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*Making sense of the numbers*

# The changing pattern of international tourism in New Zealand

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## *Making sense of the numbers*

This report examines how the pattern of international tourism in New Zealand changed between 2008 and 2018, in terms of: visitors' origins; how much they spend; the regions of New Zealand in which they stay; their age groups; their reasons for visiting; and the lengths of their stay.

The underlying purpose is to highlight the opportunities the tourism industry might have to diversify its markets and continue growing, as well as the respects in which it might be vulnerable.

The report uses International Arrivals and Accommodation Survey data (both from Statistics New Zealand) and data from the International Visitor Survey (which is conducted on behalf of the Ministry of Business Innovation and Employment (MBIE)).

The report highlights a number of significant changes between 2008 and 2018, several of which are inter-related. In summary, they are:

1. The total number of visitors to New Zealand increased by 57 percent between 2008 and 2018. But there were distinct phases of growth within the timeframe in question. There was very little growth in visitor numbers between 2008 and 2012, followed by very rapid growth until 2016, and moderate growth thereafter. The implication of this is that constant growth in visitor numbers cannot be taken for granted.
2. Much of the growth in the total was accounted for by extremely rapid growth in the number of visitors from China. This was good for the industry, but it also means that it might be vulnerable in the event of a worsening of high level relations between China and New Zealand.
3. Holiday-making has become increasingly dominant in terms of purpose of visit, but the market is becoming more diverse in other key respects.
4. In terms of age, the most rapid growth in the number of visitors has been at opposite ends of the range. The number of visitors aged 0-9 increased by 77 percent between 2008 and 2018, and this suggests that New Zealand is becoming increasingly attractive for family holidays.
5. At the other end of the scale, the number of visitors aged 60 and over increased by 80 percent, which implies that New Zealand is increasingly attractive, as a destination, to baby boomers. Both of these findings imply that it is increasingly important for tourism businesses to ensure their offerings appeal to a wide range of ages.
6. Visits are generally becoming shorter; and very short visits (1-5 days) are becoming more common, even from countries where the flight time to New Zealand is more than 12 hours. This highlights the increasing importance of offering visitors attractively packaged holidays, to enable them to maximise the value they obtain from their stay in New Zealand.
7. The number of visits from a group of five countries in South and East Asia (India, Singapore, Hong Kong, Malaysia and Taiwan) has increased very rapidly in recent years; and such is their growth that most of them could overtake several of the current top eight markets in the next ten years. Tourism businesses will need to equip themselves with good knowledge of the interests and cultural preferences of visitors from these countries.

In more detail, the findings that stand out are:

- Virtually all of the growth in visitor numbers occurred after 2012 (Figure 2.1).

- Spending in NZ by international visitors was trending downwards between 2008 and 2012, but it then increased considerably between 2012 and 2018 (Figure 2.3).
- Spending by visitors varied considerably for year to year, not only because of changes in visitor numbers, but also because of exchange rate fluctuations (Figure 2.4).
- New Zealand citizens living overseas constitute the second largest group of visitor arrivals in New Zealand (Figure 3.1).
- By visitors' country of residence, Australia is the largest market for tourism in New Zealand (Figure 3.3), but China is, by far, the most rapidly growing market (Figure 3.4).
- The number of visitors from the UK decreased by 17 percent between 2008 and 2018. The number of visitors from Japan also decreased, but by considerably less (Figure 3.4).
- In 2018, 52 percent of visitors came to New Zealand for a holiday, and 28 percent came to visit friends and relatives (Figure 5.1). Holiday makers constituted the fastest growing market segment between 2008 and 2018 (Figure 5.2).
- The number of visitors increased between 2008 and 2018 in every age group (Figure 6.1), but the largest percentage increases were in the 0-9 and 70 and over age groups (Figure 6.2).
- Long stay visits (of more than 4 weeks) increased only slowly between 2008 and 2018, while short (6-10 days) and very short (1-5 days) visits both increased by around 70 percent (Figure 7.2). The implication is that the average length of visit has declined.
- The number of international guest nights in commercial accommodation decreased between 2008 and 2012, but increased significantly after that (Figure 8.1).
- Auckland and the Bay of Plenty dominate international guest nights in the North Island (Figure 8.2), while Otago and Canterbury dominate in the South Island (Figure 8.3). Otago and Canterbury had broadly the same number of guest nights until the 2011 earthquakes, and Canterbury has not caught up with Otago since then.
- Southland was just behind Otago in terms of the percentage growth in international guest nights between 2008 and 2018 (Figure 8.4). Northland experienced virtually no growth in guest nights during the same period.
- Looking at the top eight country markets:
  - Australia is New Zealand tourism's largest market (Figure 3.3), but was only the fourth most rapidly growing market between 2008 and 2018 (Figure 3.4). The most rapid growth in the number of visitors from Australia has been at opposite ends of the age range (Figure 9.2). The number of visitors from Australia who come for a holiday and the number who come to visit friends and relatives are almost equal (Figure 9.2). Because of the relative proximity and the frequency of air services, very short stays (1-5 days) are the most common and rapidly growing (Figure 9.3).
  - China became New Zealand's second largest tourism market in 2012 (Figure 3.3) and it was, by far, the fastest growing market between 2008 and 2018 (Figure 3.4). As was the case with Australia, the most rapid growth in the number of visitors from China has been at opposite ends of the age range (Figure 9.4). Overwhelmingly, visitors from China come to New Zealand for holidays (Figure 9.5). Very short stays by Chinese visitors are most common, but longer visits are growing more rapidly (Figure 9.6).



- Between 2008 and 2018, the most rapid growth in the number of visitors from the USA was in the 0-9 and 30-39 age groups, which might indicate that families with young children are increasingly choosing to visit New Zealand (Figure 9.7). Vacation takers are by far the largest and fastest growing market segment amongst visitors from the USA (Figure 9.8). The number of very short visits increased more rapidly than any category of longer visits between 2008 and 2018 (Figure 9.9).
- The number of visitors to New Zealand from the UK decreased by 17 percent between 2008 and 2018 (Figure 3.2), although there was some recovery in numbers after 2012 (Figure 3.1). The number of visitors decreased in all age groups, except amongst people aged 70 and over (Figure 9.10). There are roughly equal numbers from the UK coming to New Zealand to take a holiday and to visit friends and relatives. However, the number of holiday makers decreased sharply in 2012, following the Christchurch earthquakes (Figure 9.11). Unsurprisingly, given the travel time to New Zealand, medium and longer stays are most common (Figure 9.12).
- The number of visitors from Germany was almost unchanged between 2008 and 2012, but it increased rapidly after that time (Figure 9.13). Between 2008 and 2018, the growth in the number of visitors was fastest in the 0-9 and 10-19 age groups, which suggests that visiting New Zealand is becoming increasingly popular amongst German families. Three-quarters of German visitors are on holiday (Figure 9.14) and they tend to stay a relatively long time (Figure 9.15).
- The number of visitors from Japan decreased slightly between 2008 and 2018 (Figure 3.1) although, as with the UK, the number fell significantly before 2012 and made a partial recovery thereafter. The largest groups are aged 10-19 and 20-29, which suggests that many of the visitors might be students. And, in contrast with many other countries, the number of older visitors decreased significantly (Figure 9.16). Despite the relatively long journey time to New Zealand, most visits from Japan are very short (1-5 days) or short (6-10 days) (Figure 9.18).
- Between 2008 and 2018 the number of visitors from South Korea increased by 11 percent, although there was a marked decrease in 2009 because of the “swine flu” epidemic (Figure 9.19). The number of holiday makers from South Korea increased by 27 percent between 2008 and 2018, but the number in all other categories combined decreased by 16 percent (Figure 9.20). Just over three-quarters of visitors from South Korea make very short or short stays, but the number of visitors staying for 11-28 days increased significantly after 2013 (Figure 9.21).
- The number of visitors from Canada increased by 34 percent between 2008 and 2018. As with several other countries, the largest increases were at opposite ends of the age range (Figure 9.22). 88 percent of visitors from Canada in 2018 were either on holiday or visiting friends and relatives (Figure 9.23). Most frequently, visitors from Canada stay for a relatively long time (i.e. 11-28 days). There was a marked increase in the number of visitors in that category after 2015, but the reason for this is not clear (Figure 9.24).
- Five countries in South and East Asia are emerging as important markets for tourism in New Zealand (Figure 10.1). Between them, they accounted for almost 290,000 visitors in 2018, which puts them mid-way between the UK and USA, in terms of visitor numbers.

# Contents

1	Introduction.....	1
2	The market as a whole .....	2
3	Visitors' country of citizenship and country of residence .....	4
4	Visitors' spending by country of residence.....	6
5	Visitors' purposes for visiting .....	7
6	Age group of visitors .....	8
7	Visitors' length of stay.....	9
8	Where in New Zealand visitors stay.....	10
9	Country market profiles .....	12
9.1	Australia.....	12
9.2	China.....	13
9.3	United States of America.....	15
9.4	United Kingdom.....	16
9.5	Germany.....	18
9.6	Japan .....	19
9.7	South Korea .....	21
9.8	Canada.....	22
10	Emerging markets.....	24

## Figures

Figure 2-1 Number of international visitors to New Zealand, annual totals .....	2
Figure 2-2 Annual percentage change in the number of international visitors.....	2
Figure 2-3 International visitor spending.....	3
Figure 2-4 Annual percentage change in international visitor spending.....	3
Figure 3-1 Number of international visitors, by country of citizenship .....	4
Figure 3-2 Percentage change in the number of visitors, by country of citizenship, 2008-2018.....	4
Figure 3-3 Number of international visitors, by country of residence .....	5
Figure 3-4 Percentage change in the number of visitors, by country of residence, 2008-2018.....	5
Figure 4-1 Visitors' spending by country of residence .....	6
Figure 4-2 Percentage change in visitors' spending, by country of residence, 2008-2018.....	6
Figure 5-1 Number of international visitors, by purpose of visit .....	7
Figure 5-2 Percentage change in the number of visitors, by purpose of visit, 2008-2018 .....	7
Figure 6-1 Number of international visitors, by age group .....	8
Figure 6-2 Percentage change in the number of visitors, by age group, 2008-2018.....	8
Figure 7-1 Number of international visitors, by length of stay.....	9
Figure 7-2 Percentage change in the number of visitors, by length of stay, 2008-2018 .....	9
Figure 8-1 Location of international visitor guest nights.....	10
Figure 8-2 Location of international visitor guest nights, by North Island region .....	10
Figure 8-3 Location of international visitor guest nights, by South Island region .....	11
Figure 8-4 Percentage change in the number of International guest nights, 2008-2018 .....	11
Figure 9-1 Number of visitors from Australia, by age group .....	12
Figure 9-2 Number of visitors from Australia, by purpose of visit.....	12
Figure 9-3 Number of visitors from Australia, by length of stay .....	13
Figure 9-4 Number of visitors from China, by age group .....	13
Figure 9-5 Number of visitors from China, by purpose of visit.....	14
Figure 9-6 Number of visitors from China, by length of stay.....	14
Figure 9-7 Number of visitors from the USA, by age group.....	15
Figure 9-8 Number of visitors from the USA, by purpose of visit .....	15
Figure 9-9 Number of visitors from the USA, by length of stay .....	16
Figure 9-10 Number of visitors from the UK, by age group .....	16
Figure 9-11 Number of visitors from the UK, by purpose of visit.....	17
Figure 9-12 Number of visitors from the UK, by length of stay .....	17
Figure 9-13 Number of visitors from Germany, by age group.....	18
Figure 9-14 Number of visitors from Germany, by purpose of visit.....	18
Figure 9-15 Number of visitors from Germany, by length of stay .....	19
Figure 9-16 Number of visitors from Japan, by age group.....	19
Figure 9-17 Number of visitors from Japan, by purpose of visit .....	20

Figure 9-18 Number of visitors from Japan, by length of stay.....	20
Figure 9-19 Number of visitors from S Korea, by age group.....	21
Figure 9-20 Number of visitors from S Korea, by purpose of visit .....	21
Figure 9-21 Number of visitors from S Korea, by length of stay .....	22
Figure 9-22 Number of visitors from Canada, by age group.....	22
Figure 9-23 Number of visitors from Canada, by purpose of visit .....	23
Figure 9-24 Number of visitors from Canada, by length of stay .....	23
Figure 10-1 Emerging markets: number of visitors, annual totals .....	24
Figure 10-2 Emerging markets: percentage change in number of visitors, 2008-2018.....	24



# 1 Introduction

Between 2008 and 2018, the number of visitors to New Zealand grew from 2,458,503 to 3,863,217; an increase of 57 percent. The growth in visitor numbers was particularly rapid between 2012 and 2016; and the growth in Tourism during that period (along with the growth in Construction) was largely responsible for New Zealand gaining the reputation for having a “rock star economy”.

This report examines the ways in which the size and composition of the international visitor market changed between 2008 and 2018. The underlying purpose is to highlight the opportunities the tourism industry might have to diversify its markets and continue growing; and the respects in which it might be vulnerable.

Although Tourism is commonly referred to as an industry, it is not actually an industry in terms of the Australian and New Zealand Standard Industrial Classification (ANZSIC). Rather, it is a compound made up of parts of other industries (such as travel, accommodation, food services, and arts and recreation services) that are defined within the ANZSIC. This means that official statistics on Tourism are not as plentiful as they are for many other industries. For example, employment statistics for Tourism are scarce. In addition, some other potentially useful sources, such as International Visitor Survey (IVS) data on visitors’ activities and places visited, do not span the entire 2008–2018 period.

Nonetheless, several rich data sources that have been used in this report. Probably, the most useful, and the one that has been used most often here, is Statistics New Zealand’s International Travel dataset. This shows the number of visitor arrivals, broken down by: country of residence; country of citizenship; purpose of visit; age group; and length of stay. Except where explicitly stated in the report, all graphs presented are based on this source.

One of the other sources was the IVS (which is conducted under contract for the Ministry of Business Innovation and Employment (MBIE)), which provided the data on visitor expenditure used in this report. The only other source was Statistics New Zealand’s Accommodation Survey, which provided data on the number of night visitors stayed in commercial accommodation, broken down by region.

