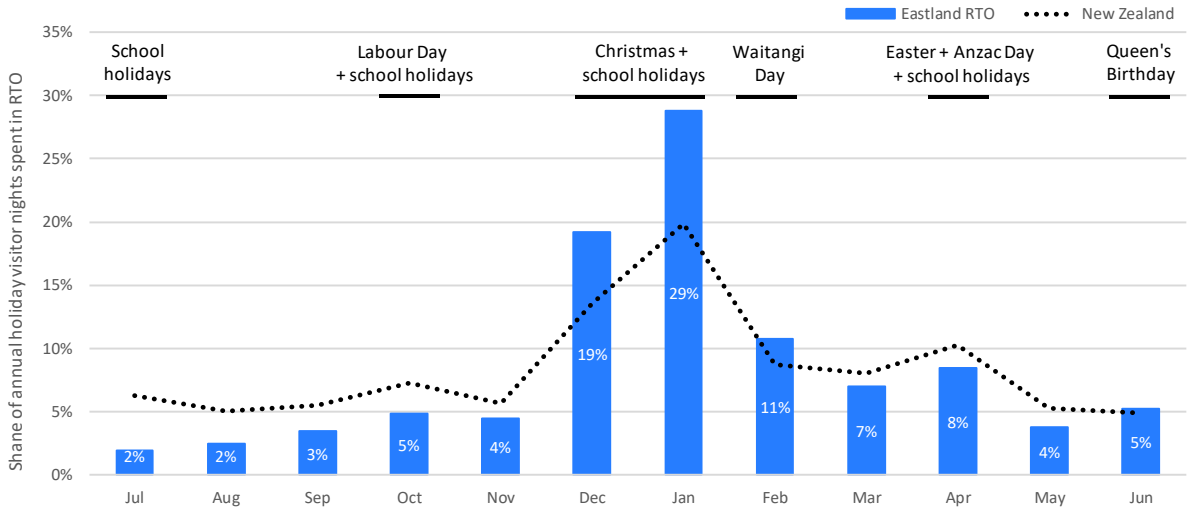


Eastland RTO

			<< Least seasonal									Rank among RTOs																	Most seasonal >>	
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.59%	0.18%																														
Demand gap approach	27%	15%																														
Busiest 3 months approach	59%	44%																														

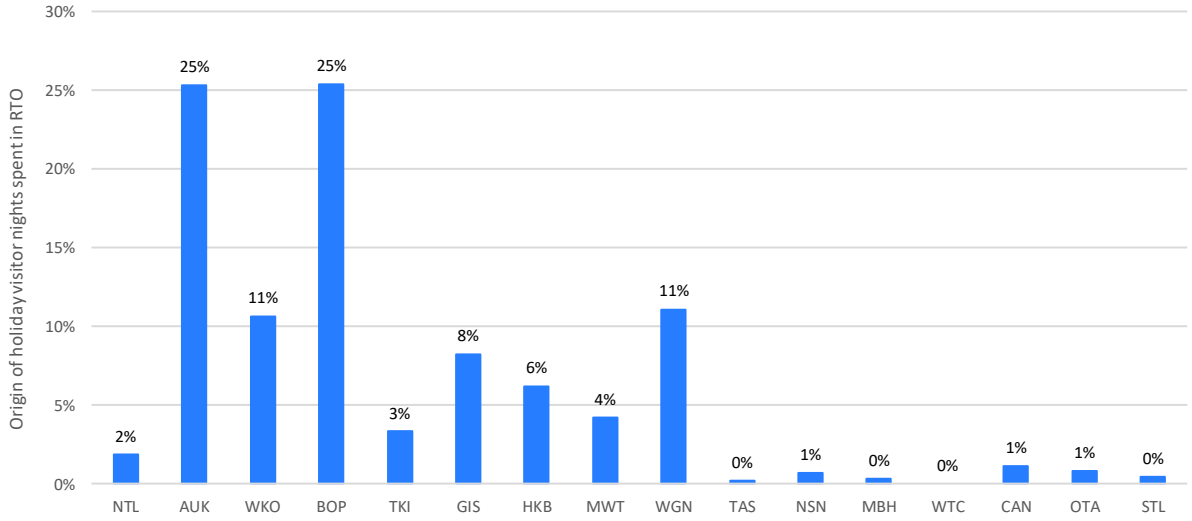
Eastland RTO is the most seasonal destination in New Zealand for domestic holiday demand across all three measures.

FIGURE 28 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,029)



Almost 25% of domestic holiday visitor nights in Eastland RTO are generated by residents of the Auckland and Bay of Plenty regions. The next largest source regions are Wellington and Waikato at 11% each.

FIGURE 29 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,029)

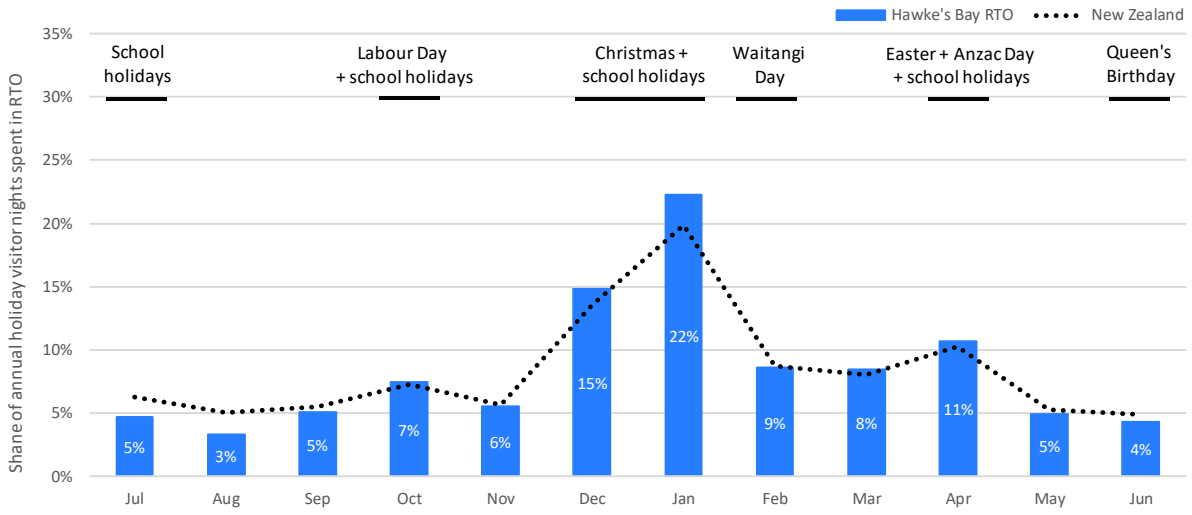


Hawke's Bay RTO

			<< Least seasonal										Rank among RTOs																Most seasonal >>						
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.27%	0.18%																							■							
Demand gap approach	19%	15%																								■						
Busiest 3 months approach	48%	44%																							■							

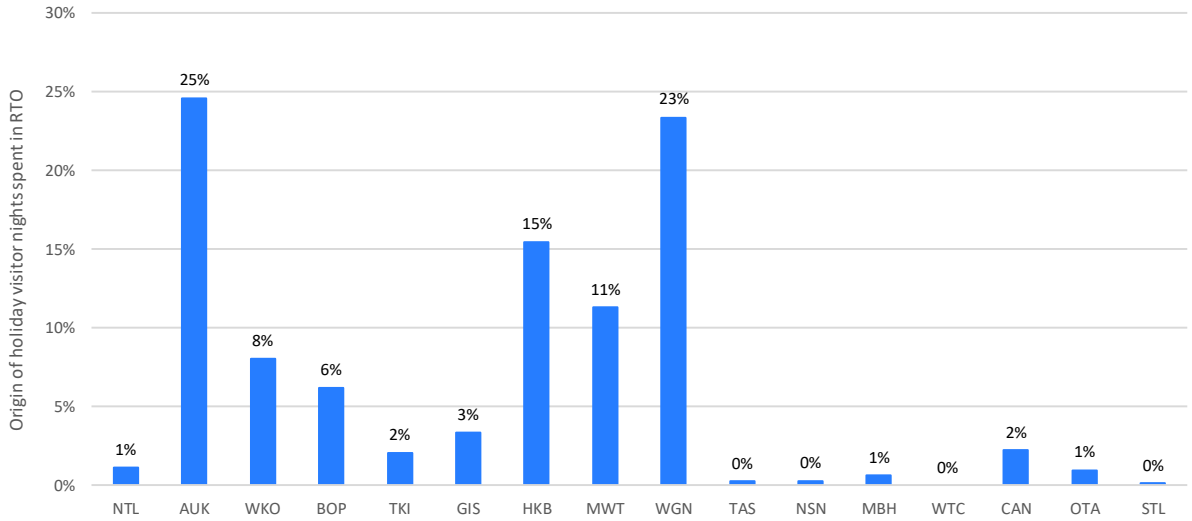
Hawke's Bay RTO is one of the most seasonal destinations in New Zealand for domestic holiday demand. It is ranked 23rd out of 30 based on the variance approach, 24th based on the demand gap approach, and 23rd based on the busiest 3 months approach.

FIGURE 30 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,255)



About 25% of domestic holiday visitor nights in Hawke's Bay RTO are generated by residents of the Auckland region. The next largest source region is Wellington at 23% followed by Hawke's Bay at 15%.

FIGURE 31 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,255)

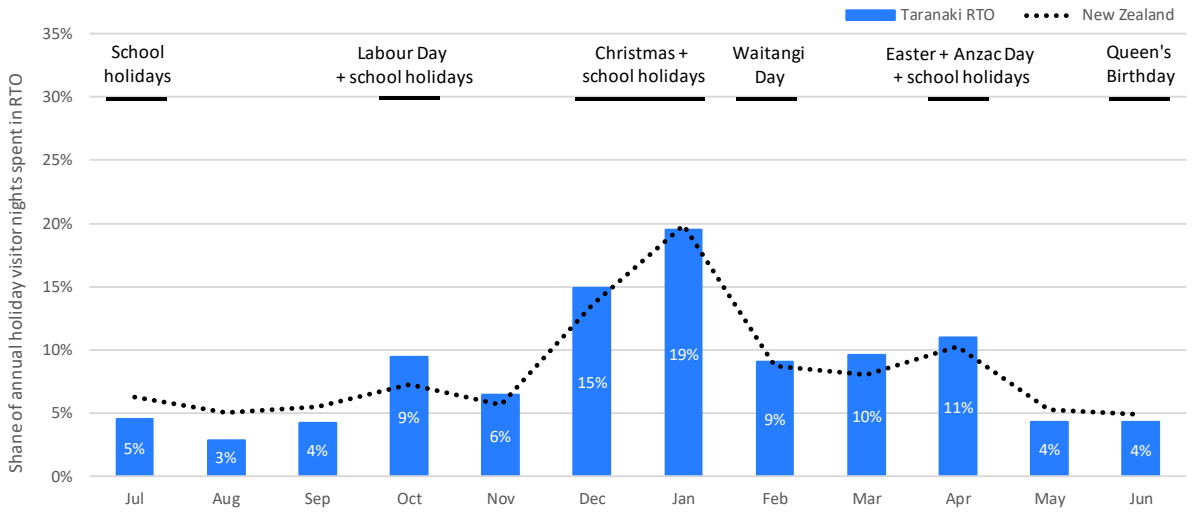


Taranaki RTO

	RTO	NZ	<< Least seasonal															Rank among RTOs											Most seasonal >>	
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.23%	0.18%																			■										
Demand gap approach	17%	15%																				■									
Busiest 3 months approach	45%	44%																		■											

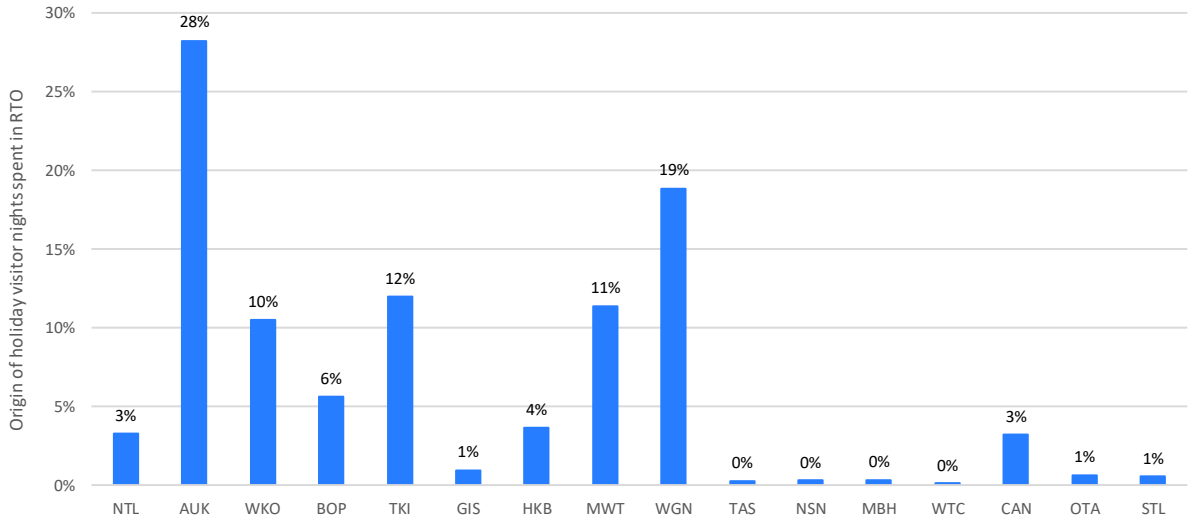
Taranaki RTO is more seasonal than average for domestic holiday demand. It is ranked 19th out of 30 based on the variance approach, 20th based on the demand gap approach, and 18th based on the busiest 3 months approach.

FIGURE 32 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,414)



Almost 30% of domestic holiday visitor nights in Taranaki RTO are generated by residents of the Auckland region. The next largest source region is Wellington at 19% followed by Taranaki at 12%.

FIGURE 33 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,414)

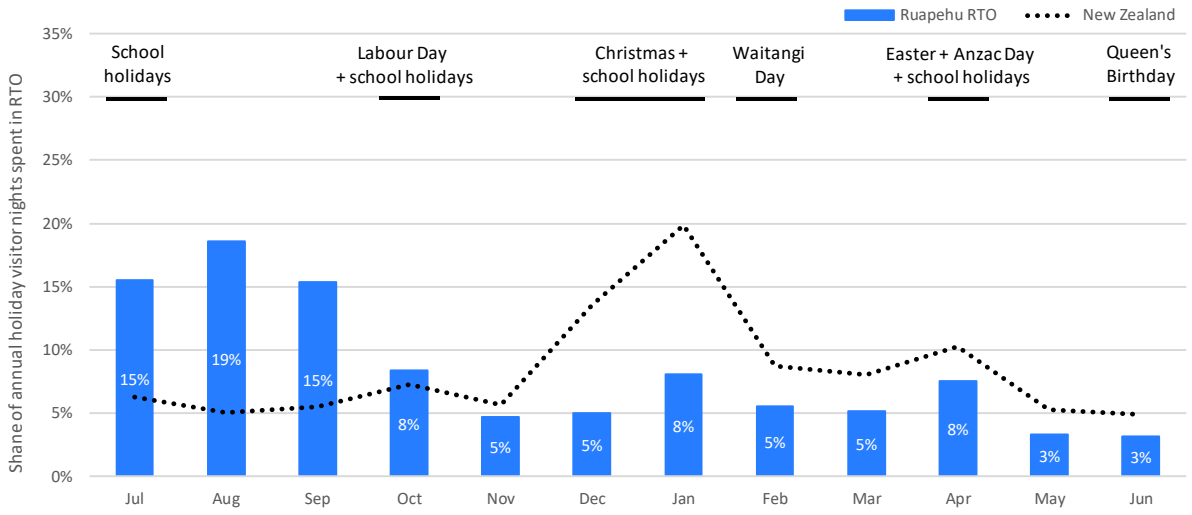


Ruapehu RTO

	RTO	NZ	<< Least seasonal 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30 Most seasonal >>
Variance approach	0.25%	0.18%																				■										
Demand gap approach	15%	15%														■																
Busiest 3 months approach	49%	44%																									■					

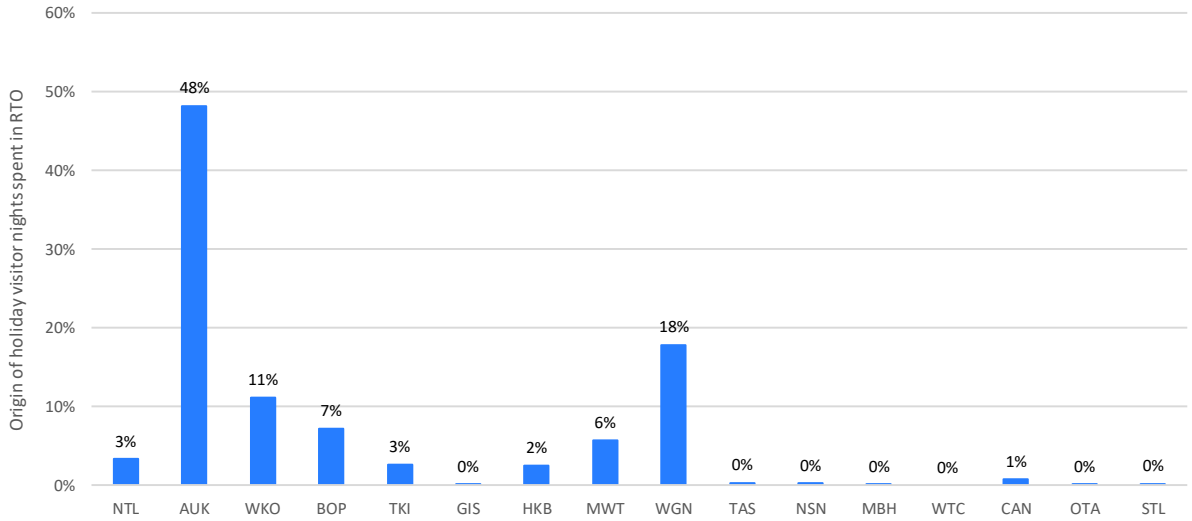
Ruapehu RTO has an inverted seasonality profile relative to the national average due to its strong winter peak. It is ranked 20th out of 30 based on the variance approach, 14th based on the demand gap approach, and 25th based on the busiest 3 months approach.

FIGURE 34 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,656)



Almost 50% of domestic holiday visitor nights in Ruapehu RTO are generated by residents of the Auckland region. The next largest source region is Wellington at 18% followed by Waikato at 11%.

FIGURE 35 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,656)

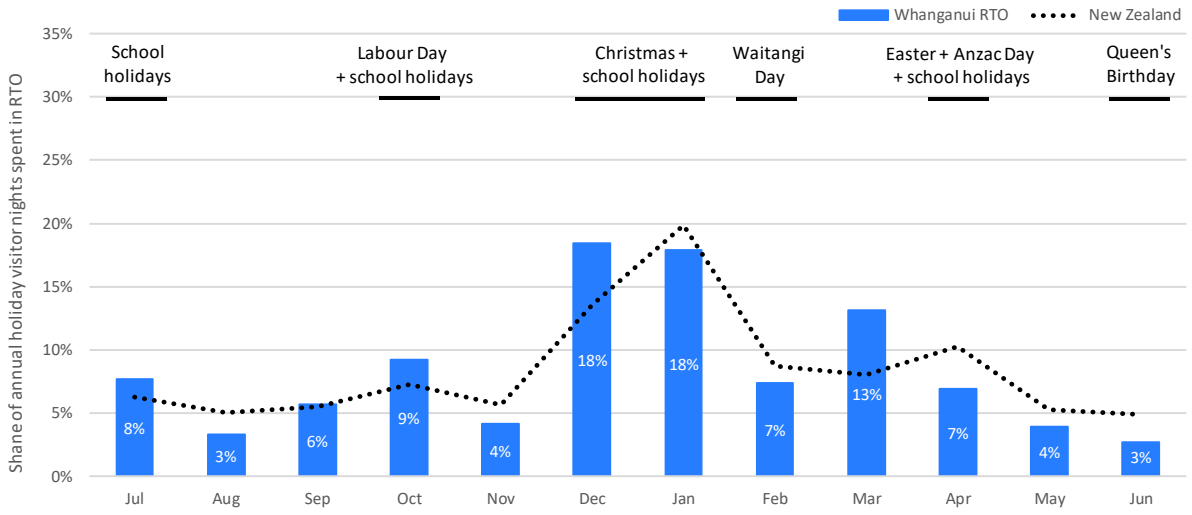


Whanganui RTO

			<< Least seasonal											Rank among RTOs															Most seasonal >>						
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.27%	0.18%																						■								
Demand gap approach	16%	15%															■															
Busiest 3 months approach	49%	44%																								■						

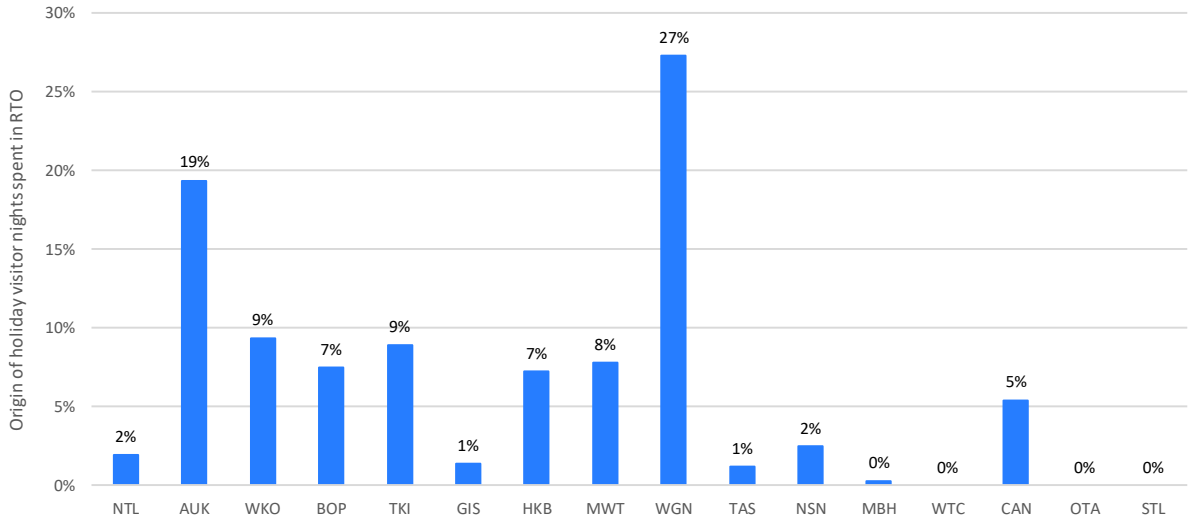
Whanganui RTO is more seasonal than average for domestic holiday demand. It is ranked 22nd out of 30 based on the variance approach, 15th based on the demand gap approach, and 24th based on the busiest 3 months approach.

