

Media Statement

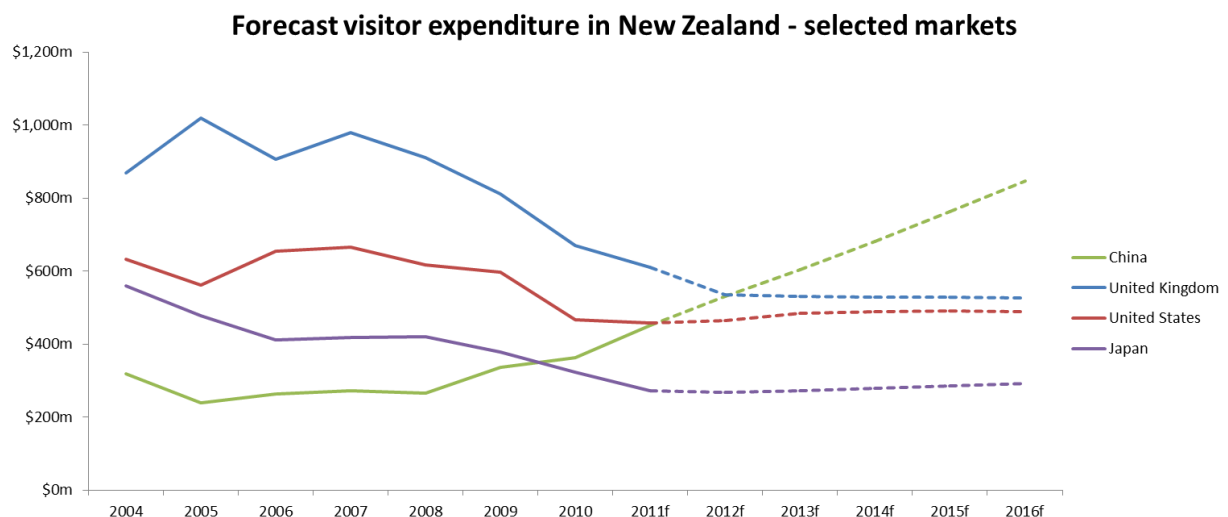
Tuesday 20 September 2011

Chinese tourists more valuable than USA and UK over next five years

The Chinese tourism market will overtake the American and British markets in spending by mid-2012, according to updated forecasts for the period 2011 to 2016 released by the Ministry of Economic Development.

The Ministry of Economic Development's updated New Zealand Tourism Forecasts show that Chinese tourists will spend \$604 million in 2013, easily overtaking the expenditure of US and UK tourists. It won't be until 2014, however, that the number of Chinese tourists exceeds those of the UK and US.

Australia will still be our largest market by a considerable margin, with \$1.9 billion expenditure forecast for 2016.



This plot shows forecast visitor expenditure in four of New Zealand's main markets. Australia, by far the largest market, is not included.

The long-term strength of the New Zealand dollar and the poorly performing economies in Britain and the United States of America are the main reasons for the stable numbers from those countries.



In contrast Chinese tourism is increasing globally and the New Zealand industry is seeing the benefits of that.

The forecasts show that tourism spending from all countries will have increased from \$5.8 billion this year to \$6.6 billion by 2016. A total of 3.0 million tourists will visit our shores in that year, according to the forecasts.

Forecasts have been updated to reflect the recent changes in economic conditions in major markets and the effects of the high New Zealand dollar. The impact of the Christchurch earthquake has had significant impact on the South Korean and Japanese markets. In contrast new airline connections have seen Malaysian arrivals increase significantly and forecasts adjusted accordingly.

“Significant global economic changes and natural disasters have had a strong impact on the tourism industry,” said Liz MacPherson, Tourism Deputy Secretary at Ministry of Economic Development.

“The outlook for the next five years is strong, but the origin of tourists we are hosting is changing. The forecasts show strong growth from China and promising emerging markets like Malaysia. Tourism spending overall is expected to be roughly stable in real terms, increasing to \$6.6 billion in 2016.”

For more information visit the Ministry’s tourism research website (<http://www.tourismresearch.govt.nz/Data--Analysis/Forecasts/>) or contact Deputy Secretary for Tourism, Events and Consumer Affairs Liz MacPherson on 04 474 2905. Technical questions on the forecasts should be directed to the Manager Tourism Research and Evaluation, Peter Ellis at 04 498 7448 or 029 771 0135 or peter.ellis@med.govt.nz.