Much of the analysis focuses on the eight largest markets for visitors to New Zealand (Australia, China, the UK, the USA, Germany, Japan, S Korea and Canada), but the opportunity is taken at the end of the report to highlight five markets in South and East Asia (India, Singapore, Hong Kong, Taiwan and Malaysia) that have been growing relatively rapidly in recent years.

## 2 The market as a whole

Figure 2-1 shows the year by year change in the number of international visitor arrivals in New Zealand. As was noted in Section 1, the total number of international arrivals increased by 57 percent between 2008 and 2018, but the graph indicates that there were three distinct periods of growth. Between 2008 and 2012, there was very slow growth in the number of arrivals. This was followed by a period of very rapid growth until 2016. After 2016, the rate of growth was considerably slower.

**Figure 2-1 Number of international visitors to New Zealand, annual totals**

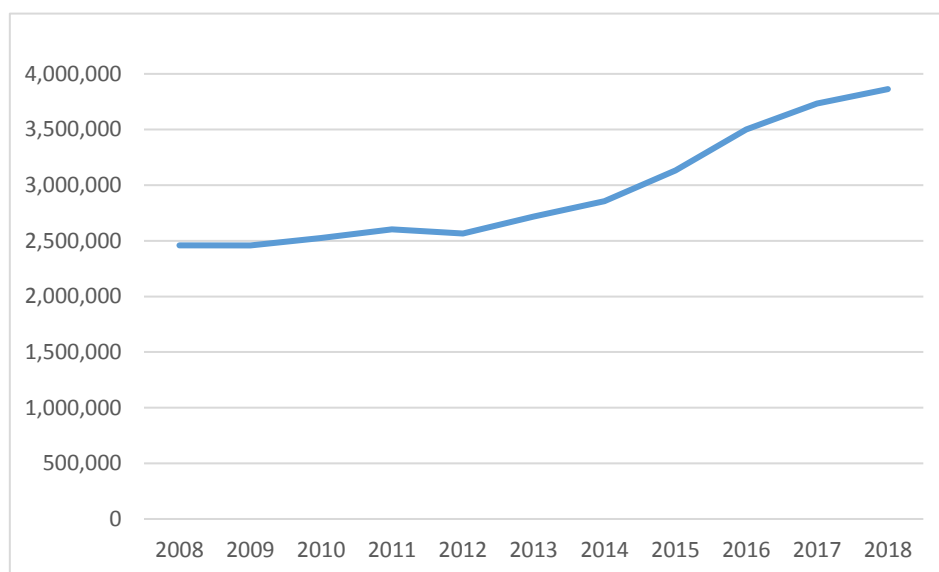


Figure 2-2 reveals more clearly how uneven the year-by-year growth in visitor arrivals actually was. The number of arrivals was lower in 2008 than it was in the previous year. It then increased for three years, before falling in 2012 (probably as a result of the Canterbury earthquakes in 2011). The growth accelerated until 2016, when it reached almost 12 percent. During 2017 and 2018, there was still significant growth, but at a declining rate.

**Figure 2-2 Annual percentage change in the number of international visitors**

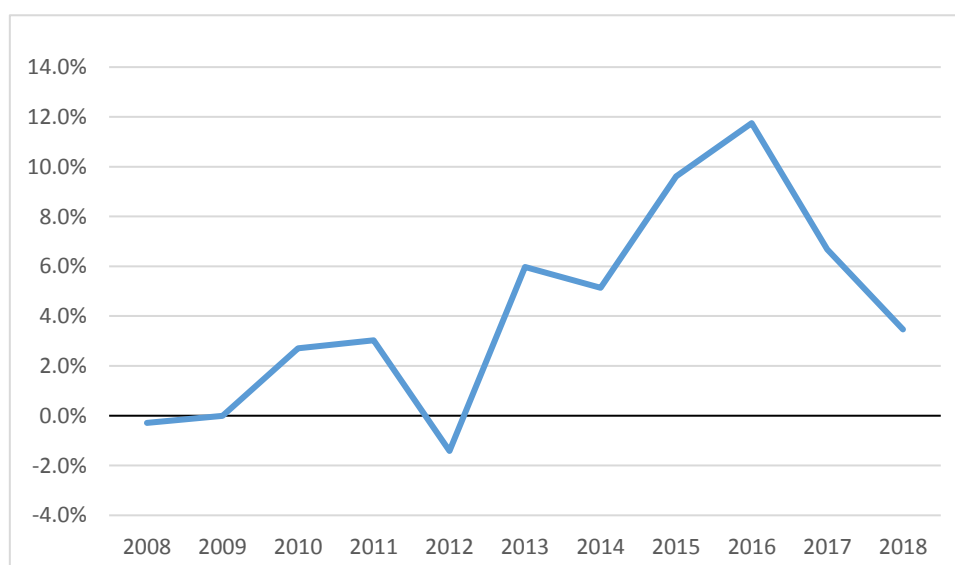


Figure 2-3 shows that visitor spending was trending downwards until 2012, after which it increased every year through to 2018. Overall between 2008 and 2018, visitor spending increased from \$7,417 million to \$11,162 million; an increase of 50 percent (which was less than the percentage growth in the number of arrivals).

**Figure 2-3 International visitor spending**

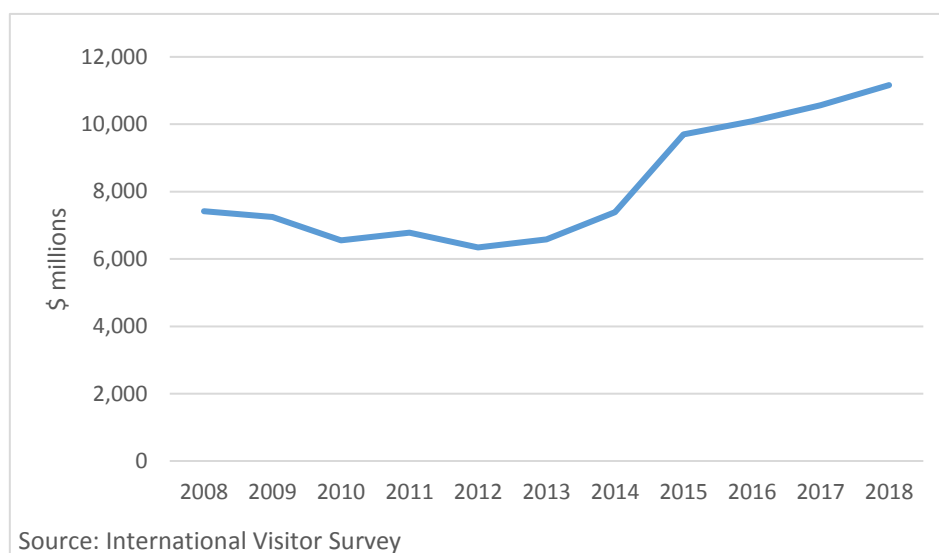
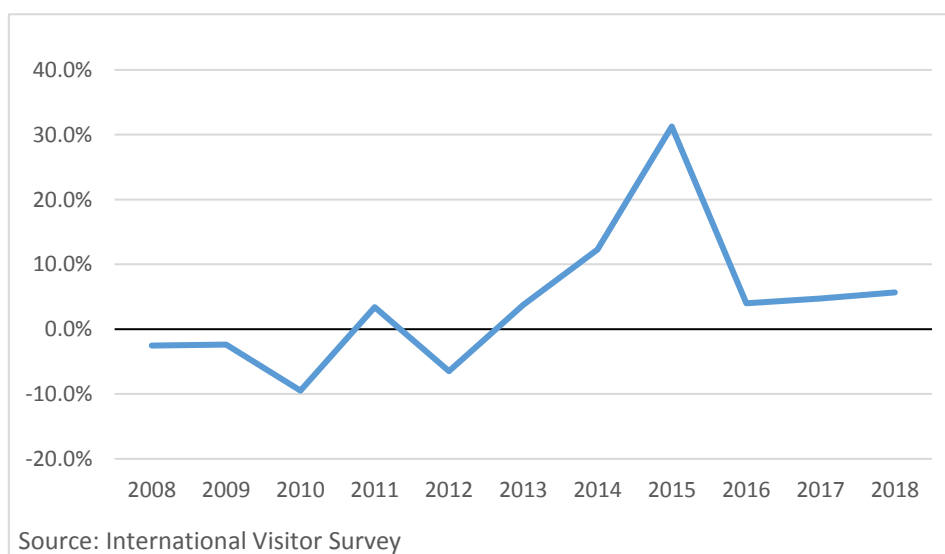


Figure 2-4 reveals that the growth rate in visitor spending varied considerably year by year. Spending actually decreased by almost 10 percent in 2010. But, at the other extreme, it increased by almost a third in 2015. These extremes suggest that total spending by visitors depends on more than simply their number. One of the key influences on visitor spending is the exchange rate, which is significant because visitors often budget in terms of their home currency, rather than the currency of their destination. The New Zealand dollar was weak in 2015; and this meant that visitors could afford to buy more New Zealand goods and services.

**Figure 2-4 Annual percentage change in international visitor spending**



### 3 Visitors' country of citizenship and country of residence

This section focuses on the largest overseas markets for Tourism in New Zealand, but it starts with the curious finding, in Figure 3-1, that New Zealand citizens living overseas constitute the second largest group of international visitor arrivals. In 2018, 26 percent of arrivals were Australian citizens, while 14 percent were New Zealanders, and 12 percent were Chinese. It is presumed that many of the New Zealanders were living in Australia, and were returning to visit friends and relations, or for a holiday.

**Figure 3-1 Number of international visitors, by country of citizenship**

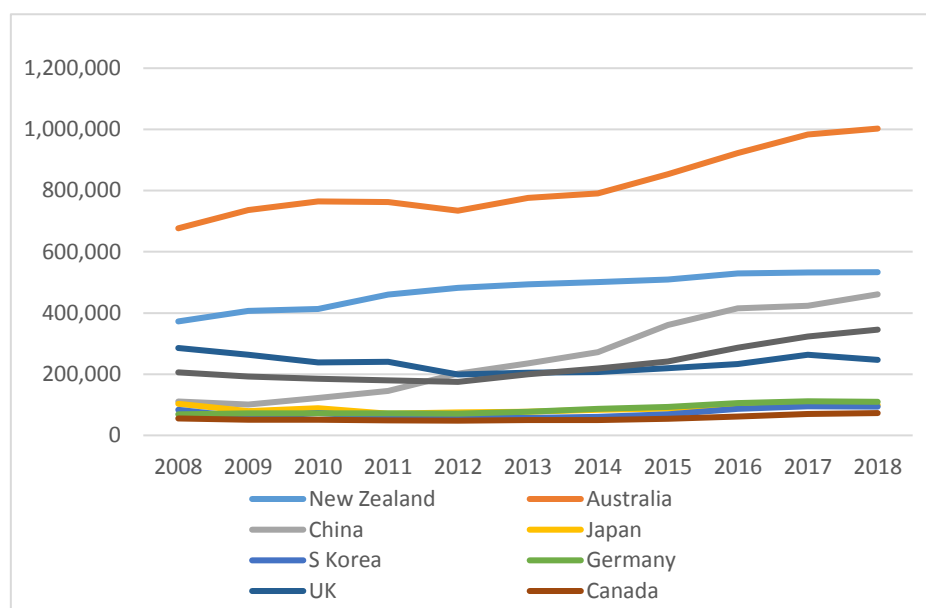


Figure 3-2 shows that by far the fastest growth in the number of visitor arrivals was amongst Chinese citizens. It is also noteworthy that the number of Japanese and UK citizens visiting actually fell. The fall was 14 percent in the case of the UK citizens, and 4 percent in the case of the Japanese citizens.

**Figure 3-2 Percentage change in the number of visitors, by country of citizenship, 2008-2018**

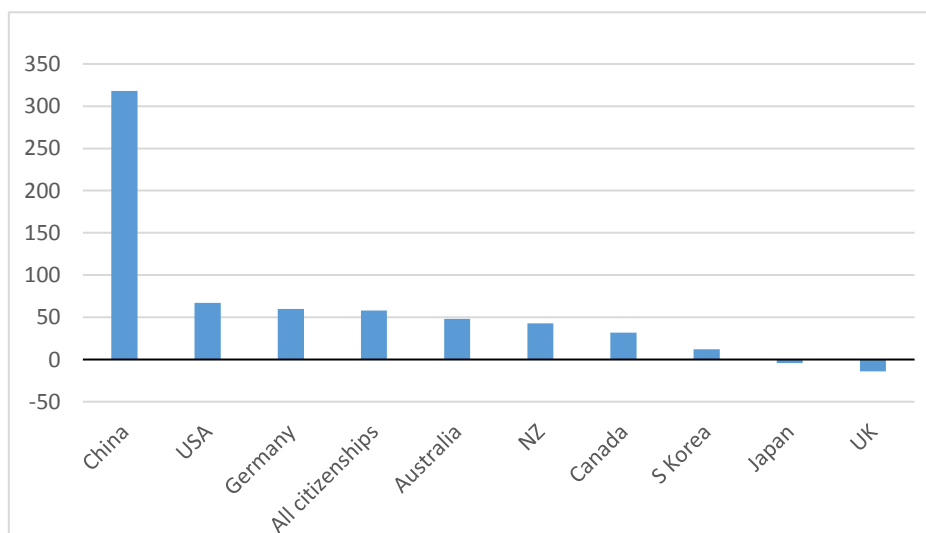


Figure 3-3 confirms the preponderance of Australian residents amongst visitor to New Zealand. In 2008, 40 percent of visitors were from across the Tasman, and this had fallen only to 39 percent by 2018. In 2008, Chinese residence constituted New Zealand's 4<sup>th</sup> largest visitor market, with a share of just 4.6 percent of the total. By 2018, Chinese residents were clearly the second largest market, with an 11.6 percent market share.