FIGURE 36 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 380)



Almost 30% of domestic holiday visitor nights in Whanganui RTO are generated by residents of the Wellington region. The next largest source region is Auckland at 19% followed by Taranaki and Waikato at 9%.

FIGURE 37 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 380)

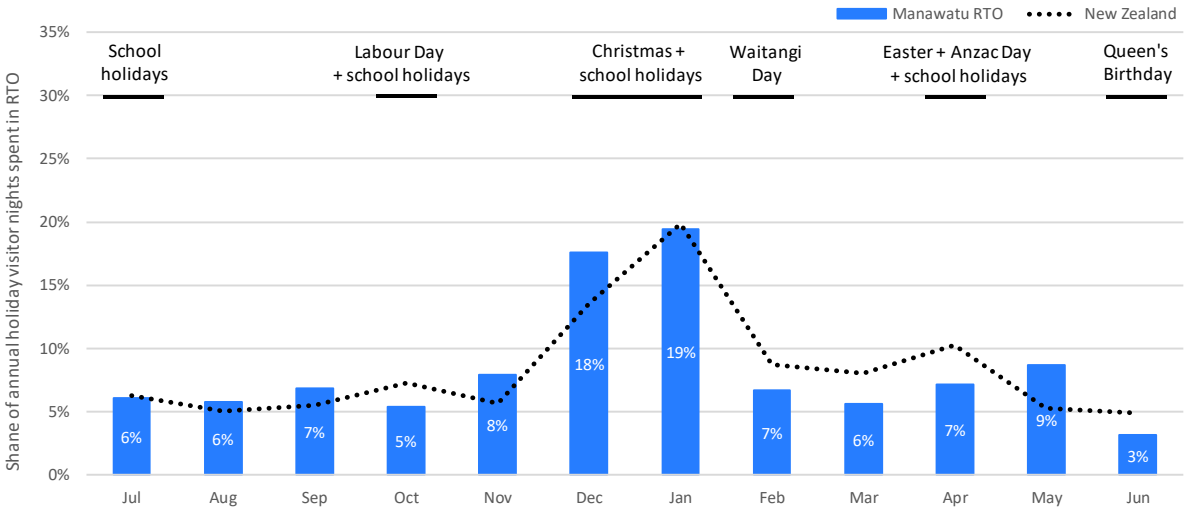


Manawatu RTO

			<< Least seasonal											Rank among RTOs															Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.23%	0.18%																		■												
Demand gap approach	16%	15%																		■												
Busiest 3 months approach	46%	44%																			■											

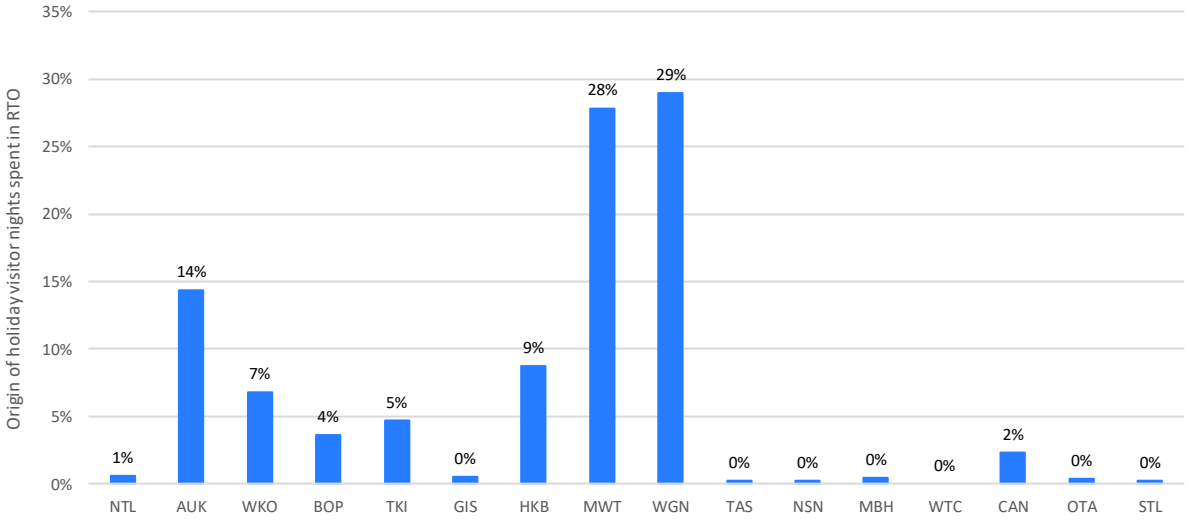
Manawatu RTO is slightly more seasonal than average for domestic holiday demand. It is ranked 18th out of 30 based on the variance and demand gap approaches and 19th based on the busiest 3 months approach.

FIGURE 38 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 498)



Almost 30% of domestic holiday visitor nights in Manawatu RTO are generated by residents of the Wellington region. The next largest source region is Manawatu-Whanganui at 28% followed by Auckland at 14%.

FIGURE 39 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 498)

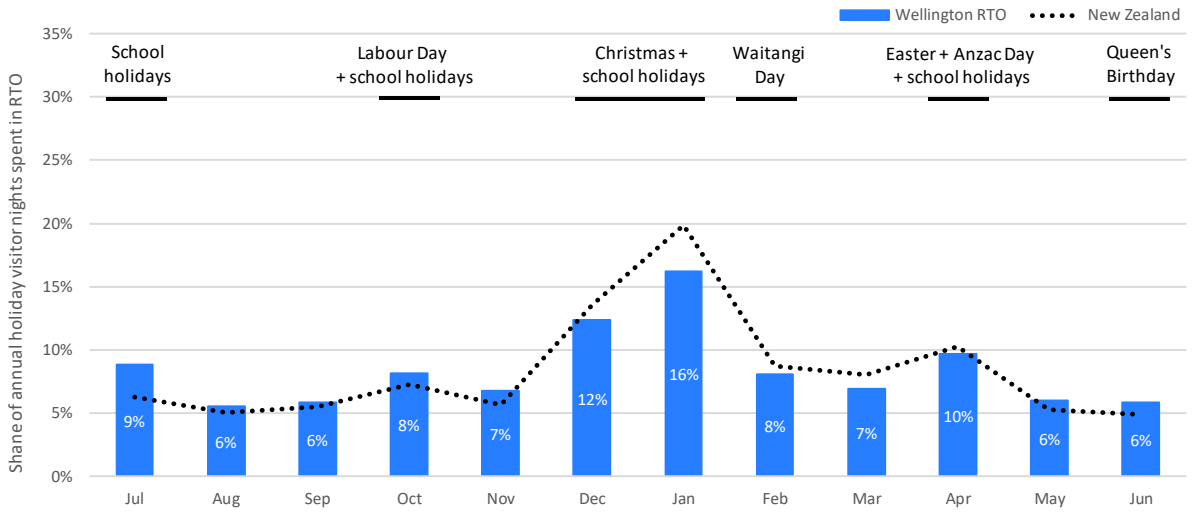


Wellington RTO

			<< Least seasonal									Rank among RTOs																	Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.09%	0.18%					■																									
Demand gap approach	11%	15%						■																								
Busiest 3 months approach	38%	44%					■																									

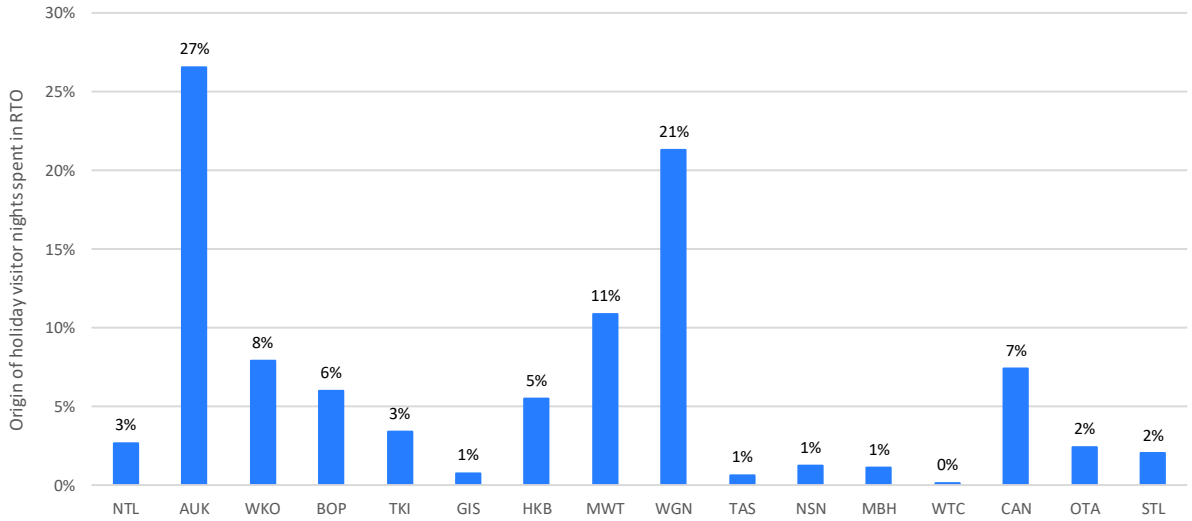
Wellington RTO is one of the least seasonal destinations in New Zealand for domestic holiday demand. It is ranked 5th out of 30 based on the variance approach, 6th based on the demand gap approach, and 5th based on the busiest 3 months approach.

FIGURE 40 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,460)



Almost 30% of domestic holiday visitor nights in Wellington RTO are generated by residents of the Auckland region. The next largest source region is Wellington at 21% followed by Manawatu-Whanganui at 11%.

FIGURE 41 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,460)

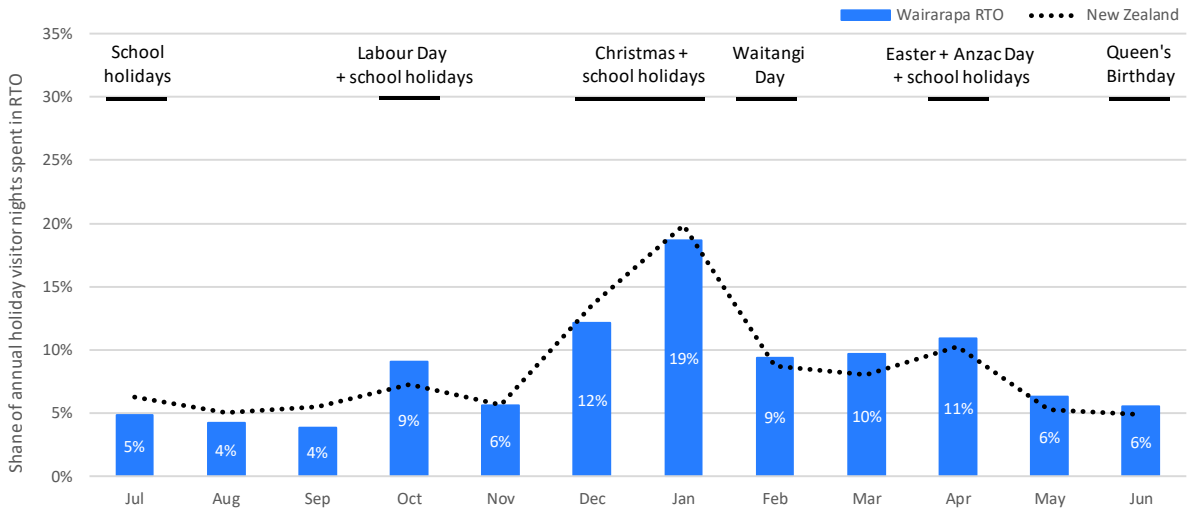


Wairarapa RTO

			<< Least seasonal										Rank among RTOs																Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.17%	0.18%											■																			
Demand gap approach	15%	15%													■																	
Busiest 3 months approach	42%	44%											■																			

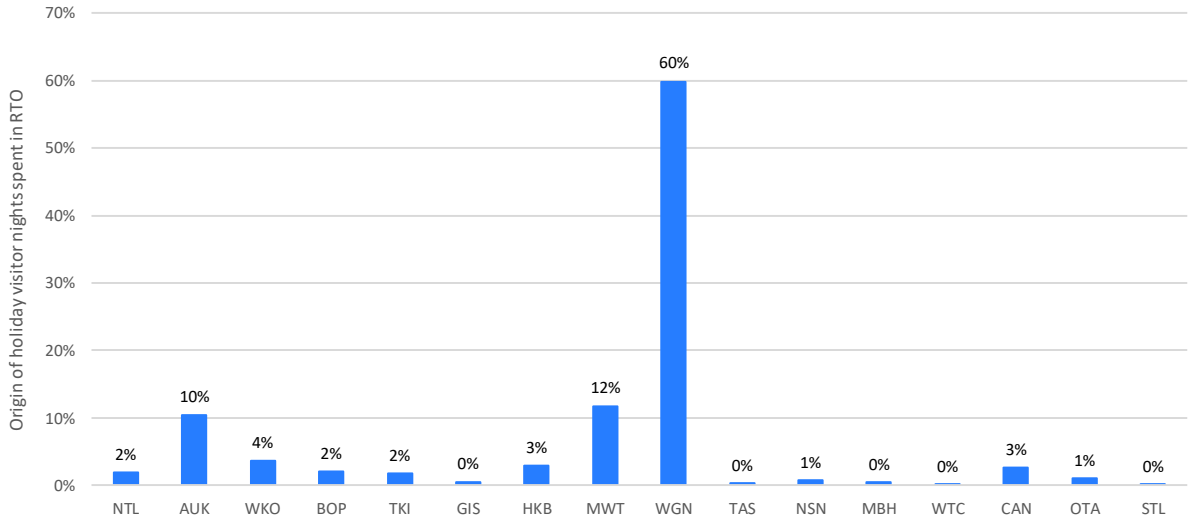
Wairarapa RTO is less seasonal than average for domestic holiday demand. It is ranked 11th out of 30 based on the variance approach, 13th based on the demand gap approach, and 11th based on the busiest 3 months approach.

FIGURE 42 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,452)



About 60% of domestic holiday visitor nights in Wairarapa RTO are generated by residents of the Wellington region. The next largest source region is Manawatu-Whanganui at 12% followed by Auckland at 10%.

FIGURE 43 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,452)

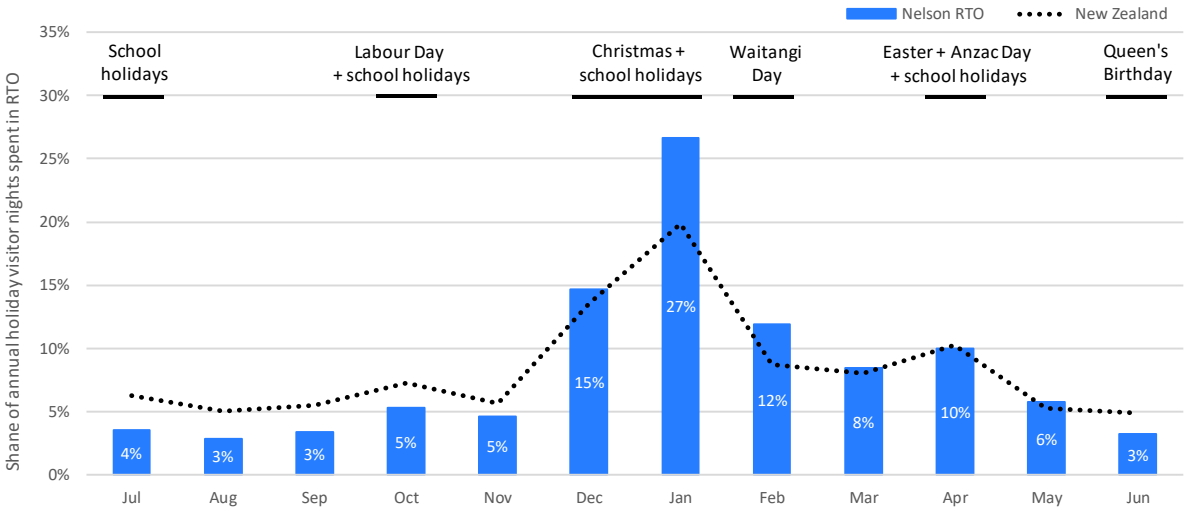


Nelson RTO

			<< Least seasonal										Rank among RTOs																Most seasonal >>	
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.44%	0.18%																														
Demand gap approach	24%	15%																														
Busiest 3 months approach	53%	44%																														

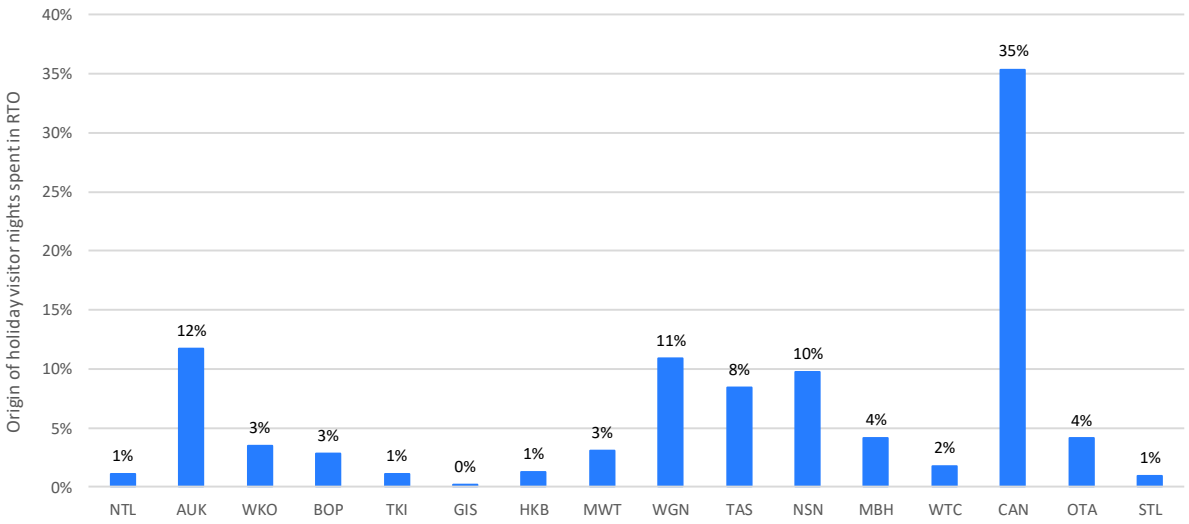
Nelson RTO is the second most seasonal destination in New Zealand for domestic holiday demand across all three measures.

FIGURE 44 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,714)



About 35% of domestic holiday visitor nights in Nelson RTO are generated by residents of the Canterbury region. The next largest source region is Auckland at 12% followed by Wellington at 11%.

FIGURE 45 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,714)

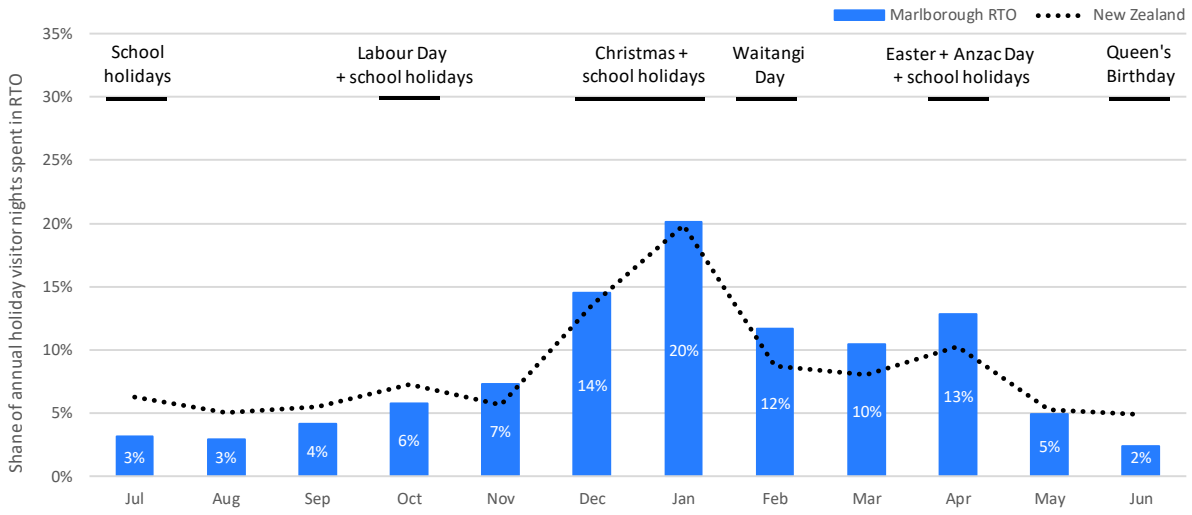


Marlborough RTO

			<< Least seasonal												Rank among RTOs														Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.28%	0.18%																								■						
Demand gap approach	18%	15%																							■							
Busiest 3 months approach	47%	44%																					■									

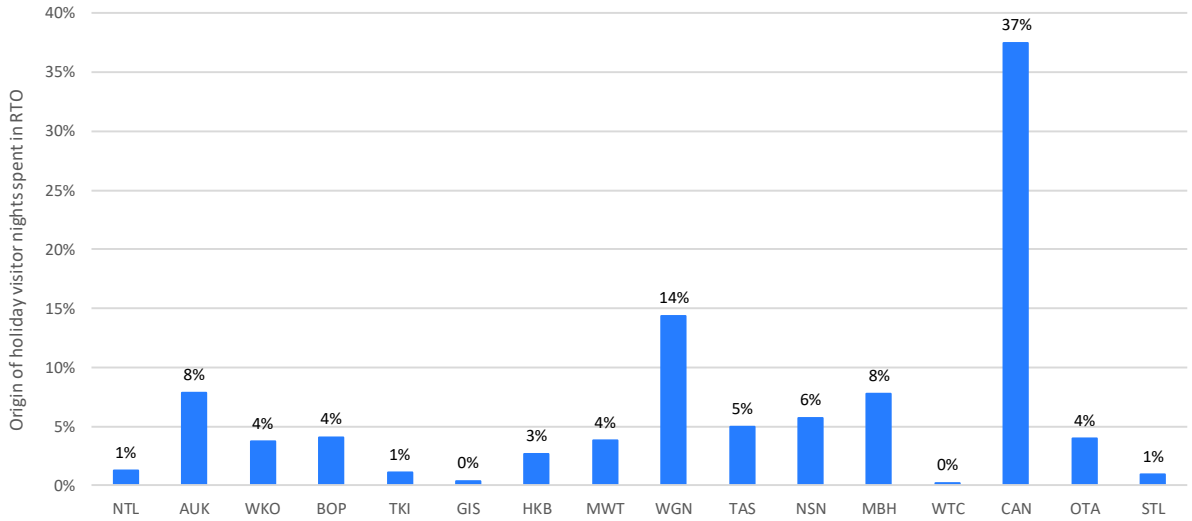
Marlborough RTO is more seasonal than average for domestic holiday demand. It is ranked 24th out of 30 based on the variance approach, 23rd based on the demand gap approach, and 21st based on the busiest 3 months approach.

