



100% PURE
NEW ZEALAND

DOMESTIC AUDIENCE UNDERSTANDING

Insights driven approach to encourage
New Zealanders to experience all that
New Zealand has to offer



DOMESTIC VALUE & MARKET SIZE

Domestic travel demand in New Zealand, pre Covid-19

\$17.9B
HOUSEHOLD

\$23.7B
total value

\$5.8B
BUSINESS



72%

of New Zealanders
travelled for leisure
purposes in 2019



90%

of domestic leisure
travel in New Zealand
is via car

61%
DAY TRIPS

45M

domestic trips
per year

39%
OVERNIGHT

Domestic Household tourism at \$17.9b excludes airfares and holiday home rentals which are not captured at this level as they're difficult to apportion by region

Source: Monthly Regional Tourism Estimates (MRTE), Ministry of Business, Innovation and Employment

Source: Domestic Growth Insights Tool (DGIT)

APPEAL

The drivers of holiday appeal are largely universal



RELAXATION

a break from the busyness of everyday life



ENJOYMENT

to have fun



EXPERIENCE

often outweighs destination when it comes to taking a leisure holiday

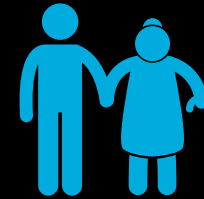


UNIQUE EXPERIENCES

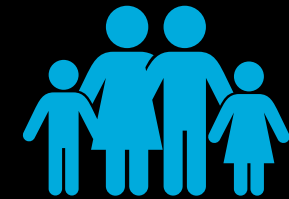
also hold significant appeal

AUDIENCE

In population terms, the largest segments for domestic leisure travel are somewhat unsurprisingly:



Visiting family and relatives (VFR)



Families with children

Significant segments, likely to take more daytrips and overnight breaks over the course of a year include:



Empty nesters seeking a relaxing break



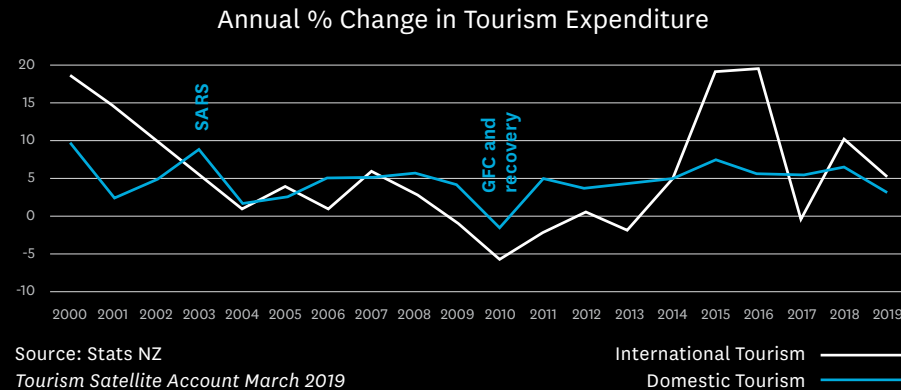
Younger single-income, no kids and double-income, no kids seeking a relaxing break



New migrants too are an important audience, participating in domestic leisure travel, often to familiarise themselves with New Zealand culture

EARLY INDICATIONS POST PANDEMIC

Domestic tourism has recovered first in other economic shocks



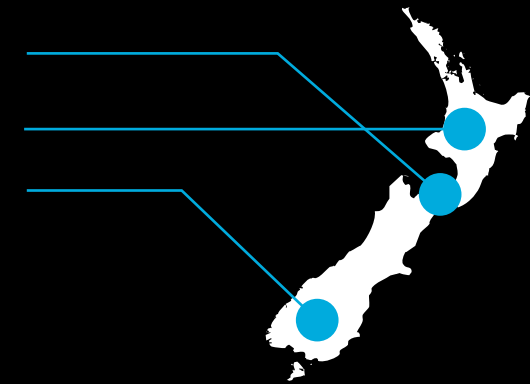
Domestic tourism will recover in stages

- There is a pent-up demand for domestic tourism post Covid-19
 - Travel will be local at first
- It's likely that initial demand will be driven by a desire to re-connect with family and relatives
- The return of domestic leisure travel will likely fall secondary to this with a slightly longer lag time (6-12 months post travel restrictions being lifted)
- 70% will travel within their own island
- Aucklanders over index in willingness to travel within the Auckland region first and then to Northland
- Rotorua will likely see visitors from those living closer to the region, followed by those from Auckland and Wellington
- Wellington being attractive to the upper South Island with the lower South Island being a likely destination for those in the South Island

EARLY PREDICTED TRAVEL

The top 3 destinations Kiwis will visit first

1. Southern North Island and Wellington
2. Central North Island
3. Lower South Island



Source: Forward Research April 2020

BARRIERS AND CONSIDERATIONS



New Zealanders have felt priced out of what's been deemed as visitor pricing — presenting the opportunity to demonstrate the value of product and activities to New Zealanders moving forward



Consumers are likely to be feeling more spend and safety conscious, initially, in a post Covid-19 environment this is likely to change previous travel patterns with a phased return to a new normal

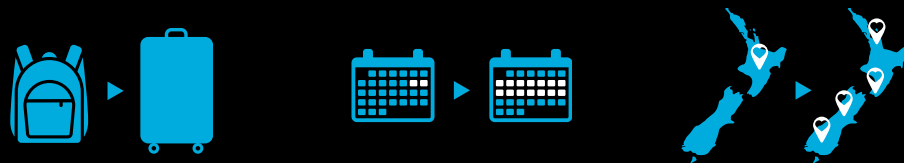


However, despite economic conditions, consumers are still likely to want to treat themselves, especially, initially post lockdown

LONG AND SHORT-TERM OPPORTUNITIES

Through in-depth audience understanding we hope to:

- Convert day-trippers to overnight stays
- Extend desire beyond a short-break mindset to a holiday mindset
- Generate desire and demand for Kiwis to holiday beyond their favourite holiday destinations to explore more of their backyard
- Consider new migrants as a key target audience—typically take more day trips and overnight trips over the course of a year



ENRICHING OUR UNDERSTANDING

Areas where we want to enrich our understanding to inform best approach

- Understand at a deeper level what drives domestic travel behaviours and subsequently how we can positively influence
- In depth understanding of mindsets across the various audience segments that make up the domestic holiday audience e.g. Their motivations and desires for domestic holidays, and understanding of how New Zealanders differentiate between a domestic vs. overseas holidays
- Through deep audience understanding identify the best, most effective channels to reach them nationally

WHERE TO FROM HERE?

Next steps

- We will continue monitor consumer intentions regarding domestic travel with a view to understanding better what we can expect domestic tourism to look like moving forward with a short-term through to longer-term lens to support how we effectively market New Zealand to New Zealanders at a national level
- Understanding domestic tourism spend patterns post Covid-19
- Tourism New Zealand will be working with TIA and Colmar Brunton to evolve the Domestic Growth Insight Tool (DGIT)
- Qualitative research will be undertaken to better understand the mindset of domestic travelers in a post-Covid world to understand how we can market effectively to encourage behavioural change amongst New Zealanders i.e. To travel a little further to take a 'holiday' vs. a 'short-break', to participate more in tourism product and to pave the way for the return of international tourism

Source: The data and information within this infographic has been comprised from numerous global and national sources that have been distilled and synthesized to formulate the best view at this time.



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