**Figure 3-3 Number of international visitors, by country of residence**

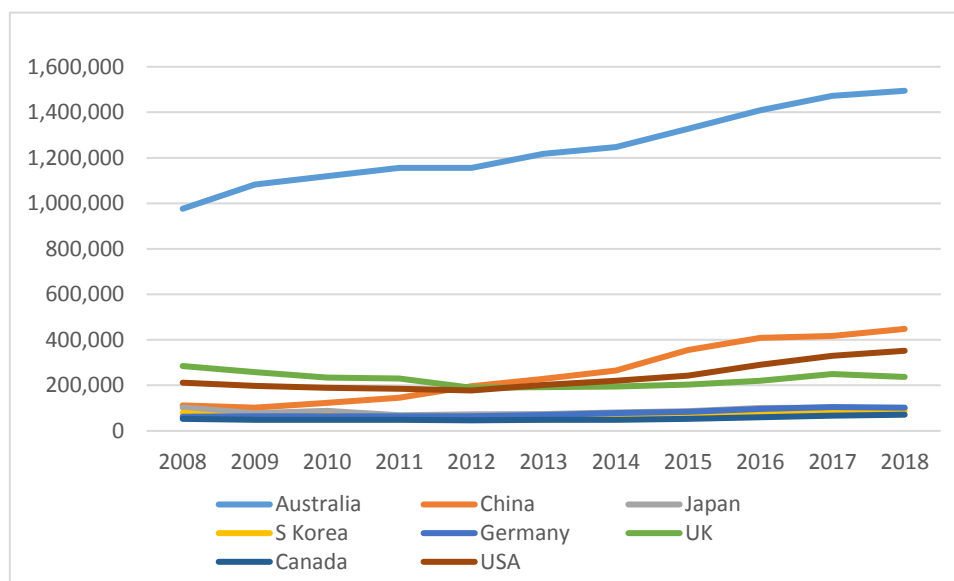
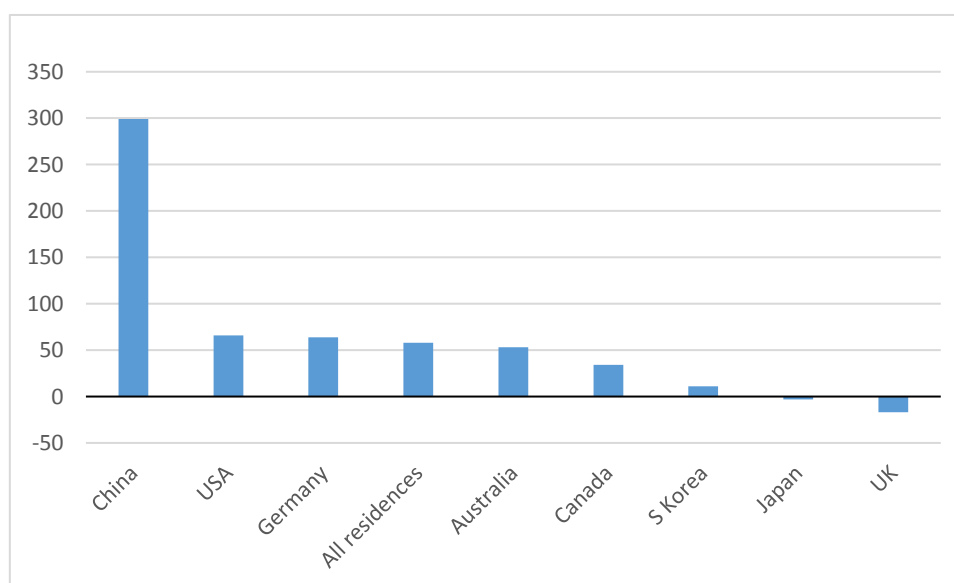


Figure 3-4 confirms the astonishing growth in the number of Chinese residents visiting New Zealand. Other growth markets tended to be overshadowed by this, but it should not be overlooked that that there was growth of more than 50 percent in the number of visitors from the USA, Germany and Australia.

**Figure 3-4 Percentage change in the number of visitors, by country of residence, 2008-2018**



## 4 Visitors' spending by country of residence

Figure 4-1 shows some marked fluctuations in visitors' spending, when broken down by country of residence. Spending by Australian residence dipped by around 10 percent between 2013 and 2014, before increasing by 20 percent the following year. Spending by visitors from China increased by 140 percent in just two years between 2013 and 2015. Spending by UK visitors more than halved between 2008 and 2013.

**Figure 4-1 Visitors' spending by country of residence**

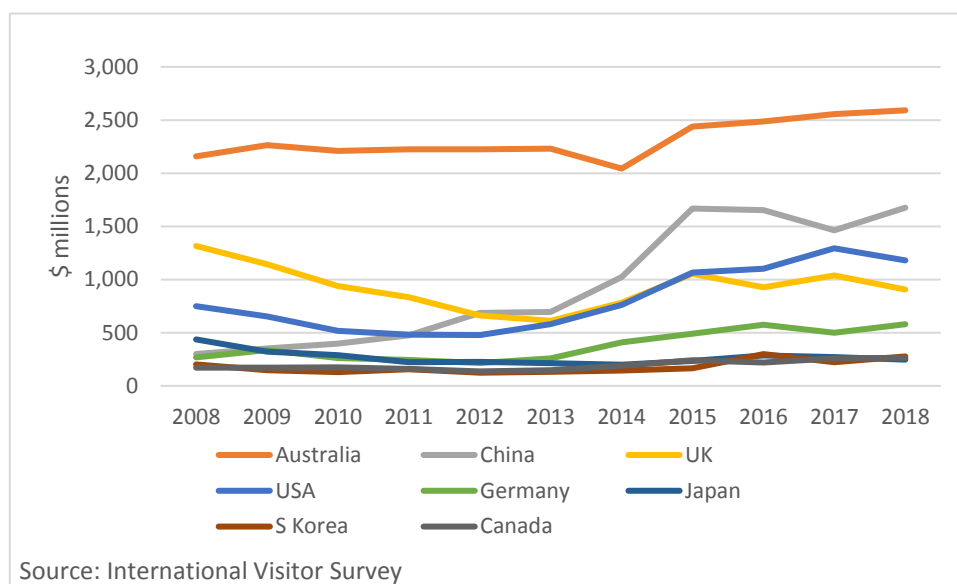
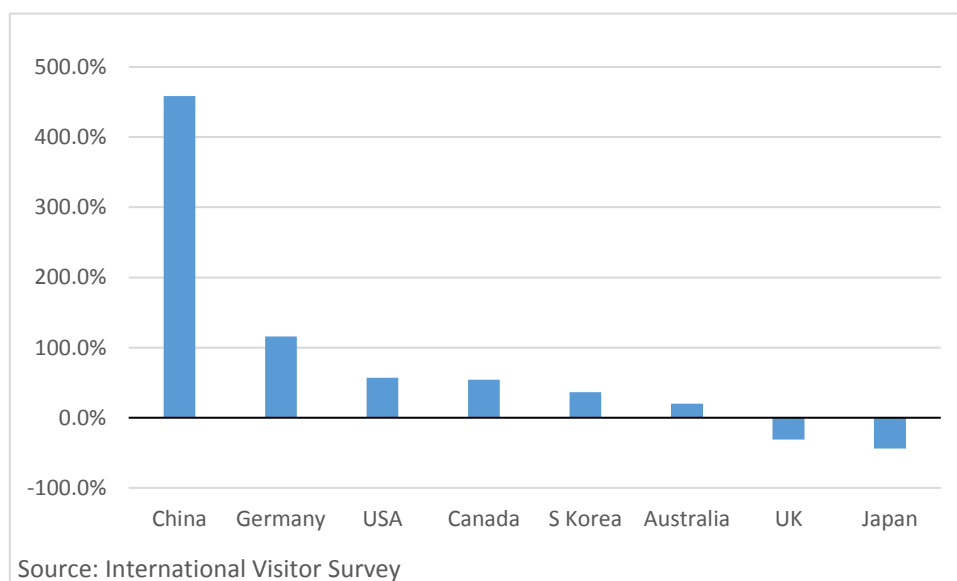


Figure 4-2 indicates that between 2008 and 2018, spending by visitors from China increased by almost 460 percent, while spending by visitors from Germany increased by 116 percent. At the other end of the scale, spending by visitors from Japan decreased by 44 percent.

**Figure 4-2 Percentage change in visitors' spending, by country of residence, 2008-2018**





## 5 Visitors' purposes for visiting

Figure 5-1 shows that taking a holiday/vacation is, by far the most common reason for visiting New Zealand, but it also shows that there was no growth in this market segment between 2008 and 2012. Much of the growth after 2012 can be attributed to the rapid increase in Chinese holiday makers (see section 9). The share of all visitors accounted for by holiday makers increased from 49 percent in 2008, to 52 percent in 2018. The number of visitors in New Zealand on business increased considerably more slowly than the numbers in other categories, and this might reflect the fact that it is increasingly easy to do business using electronic communications of various kinds.

**Figure 5-1 Number of international visitors, by purpose of visit**

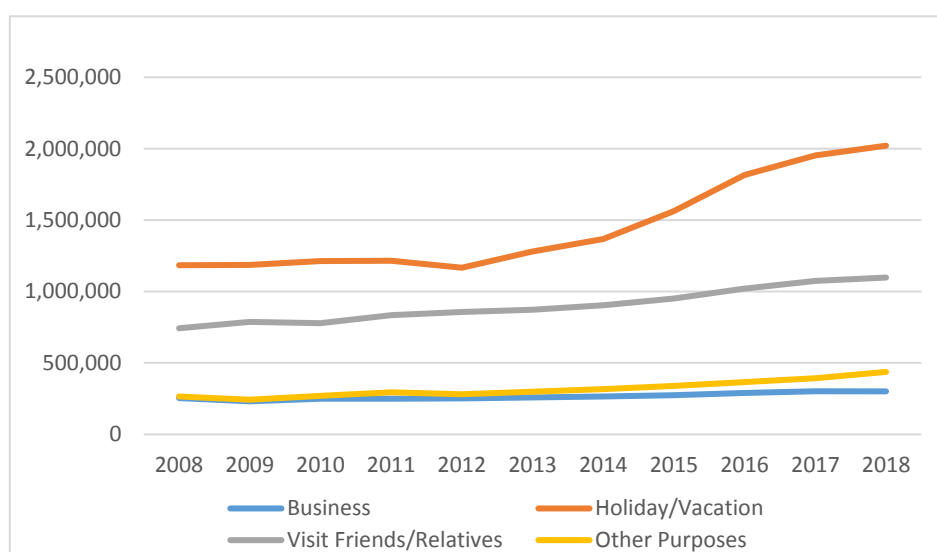
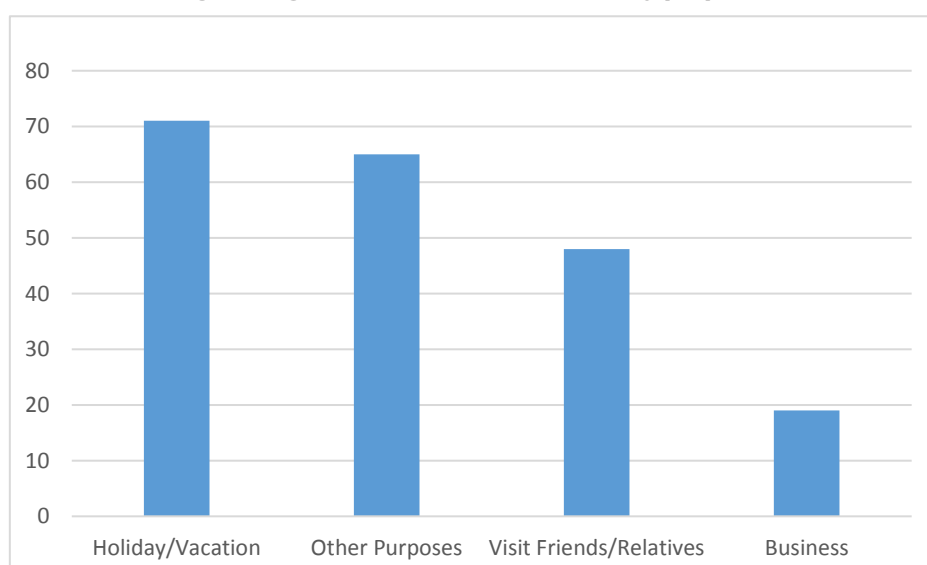


Figure 5-2 confirms the growing importance of holidays/vacations as a reason for visiting New Zealand. The Other Purposes shown in the graph comprise attendance at a conference or convention, and education.

**Figure 5-2 Percentage change in the number of visitors, by purpose of visit, 2008-2018**



## 6 Age group of visitors

Figure 6-1 implies that New Zealand has appeal for visitors in a wide range of age groups. In 2018, there were at least 500,000 visitors in each of the ten year age groups from 20-29 through to 60-69.

