

Mood of the Nation

New Zealanders' perceptions of international visitors

March 2018



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TIA TOURISM
INDUSTRY
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**100% PURE
NEW ZEALAND**

Contents

1

Background and approach 3

2

Key insights 6

3

Detailed insights 10

4

Appendix: measures by region 31

1

Background and approach

Background

- Tourism 2025 aims to increase the value of international tourism to \$41 billion by 2025, thus the strategic focus is on building value rather than volume
- Tourism 2025 identifies visitor experience as a priority lever to help grow value. An essential aspect of a unique and pleasurable visitor experience is interaction with local communities
- In recent years, New Zealand has seen strong volume growth in international tourism
- However, there is a persistent negative media coverage of the impact international tourism has on New Zealand, focused on the issues such as foreign drivers, road accidents and freedom camping among others
- The purpose of the 'Mood of the Nation' research programme is to reveal New Zealanders' sentiments about international tourism and identify key issues that might negatively impact perceptions and tolerance for further growth

Research approach



Method and audience

An online survey of approximately n=500 residents in New Zealand aged 18 plus



Sample sizes

This wave (Mar-18) we achieved a total sample of 555. We set minimum quotas to ensure sufficient representation from traditional tourism hotspots, and what we achieved each wave in those areas is below:

	Wave 1 (Dec-15)	Wave 2 (Mar-16)	Wave 3 (Nov-16)	Wave 4 (Mar-17)	Wave 5 (Nov-17)	Wave 6 (Mar-18)
Auckland city	83	100	81	87	80	93
Wellington city	61	80	81	80	80	86
Rotorua	40	50	48	51	50	50
Christchurch	75	80	80	85	81	89
Queenstown	17	51	54	50	50	50



Fieldwork dates

Wave 1: 2nd to 6th of December, 2015

Wave 2: 17th March to 2nd April, 2016

Wave 3: 7th to 17th November, 2016

Wave 4: 13th to 22nd March, 2017

Wave 5: 13th to 23rd November, 2017

Wave 6: 5th to 21st March, 2018



Weighting

Respondents were weighted by gender, age and region to be representative of the New Zealand population based on 2017 population estimates

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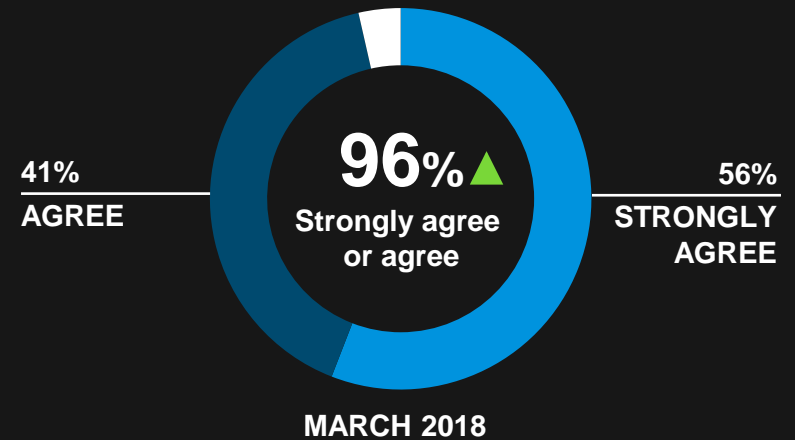
Key insights

KEY INSIGHTS (page 1 of 3)

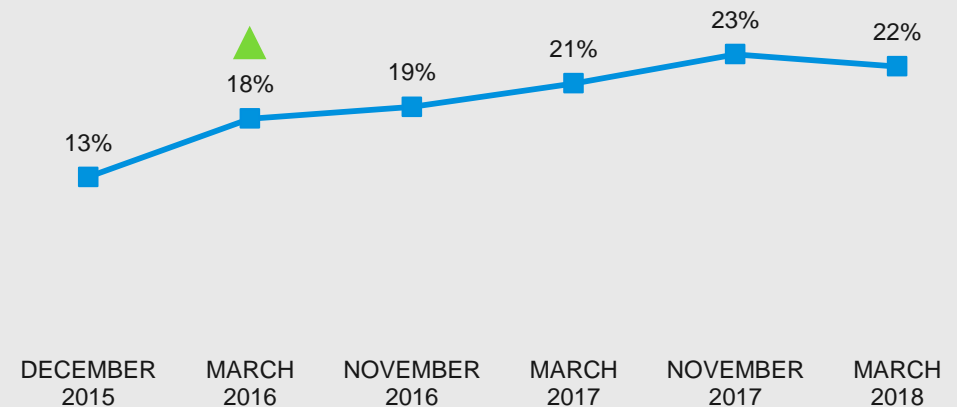


- The majority view is that international tourism is good for New Zealand
- Most people are proud that New Zealand is an attractive tourist destination and are welcoming of international visitors
- However, over the years there has been an increase in the proportion of New Zealanders who think that the number of tourists is too high, with this trend now stabilising
- Nonetheless, the prevailing view remains that New Zealand attracts just the right number of international visitors

IS INTERNATIONAL TOURISM GOOD FOR NEW ZEALAND?



PERCEPTIONS THAT CURRENT NUMBER OF VISITORS IS TOO HIGH

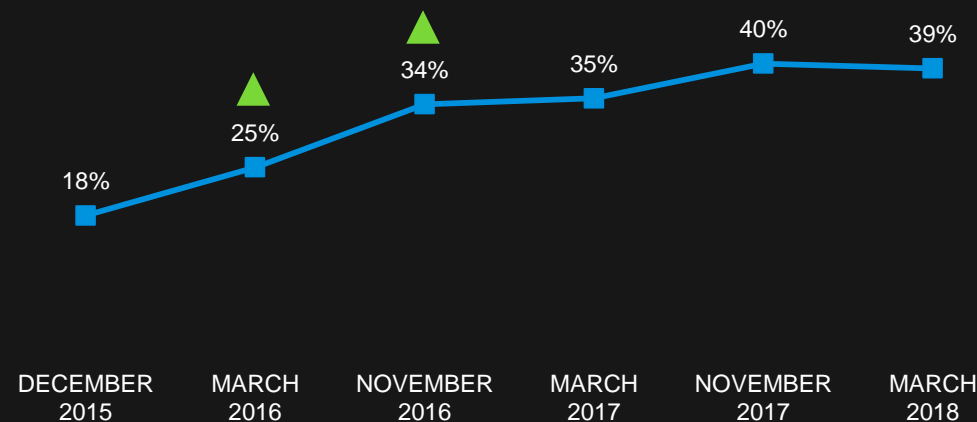


KEY INSIGHTS (page 2 of 3)