FIGURE 46 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,670)



Almost 40% of domestic holiday visitor nights in Marlborough RTO are generated by residents of the Canterbury region. The next largest source region is Wellington at 14% followed by Auckland at 8%.

FIGURE 47 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,670)

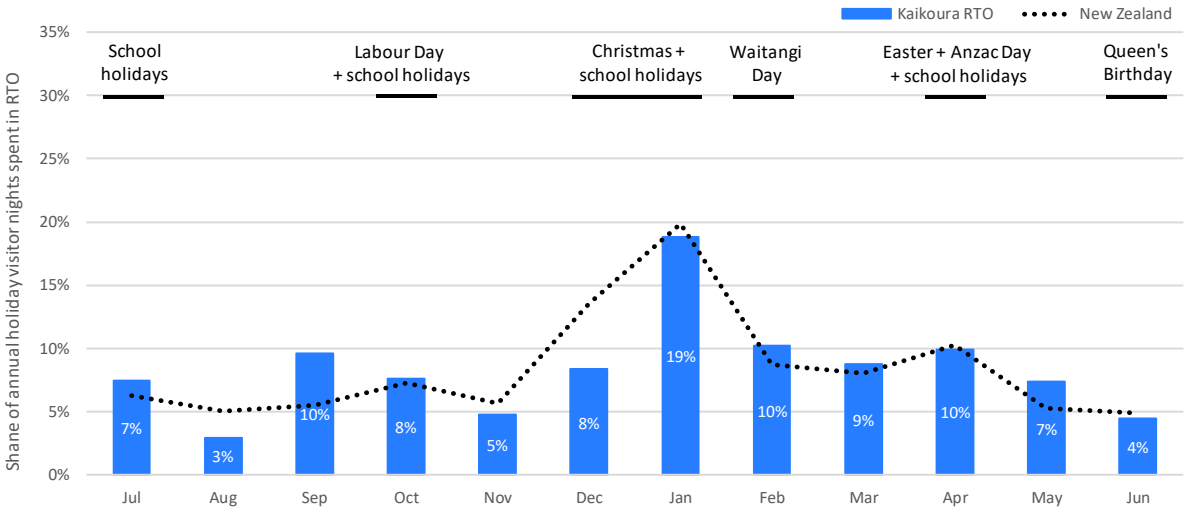


Kaikoura RTO

			<< Least seasonal											Rank among RTOs															Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.15%	0.18%										■																				
Demand gap approach	16%	15%																■														
Busiest 3 months approach	39%	44%						■																								

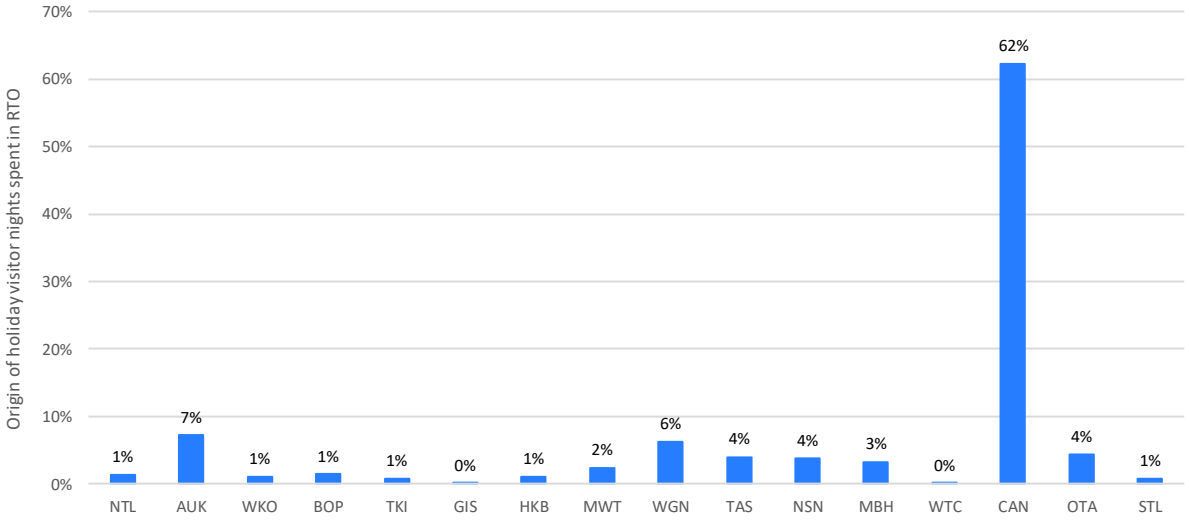
Kaikoura RTO is less seasonal than average based on the variance and busiest 3 months approaches (ranked 10th and 6th out of 30 respectively) and around the average based on the demand gap approach (16th).

FIGURE 48 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 803)



Over 60% of domestic holiday visitor nights in Kaikoura RTO are generated by residents of the Canterbury region. The next largest source region is Auckland at 7% followed by Wellington at 6%.

FIGURE 49 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 803)

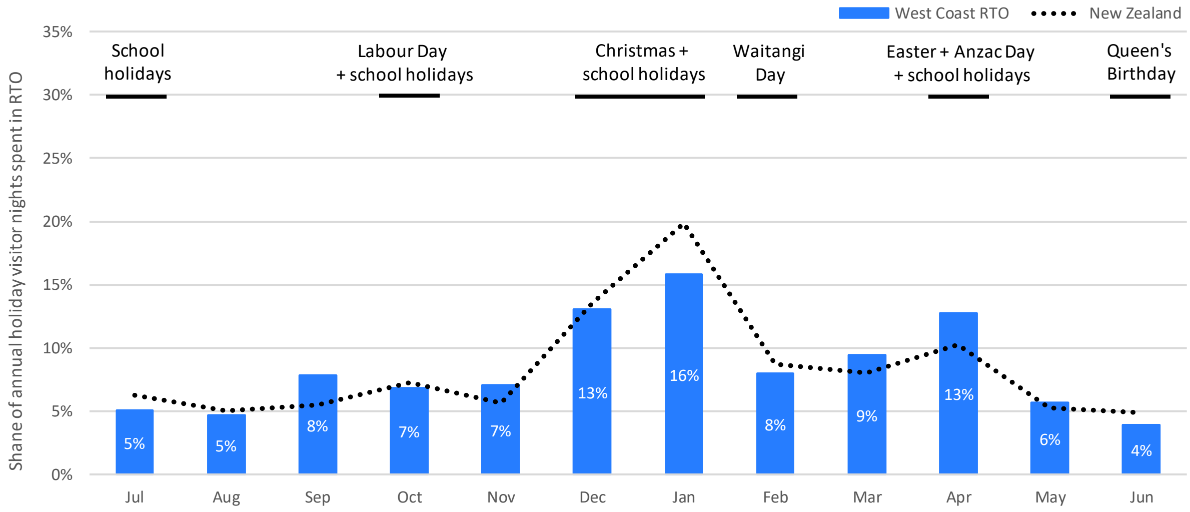


West Coast RTO

			<< Least seasonal											Rank among RTOs																Most seasonal >>
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.13%	0.18%																														
Demand gap approach	12%	15%																														
Busiest 3 months approach	42%	44%																														

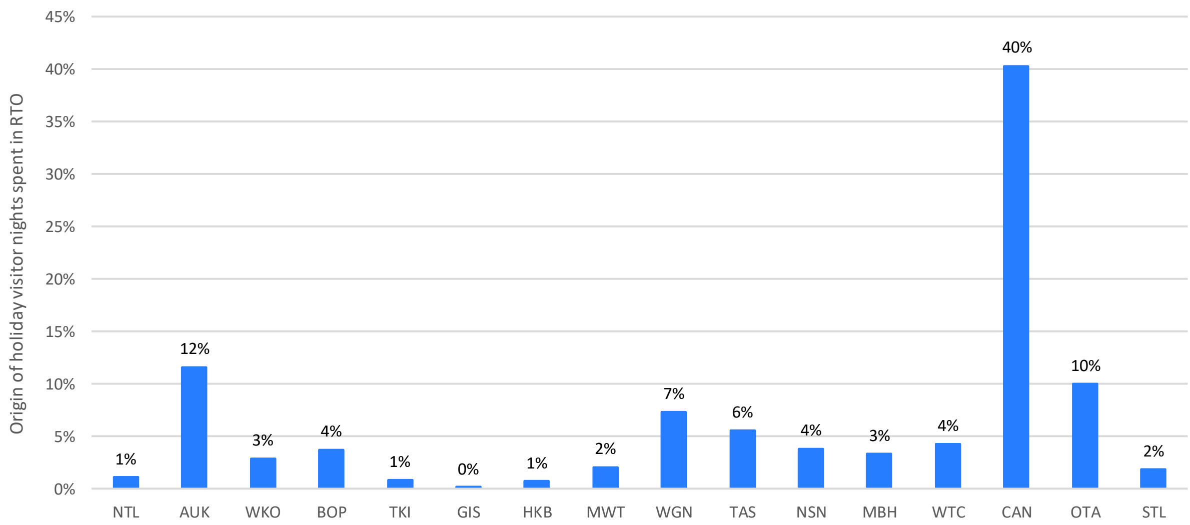
West Coast RTO is less seasonal than average for domestic holiday demand. It is ranked 9th out of 30 based on the variance approach, 8th based on the demand gap approach, and 10th based on the busiest 3 months approach.

FIGURE 50 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,556)



About 40% of domestic holiday visitor nights in West Coast RTO are generated by residents of the Canterbury region. The next largest source region is Auckland at 12% followed by Otago at 10%.

FIGURE 51 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,556)

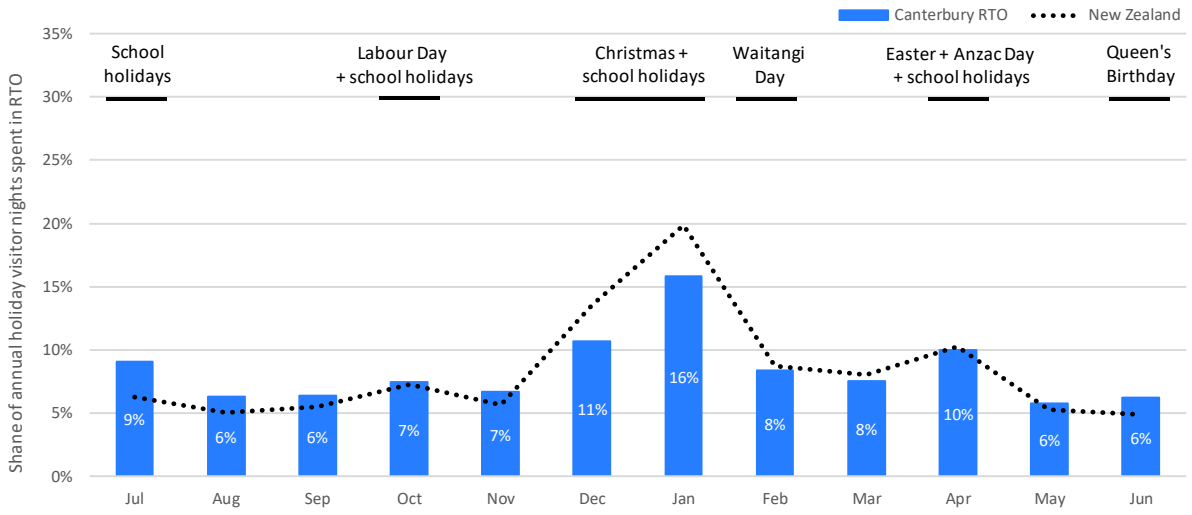


Canterbury RTO

			<< Least seasonal											Rank among RTOs																Most seasonal >>
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.07%	0.18%			■																											
Demand gap approach	10%	15%				■																										
Busiest 3 months approach	36%	44%		■																												

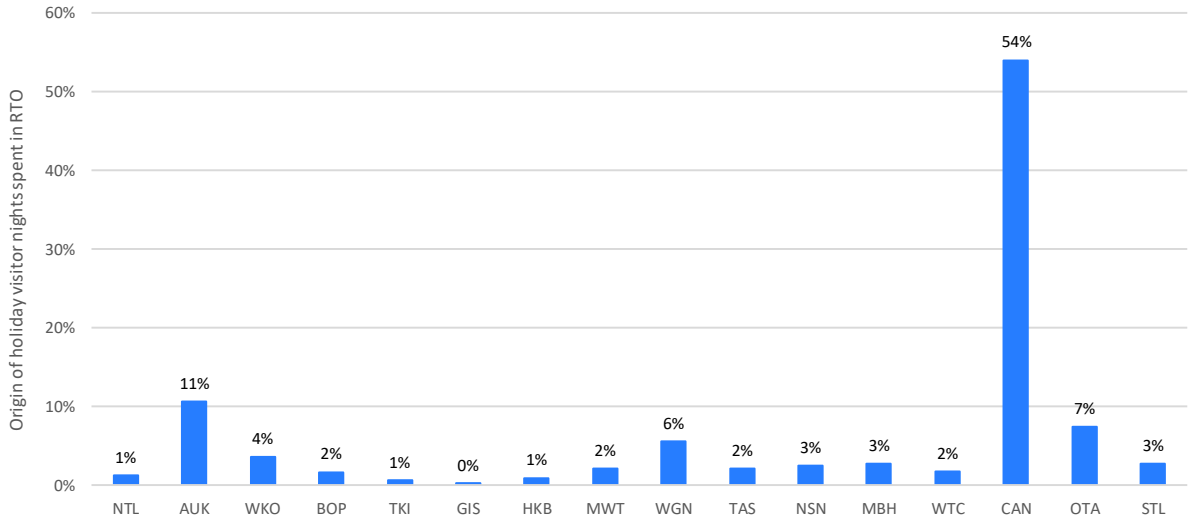
Canterbury RTO is one of the least seasonal destinations in New Zealand for domestic holiday demand. It is ranked 3rd out of 30 based on the variance approach, 4th based on the demand gap approach, and 2nd based on the busiest 3 months approach.

FIGURE 52 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 4,697)



Almost 55% of domestic holiday visitor nights in Canterbury RTO are generated by residents of the Canterbury region. The next largest source region is Auckland at 11% followed by Otago at 7%.

FIGURE 53 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 4,697)

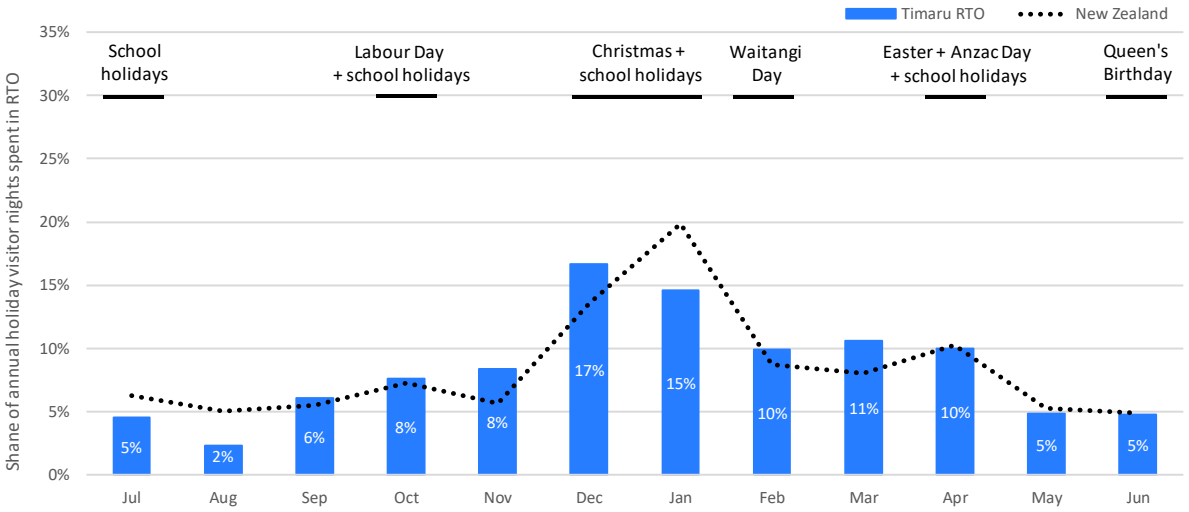


Timaru RTO

			<< Least seasonal											Rank among RTOs																Most seasonal >>
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.17%	0.18%																														
Demand gap approach	14%	15%																														
Busiest 3 months approach	42%	44%																														

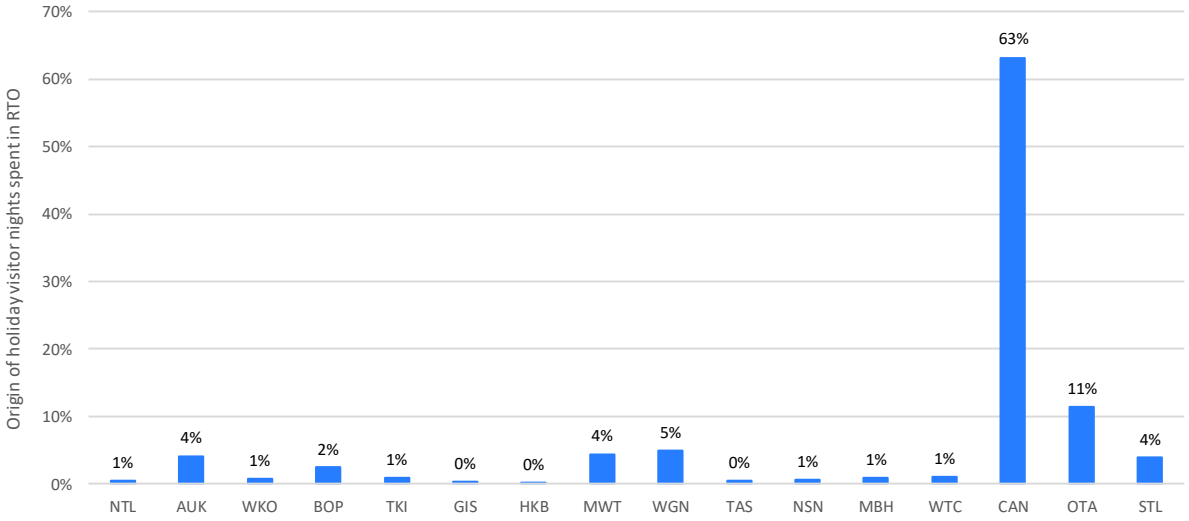
Timaru RTO is slightly less seasonal than average for domestic holiday demand. It is ranked 12th out of 30 across all three seasonality measures.

FIGURE 54 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 485)



Over 60% of domestic holiday visitor nights in Timaru RTO are generated by residents of the Canterbury region. The next largest source region is Otago at 11% followed by Wellington at 5%.

FIGURE 55 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 485)

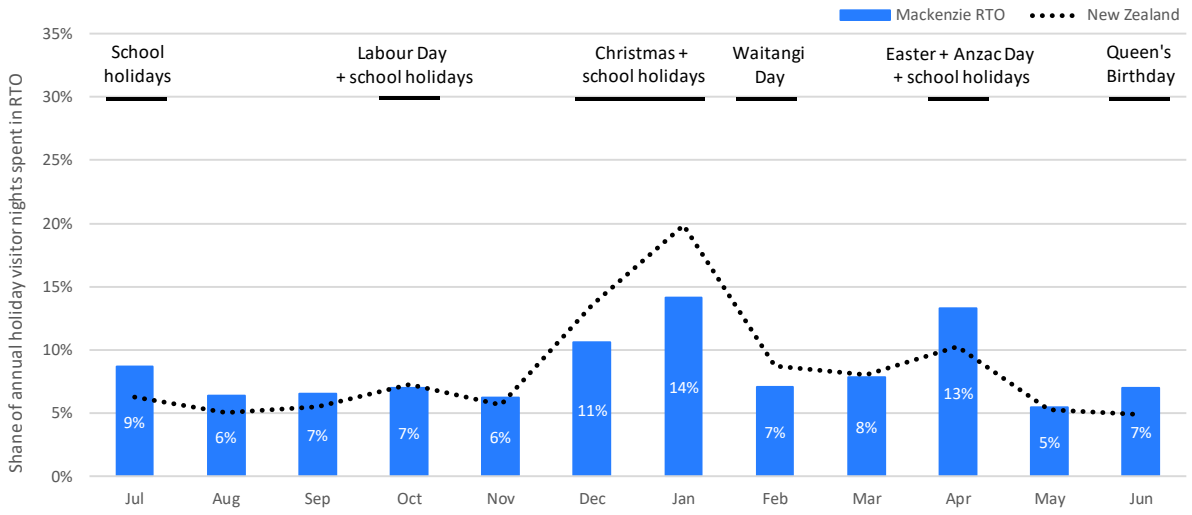


Mackenzie RTO

			<< Least seasonal											Rank among RTOs																Most seasonal >>	
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.07%	0.18%				■																										
Demand gap approach	9%	15%			■																											
Busiest 3 months approach	38%	44%				■																										

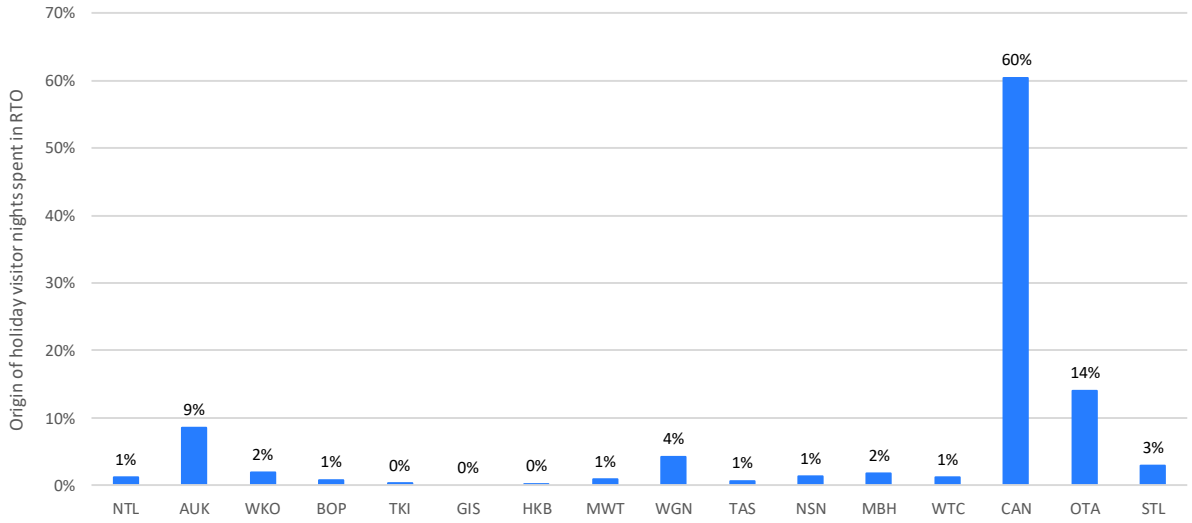
Mackenzie RTO is one of the least seasonal destinations in New Zealand for domestic holiday demand. It is ranked 4th out of 30 based on the variance approach, 3rd based on the demand gap approach, and 4th based on the busiest 3 months approach.