**Figure 6-1 Number of international visitors, by age group**

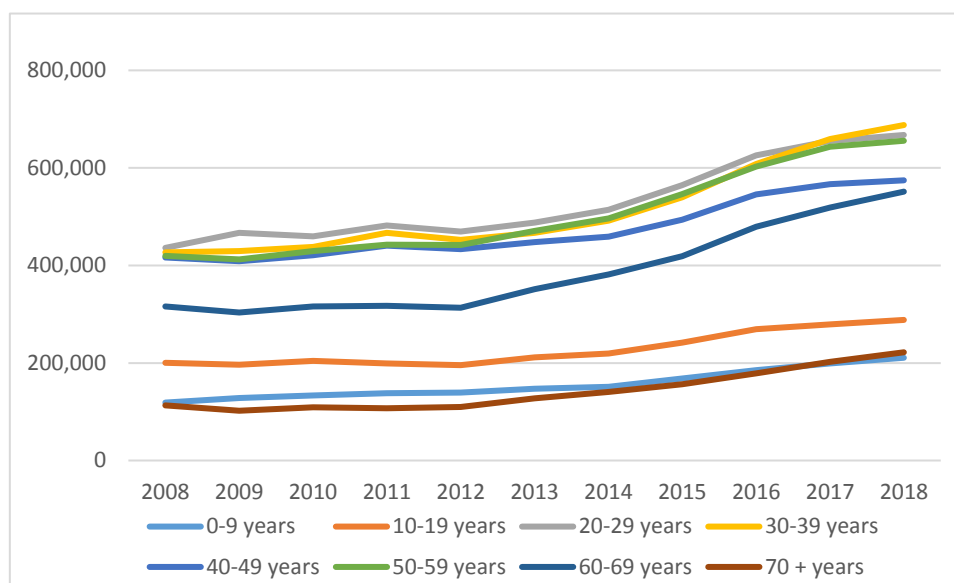
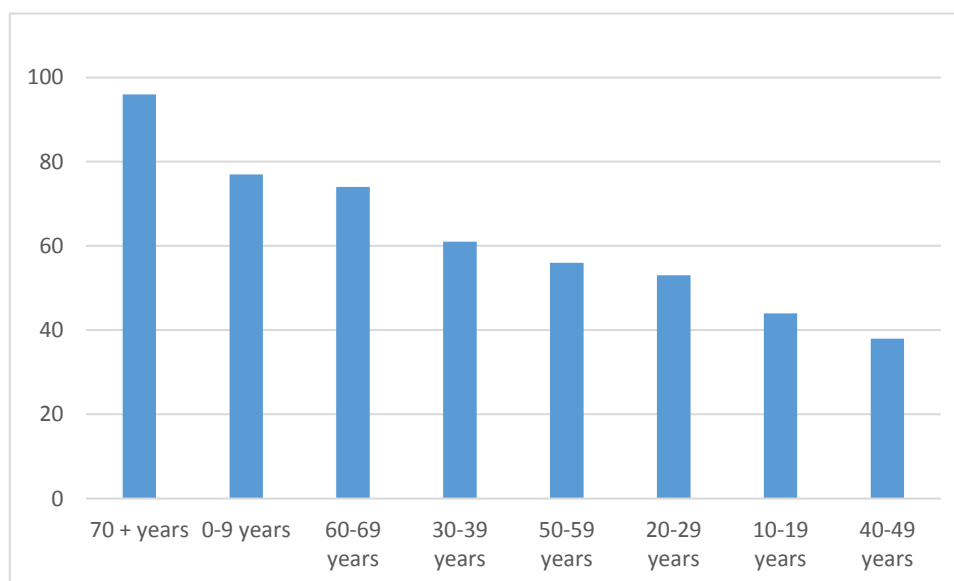


Figure 6-2 confirms that there was significant growth in the number of visitors in every age group. Interestingly, the greatest growth was in the number of visitors at opposite ends of the age range, although the growth was from a relatively low base in both cases.

**Figure 6-2 Percentage change in the number of visitors, by age group, 2008-2018**



## 7 Visitors' length of stay

Figure 7-1 indicates that the number of long stays in New Zealand (i.e. more than 4 weeks) actually decreased between 2008 and 2012, and only increased slowly after that. It also indicates that the number of visits is roughly evenly distributed between very short (1-5 days), short (6-10 days) and medium-length (11-28 days) visits<sup>1</sup>.

**Figure 7-1 Number of international visitors, by length of stay**

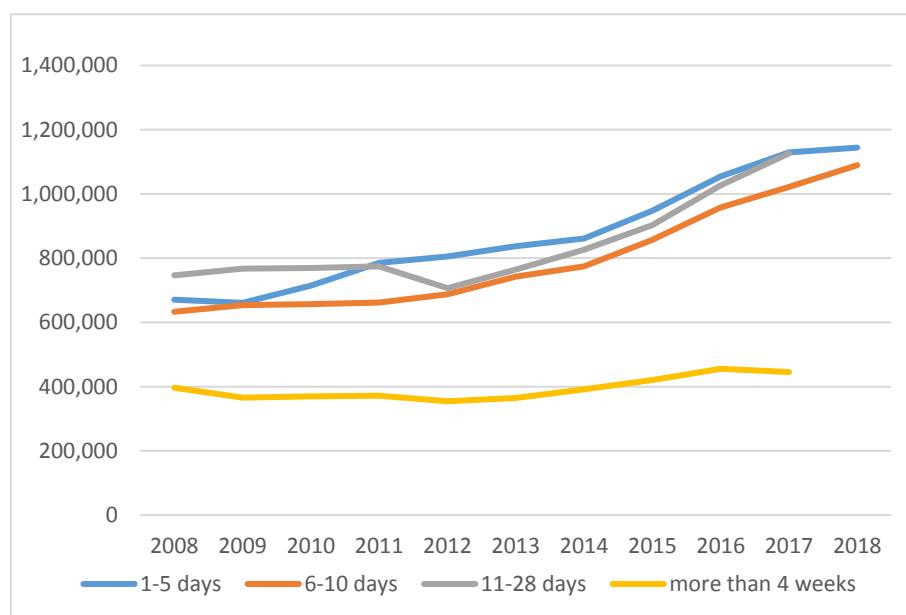
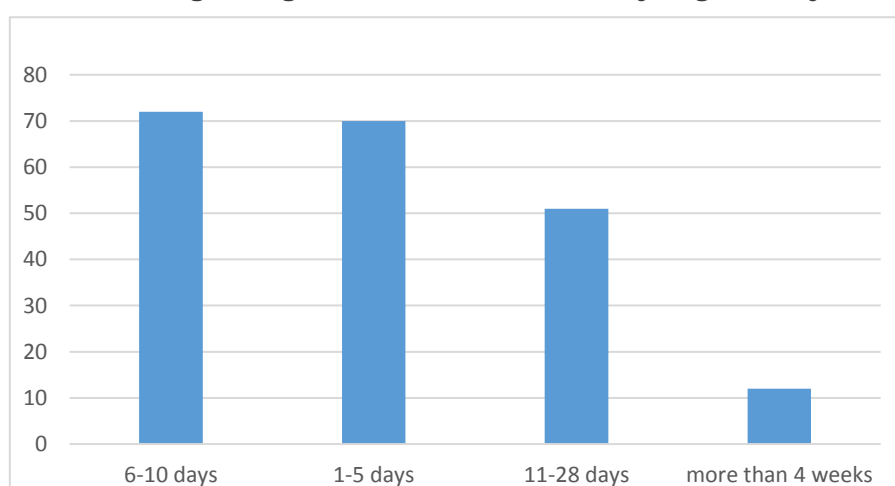


Figure 7-2 clarifies that short and very short visits have grown more rapidly than longer visits, which implies that the average length of visit has been decreasing. The underlying data reveals that the average (mean) length of stay has decreased from 20 days in 2008 to 18 days in 2018.

**Figure 7-2 Percentage change in the number of visitors, by length of stay, 2008-2018**



<sup>1</sup> It should be noted that full year 2018 data for 11-28 day and longer visits was not available at the time of writing.

## 8 Where in New Zealand visitors stay

The graphs in this section are based on international guest night data from Statistics New Zealand's Accommodation Survey, and it should be noted that the Survey does not cover nights spent in Airbnb accommodation or with friends and relations.

Figure 8-1 implies that there was a significant reduction (i.e. a fall of 11 percent) in the number guest nights at national level between 2008 and 2012, followed by a significant increase (29 percent) between 2012 and 2018. The reduction in the South Island total was more marked in 2011 and 2012, and this was, no doubt, an after effect of the Canterbury earthquakes.

**Figure 8-1 Location of international visitor guest nights**

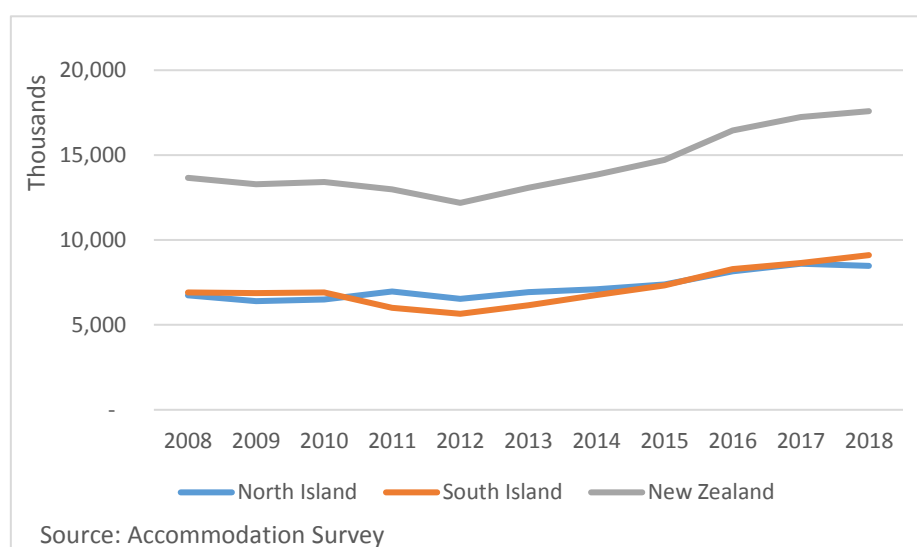


Figure 8-2 breaks down the change in the number of international guest nights by North Island region. The underlying data show that Auckland accounted for 42 percent of all North Island guest nights in 2018, while the Bay of Plenty accounted for 17 percent.

**Figure 8-2 Location of international visitor guest nights, by North Island region**

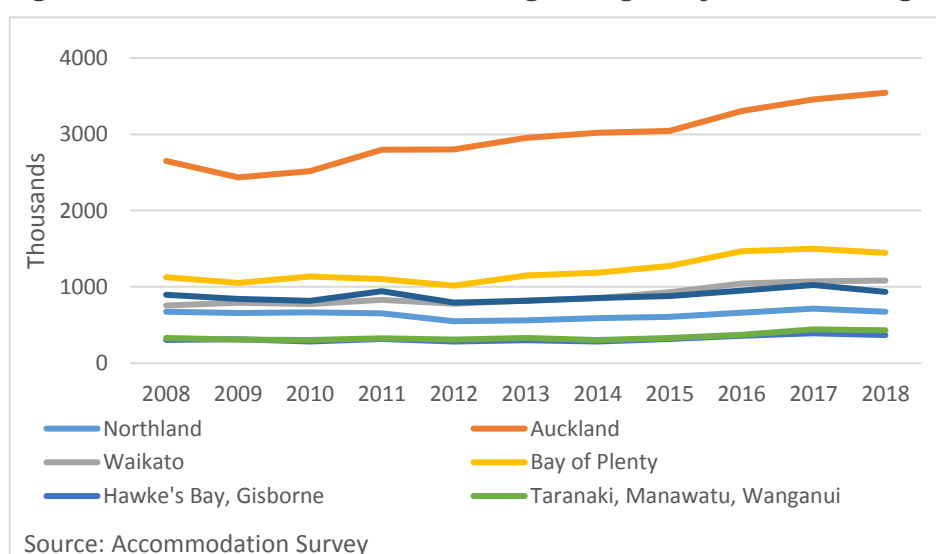


Figure 8-3 highlights the dramatic effect of the Canterbury earthquakes on the number of international guest nights in the region. The other South Island regions also appear to have been affected, albeit to a lesser extent. In 2008 Canterbury and Otago had broadly equal shares of South Island international guest nights. However, in 2018, 42 percent of all international guest nights in the South Island were in Otago, while 31 percent were in Canterbury.

**Figure 8-3 Location of international visitor guest nights, by South Island region**

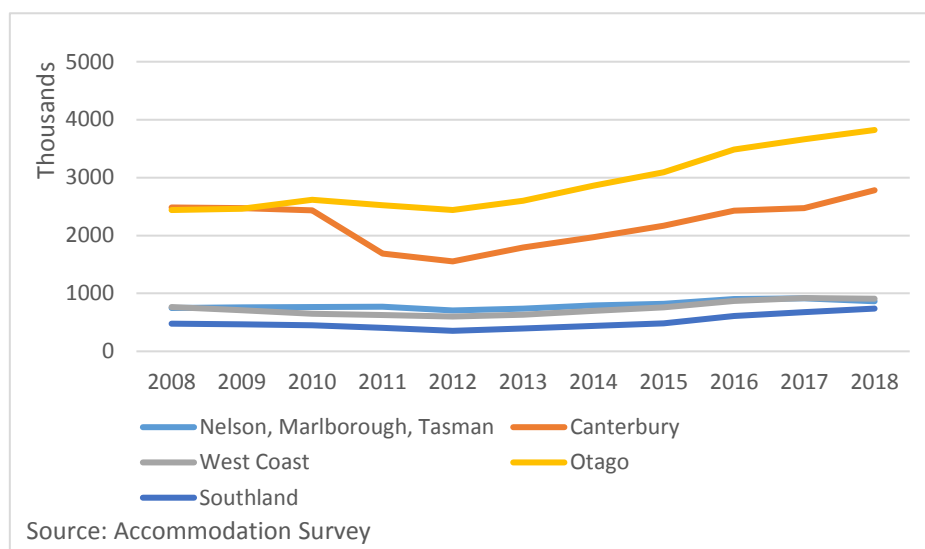
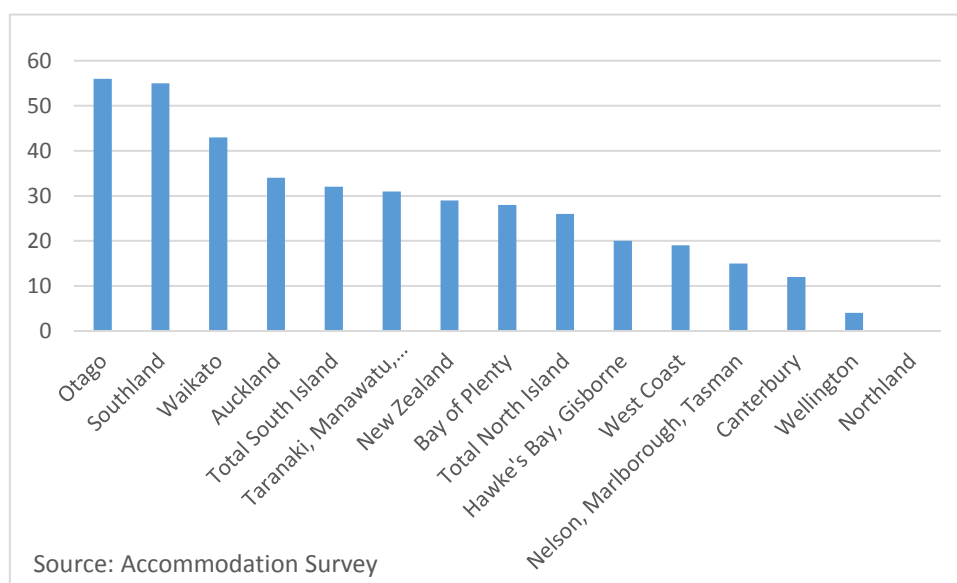


Figure 8-4 indicates that Otago and Southland stood out amongst all New Zealand regions in terms of increases in the number of international guest nights. However, in the case of Southland, the increase was from a low base. Taking the period 2008-2018 as a whole, Northland experienced no growth in the number of international guest nights.