- The percentage of New Zealanders who think that international tourism puts too much pressure on New Zealand has been increasing since December 2015, with the trend now stabilising
- Perceptions of lack of infrastructure to support the growing number of international visitors and the impact it has on the environment drives this view
- Queenstown and Auckland are consistently seen as the areas under the most pressure and residents from Otago tend to be the most negative about the impacts of international tourism
- Personal experience and information in the national media outlets have the most influence on what New Zealanders think about the impacts of tourism on the country

PERCEPTIONS THAT TOURISTS PUT TOO MUCH PRESSURE ON NEW ZEALAND



Top 5 ways tourism applies pressure

Pressure on infrastructure

Accommodation shortage

Environmental damage

Freedom Camping

Increased traffic congestion

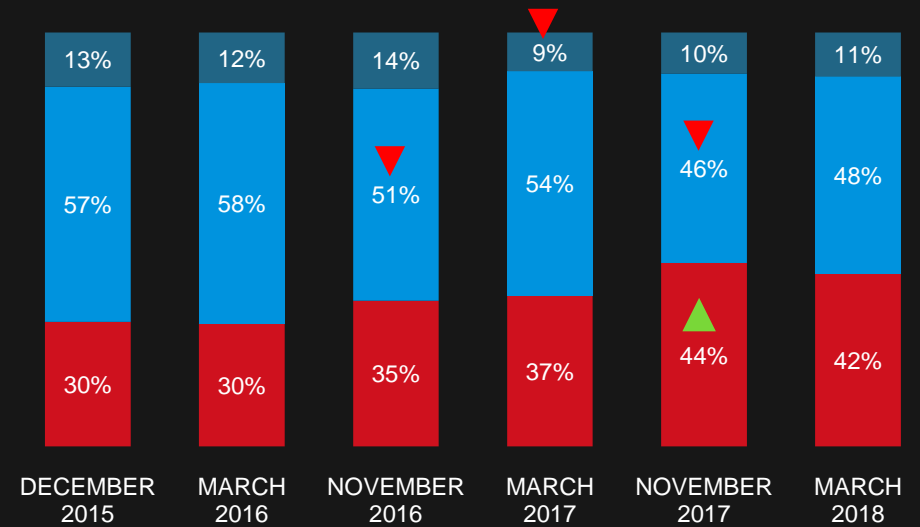


KEY INSIGHTS (page 3 of 3)

- The proportion of New Zealanders who believe the predicted international visitor growth is too high has been increasing over time but is now stable compared to November 2017

PERCEPTIONS OF PREDICTED GROWTH

■ Too much growth ■ Just right ■ Not enough growth



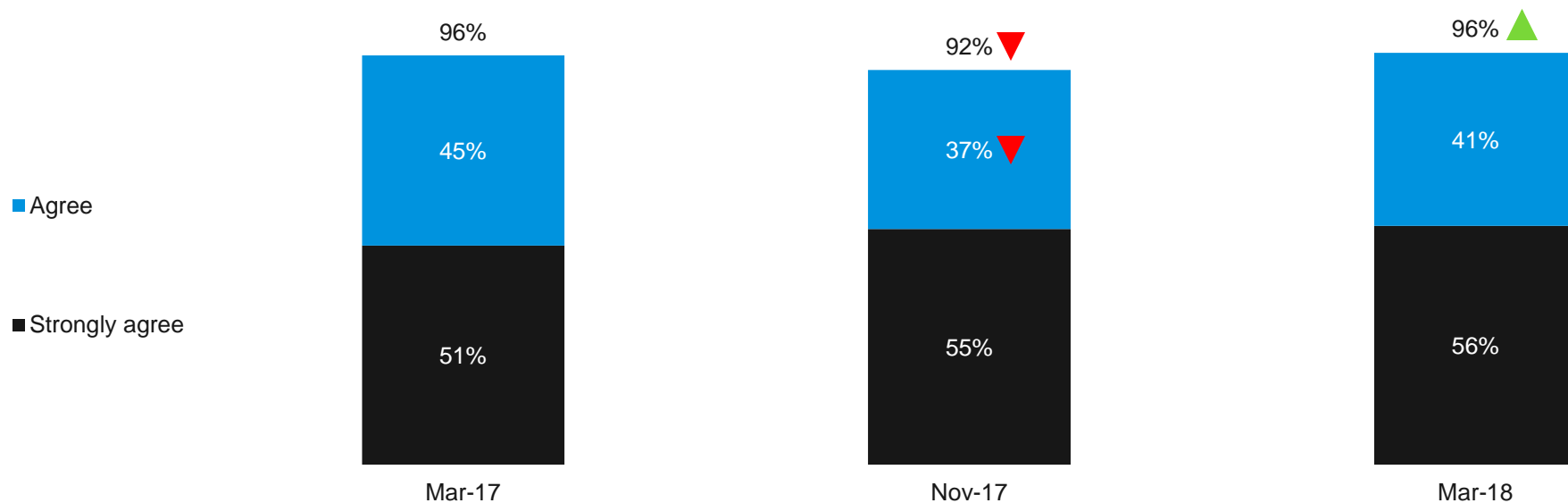
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Detailed insights

There is an unanimous agreement among New Zealanders that international tourism is good for the country, with this perception strengthening significantly compared to November 2017