FIGURE 56 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,502)



About 60% of domestic holiday visitor nights in Mackenzie RTO are generated by residents of the Canterbury region. The next largest source region is Otago at 14% followed by Auckland at 9%.

FIGURE 57 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,502)

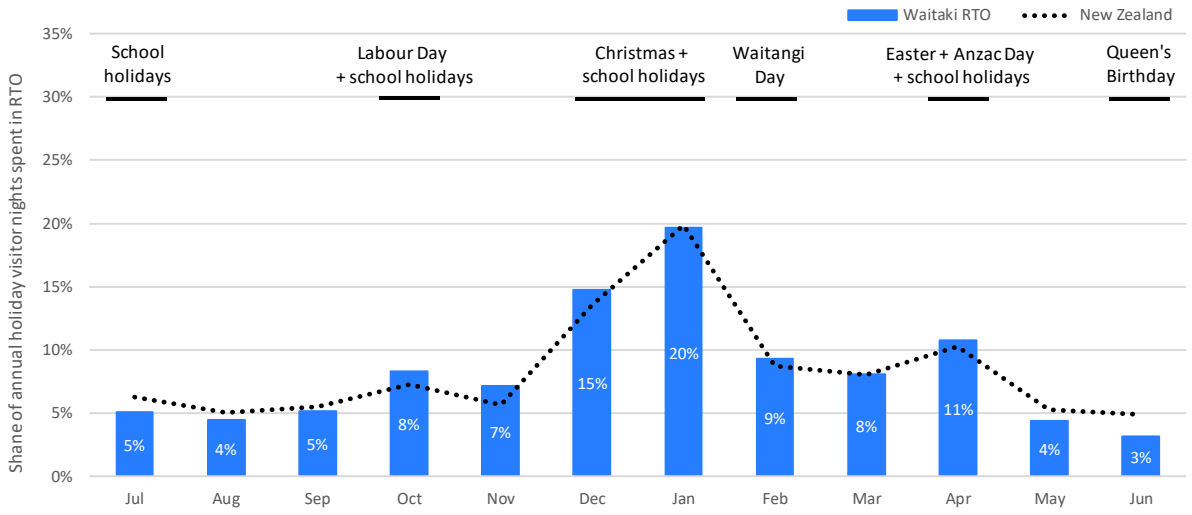


Waitaki RTO

			<< Least seasonal														Rank among RTOs													Most seasonal >>
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.21%	0.18%																■														
Demand gap approach	16%	15%																			■											
Busiest 3 months approach	45%	44%																	■													

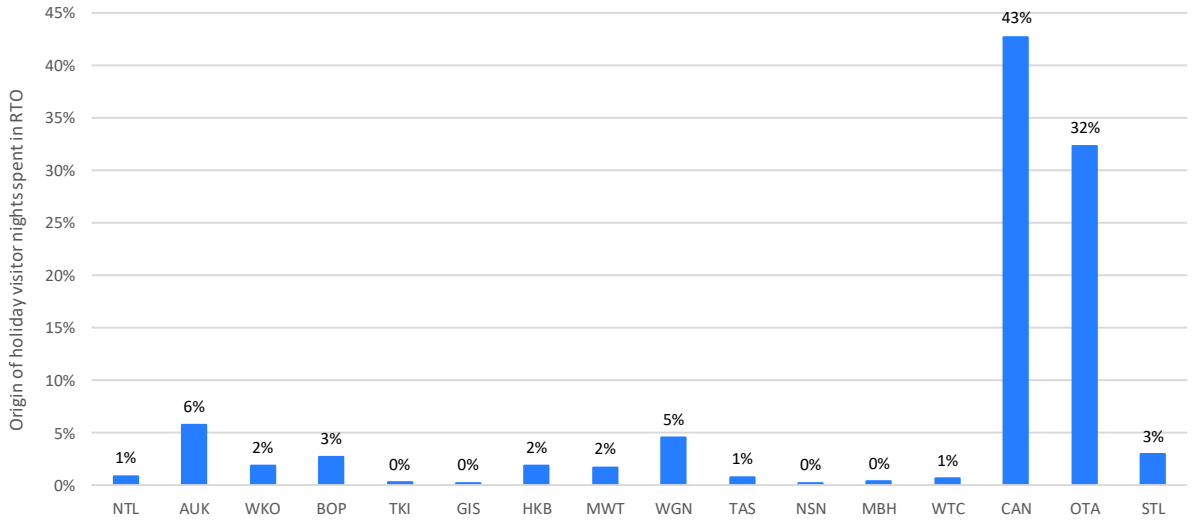
Waitaki RTO is slightly more seasonal than average for domestic holiday demand. It is ranked 16th out of 30 based on the variance approach, 19th based on the demand gap approach, and 17th based on the busiest 3 months approach.

FIGURE 58 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,018)



Over 40% of domestic holiday visitor nights in Waitaki RTO are generated by residents of the Canterbury region. The next largest source region is Otago at 32% followed by Auckland at 6%.

FIGURE 59 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,018)



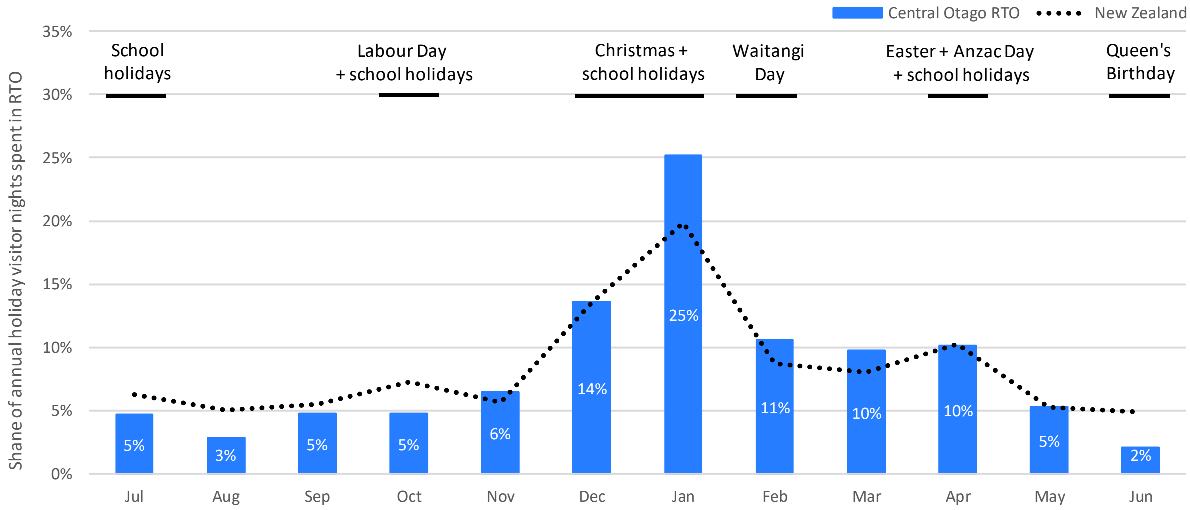
Central Otago RTO

	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.37%	0.18%																														
Demand gap approach	23%	15%																														
Busiest 3 months approach	49%	44%																														

<< Least seasonal — Rank among RTOs — Most seasonal >>

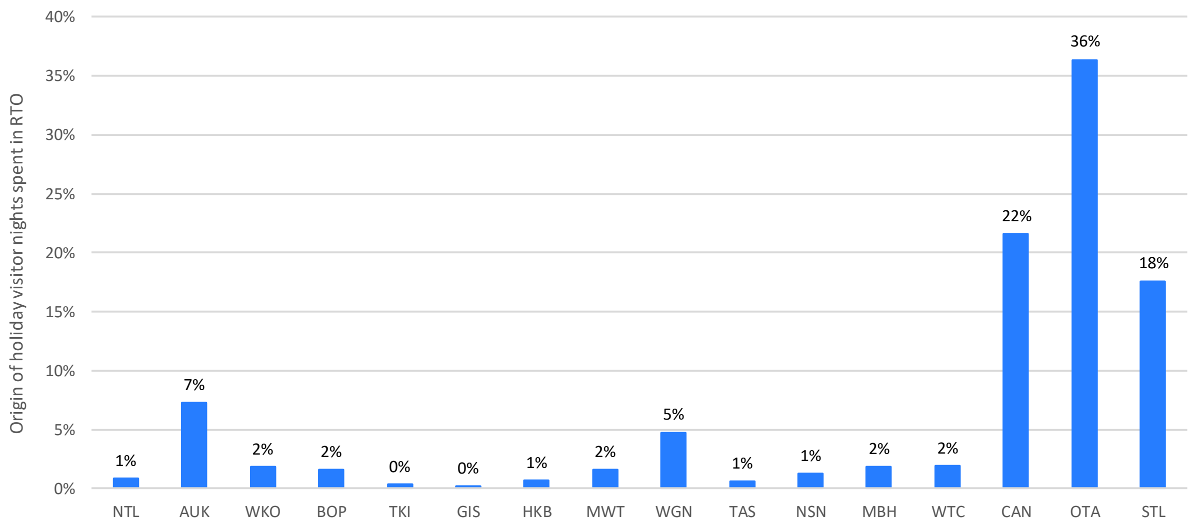
Central Otago RTO is one of the most seasonal destinations in New Zealand for domestic holiday demand. It is ranked 26th out of 30 based on the variance approach, 28th based on the demand gap approach, and 26th based on the busiest 3 months approach.

FIGURE 60 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,150)



Over 35% of domestic holiday visitor nights in Central Otago RTO are generated by residents of the Otago region. The next largest source region is Canterbury at 22% followed by Southland at 18%.

FIGURE 61 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,150)

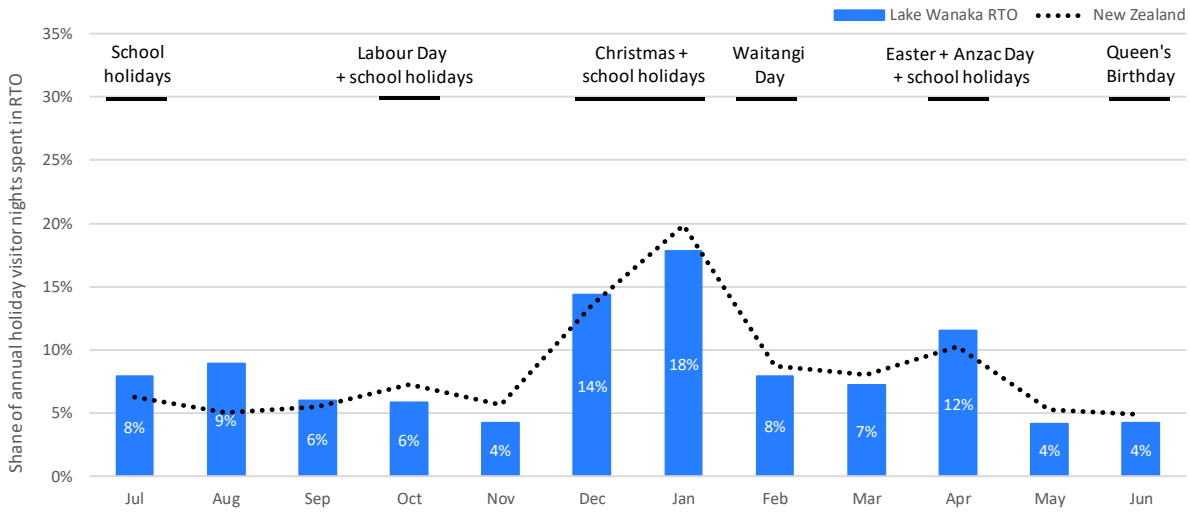


Lake Wanaka RTO

			<< Least seasonal										Rank among RTOs																Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.17%	0.18%													■																	
Demand gap approach	14%	15%											■																			
Busiest 3 months approach	44%	44%															■															

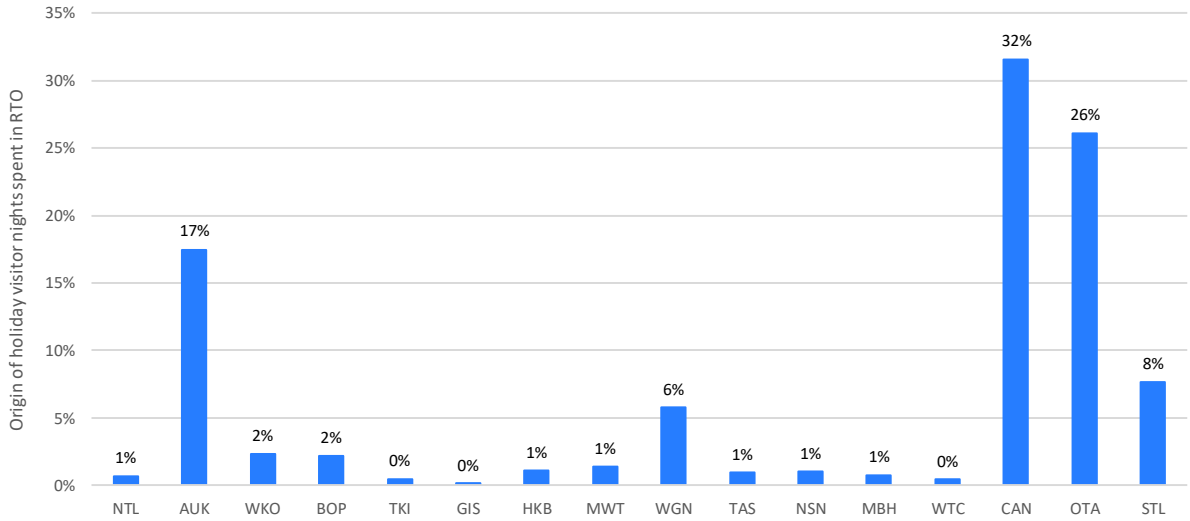
Lake Wanaka RTO is slightly less seasonal than average for domestic holiday demand. It is ranked 13th out of 30 based on the variance approach, 11th based on the demand gap approach, and 15th based on the busiest 3 months approach.

FIGURE 62 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,257)



Almost a third of domestic holiday visitor nights in Lake Wanaka RTO are generated by residents of the Canterbury region. The next largest source region is Otago at 26% followed by Auckland at 17%.

FIGURE 63 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,257)

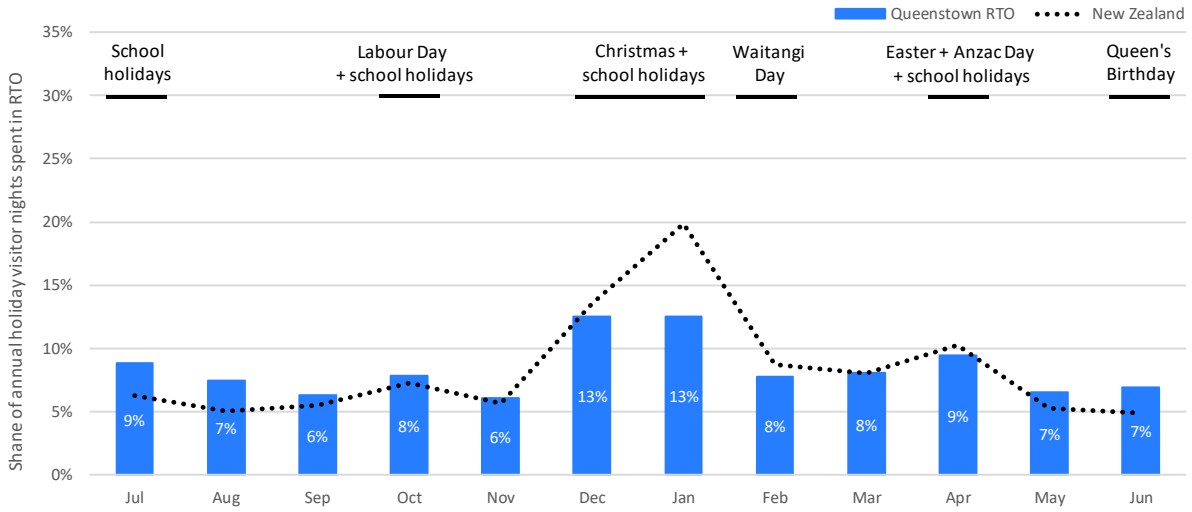


Queenstown RTO

			<< Least seasonal										Rank among RTOs																Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.04%	0.18%																														
Demand gap approach	7%	15%																														
Busiest 3 months approach	34%	44%																														

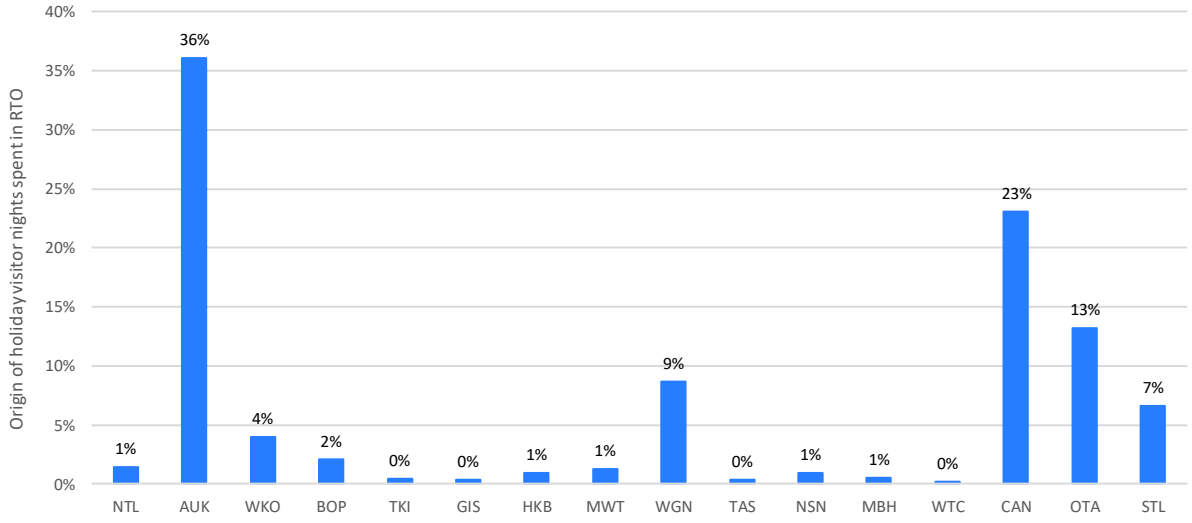
Queenstown RTO is the least seasonal destination in New Zealand for domestic holiday demand across all three measures.

FIGURE 64 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,042)



Over 35% of domestic holiday visitor nights in Queenstown RTO are generated by residents of the Auckland region. The next largest source region is Canterbury at 23% followed by Otago at 13%.