**Figure 8-4 Percentage change in the number of International guest nights, 2008-2018**



## 9 Country market profiles

This section uses International Arrivals data to focus on each of New Zealand's eight largest Tourism markets in turn. Each of the markets is examined in terms of the changes in the number of visitors between 2008 and 2018, broken down by: age group; purpose of visit; and length of stay.

### 9.1 Australia

The total number of visitors from Australia increased from 976,200 in 2008 to 1,494,541 in 2018, which was an increase of 53 percent. Figure 9-1 shows that, in 2018, there were at least 250,000 visitors in each of the four age groups from 20-29 to 50-59. The number of visitors increased in all age groups between 2008 and 2018, although the fastest growth was in the 0-9 year age group and the two age groups 60-69 years and 70 years and over.

**Figure 9-1 Number of visitors from Australia, by age group**

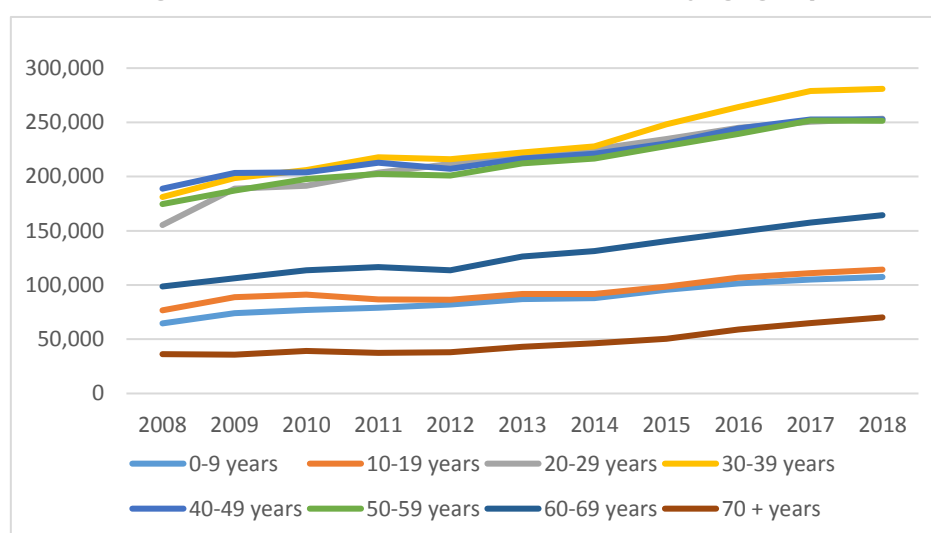


Figure 9-2 indicates that the largest number of visitors and the most rapid growth between 2008 and 2018 was amongst holiday makers and people visiting friends and relations. Both of those market sub-segments comprised almost 600,000 visitors in 2018.

**Figure 9-2 Number of visitors from Australia, by purpose of visit**

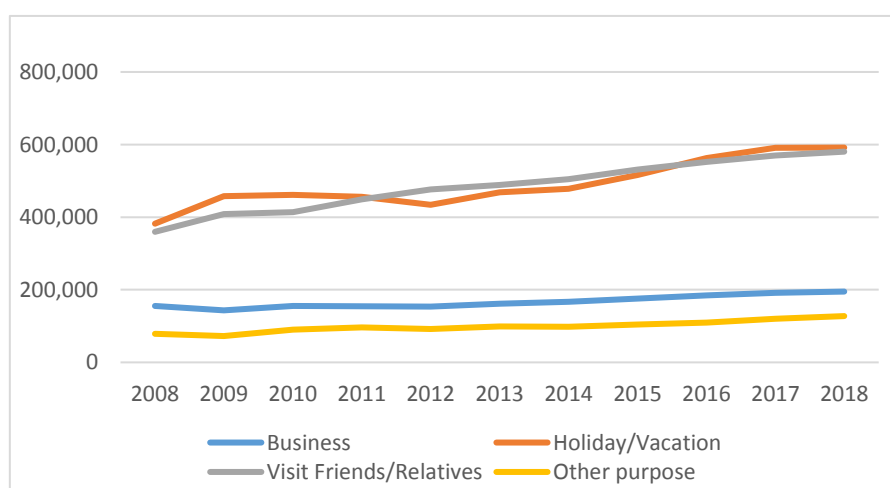
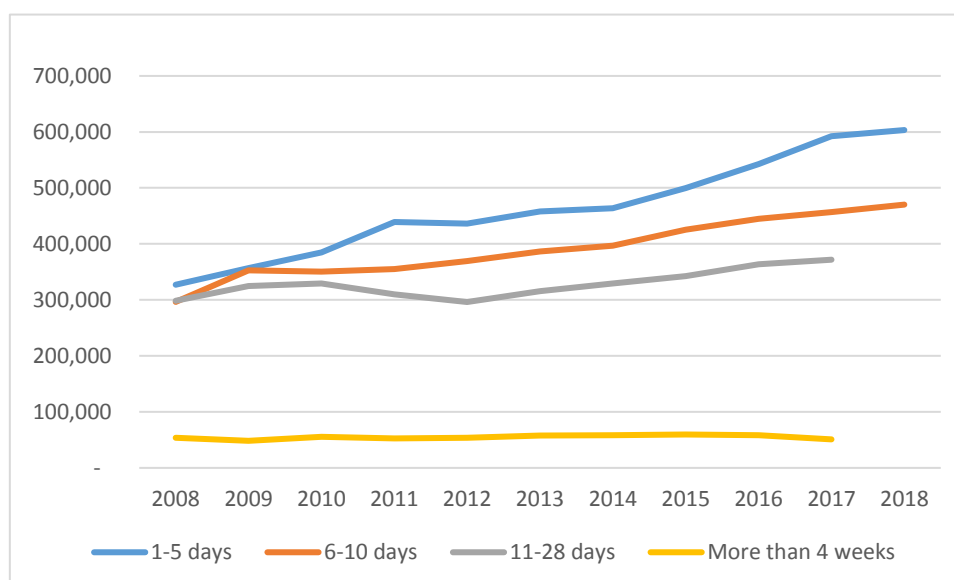




Figure 9-3 indicates that very short visits dominate amongst Australian residents; and this is probably explained by the good availability of flights, and relatively short distance, between Australia and New Zealand.

**Figure 9-3 Number of visitors from Australia, by length of stay**



## 9.2 China

Figure 9-4 suggests that there has been considerable growth, between 2008 and 2018, in the number of visitors in each age group. The largest number of visitors is in the 50-59 years age group, but (as was the case with visitors from Australia) the fastest growth was in the 0-9 year age group and in the two age groups 60-69 years and 70 years and over.

**Figure 9-4 Number of visitors from China, by age group**

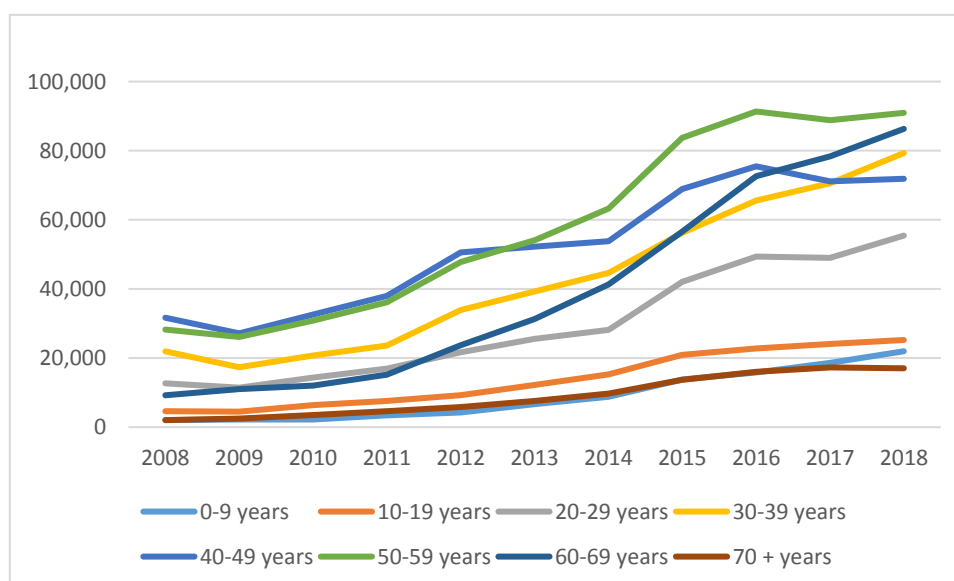


Figure 9-5 shows that, overwhelmingly, visitors from China come to New Zealand for holidays. In 2018, 76 percent of visitors from China were in this category; and this was also the fastest growing category between 2008 and 2018. Surprisingly perhaps, the number of visitors on business from China decreased between 2008 and 2018, albeit by just 3 percent.

**Figure 9-5 Number of visitors from China, by purpose of visit**

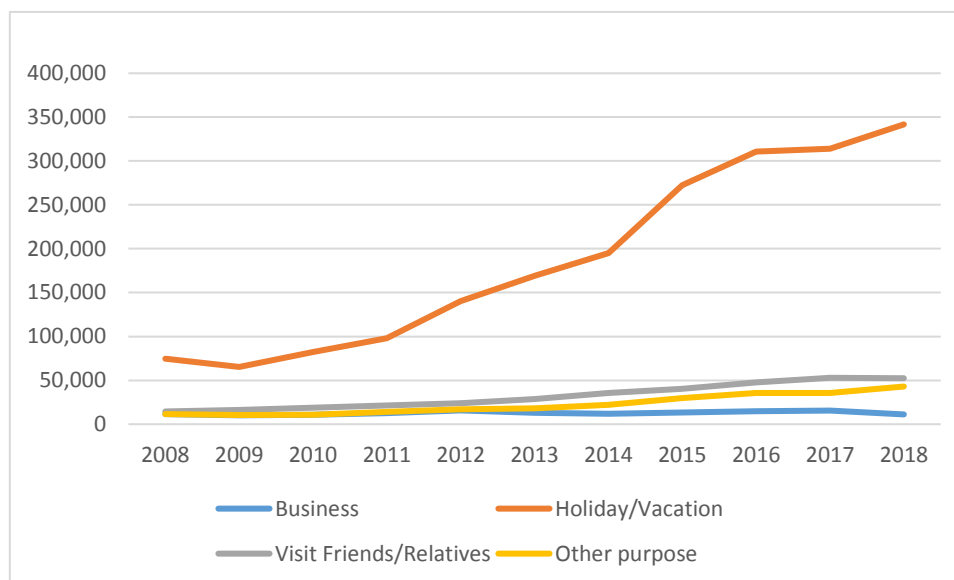
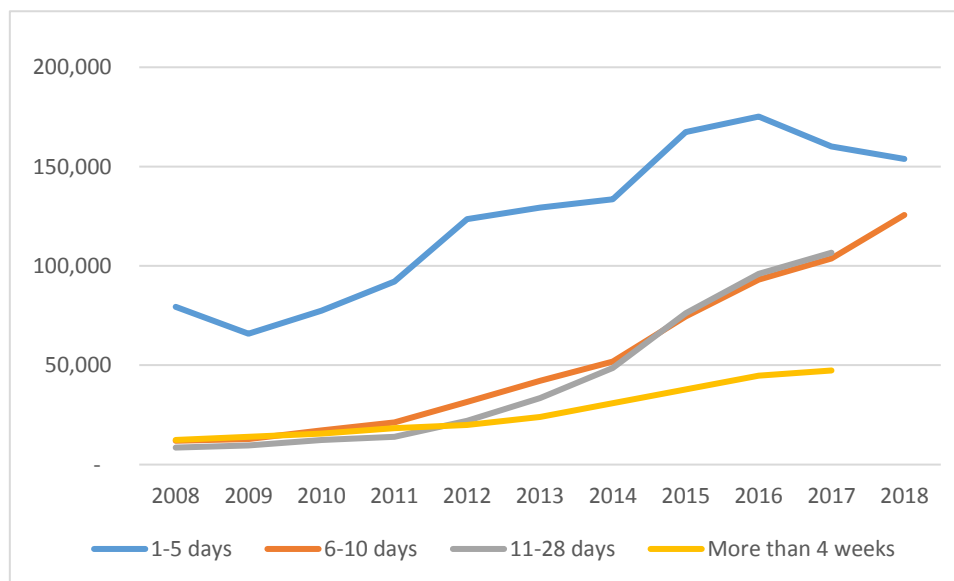


Figure 9-6 shows that very short visits by people from China dominate, but it also indicates that short- and medium-length visits have been growing more rapidly. During the period in question, the number of short visits (6-10 days) increased by 766 percent, while the number of medium-length visits (11-28 days) increased by 1,148 percent.

**Figure 9-6 Number of visitors from China, by length of stay**



## 9.3 United States of America

Figure 9-7 indicates that no one age group dominates, in terms of the number of visitors from the USA. It also indicates that there was at least some growth in visitor number in every age group. However, the most rapid growth has been in the 0-9 years and 30-39 years age groups, which suggests that families with young children are increasingly choosing to visit.