International tourism is good for New Zealand

% agree, 18+ year olds



Base: New Zealanders aged 18 plus Mar-17 n = 500, Nov-17 n = 501, Mar-18 n = 555

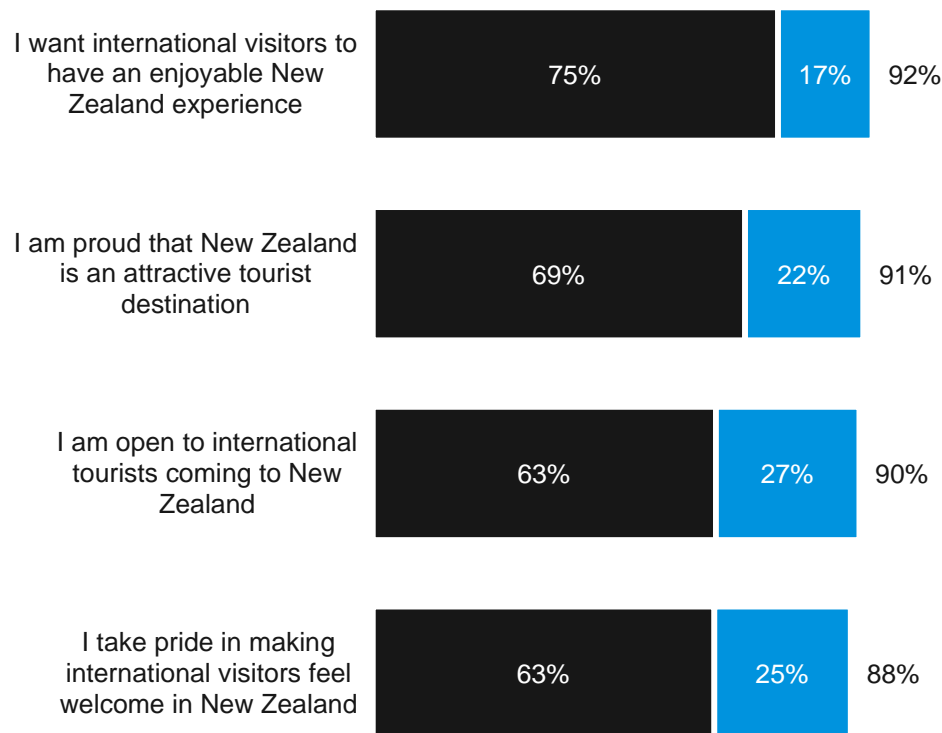
Significantly higher / lower than previous wave at 95% CL

New Zealanders are generally welcoming of and proud to host international tourists in New Zealand and want them to have an enjoyable experience, however, far less strongly agree that other New Zealanders feel the same way

Attitudes towards international visitors

% agree, 18+ year olds

Personal perceptions



■ Strongly agree ■ Somewhat agree

Perceptions of how other New Zealanders feel



▲ ▼ Significantly higher / lower than previous wave at 95% CL

Base: New Zealanders aged 18 plus Mar-18 n = 555, Nov-17 n = 501

Personal experience and information in the national media outlets have the most influence on views New Zealanders have about international tourism; this is unchanged from November 2017

What influences the opinions on international tourism

18+ year olds, Mar-18

		<u>Level of influence</u>	
		1 st most significant	2 nd most significant
1	What I experience first-hand in my daily life	38%	21%
2	What I see / hear about tourism from national media outlets	40%	12%
3	What I hear from friends / family / colleagues that they experience first hand in their daily lives	14%	38%
4	What I see / hear about tourism from local media outlets	6%	11%
5	What I see / hear about tourism from regional media outlets	3% ▼	18% ▲

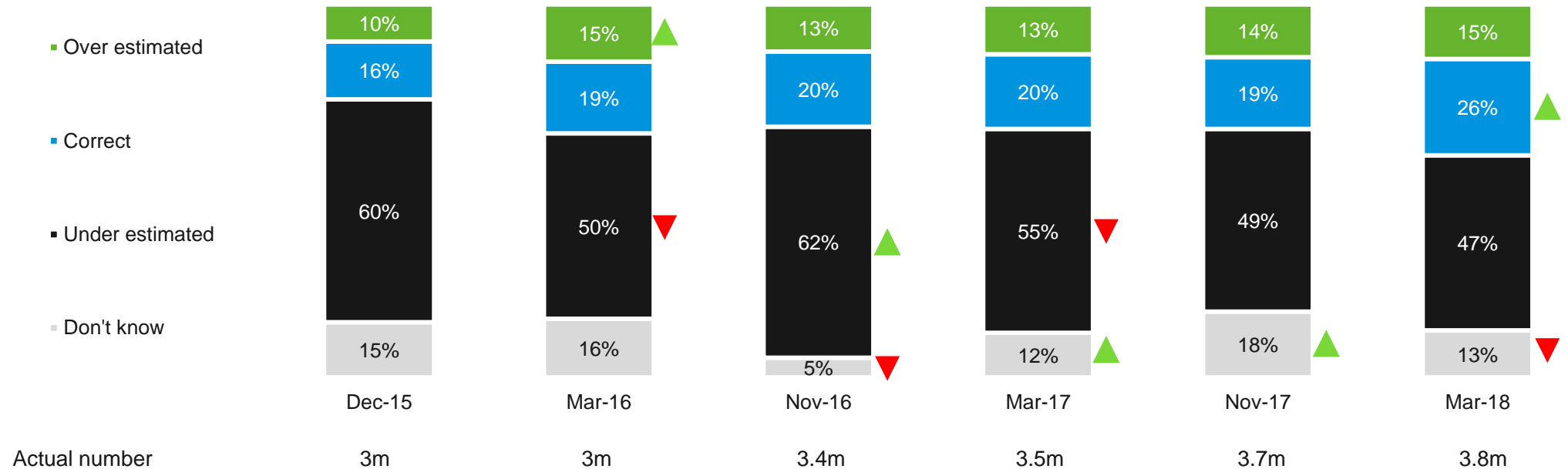
Base: New Zealanders aged 18 plus Mar-18 n = 555; Nov-17 n = 501

▲ ▼ Significantly higher / lower than previous wave at 95% CL

The proportion of New Zealanders who know how many international visitors New Zealand attracts annually has increased significantly since November 2017, but the majority still underestimate the number