FIGURE 65 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 2,042)

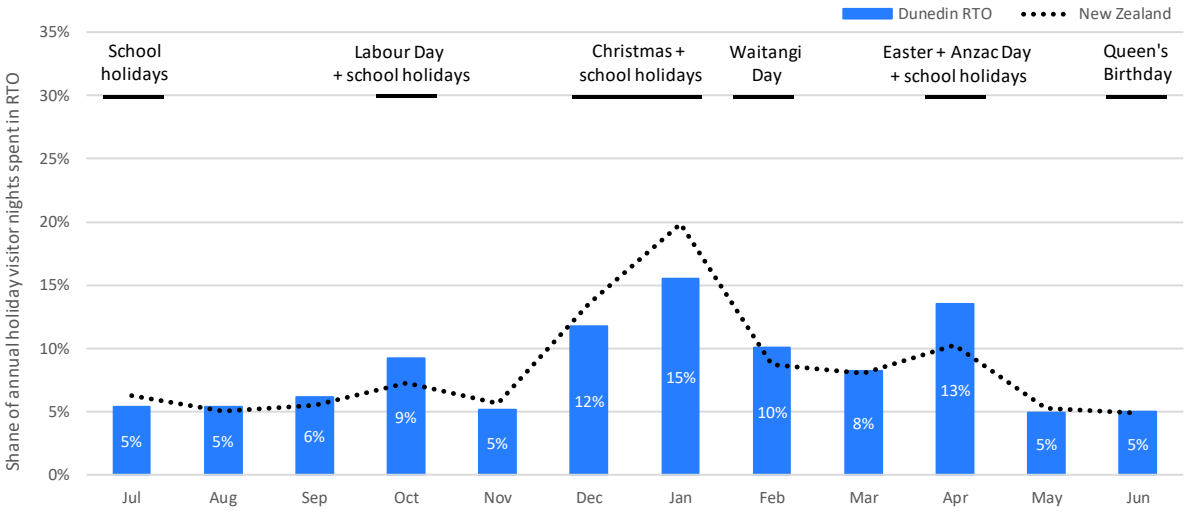


Dunedin RTO

			<< Least seasonal											Rank among RTOs																Most seasonal >>	
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.12%	0.18%								■																						
Demand gap approach	11%	15%					■																									
Busiest 3 months approach	41%	44%									■																					

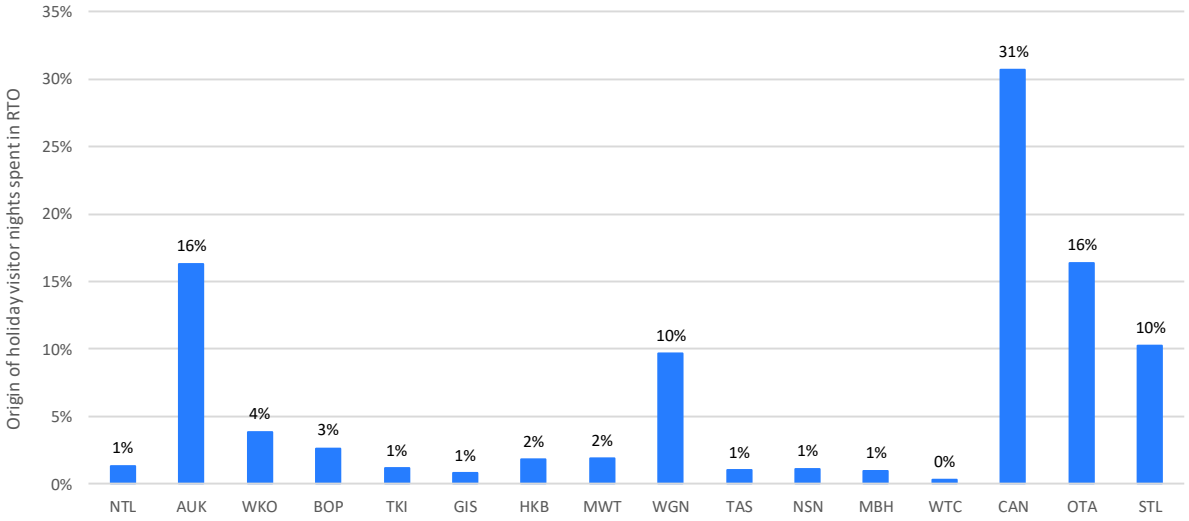
Dunedin RTO is less seasonal than average for domestic holiday demand. It is ranked 8th out of 30 based on the variance approach, 5th based on the demand gap approach, and 9th based on the busiest 3 months approach.

FIGURE 66 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,057)



Over 30% of domestic holiday visitor nights in Dunedin RTO are generated by residents of the Canterbury region. The next largest source region are Otago and Auckland at 16% each.

FIGURE 67 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,057)

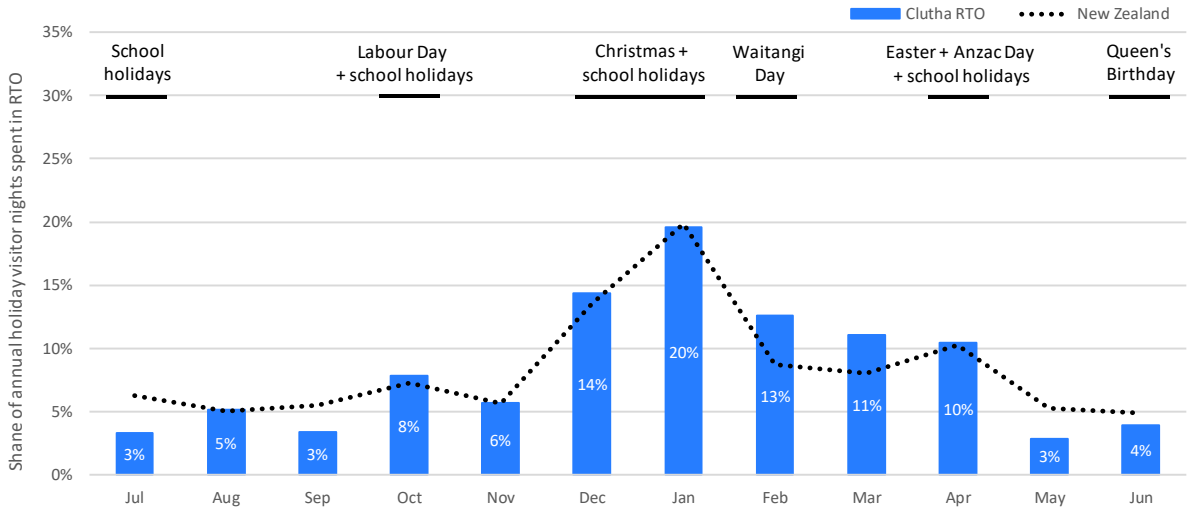


Clutha RTO

			<< Least seasonal									Rank among RTOs																	Most seasonal >>	
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.26%	0.18%																					■									
Demand gap approach	17%	15%																					■									
Busiest 3 months approach	46%	44%																				■										

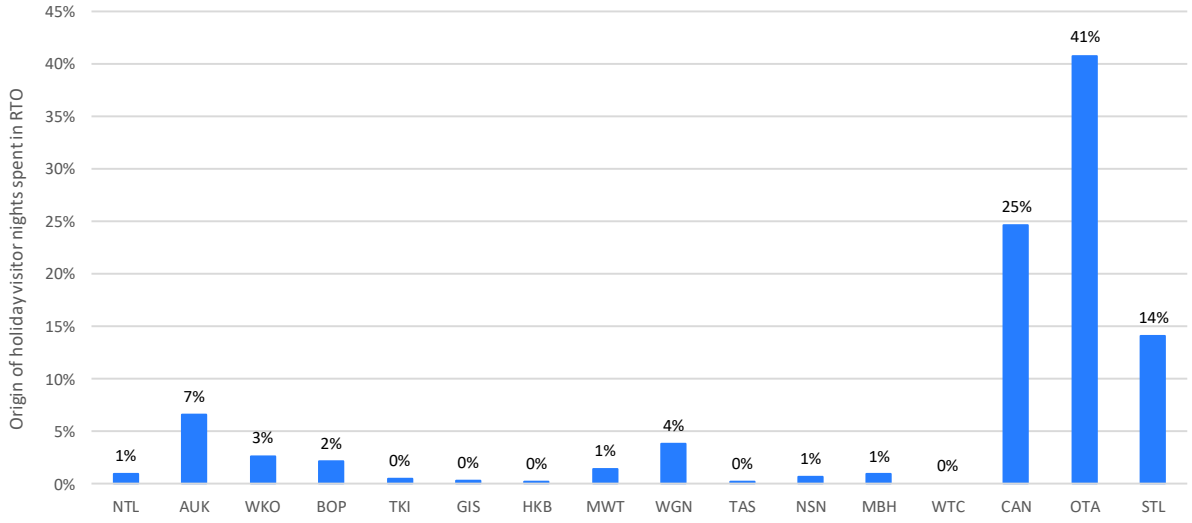
Clutha RTO is more seasonal than average for domestic holiday demand. It is ranked 21st out of 30 based on the variance and demand gap approaches and 20th based on the busiest 3 months approach.

FIGURE 68 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 464)



Over 40% of domestic holiday visitor nights in Clutha RTO are generated by residents of the Otago region. The next largest source region is Canterbury at 25% followed by Southland at 14%.

FIGURE 69 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 464)

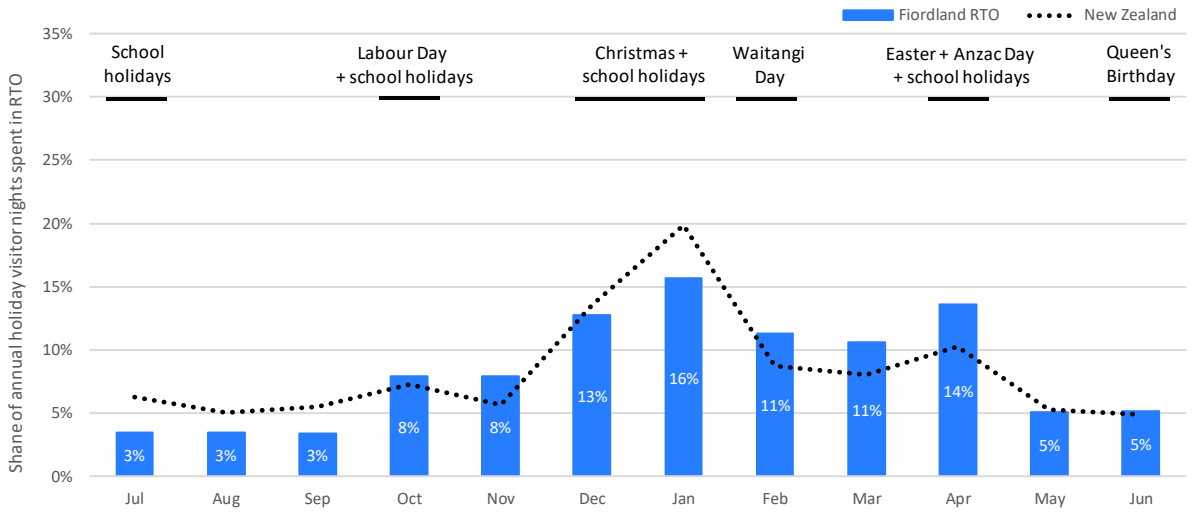


Fiordland RTO

			<< Least seasonal													Rank among RTOs														Most seasonal >>					
	RTO	NZ	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.17%	0.18%														■																
Demand gap approach	12%	15%										■																				
Busiest 3 months approach	42%	44%													■																	

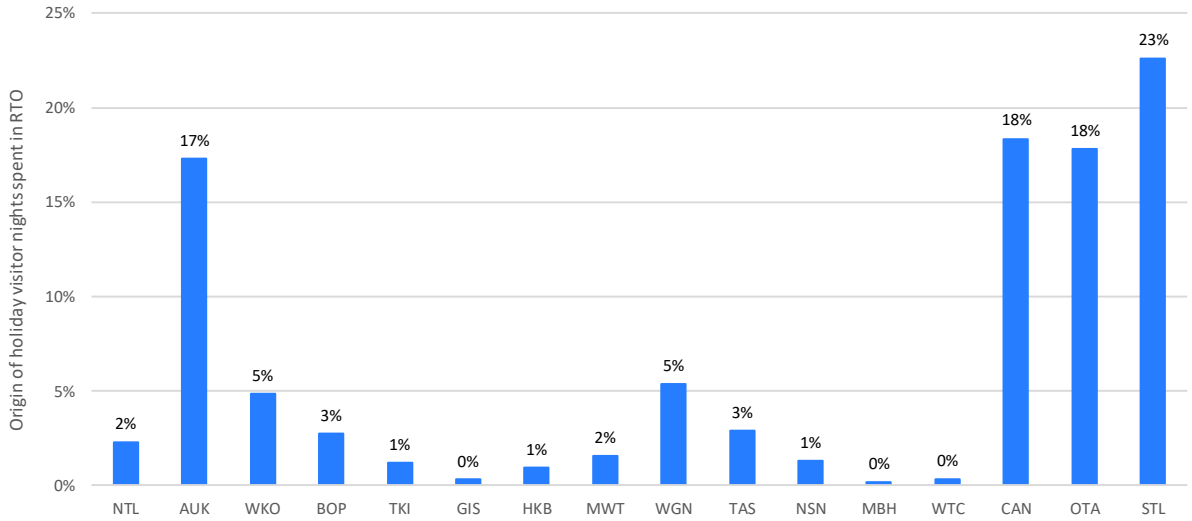
Fiordland RTO is slightly less seasonal than average for domestic holiday demand. It is ranked 14th out of 30 based on the variance approach, 10th based on the demand gap approach, and 13th based on the busiest 3 months approach.

FIGURE 70 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 873)



Over 20% of domestic holiday visitor nights in Fiordland RTO are generated by residents of the Southland region. The next largest source regions are Canterbury and Otago at about 18% each.

FIGURE 71 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 873)

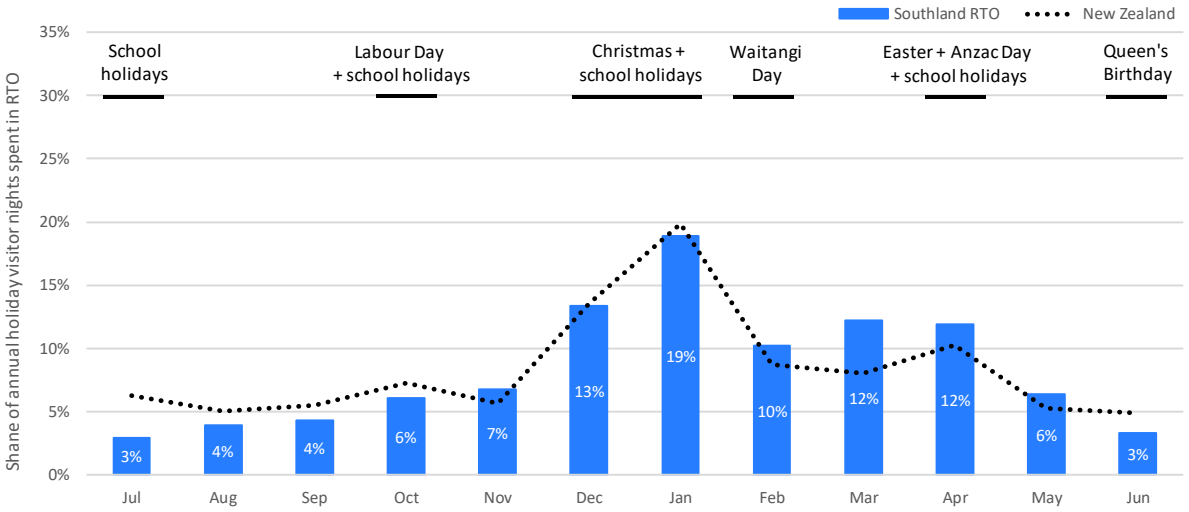


Southland RTO

	RTO	NZ	<< Least seasonal														Rank among RTOs													Most seasonal >>
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Variance approach	0.22%	0.18%																	■													
Demand gap approach	16%	15%																	■													
Busiest 3 months approach	44%	44%																■														

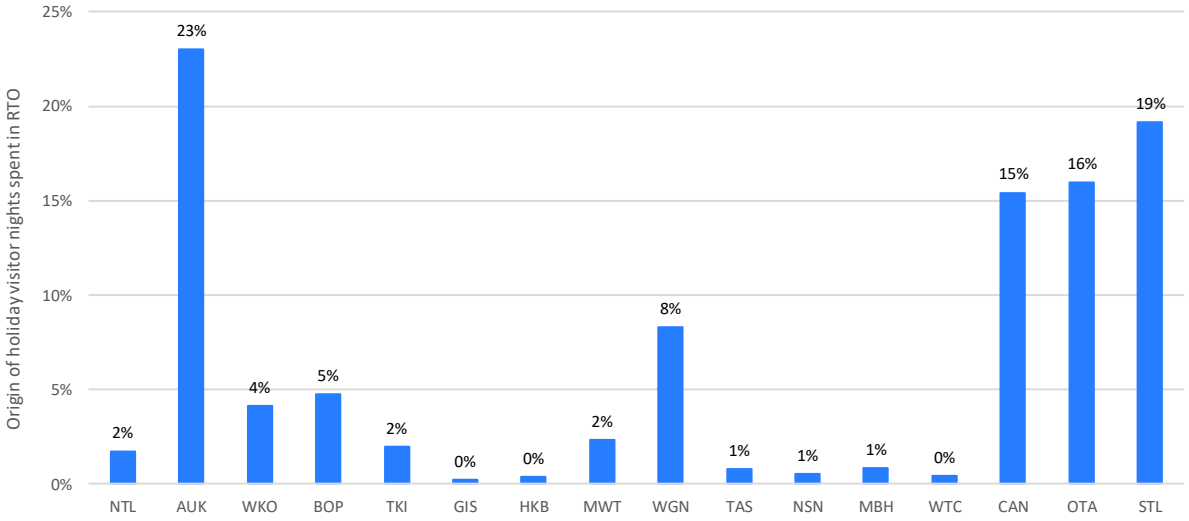
Southland RTO is slightly more seasonal than average for domestic holiday demand. It is ranked 17th out of 30 based on the variance and demand gap approaches and 16th based on the busiest 3 months approach.

FIGURE 72 SHARE OF ANNUAL DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,049)



Over 20% of domestic holiday visitor nights in Southland RTO are generated by residents of the Auckland region. The next largest source region is Southland at 19% followed by Otago at 16%.

FIGURE 73 ORIGIN OF DOMESTIC HOLIDAY VISITOR NIGHTS SPENT IN THE RTO (N = 1,049)



DRIVERS OF DEMAND

The results in this section are based on information provided by 77,000 AA Traveller Monitor respondents. Each survey respondent is asked how strongly they agree with the following statements:

- I would love to travel more within New Zealand than I normally do
- I enjoy visiting new places in New Zealand
- I have plenty of time to travel
- My financial situation limits the amount I can travel
- Overseas trips limit the time and money I have to travel within New Zealand
- I take advantage of deals and offers on travel within New Zealand
- I would describe myself as a luxury traveller
- I like overseas travel more than domestic travel
- There are a lot of events in other parts of New Zealand that I would like to attend

The levels of agreement with these statements are segmented by region, age and gender in the following pages. Level of agreement has also been correlated with the following independent metrics at the regional council level to gain further insight into potential drivers of domestic travel behaviour:

- International New Zealand resident departures per capita (YE Oct 2018)
- Median age (YE Jun 2018)
- Satisfaction with amount of free time (New Zealand General Social Survey, 2012)
- Household average income (2018) from all sources combined (Household Labour Force Survey, 2018)

The table below provides guidance on how to interpret the correlation coefficients.

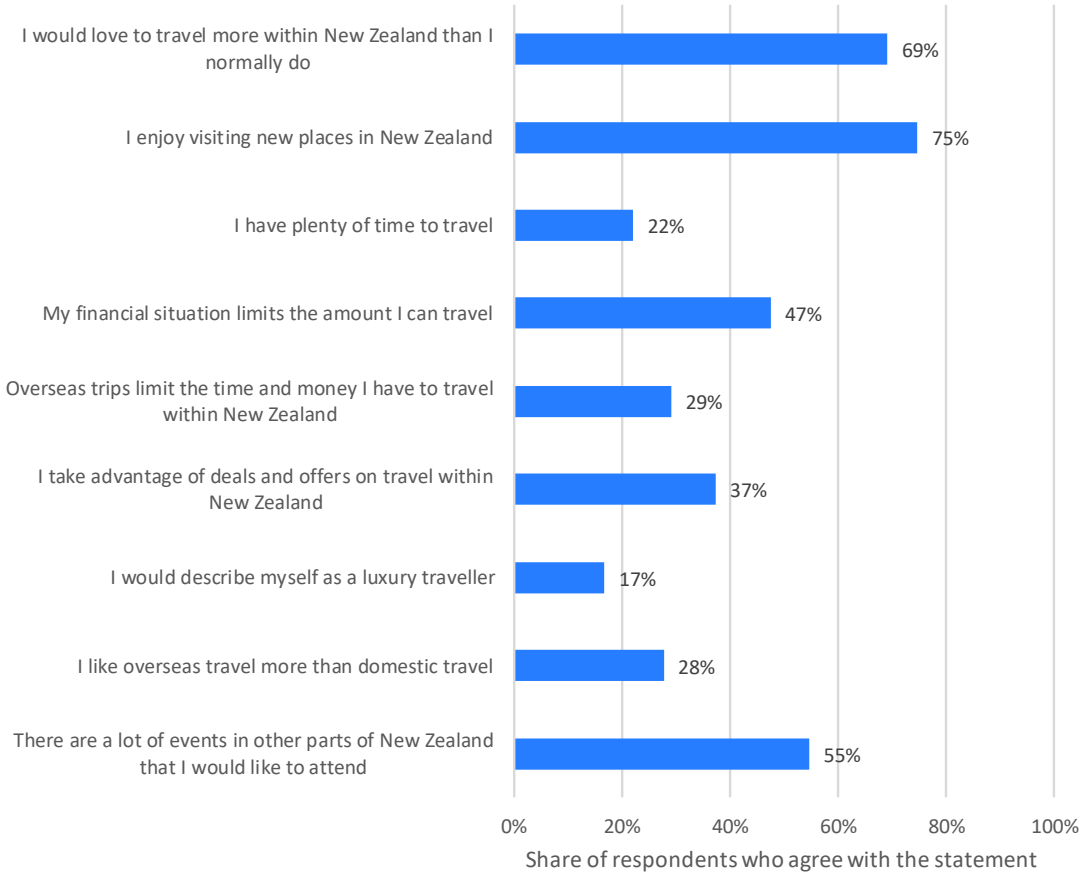
Correlation coefficient	Interpretation
Exactly -1	A perfect downhill (negative) linear relationship
-0.70	A strong downhill (negative) linear relationship
-0.50	A moderate downhill (negative) linear relationship
-0.30	A weak downhill (negative) linear relationship
0	No linear relationship
+0.30	A weak uphill (positive) linear relationship
+0.50	A moderate uphill (positive) linear relationship
+0.70	A strong uphill (positive) linear relationship
Exactly +1	A perfect uphill (positive) linear relationship

The key findings of this analysis are:

- 69% of New Zealand residents would like to travel more within New Zealand than they currently do. This suggests that there may be latent potential in the domestic travel market, although the desire to travel begins to fall beyond 50 years of age.
- Three quarters of New Zealand residents enjoy visiting new places in New Zealand. This suggests that New Zealand residents are adventurous and could be induced to undertake more domestic travel under the right circumstances.
- Only 22% of New Zealand residents think they have plenty of time to travel. This suggests that time constraints are a material impediment to growing domestic leisure travel, especially for residents aged 50 years or less.