**Figure 9-7 Number of visitors from the USA, by age group**

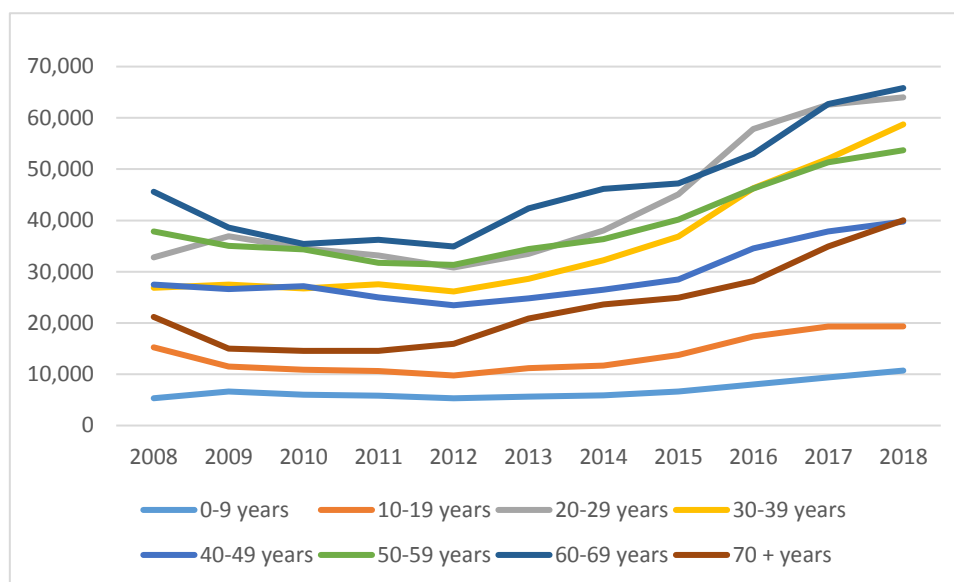


Figure 9-8 shows that vacation takers account for by far the largest group of visitors to New Zealand from the USA. Their share of the total was 67 percent in 2018; and they also represented the fastest growing market segment. The other market segments also grew, although the growth rate was small in the case of business visitors.

**Figure 9-8 Number of visitors from the USA, by purpose of visit**

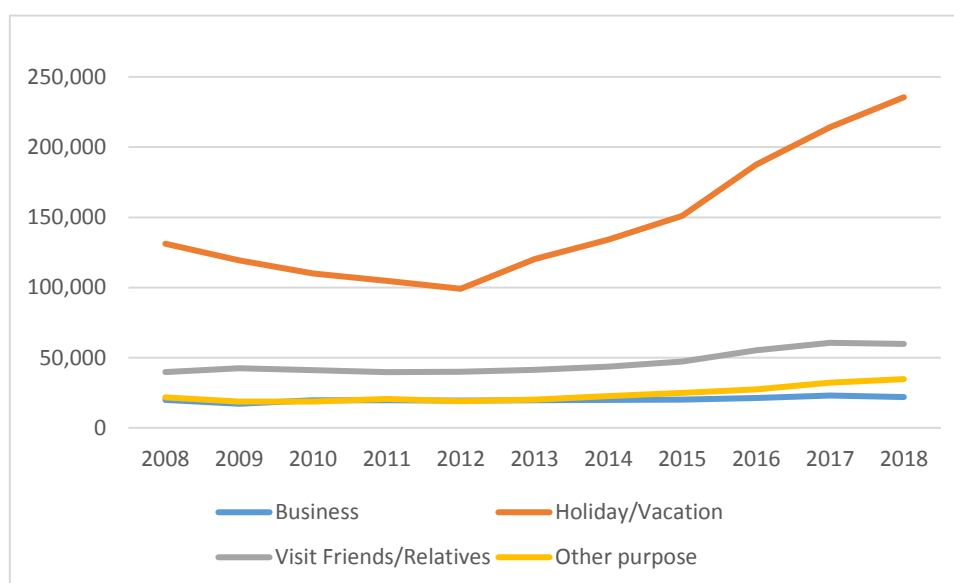
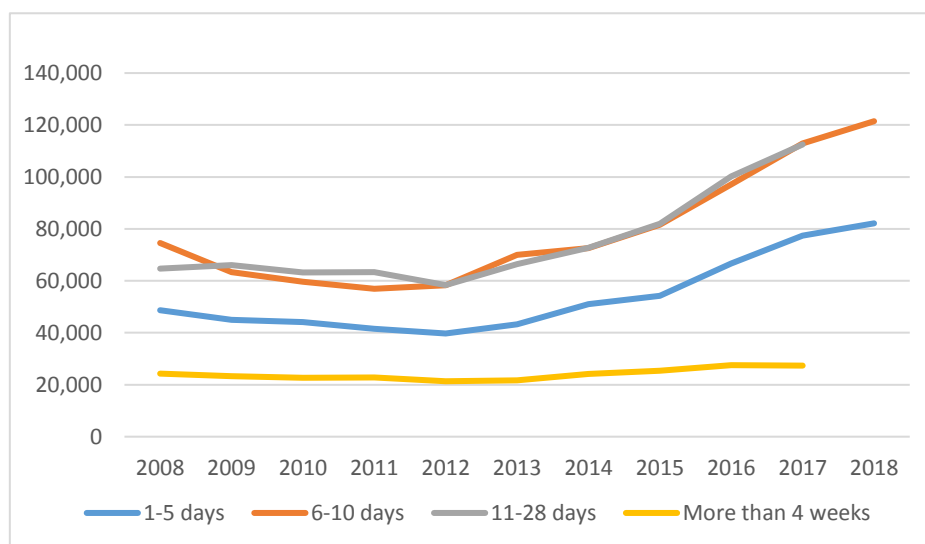


Figure 9-9 indicates that, with roughly one-third of the total each, short- and medium-length visits were most common in 2018. However, the number so very short visits increased most rapidly between 2008 and 2018, which is somewhat surprising, given that the shortest flight time between continental USA and New Zealand is about 12 hours. Longer visits remain relatively rare and their number has grown only slowly.

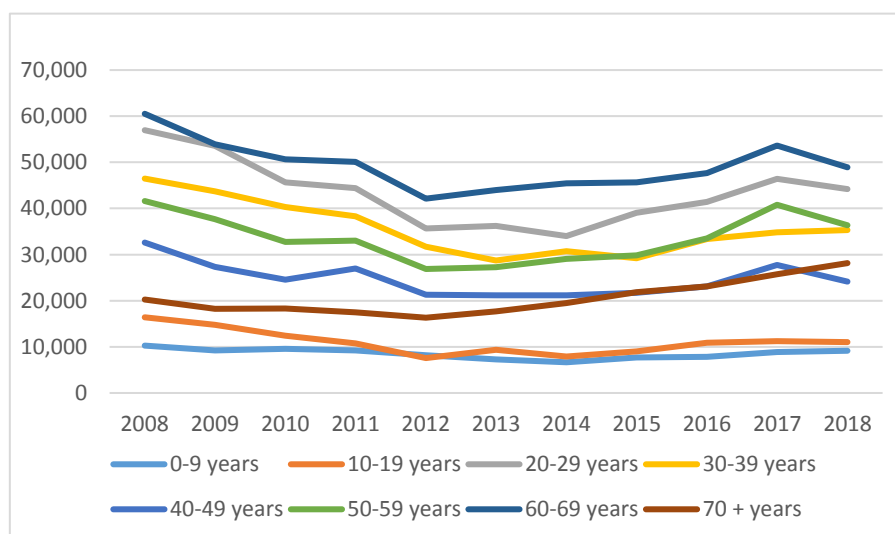
**Figure 9-9 Number of visitors from the USA, by length of stay**



## 9.4 United Kingdom

Overall between 2008 and 2018, the number of visitors to New Zealand from the UK decreased by 17 percent; and Figure 9-10 indicates that there was a decrease occurred in every age group except from the 70 and over group. In this age group, the increase was 39 percent, while it averaged a decrease of 21 percent in the other age groups combined. However, it is noteworthy that, in most age groups, there tended to be a significant decrease in numbers between 2008 and 2012, followed by a modest recovery.

**Figure 9-10 Number of visitors from the UK, by age group**



As Figure 9-11 shows, broadly equal number of people from the UK were in New Zealand to have a holiday and to visit friends and relatives in 2018. It also shows a marked decline, between 2008 and 2018, in the number of visitors from the UK having a holiday here. The longer term decline was clearly exacerbated between 2011 and 2012, no doubt because of the Canterbury earthquakes.

**Figure 9-11 Number of visitors from the UK, by purpose of visit**

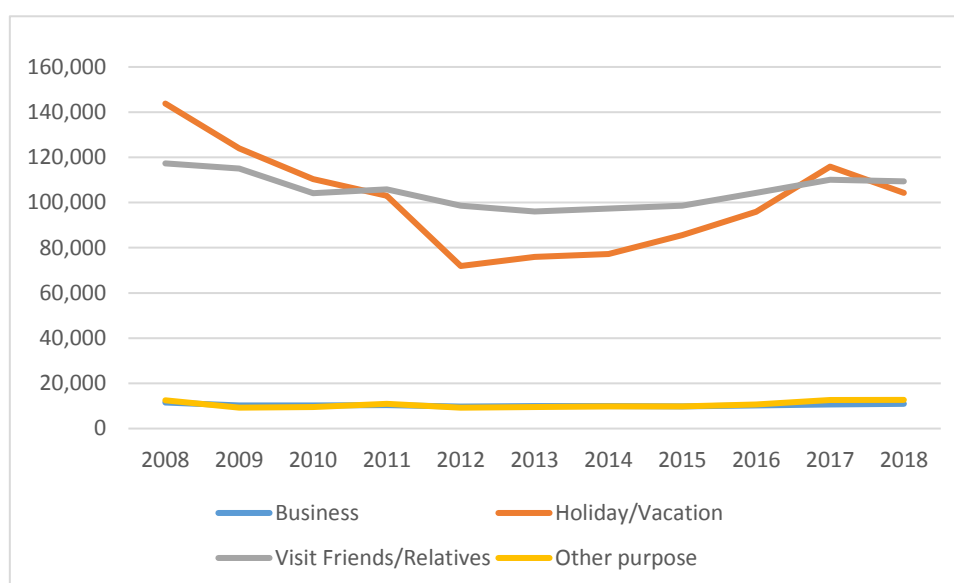
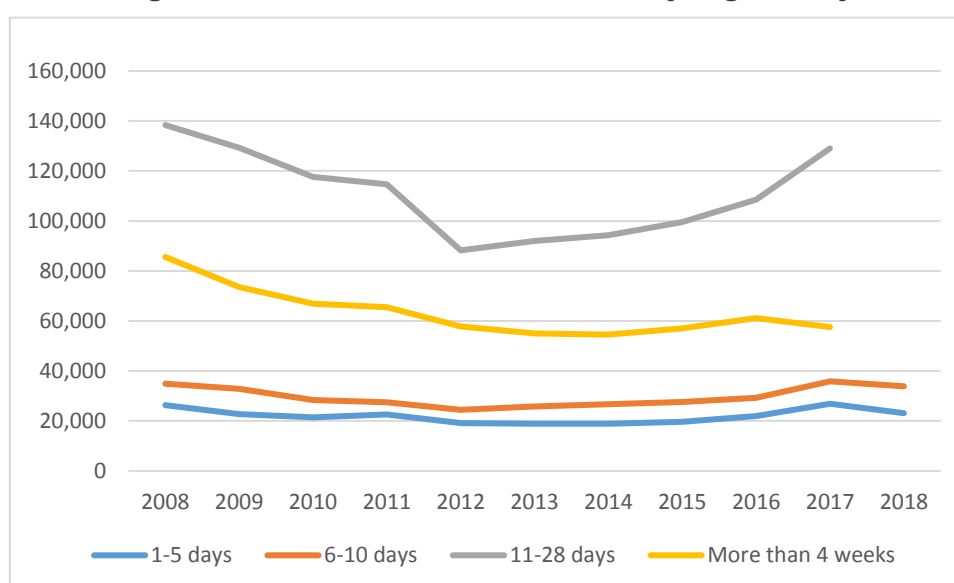


Figure 9-12 also shows a marked downturn, between 2011 and 2012, in the number of visitors from the UK staying between 11 and 28 days. Between 2008 and 2018 as a whole, the number of visits of all lengths decreased. The decrease was small in the case of very short and short visits, but there were actually few visits in these categories.

**Figure 9-12 Number of visitors from the UK, by length of stay**



## 9.5 Germany

The number of visitors to New Zealand from Germany was almost unchanged between 2008 and 2012, although it increased rapidly after that to result in a 64 percent increase overall between 2008 and 2018. Figure 9-13 shows the breakdown, by age group, and the underlying data reveal that 44 percent of all visitors from Germany in 2018 were in the 20-29 and 30-39 age groups. However, the growth in numbers between 2008 and 2018 was fastest in the 0-9 and 10-19 age groups, which suggests that visiting New Zealand is becoming increasingly popular amongst young German families.