Knowledge of annual visitor numbers

%, 18+ year olds

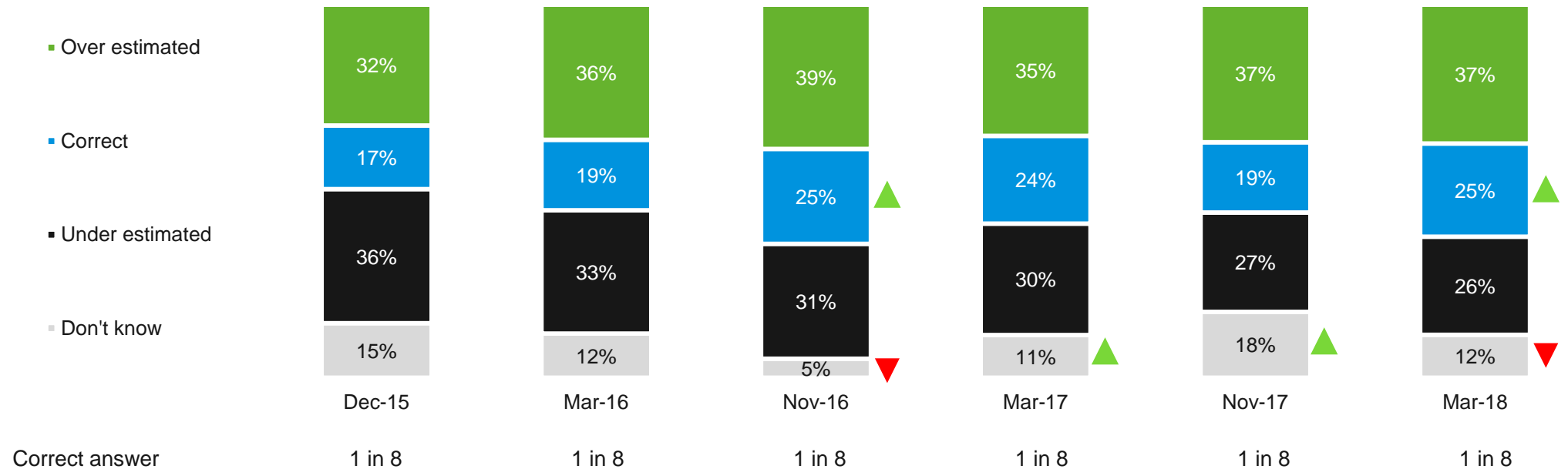


Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555

▲ ▼ Significantly higher / lower than previous wave at 95% CL

A quarter of New Zealanders know the number of people directly or indirectly employed in the tourism industry, a significant improvement compared to November 2017; a further quarter underestimate the number

Knowledge of how many New Zealand workers employed in the tourism industry (directly or indirectly)
%, 18+ year olds



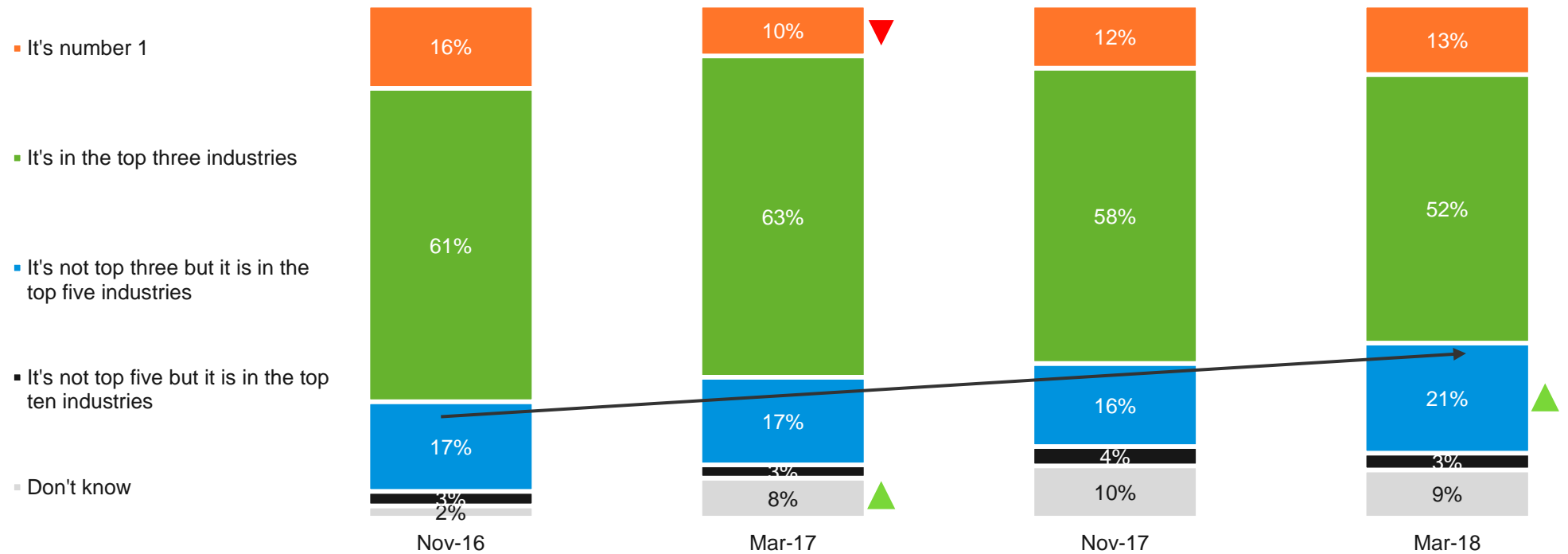
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▲ ▼ Significantly higher / lower than previous wave at 95% CL

The majority of New Zealanders know that tourism is one of the top three revenue earners for the country and 13% know that it is number one, however the proportion of people who think it is outside the top three or simply don't know has grown over time

Knowledge of the value of the tourism industry

%, 18+ year olds



Base: New Zealanders aged 18 plus Nov-16 n = 521; Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555

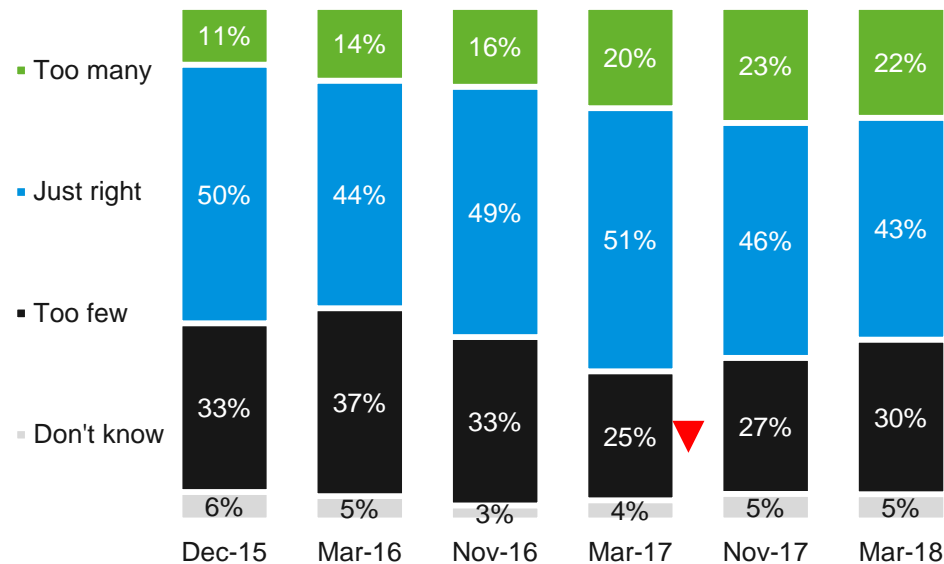
▲ ▼ Significantly higher / lower than previous wave at 95% CL