- Just under half of New Zealand residents believe that their financial situation limits the amount they can travel. This suggests that financial constraints are a material impediment to growing domestic leisure travel. However, these constraints appear to ease with age.
- 29% of New Zealand residents agree that overseas trips limit the time and money they have to travel within New Zealand. This suggests that overseas travel competes with domestic travel for time and money, particularly for residents aged 40 and below.
- 37% of New Zealand residents take advantage of deals and offers on travel within New Zealand. This is consistent with the finding that around half of New Zealand residents are constrained by their financial situation and suggests that New Zealanders may be responsive to price-driven domestic travel offers. Our analysis suggests that people under 50 years of age are most responsive to price-driven domestic travel offers.
- Only 17% of New Zealand residents would describe themselves as luxury travellers. This is consistent with previous findings about financial constraints and travel deals.
- Only 28% of New Zealand residents like overseas travel more than domestic travel. This suggests that New Zealand residents have a strong appetite for domestic travel and may be responsive to initiatives that seek to stimulate demand, subject to time and financial constraints. The desire for overseas travel declines with age, probably due to the positive correlation between age and travel experience.
- 55% of New Zealand residents agree that there are a lot of events in other parts of New Zealand that they would like to attend. This suggests that events might be a good way to stimulate the domestic travel market, particularly outside peak tourism periods. It appears that all age cohorts would be responsive to this stimulus.

FIGURE 74 SUMMARY OF NATIONAL TRAVEL PREFERENCES (N = 76,500+)



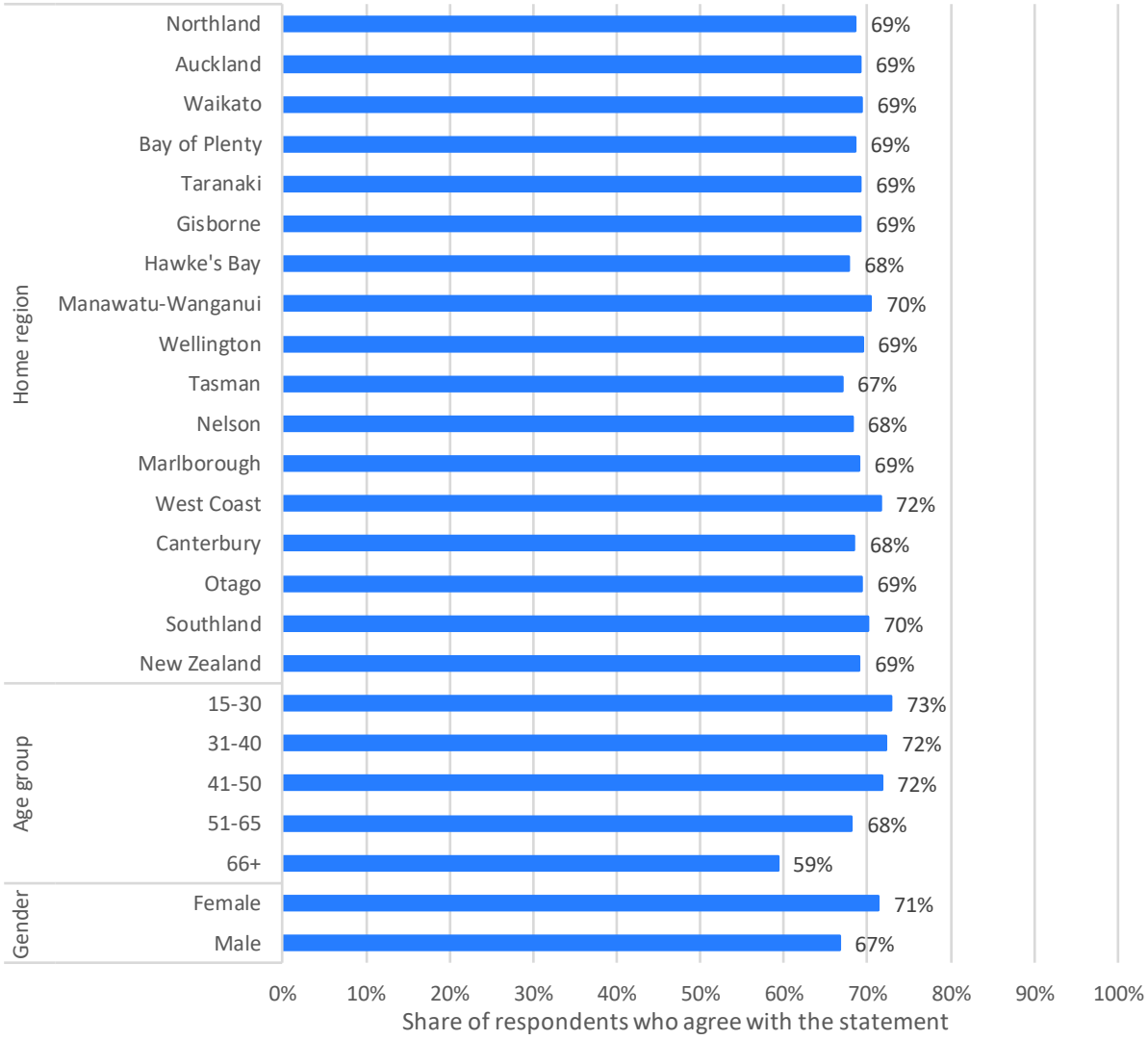
I would love to travel more within New Zealand than I normally do

69% of New Zealand residents would like to travel more within New Zealand than they currently do.

- This percentage is reasonably consistent across regions, varying between 67% for Tasman residents and 72% for West Coast residents.
- The desire to travel more is relatively consistent across people aged 50 or less but falls thereafter.
- 71% female respondents agree with this statement compared with 67% of male respondents.

This suggests that there may be latent potential in the domestic travel market, particularly for residents aged 65 years or less.

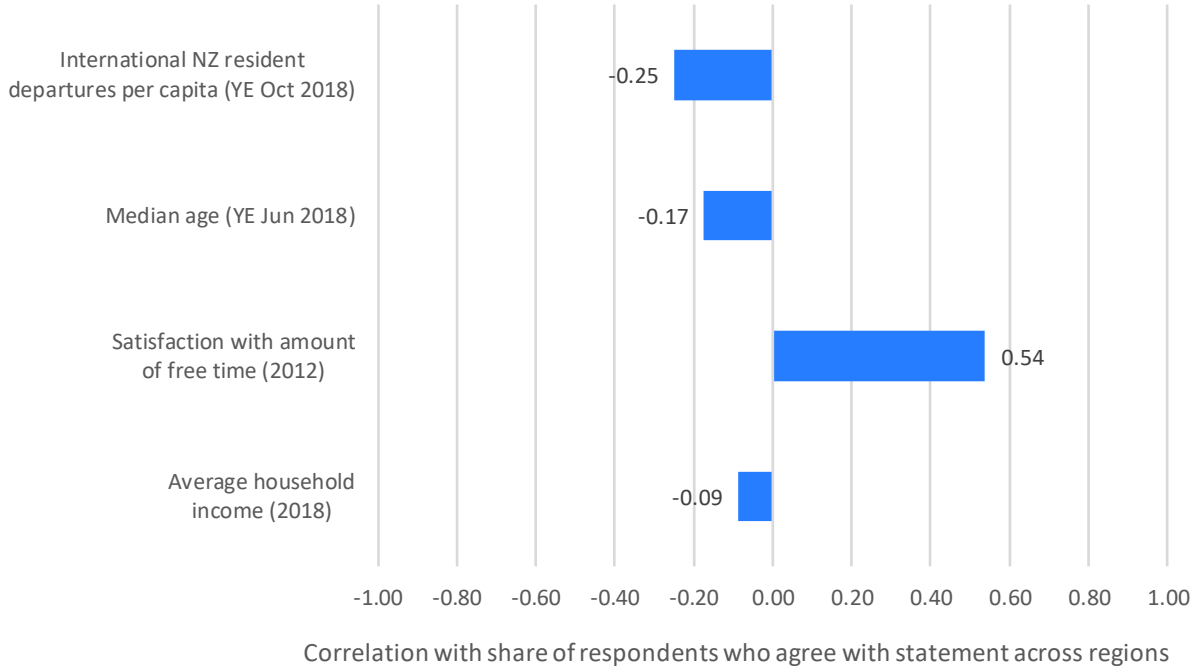
FIGURE 75 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I WOULD LOVE TO TRAVEL MORE WITHIN NEW ZEALAND THAN I NORMALLY DO" (N = 76,850)



Correlating the regional share of respondents who agree with the statement “I would love to travel more within New Zealand than I usually do” with independent regional metrics yields the following results:

- International NZ resident departures per capita, median age, and average household income all have weak negative correlations with the share of respondents who agree with this statement.
- Residents of regions who agree with this statement are more likely to be satisfied with the amount of free time they have.

FIGURE 76 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I WOULD LOVE TO TRAVEL MORE WITHIN NEW ZEALAND THAN I NORMALLY DO"



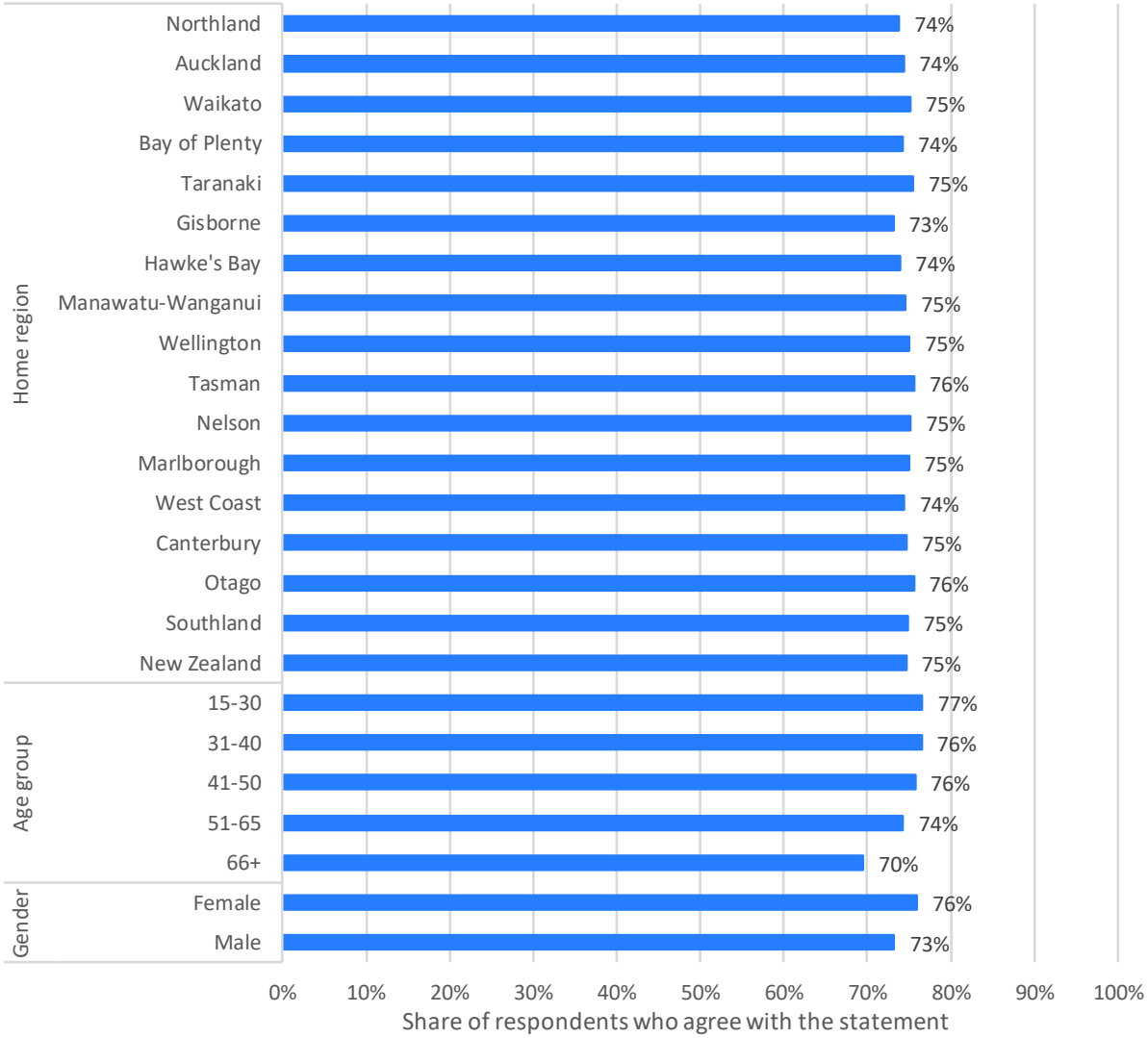
I enjoy visiting new places in New Zealand

Three quarters of New Zealand residents enjoy visiting new places in New Zealand.

- This percentage is very consistent across regions, varying between 73% for Gisborne residents and 76% for Tasman and Otago residents.
- This percentage is also consistent across age groups and ranges from 74% to 77% for age groups less than 65 years, but falls to 70% for 66+ year old respondents.
- 76% female respondents agree with this statement compared with 73% of male respondents.

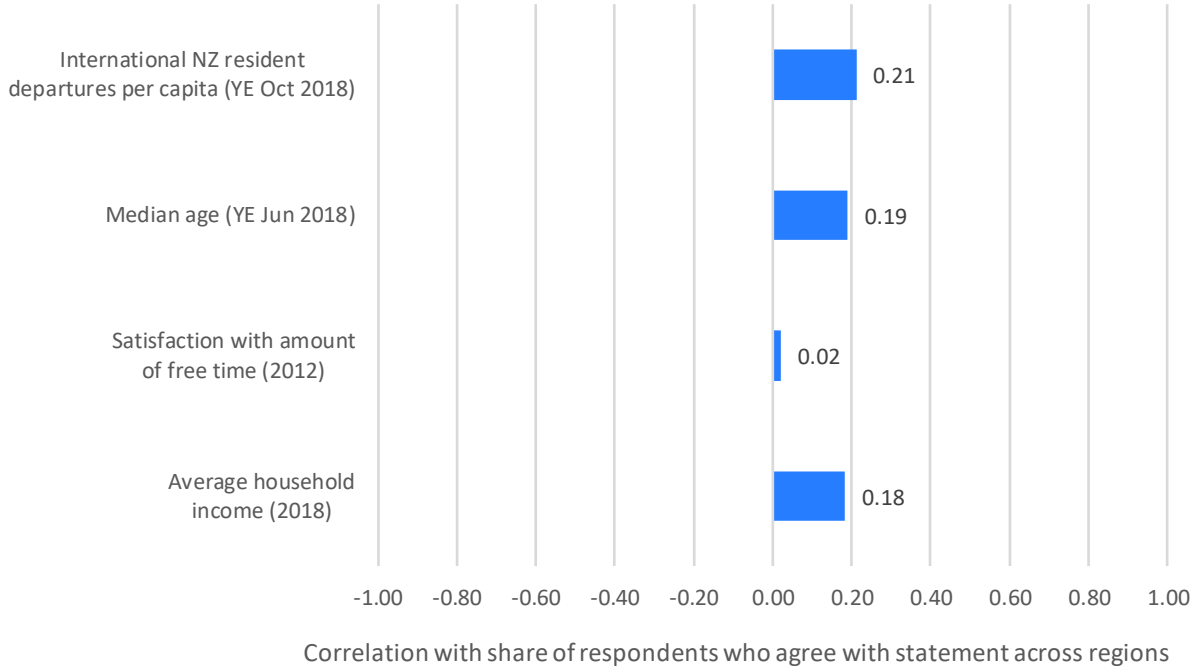
This suggests that New Zealand residents are adventurous and could be induced to undertake more domestic travel under the right circumstances.

FIGURE 77 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I ENJOY VISITING NEW PLACES IN NEW ZEALAND" (N = 76,941)



Correlating the regional share of respondents who agree with the statement “I enjoy visiting new places in New Zealand” with independent regional metrics did not yield any meaningful relationships.

FIGURE 78 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I ENJOY VISITING NEW PLACES IN NEW ZEALAND"



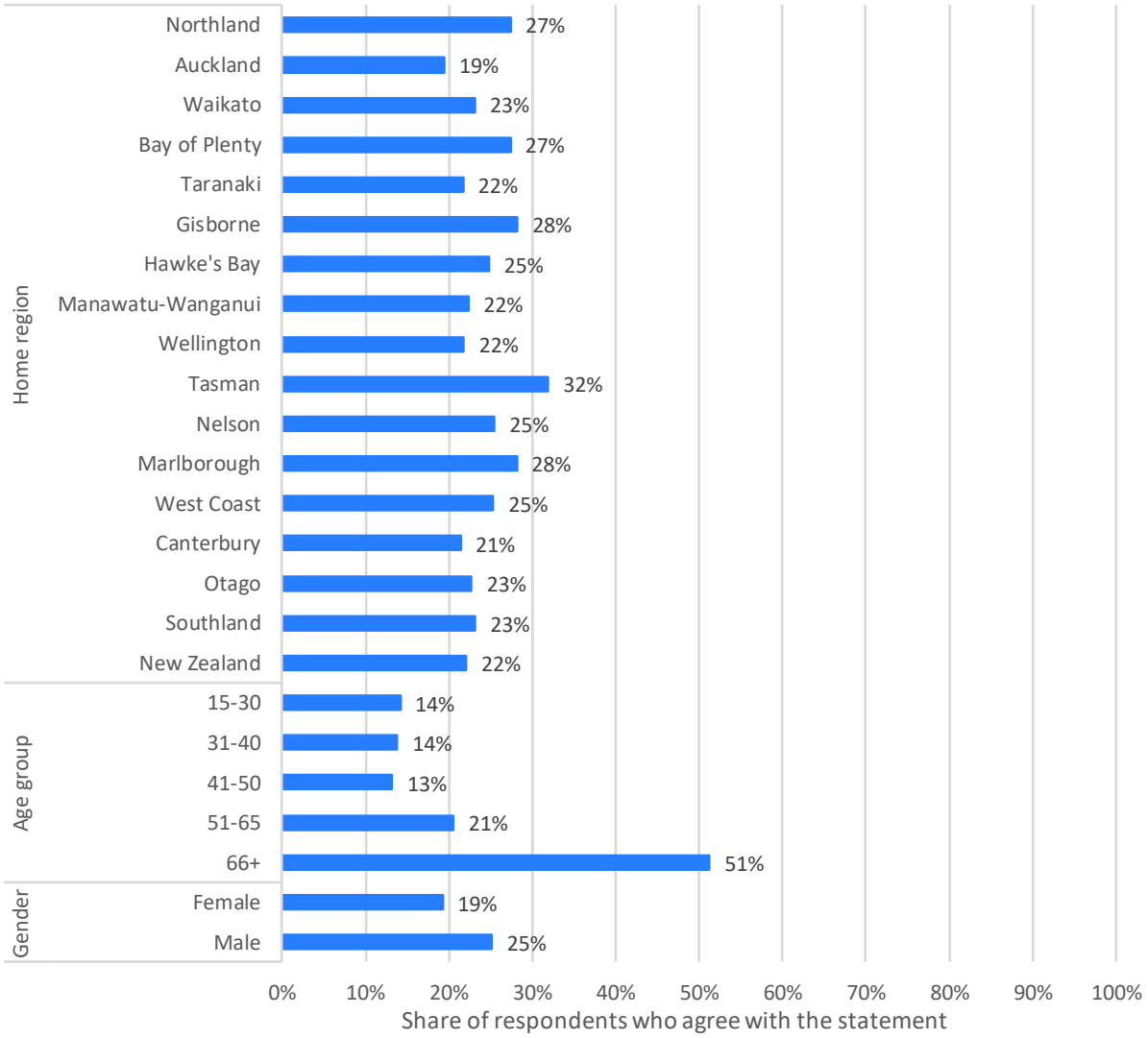
I have plenty of time to travel

Only 22% of New Zealand residents think they have plenty of time to travel.

- This percentage varies between 19% for Auckland residents (the most time constrained) and 32% for Tasman residents (the least time constrained).
- Only 13-14% of respondents aged between 15-50 years agree with this statement, after which the share increases to 21% for respondents aged between 51-65 years and to 51% for respondents aged 66 and above. This points to a stage of life effect where retirees have more spare time.
- 19% of female respondents agree with this statement compared with 25% of male respondents.

This suggests that time constraints are a material impediment to growing domestic leisure travel, especially for residents aged 50 years or less.

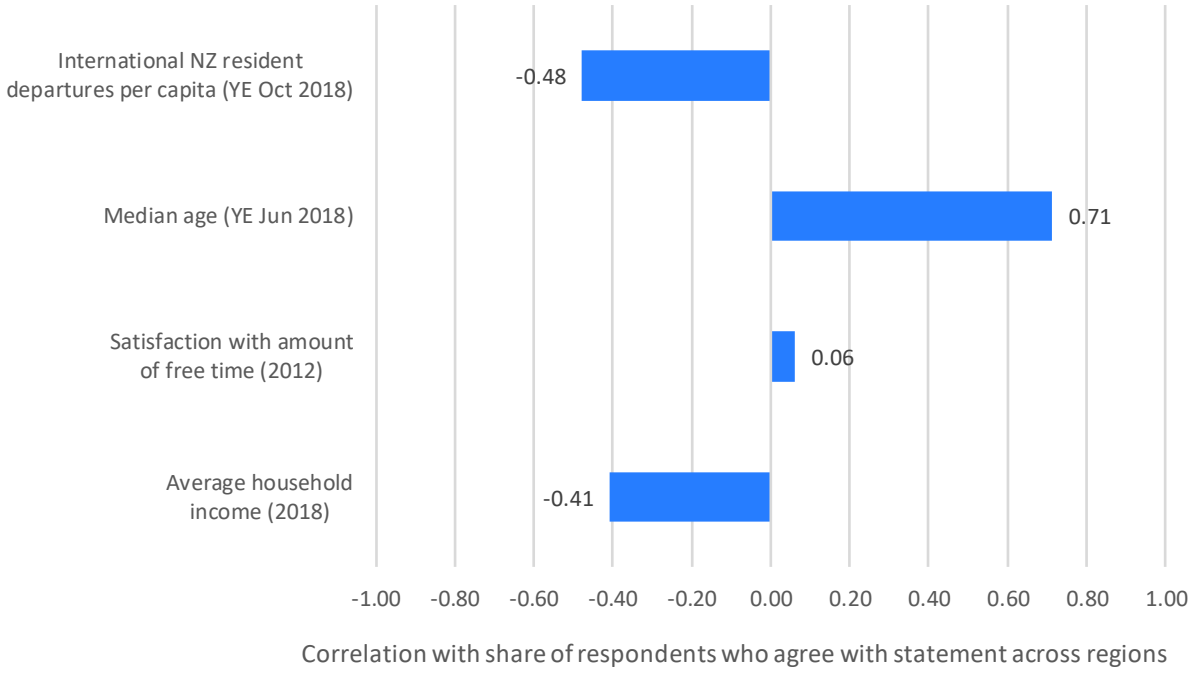
FIGURE 79 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I HAVE PLENTY OF TIME TO TRAVEL" (N = 76,801)



Correlating the regional share of respondents who agree with the statement “I have plenty of time to travel” with independent regional metrics yields the following results:

- Residents of regions with a higher number of international departures per capita are less likely to agree with this statement, which indicates that international travel may compete with domestic travel for time (which is consistent with subsequent analysis below).
- Residents of regions with a higher median age are more likely to agree with this statement, reinforcing the results of the age segmentation above.
- Satisfaction with amount of free time is not meaningfully correlated with the share of respondents who agree with this statement.
- Residents of regions with higher household incomes are less likely to agree with this statement, perhaps suggesting that higher income households spend more time working (and therefore have less time to travel).