**Figure 9-13 Number of visitors from Germany, by age group**

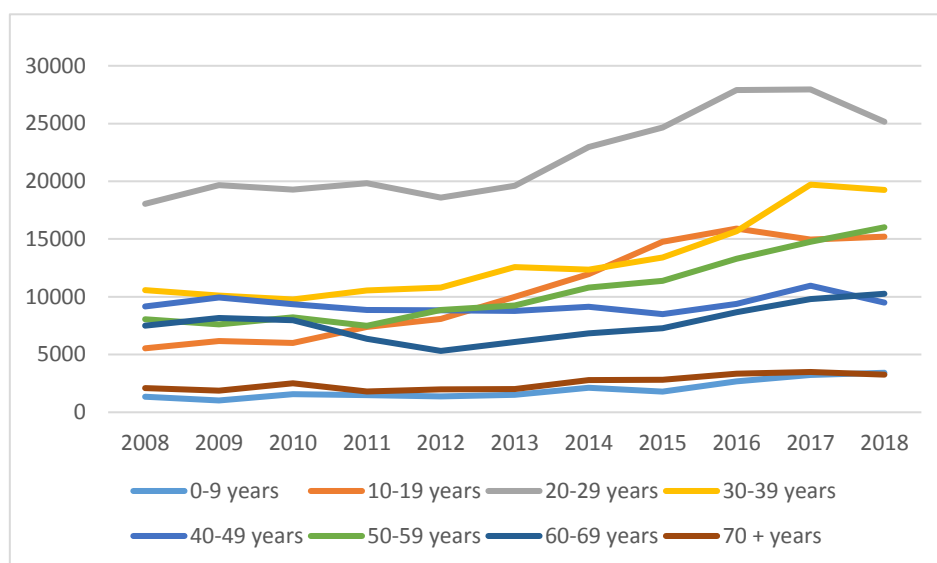
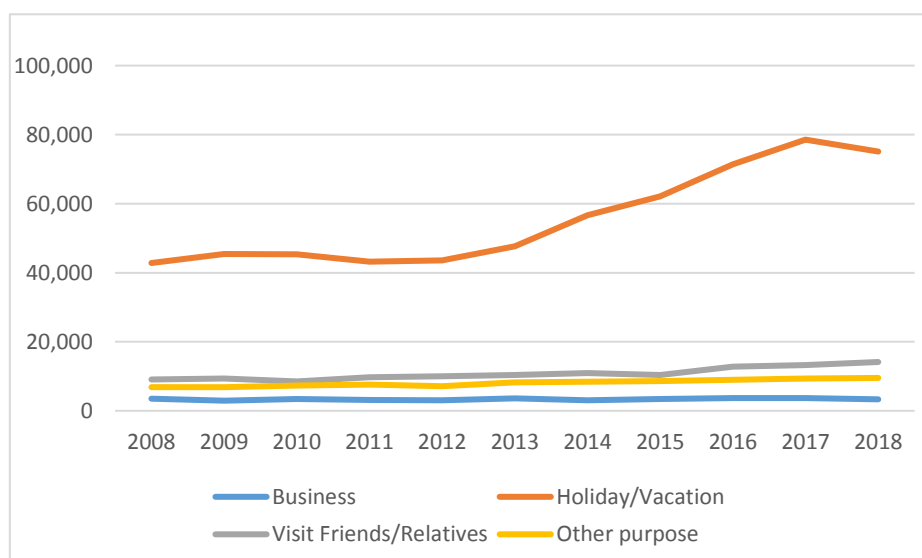


Figure 9-14 indicates that three-quarters of all visitors from Germany in 2018 were in New Zealand for a holiday. This category of visitors also grew the fastest between 2008 and 2018, while the number of visitor from Germany on business actually decreased slightly.

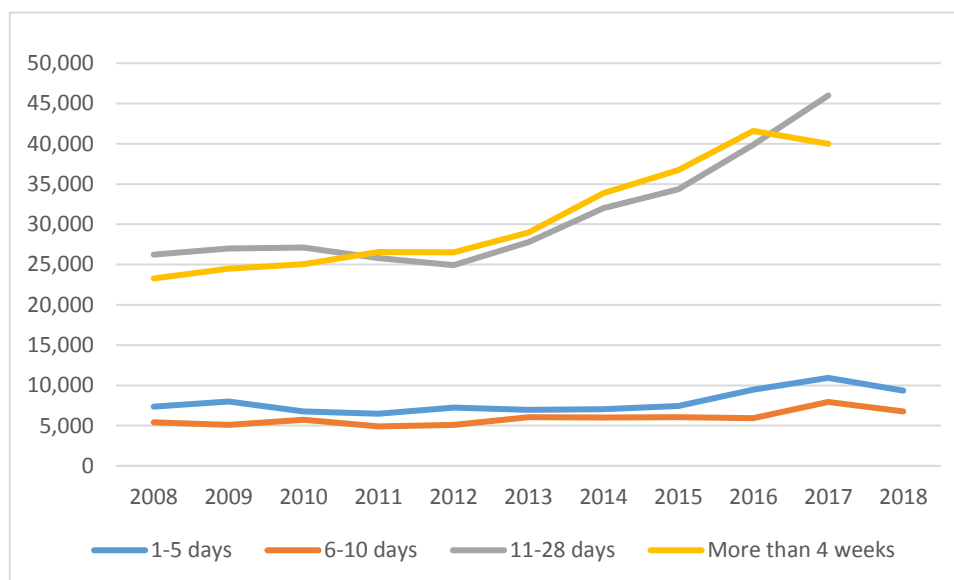
**Figure 9-14 Number of visitors from Germany, by purpose of visit**





Not surprisingly, given the travel time by air between Germany and New Zealand, most German visitors stay for a relatively long time. The data underlying Figure 9-15 show that 44 percent of visitors from Germany stay for 11-28 days, while 38 percent stay for more than four weeks.

**Figure 9-15 Number of visitors from Germany, by length of stay**



## 9.6 Japan

Between 2008 and 2018, the number of visitors from Japan decreased from 102,482 to 99,784, a decrease of just under 3 percent. Figure 9-16 shows that the two largest groups of visitors from Japan in 2018 were aged 10-19 years or 20-29 years, which suggests that many might be students. The graph also implies that the number of visitors from Japan in the 50-59 and 60-69 age groups decreased significantly.

**Figure 9-16 Number of visitors from Japan, by age group**

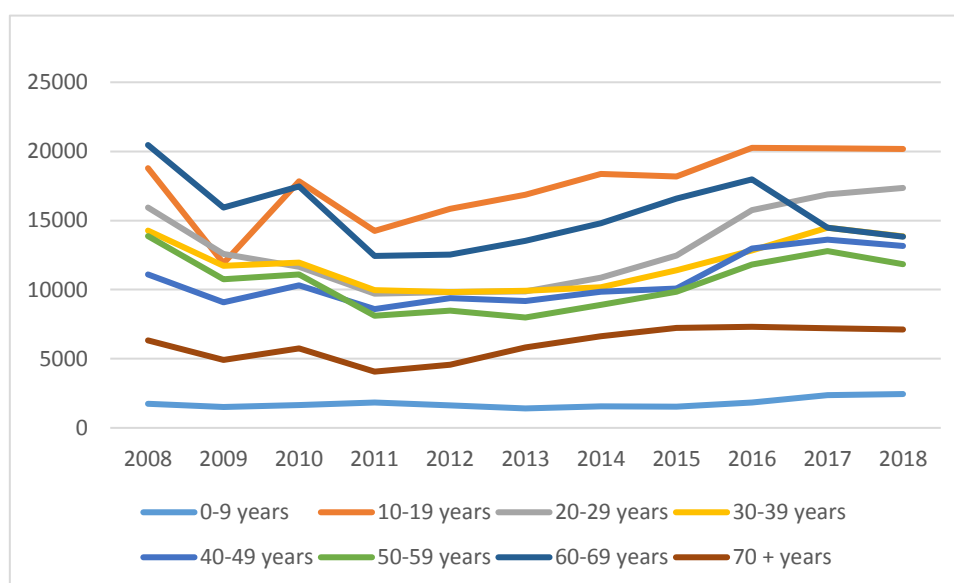
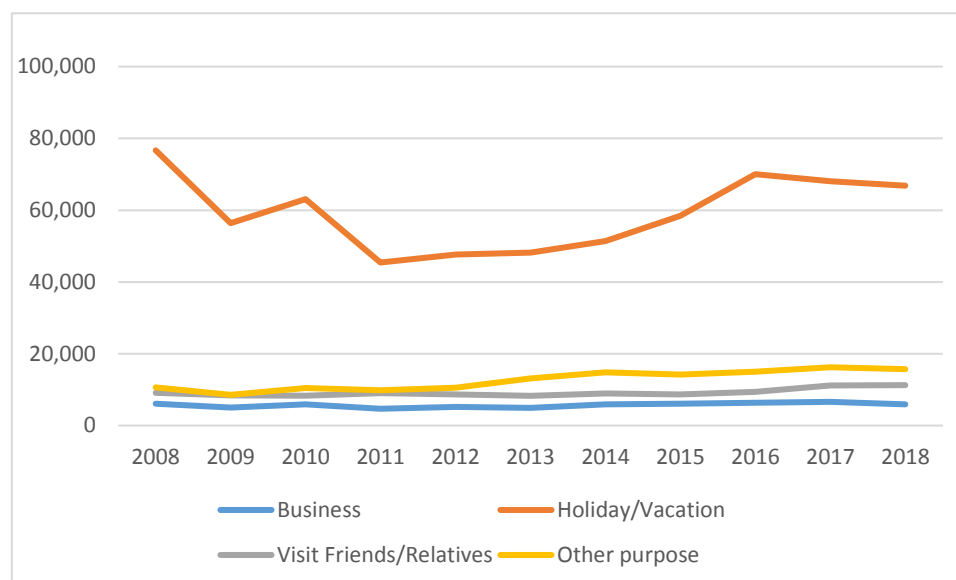


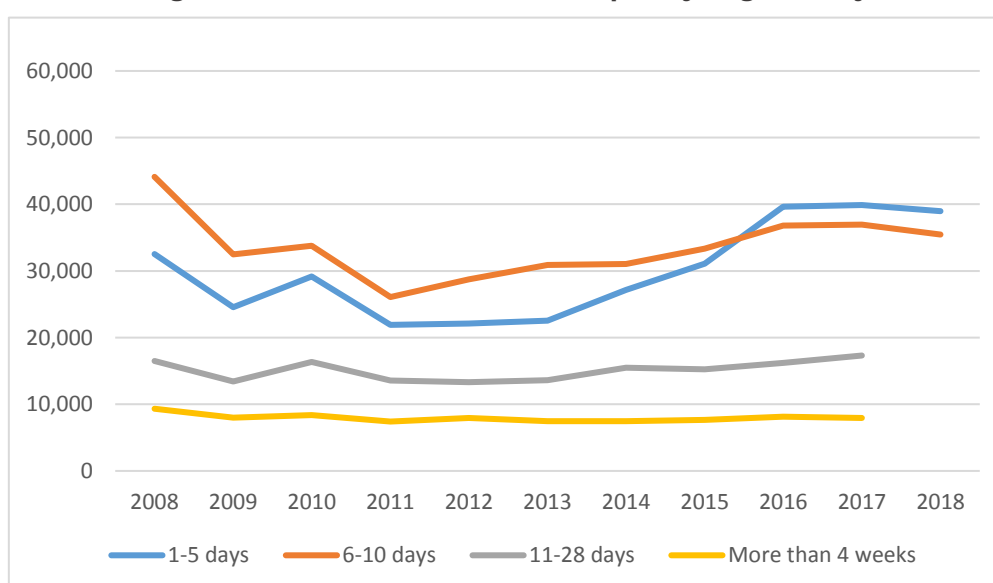
Figure 9-17 indicates that two-thirds of visitors to New Zealand from Japan in 2018 were on holiday/vacation. However, between 2008 and 2018, the number of visitors in this category fell, while the number of visitors coming to New Zealand for Other purposes (mainly education) and to visit friends and relatives increased. In the case of visitors coming for Other purposes, the increase was 47 percent.

**Figure 9-17 Number of visitors from Japan, by purpose of visit**



As Figure 9-18 shows, visits to New Zealand from Japan are predominantly very short (1-5 days) or short (6-10 days). Surprisingly, given that the shortest flight time from Japan to New Zealand is ten-and-a-half hours, the number of very short visits increased between 2008 and 2018, while the number of short visits increased.

**Figure 9-18 Number of visitors from Japan, by length of stay**

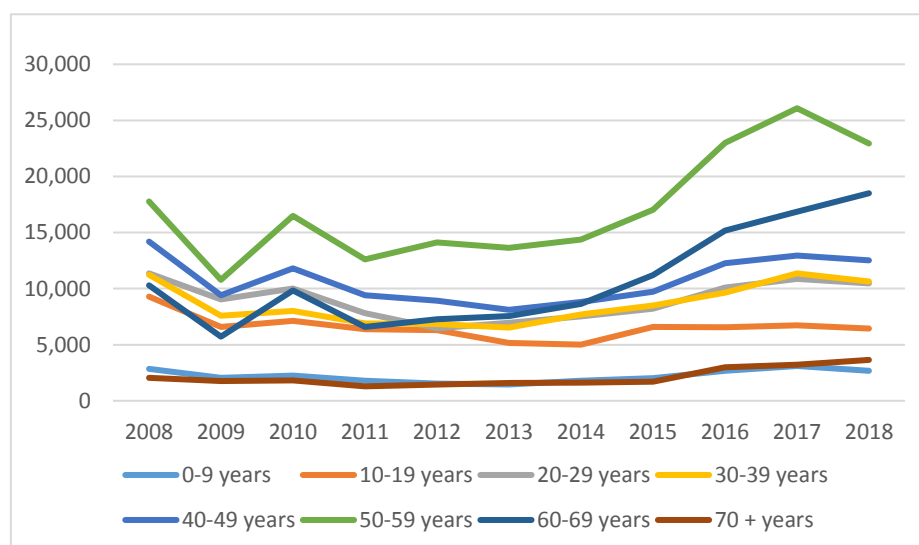


## 9.7 South Korea

The number of visitors to New Zealand from South Korea increased by 11 percent between 2008 and 2018, to reach a total of 87,853.

Figure 9-19 indicates that there was a marked downturn in the number of visitors in most age groups in 2009, and this is likely to have been linked to the “swine flu” pandemic at the time. Taking the 2008-2018 period as a whole, it is noticeable that the number of visitors in all of the younger age groups (i.e. aged up to 49 years) decreased, while the number of visitor in each of the older age groups increased. Visitor numbers increased fastest in the 60-69 and 70 and over age groups.

**Figure 9-19 Number of visitors from S Korea, by age group**



The large majority (i.e. 72 percent) of visitors from South Korea come to New Zealand for a holiday. Figure 9-20 highlights the downturn in 2009 commented on above. Between 2008 and 2018, the number of holiday makers visiting from South Korea increased by 27 percent, while the number in all other categories combined decreased by 16 percent.