The common view is that New Zealand attracts just the right number of international visitors, while one in five New Zealanders think that the country attracts too many international visitors, a stable result over the past year

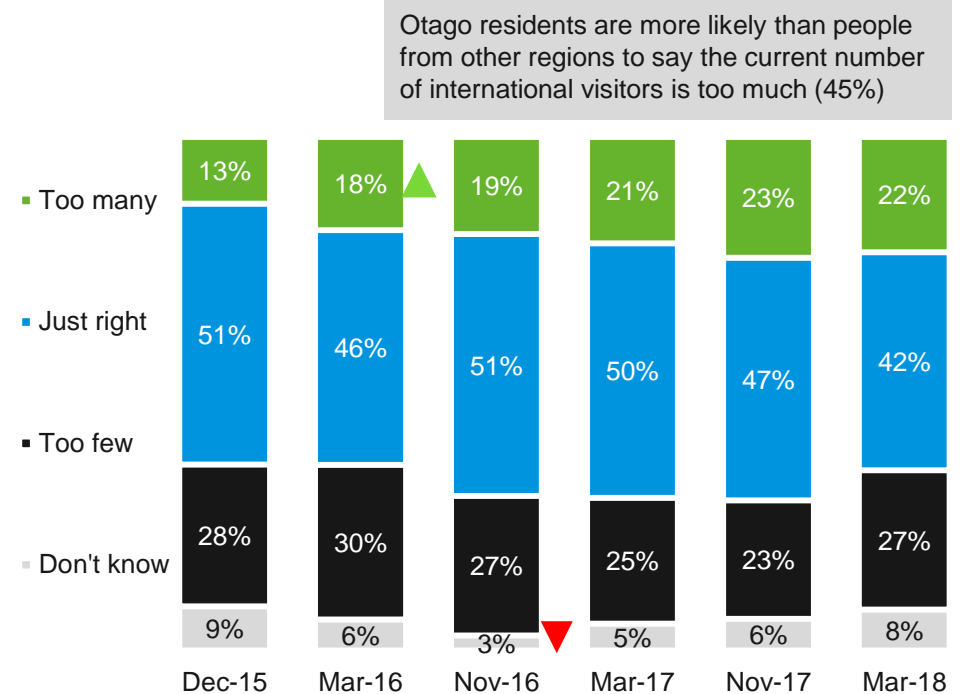
Perceptions of whether New Zealand attracts too few/too many international visitors

%, 18+ year olds

Based on **perceived** number of current visitors



Based on **actual** number of current visitors



Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555

▲ ▼ Significantly higher / lower than previous wave at 95% CL

Overcrowding, a lack of adequate infrastructure and concerns around road safety are some of the top reasons why some New Zealanders feel there are too many international visitors

Themed verbatim reasons for there being **too many international visitors** (22%)



Overcrowding

- “Overcrowded areas”
- “There are too many in some areas, not enough in others, issues with freedom camping and insufficient resources for preventing those issues”
- “There are often so many tourists at a location that it becomes too crowded, and therefore harder to enjoy”
- “Sometimes Dunedin feels overcrowded and the locals get pushed aside in favour of the tourists”
- “Slightly too many visitors to cope with”
- “Crowded main tourist destinations like Queenstown”
- “It can often feel overcrowded in certain places, especially during the summer”
- “Peak season there are too many people”

Lack of Infrastructure

- “Not enough accommodation or infrastructure to meet the increased demand for international tourists”
- “Our infrastructure struggles to cope during peak seasons”
- “We are struggling to keep up with the infrastructure for the numbers we get away from the big cities”
- “I think NZ needs to be smarter about international visitors. I want NZ to be attractive, but not only focus on numbers at the expense of our infrastructure and environment”
- “I question whether our infrastructure is keeping up/ahead of visitor growth”
- “There is a fine balance between infrastructure and impact on the environment and welcoming visitors to have a good experience”

Road safety

- “A lot of camper vans on the road and ridiculous driving”
- “There are too many tourists causing accidents in NZ”
- “Too many tourists on the roads, huge bus loads in my local area”
- “Stressing some roads causing road accidents”
- “It seems to be getting busier on the roads with tourists driving when they are not used to conditions”
- “Due to the increase in car crashes caused by them”
- “The roads cant cope with all the visitors”

Concerns around road safety are coming through more strongly after peak season compared to what we saw in the November 2017 report

Base: n = 135

The economic benefits to New Zealand, managed expansion and a perception that we have capacity to accommodate more visitors are the main driving factors behind why some New Zealanders feel there are too few international visitors

Themed verbatim reasons for there being **too few** international visitors (27%)

”

Economic benefits

- “Good for the economy. Tourist spend a lot of money here”
- Tourists spend a lot in NZ. The more they spend the better it is for New Zealanders and the economy
- “We need more to help improve the local economy”
- “We need more tourism and tourists to contribute to our economy”
- “We need a strong tourism industry for the economy”
- “I don't see the streets swarming with tourists. our local economy could do with a few more tourists I'm sure”
- “tourism is very good for the economy, and attracting more visitors could lead to more jobs which would be even more beneficial to the country on the long term”
- “I feel we can do more and by having more it's great for our economy overall”

Managed expansion

- “While we have to be careful not to stress our environment as a nation of our size we can handle more tourists if managed correctly which would provide more money to the country”
- “We need more tourists to spend more money in our country to help our economy. But we also need to spend more money to provide the infrastructure needed to support additional visitors”
- “Would be nice to have a few more visitors for the economy. But we also need to protect what we have and stop it from being ruined - otherwise there will be nothing to be proud of or for people to come see”
- “Although there is a high number of visitors if managed properly there would be room for more”
- “I believe that we could have a few more here but we have to be careful, as to not get so many that we cant provide an experience we should be proud of”

Capacity for more

- “There is room for tourism to expand in less visited areas”
- “I live in Rotorua - we can handle heaps more, particularly in the off season”
- “I still don't believe that were getting enough visitors from countries other than China”
- “Because so many people come for the idyllic South Island but we need to try and represent the North Island better to attract more tourists to that area”
- “We could always be open to more tourists especially in peak seasons but also promoting the winter seasons for more to come to”