FIGURE 80 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I HAVE PLENTY OF TIME TO TRAVEL"



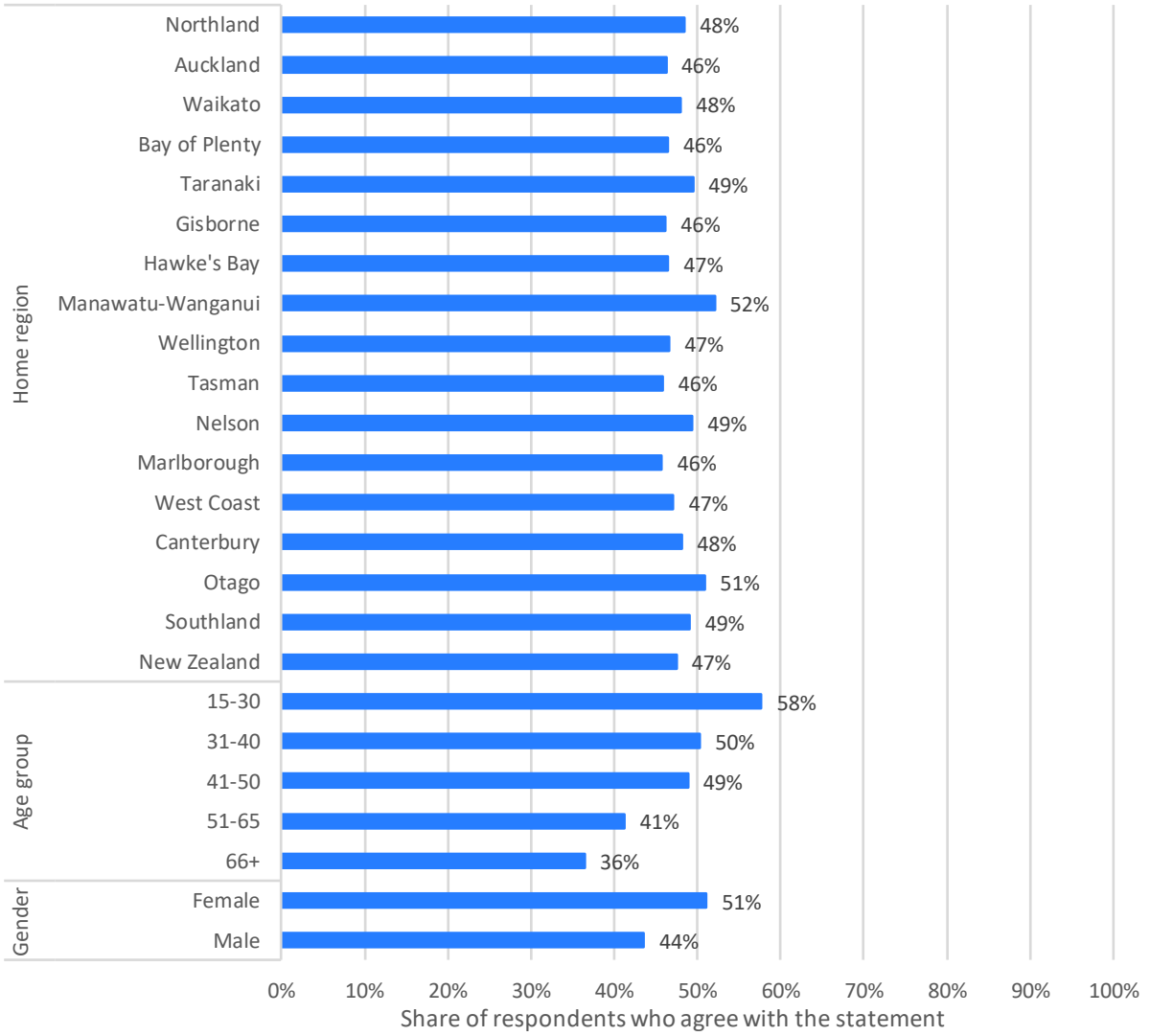
My financial situation limits the amount I can travel

Just under half of New Zealand residents believe that their financial situation limits the amount they can travel.

- This percentage is reasonably consistent across regions, varying between 46% for Marlborough and 52% for Manawatu-Wanganui.
- The share of respondents agreeing with this statement steadily decreases from 58% for respondents aged between 15-30 years to 36% for respondents aged 66 and above.
- 51% of female respondents agree with this statement which is materially higher than the 44% of the male respondents.

This suggests that financial constraints are a material impediment to growing domestic leisure travel, especially for younger age groups. However, these constraints appear to ease with age.

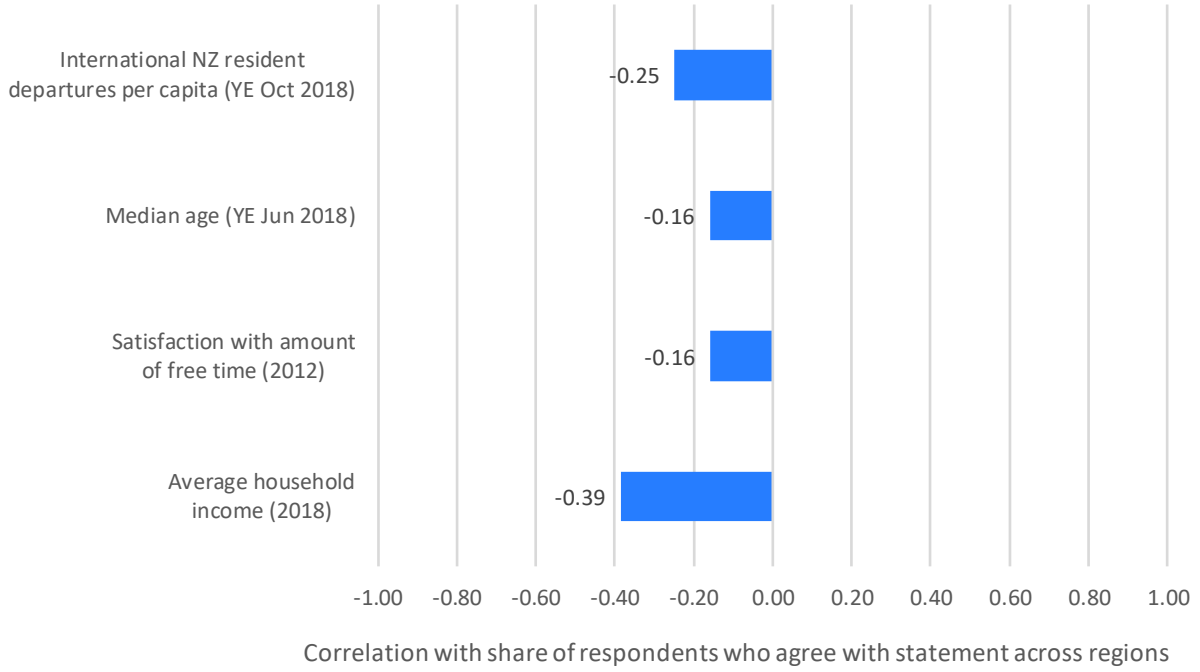
FIGURE 81 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "MY FINANCIAL SITUATION LIMITS THE AMOUNT I CAN TRAVEL" (N = 76,739)



Correlating the regional share of respondents who agree with the statement “My financial situation limits the amount I can travel” with independent regional metrics yields the following results:

- International NZ resident departures per capita, median age, and satisfaction with amount of free time all have weak negative correlations with the share of respondents who agree with this statement.
- Residents of regions with higher household incomes are less likely to agree with this statement, which makes sense.

FIGURE 82 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "MY FINANCIAL SITUATION LIMITS THE AMOUNT I CAN TRAVEL"



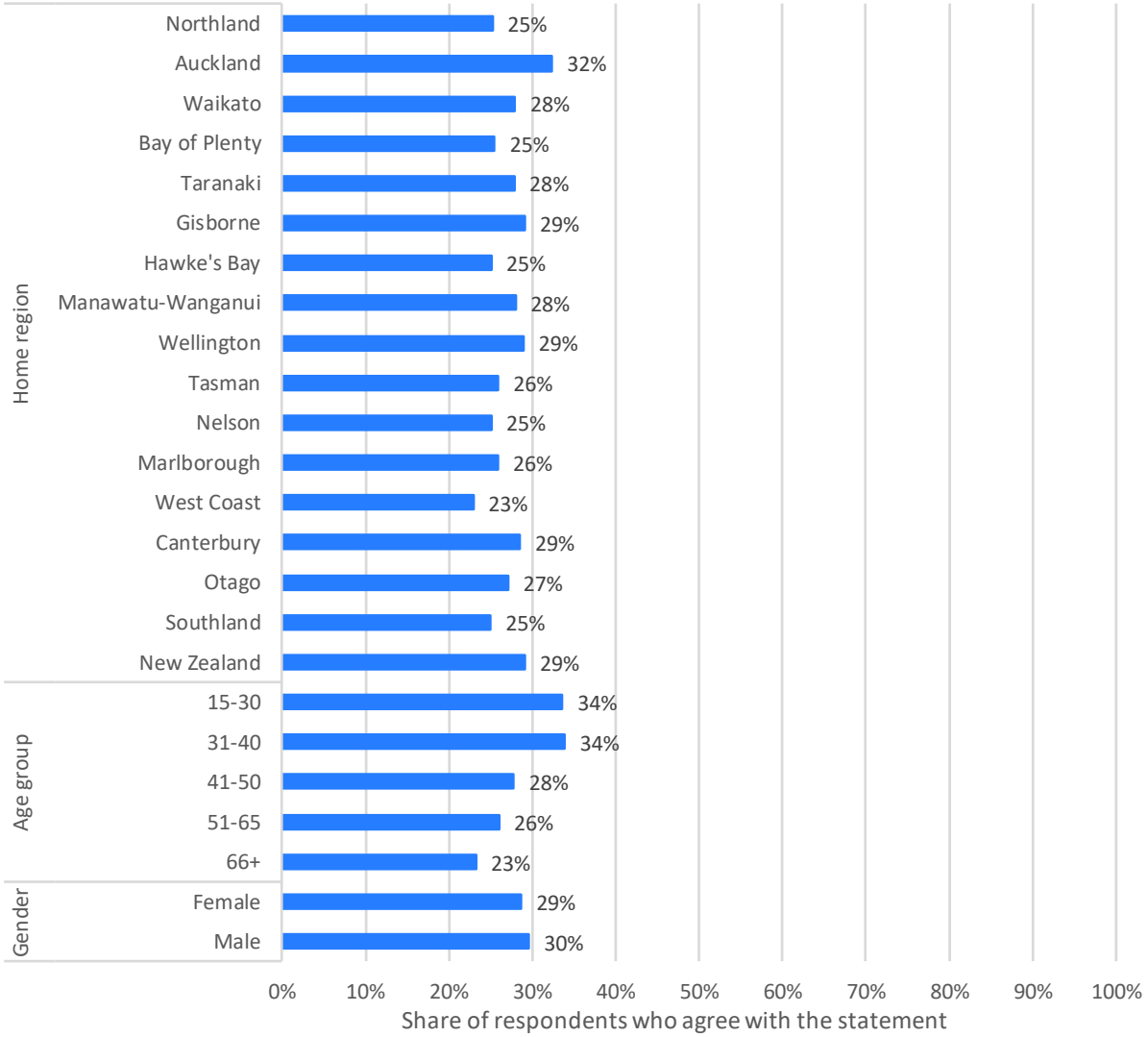
Overseas trips limit the time and money I have to travel within New Zealand

29% of New Zealand residents agree that overseas trips limit the time and money they have to travel within New Zealand.

- This percentage varies between 23% for West Coast residents and 32% for Auckland residents.
- 34% of respondents aged 40 and below agree with this statement. This share steadily decreases with age to 23% for respondents aged 66 and over.
- There is no significant difference across gender in the share of respondents who agree with this statement.

This suggests that overseas travel competes with domestic travel for time and money, particularly for residents aged 40 and below.

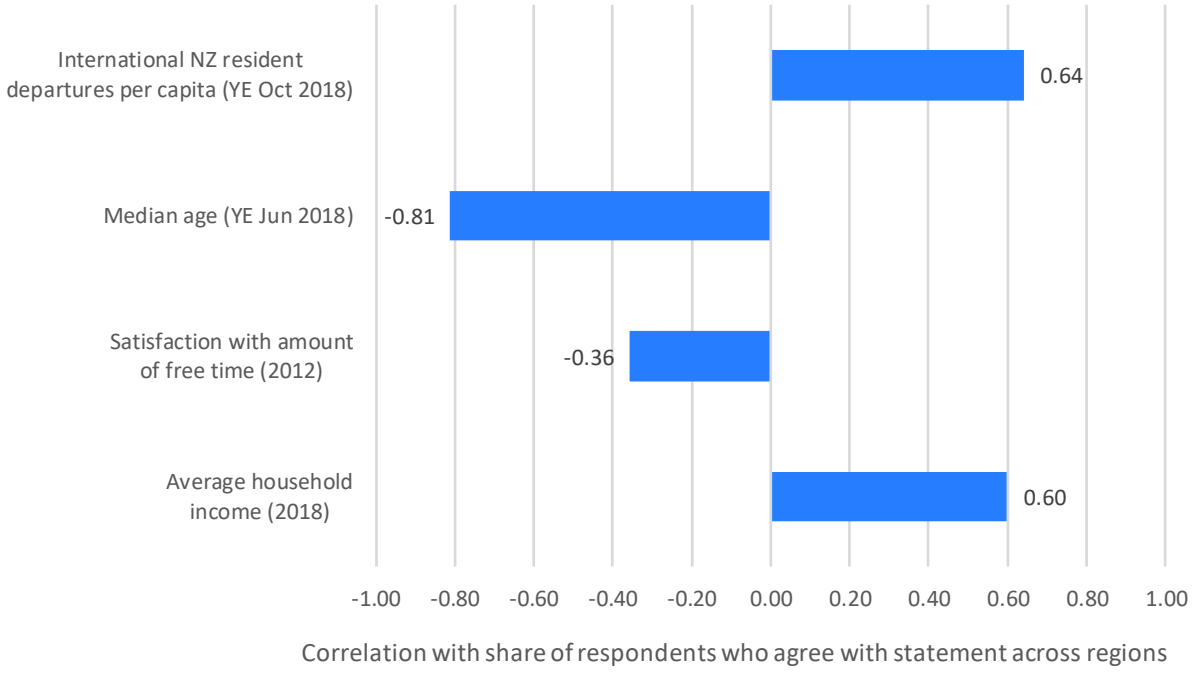
FIGURE 83 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "OVERSEAS TRIPS LIMIT THE TIME AND MONEY I HAVE TO TRAVEL WITHIN NEW ZEALAND" (N = 76,561)



Correlating the regional share of respondents who agree with the statement “Overseas trips limit the time and money I have to travel within New Zealand” with independent regional metrics yields the following results:

- Residents of regions with a higher number of international departures per capita are more likely to agree with this statement.
- Residents of regions with a higher median age are less likely to agree with this statement, which shows that youth and international travel are highly correlated.
- Satisfaction with amount of free time has a weak negative correlation with the share of respondents who agree with this statement.
- Residents of regions with higher household incomes are more likely to agree with this statement.

FIGURE 84 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "OVERSEAS TRIPS LIMIT THE TIME AND MONEY I HAVE TO TRAVEL WITHIN NEW ZEALAND"



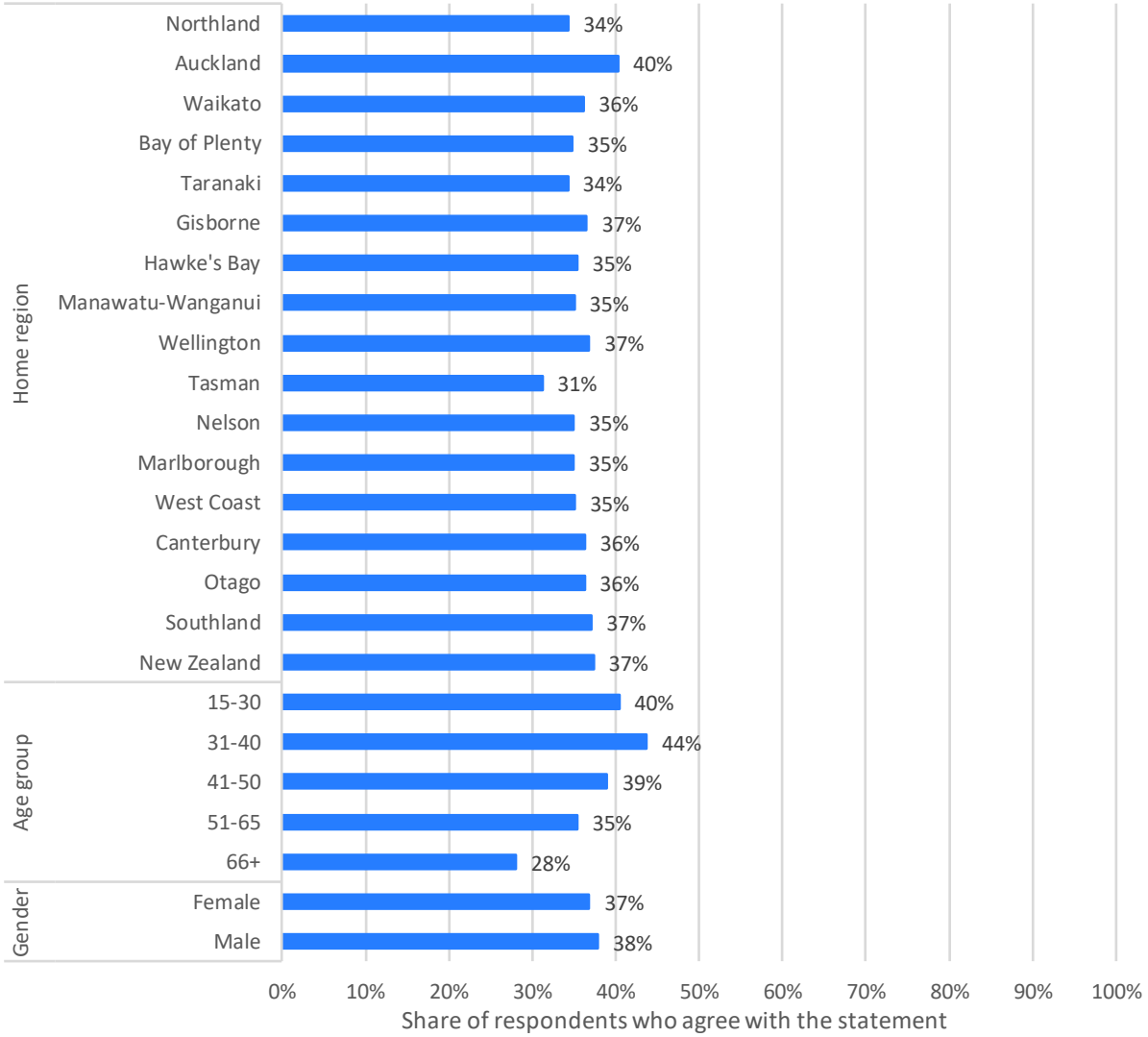
I take advantage of deals and offers on travel within New Zealand

37% of New Zealand residents take advantage of deals and offers on travel within New Zealand.

- This percentage varies between 31% for Tasman residents and 40% for Auckland residents.
- This percentage steadily decreases from a maximum of 44% for respondents aged between 31-40 to 28% for respondents aged more than 65.
- This percentage remains close to the national average of 37% for both males and female respondents.

This is consistent with the finding that around half of New Zealand residents are constrained by their financial situation and suggests that people under 50 years of age are most responsive to price-driven domestic travel offers.