**Figure 9-20 Number of visitors from S Korea, by purpose of visit**

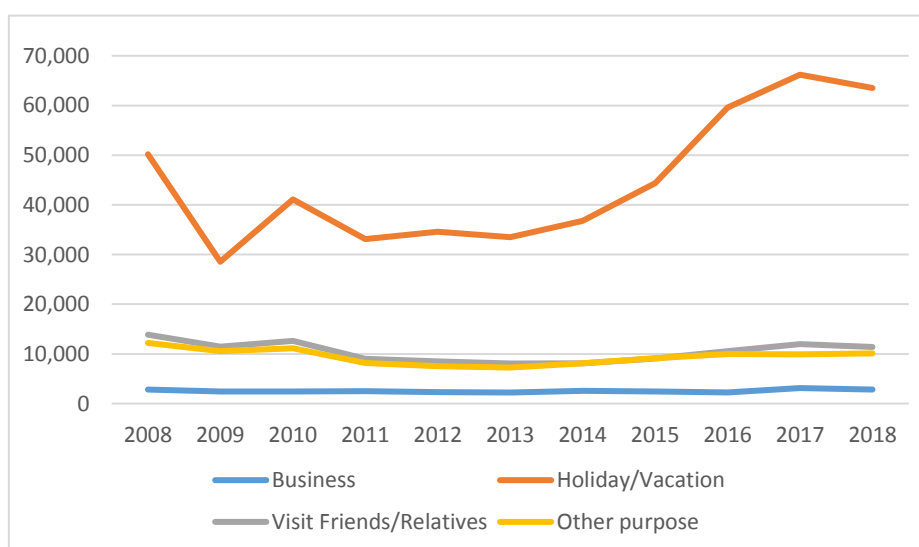
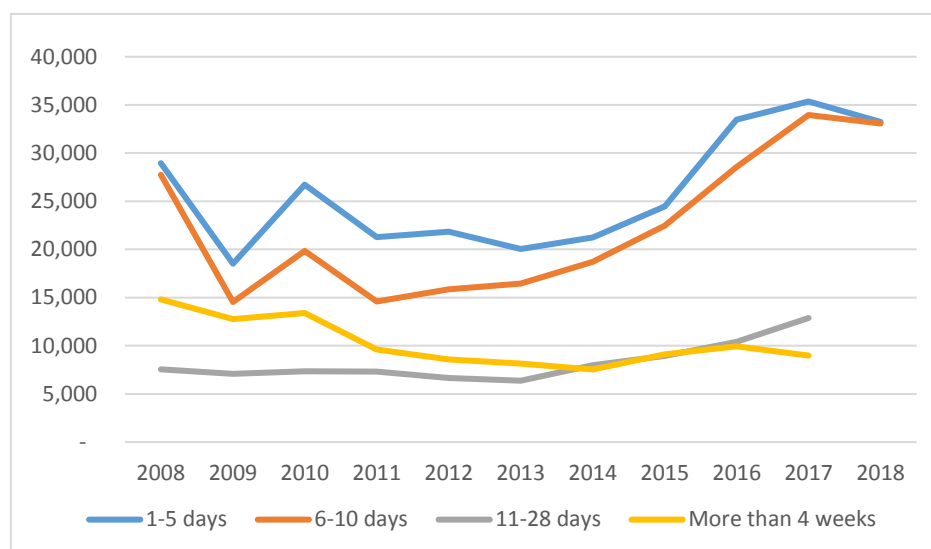


Figure 9-21 shows that there were almost equal numbers of visitors from South Korea having very short and short stays in New Zealand in 2018. These two categories combined accounted for 76 percent of all visits. It is noteworthy, however, that there was a marked upturn after 2013 in the number of visitors staying for 11-28 days, although this was from a low base.

**Figure 9-21 Number of visitors from S Korea, by length of stay**

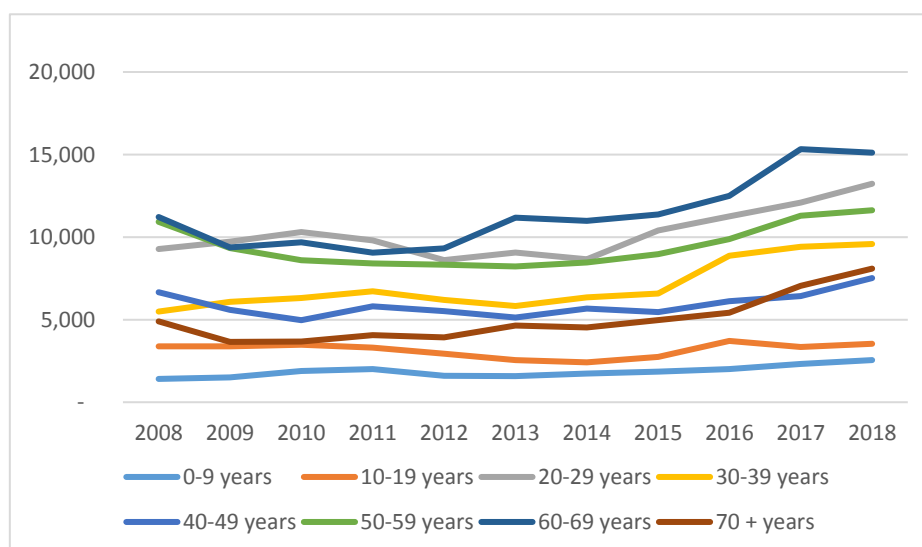


## 9.8 Canada

In 2018, there were 71,261 visitors to New Zealand from Canada; an increase of 34 percent from the 2008 number.

Figure 9-22 indicates that the number of visitors from Canada increased in every age group between 2008 and 2018. The largest increases were at opposite ends of the age range. The number of visitors aged 0-9 years increased by 81 percent, while the number of visitors aged 70 years and over increased by 65 percent.

**Figure 9-22 Number of visitors from Canada, by age group**



57 percent of visitors from Canada in 2018 were on holiday/vacation, and a further 31 percent were visiting friends and relatives. Figure 9-23 implies that the number of visitors in the latter category increased more rapidly between 2008 and 2018. The number of visitors in the Business category and the Other purposes category also increased.

**Figure 9-23 Number of visitors from Canada, by purpose of visit**

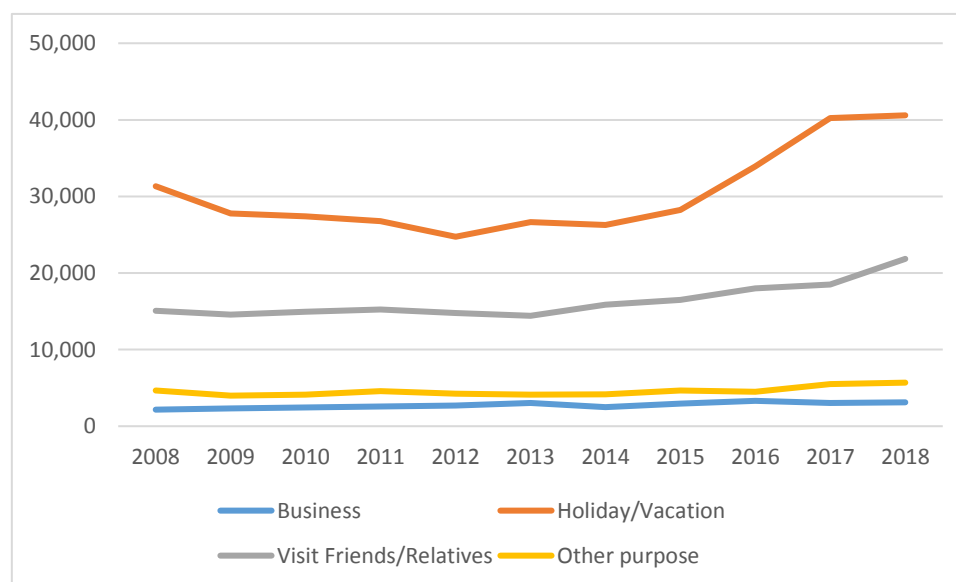
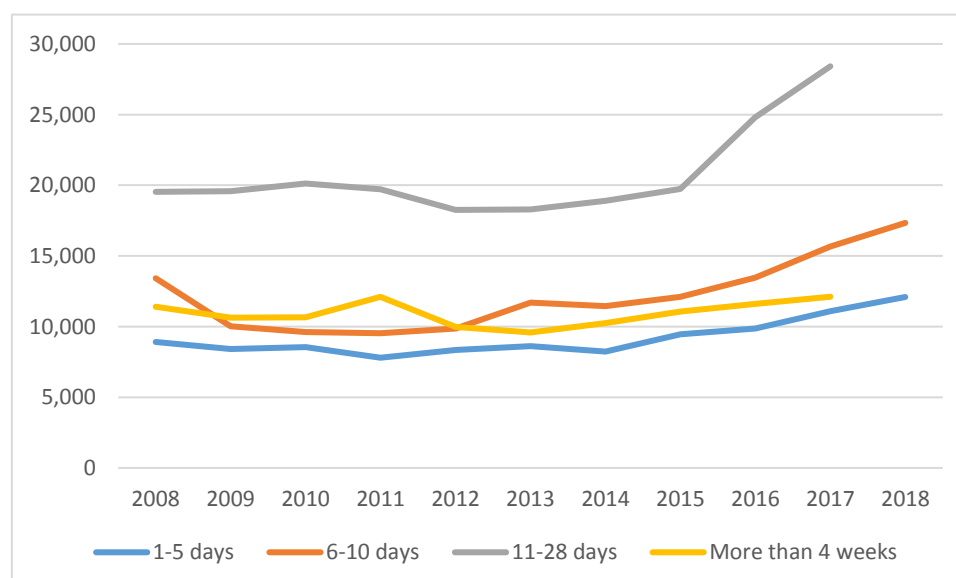


Figure 9-24 shows that there was an increase in the number of visitors from Canada in each of the duration categories between 2008 and 2018. Medium-length stays (11-28 days) are most common, and this is understandable, given that the shortest flight time between Auckland and anywhere in Canada is 13 hours. There was a marked uptick in the number of 11-28 day visits after 2015, but the reason for this is not obvious.

**Figure 9-24 Number of visitors from Canada, by length of stay**



## 10 Emerging markets

As was mentioned in the Introduction, there are five countries in South and East Asia that are emerging as important markets for tourism in New Zealand. Figure 10-1 shows the countries concerned and it indicates that, between them they accounted for 289,269 visitors in 2018. This compares with a total of just 113,379 visitors in 2008.

**Figure 10-1 Emerging markets: number of visitors, annual totals**

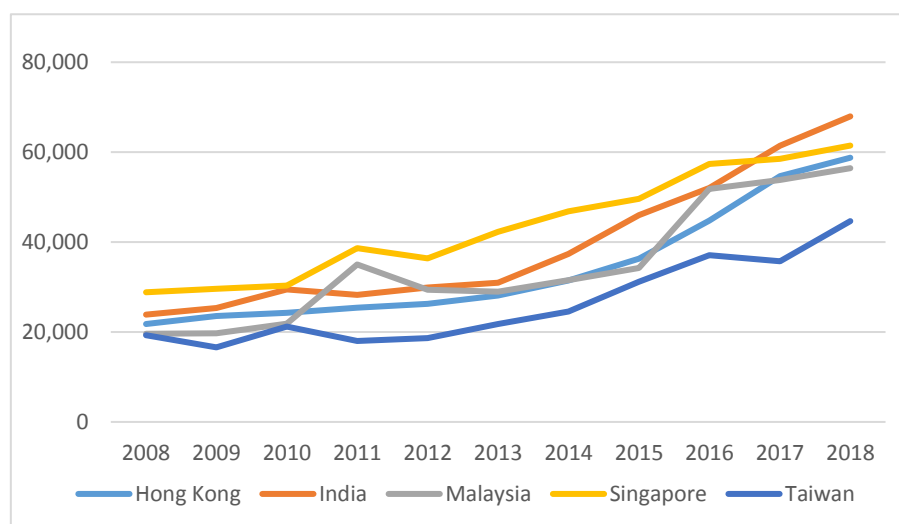
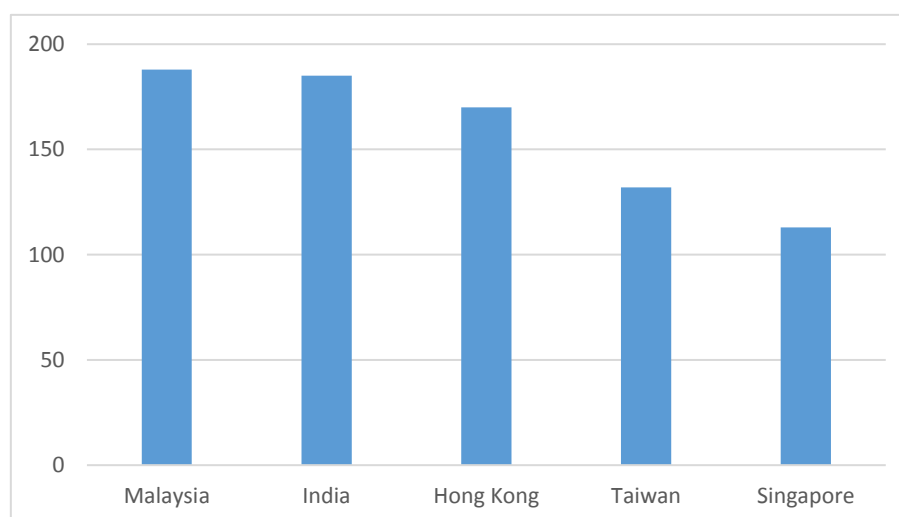


Figure 10-2 shows the percentage growth in the number of visitors from the five emerging markets between 2008 and 2018. Collectively, the growth in the five markets was 155 percent.

**Figure 10-2 Emerging markets: percentage change in number of visitors, 2008-2018**



Given the growth rates shown above, it is easy to foresee that most of the emerging markets will overtake several of the current top eight markets within the next 10 years. India, with its population of almost 1.4 billion and a burgeoning middle class, looks set to grow the fastest, although the absence of direct flights between the major cities in India and New Zealand could prevent even faster growth in visitor numbers.