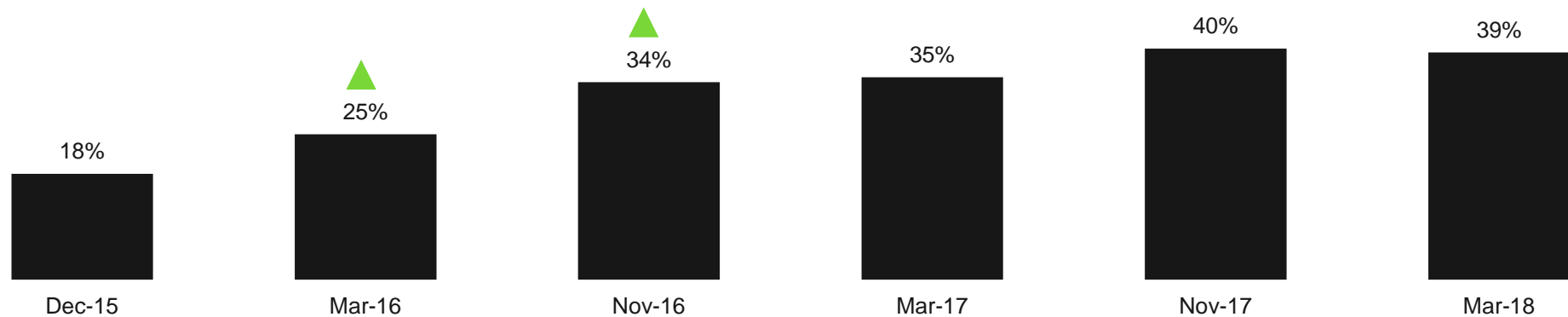
Base: n = 156

39% of New Zealanders think the current number of international tourists puts too much pressure on New Zealand; the historical upward trend on this measure has stabilised



Perceptions that tourists put too much pressure on New Zealand

%, 18+ year olds

55% of Otago residents think that international visitors are putting too much pressure on New Zealand



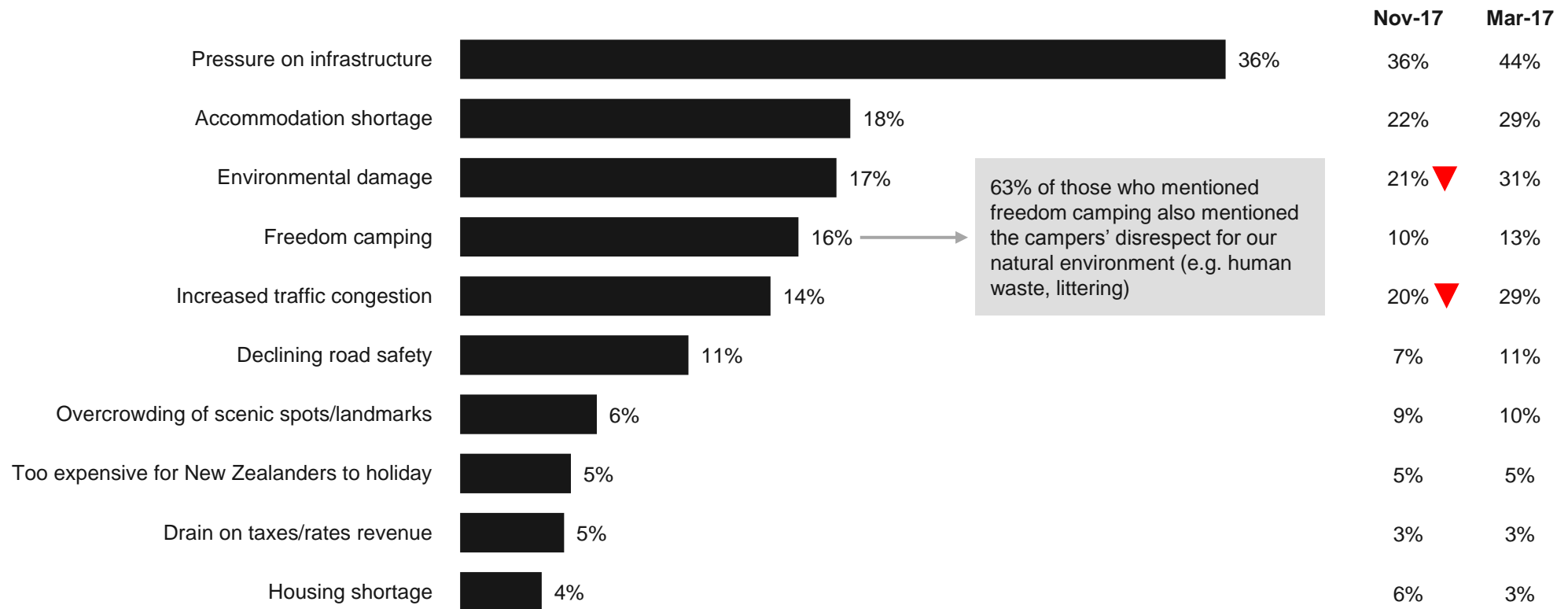
Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555

  Significantly higher / lower than previous wave at 95% CL

Pressure on infrastructure is the top concern New Zealanders have with international tourism; other concerns include accommodation shortages, environmental damage, freedom camping, traffic congestion and road safety

Perceptions of how tourism puts pressure on New Zealand

%, those who say "too much pressure", Mar-18



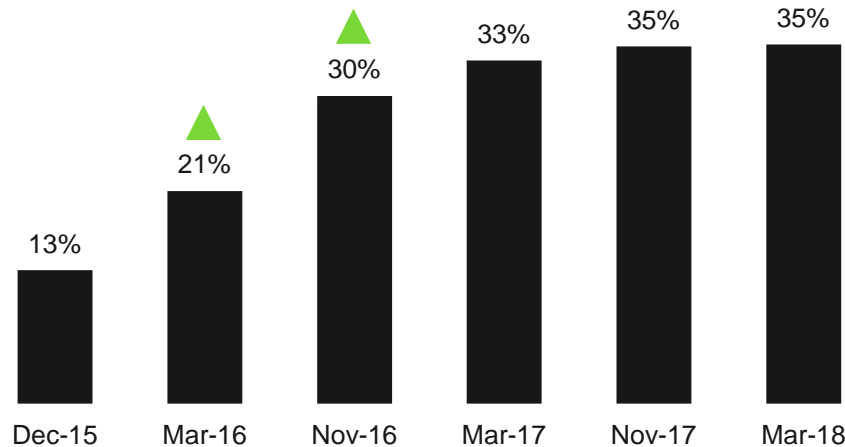
Base: Those who say "too much pressure" Mar-18 n = 231
Notes: Based on unprompted verbatim