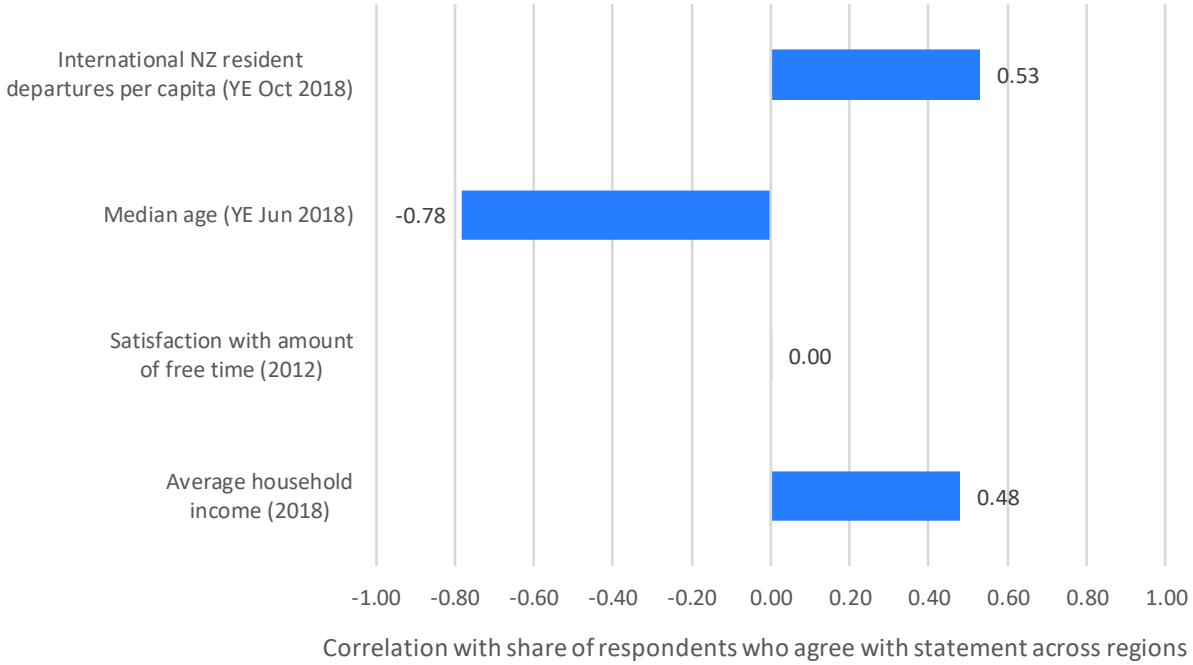
FIGURE 85 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I TAKE ADVANTAGE OF DEALS AND OFFERS ON TRAVEL WITHIN NEW ZEALAND" (N = 76,583)



Correlating the regional share of respondents who agree with the statement “I take advantage of deals and offers on travel within New Zealand” with independent regional metrics yields the following results:

- Residents of regions with a higher number of international departures per capita are more likely to agree with this statement.
- Residents of regions with a higher median age are less likely to agree with this statement which indicates that younger people are more responsive to deals.
- Satisfaction with amount of free time is completely uncorrelated with the share of respondents who agree with this statement.
- Residents of regions with higher household incomes are more likely to agree with this statement which suggests that wealthier households are more likely to take advantage of travel deals and offers.

FIGURE 86 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I TAKE ADVANTAGE OF DEALS AND OFFERS ON TRAVEL WITHIN NEW ZEALAND"



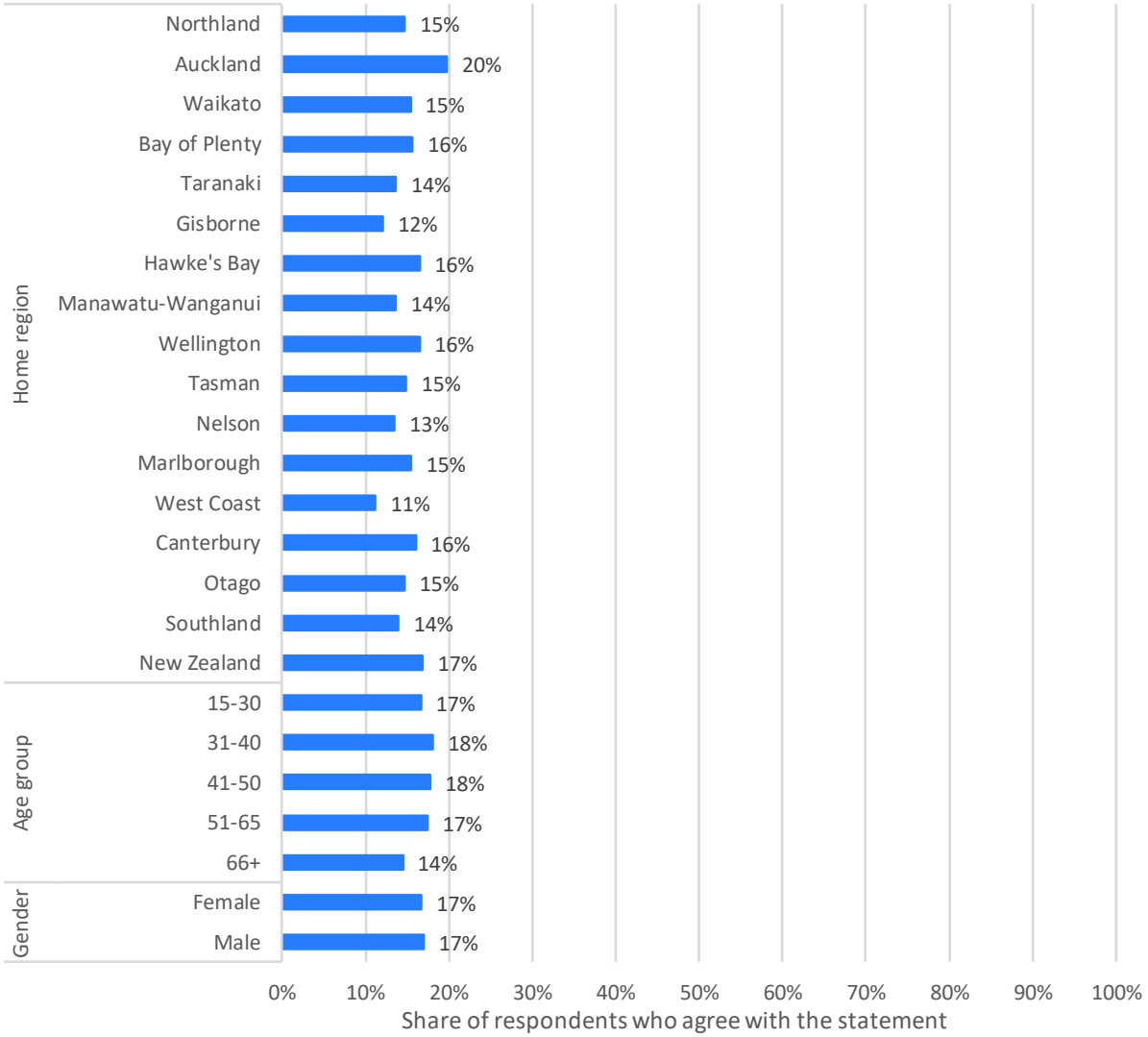
I would describe myself as a luxury traveller

Only 17% of New Zealand residents would describe themselves as luxury travellers.

- These percentages range between 11% for West Coast residents and 20% for Auckland residents.
- This percentage ranges from 18% for respondents aged between 31-50 years and 14% for respondents aged 66 and over.
- 17% of both female and male respondents agree with this statement.

The relatively low percentages of luxury travellers across region, age and gender are consistent with previous findings about financial constraints and travel deals.

FIGURE 87 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I WOULD DESCRIBE MYSELF AS A LUXURY TRAVELLER" (N = 76,711)

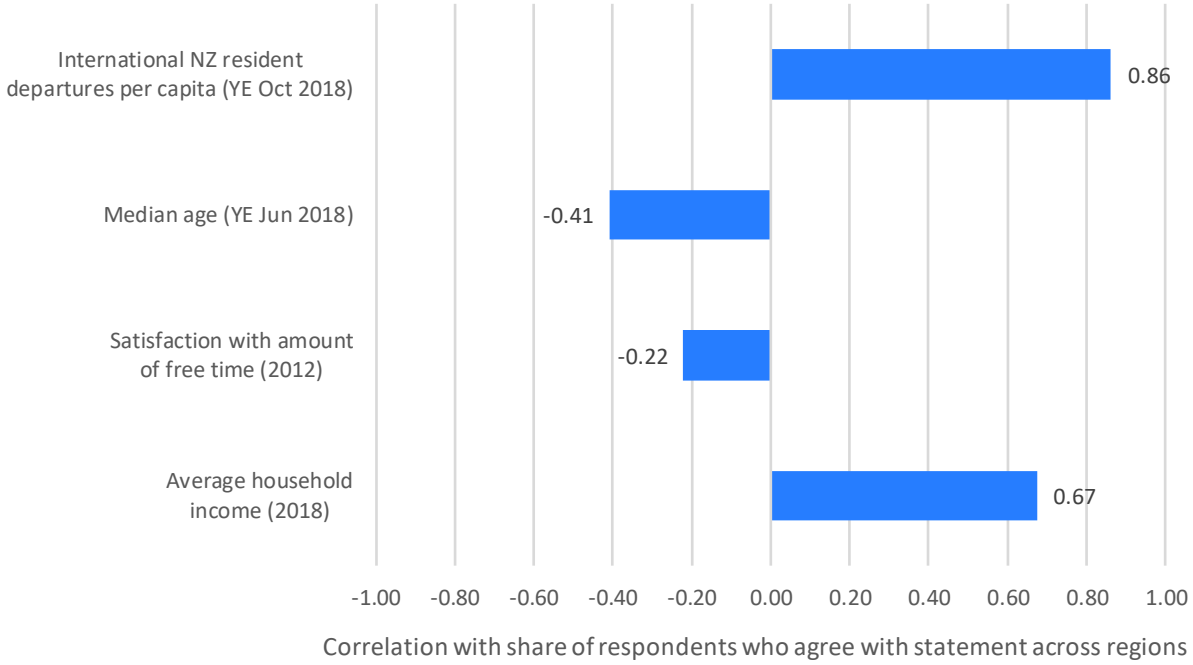


Correlating the regional share of respondents who agree with the statement “I would describe myself as a luxury traveller” with independent regional metrics yields the following results:

- Residents of regions with a higher number of international departures per capita are more likely to describe themselves as luxury travellers.
- Residents of regions with a higher median age are less likely to agree with this statement.
- Satisfaction with amount of free time is not meaningfully correlated with the share of respondents who agree with this statement.
- Residents of regions with a higher household income are more likely to agree with this statement.

The high correlation with international departures per capita and household income across regions suggests that international travel may be viewed as a luxury alternative to domestic travel.

FIGURE 88 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I WOULD DESCRIBE MYSELF AS A LUXURY TRAVELLER"



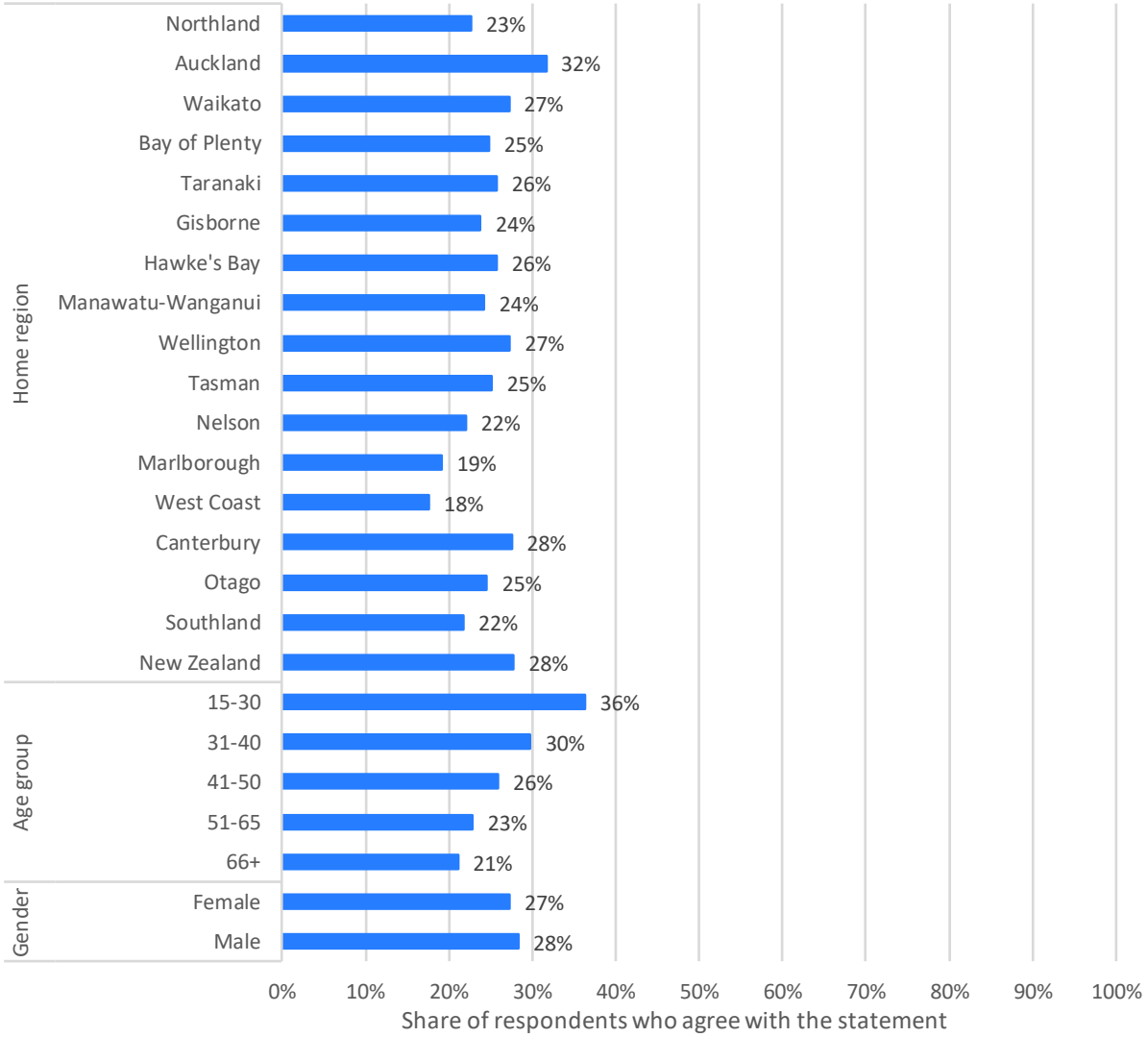
I like overseas travel more than domestic travel

Only 28% of New Zealand residents like overseas travel more than domestic travel.

- These percentages range between 18% for West Coast residents and 32% for Auckland residents.
- This percentage steadily decreases from 36% for respondents aged between 15-30 to 21% for respondents aged 66 and above.
- This percentage remains close to the national average of 28% for both males and female respondents.

This suggests that New Zealand residents have a strong appetite for domestic travel and may be responsive to initiatives that seek to stimulate demand, subject to time and financial constraints. The desire for overseas travel declines with age, probably due to the positive correlation between age and travel experience.

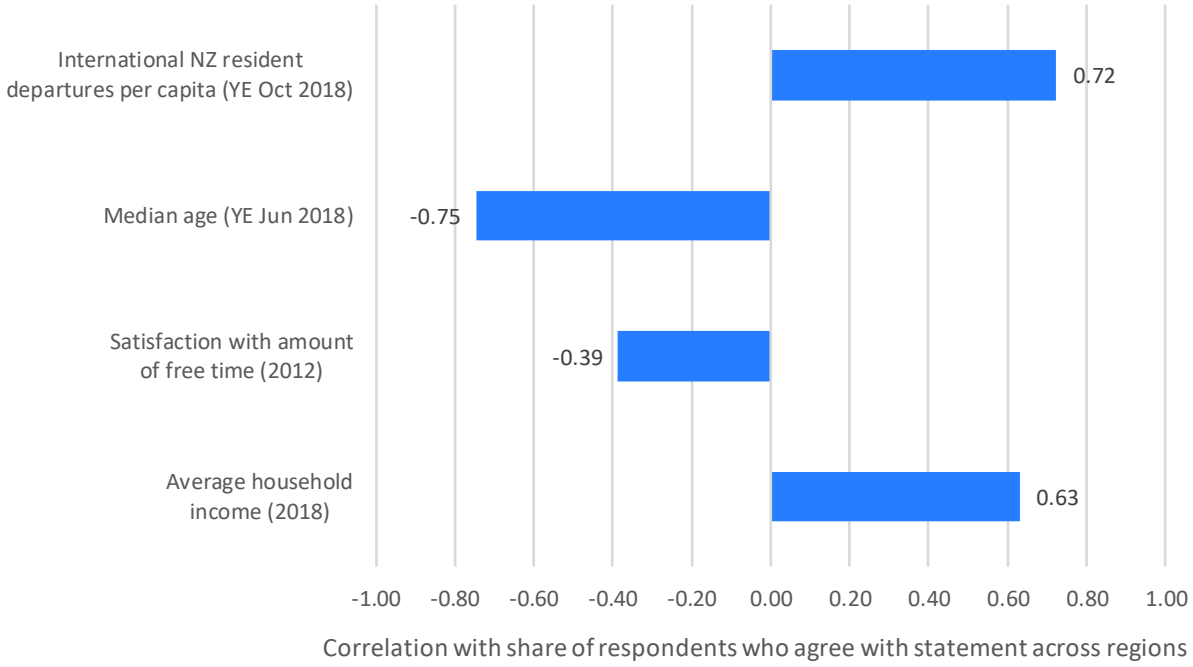
FIGURE 89 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I LIKE OVERSEAS TRAVEL MORE THAN DOMESTIC TRAVEL" (N = 76,544)



Correlating the regional share of respondents who agree with the statement “I like overseas travel more than domestic travel” with independent regional metrics yields the following results:

- Residents of regions with a higher number of international departures per capita are more likely to agree with this statement, which makes sense.
- Residents of regions with a lower median age are less likely to agree with this statement, which is consistent with the findings of the age group segmentation.
- Satisfaction with amount of free time is negatively correlated with the share of respondents who agree with this statement.
- Residents of regions with higher household incomes are more likely to agree with this statement.

FIGURE 90 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "I LIKE OVERSEAS TRAVEL MORE THAN DOMESTIC TRAVEL"



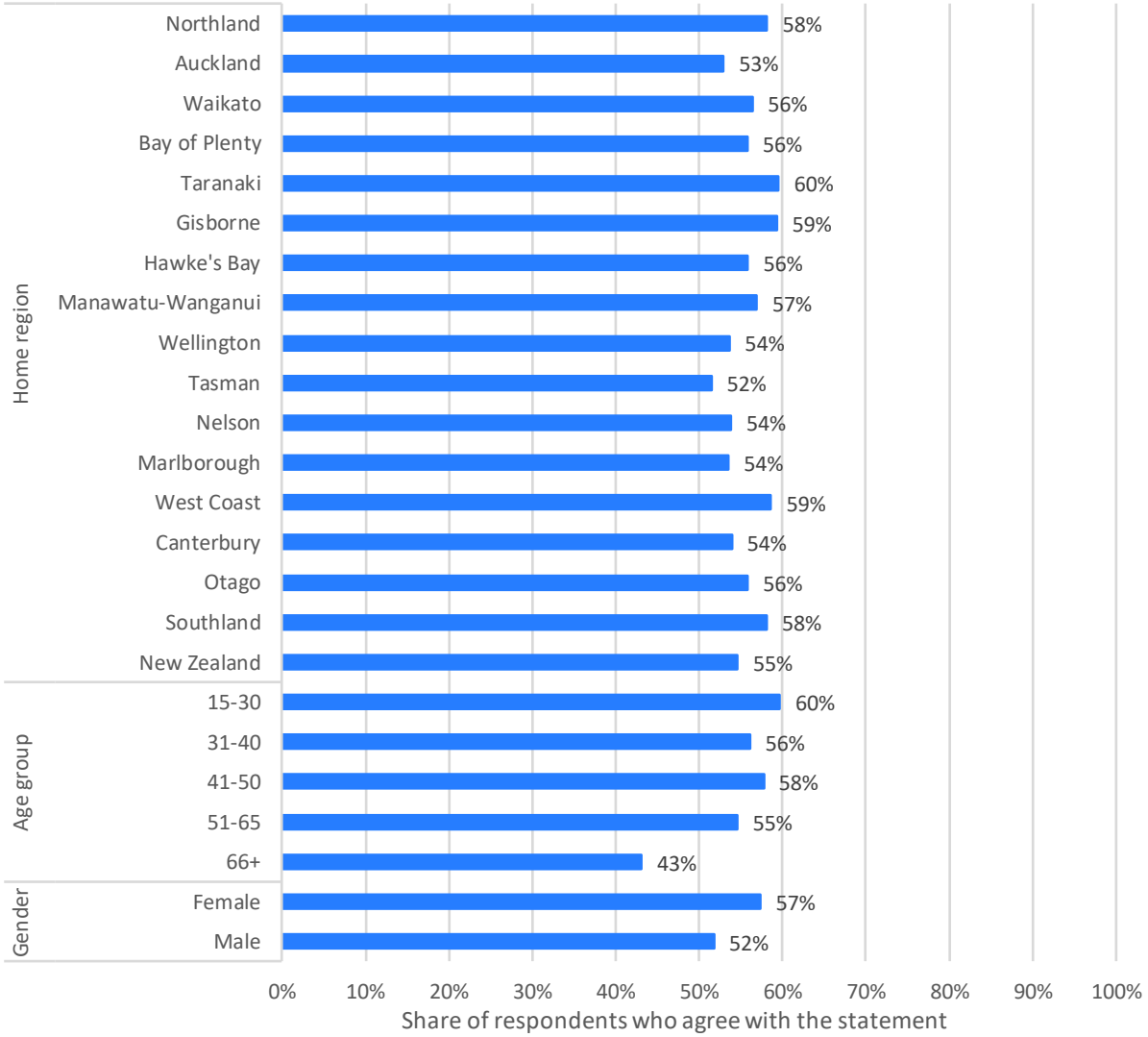
There are a lot of events in other parts of New Zealand that I would like to attend

55% of New Zealand residents agree that there are a lot of events in other parts of New Zealand that they would like to attend.

- This percentage varies between 52% for Tasman residents and 60% for Taranaki residents.
- This percentage ranges from 60% for respondents aged between 15-30 to 43% for respondents aged 66 and above.
- 57% of female respondents agree with this statement compared with 52% of male respondents.

This suggests that events might be a good way to stimulate the domestic travel market, particularly outside peak tourism periods. It appears that all age cohorts would be responsive to this stimulus.

FIGURE 91 SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "THERE ARE A LOT OF EVENTS IN OTHER PARTS OF NEW ZEALAND THAT I WOULD LIKE TO ATTEND" (N = 76,669)



Correlating the regional share of respondents who agree with the statement “There are a lot of events in other parts of New Zealand that I would like to attend” with independent regional metrics yields the following results:

- Residents of regions with a higher number of international departures per capita are less likely to agree with this statement.
- Neither median age nor satisfaction with amount of free time are meaningfully correlated with the share of respondents who agree with this statement.
- Residents of regions with higher household incomes are less likely to agree with this statement.

FIGURE 92 CORRELATION OF MEASURES WITH SHARE OF RESPONDENTS WHO AGREE WITH THE STATEMENT "THERE ARE A LOT OF EVENTS IN OTHER PARTS OF NEW ZEALAND THAT I WOULD LIKE TO ATTEND"