▲ ▼ Significantly higher / lower than previous wave at 95% CL

A third of New Zealanders believe that some places are under more pressure than others, with this figure unchanged since March 2017; Queenstown and Auckland are the main places perceived to be under more pressure

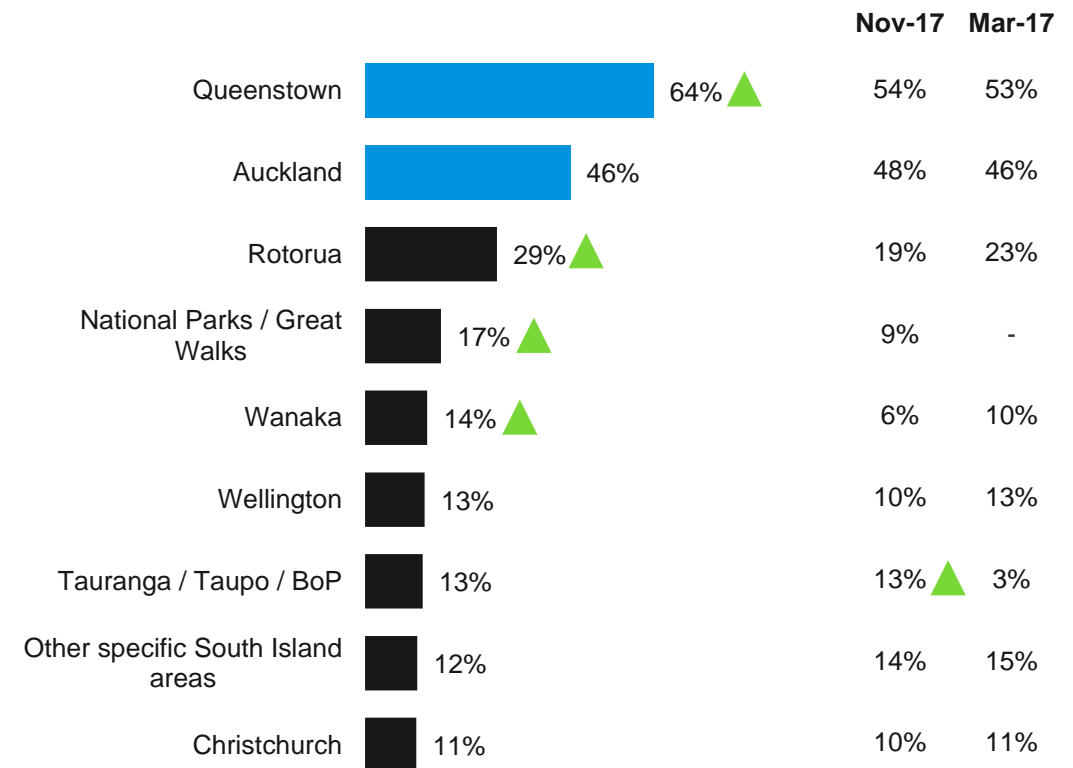
“Some places are under more pressure”

% agree, 18+ year olds



Which places?

%, Mar-18, those who say some places are under more pressure



Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555

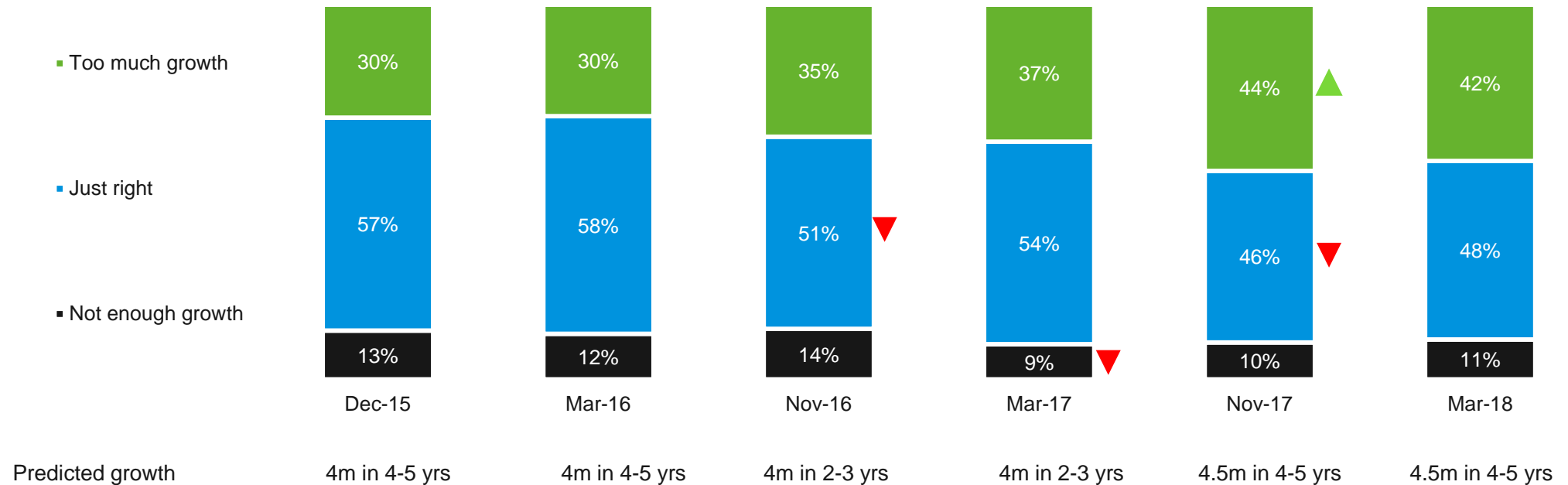
▲ ▼ Significantly higher / lower than previous wave at 95% CL

The proportion of New Zealanders that feel the predicted future growth of international visitors is too high remains stable compared to November 2017

Attitudes towards predicted future growth of annual international visitors

%, 18+ year olds

Otago residents are more likely than people from other regions to say the prediction growth in visitor numbers is too much (62%)



Base: Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555

▲ ▼ Significantly higher / lower than previous wave at 95% CL

A lack of adequate infrastructure and overcrowding are the key reasons why New Zealanders feel there is too much predicted growth

Themed verbatim reasons for there being **too much predicted growth** (42%)



Lack of infrastructure

- “Not enough infrastructure to cope with that demand”
- “Because we cant handle 3.7 million so how are we going to handle more. 5 years isn't enough time to get infrastructure sorted so we can handle it”
- “We need to build more infrastructure before we welcome new tourists”
- “Too much pressure on infrastructure. Small towns are swamped. Communities are destroyed”
- “Our regional infrastructure just cant cope”
- “We would need better infrastructure to make sure the increased tourist numbers are sustainable without damaging our environment first”
- “I doubt the infrastructure could cope in that time frame”
- “Infrastructure in many regions need to be improved first. Many areas are already showing signs of not coping with the increased number of visitors”
- “We don't have resources to handle more”
- “Again our infrastructure is such that tourists will soon be getting too little value for their dollar”
- “I would want to see improvements in some aspects of our tourism infrastructure, and care needs to be taken that high numbers of visitors do not destroy what they have come to experience”

Overcrowding / above capacity

- “Some facilities and attractions are overloaded now”
- “I get put off trying to travel to holiday destinations due to over crowding”
- “Too many tourists crowd out the parts of the country that attract tourists in the first place”
- “It feels like we are already over capacity in our main tourist centres”
- “Too many visitors for small towns”
- “Crowded”
- “I have seen DOC tracks over crowded”
- “Will be too crowded at key tourist places and too expensive for locals”
- “We can't cope with the number we have now”
- “National parks are not able to cope with numbers currently visiting parks”
- “We are too small a country for more”
- “We can slowly cope with a bit more, but not massively more numbers”
- “Current levels are bad enough, more would be unacceptable”
- “4-5 years is not enough time to allow for that sort of growth in tourism”
- “We cant cope with 3.7m let a lone 4.5m”

Base: n = 241

Economic growth, a perception that we have capacity to accommodate more visitors if the growth is well managed are the main reasons why New Zealanders think there is not enough predicted growth

Themed verbatim reasons for there being **not enough** predicted growth (11%)

”

Economic growth

- “Good for economy, and jobs etc”
- “We could accommodate more visitors considering the benefits and potential economical growth as a results of tourism”
- “Visitors boost the income for NZ”
- “The more tourists the more money”
- “The economic value to the country of tourism”
- “We can attract more overseas money and that can not be bad for NZ”
- “International tourists add significantly to our economy, the international awareness of NZ and our relations with significant off-shore partners”
- “We need the economic benefit and additional employment opportunity”
- “We need to create more jobs within NZ and this is one way of doing it”

Spare capacity

- “We have the infrastructure to cope with the increase - maybe even some more”
- “It’s our #1 export so increase the opportunity for NZ”
- “Could probably handle more”
- “I don’t think you can have too many”
- “Would have expected higher growth”
- “As a sparsely populated country we can handle a lot more “
- “Australia’s Gold Coast gets 12 million visitors per year. Given NZ is a whole country, I would think that the opportunity for tourism growth is huge”
- “I think we can handle them”

Managed growth

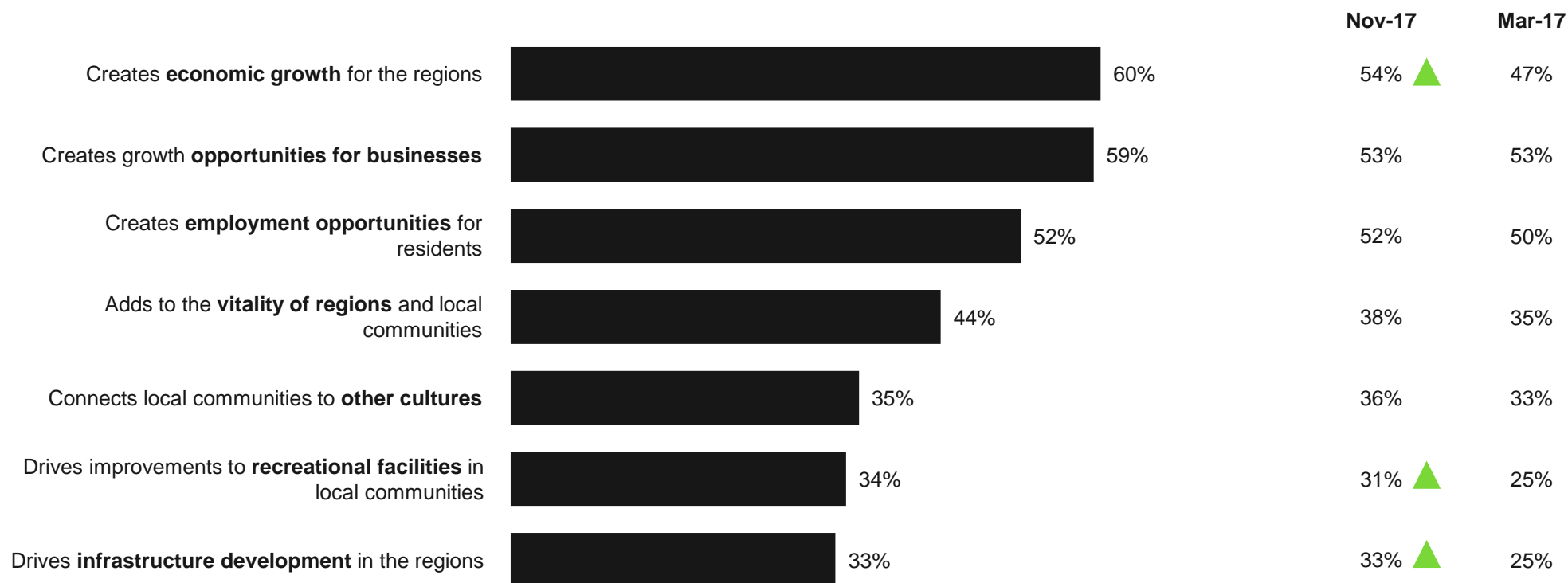
- “Within reason the more growth the better for NZ as a whole”
- “It’s good for the economy for people to visit and spend money. Just gotta make sure the infrastructure can cope is all”
- “It should be manageable by the well planned infrastructure growth within New Zealand. Benefits far outweigh costs”
- “We also need to build infrastructure to support the increased tourism”
- “We tend to miss out in year round tourism and rely on peak periods”

Base: n = 49

Key perceived benefits of tourism are economic growth for the regions and local business, and employment opportunities for residents; this is unchanged from November 2017

Pros of international tourism

% agree, 18+ year olds, Mar-18



Base: New Zealanders aged 18 plus Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555

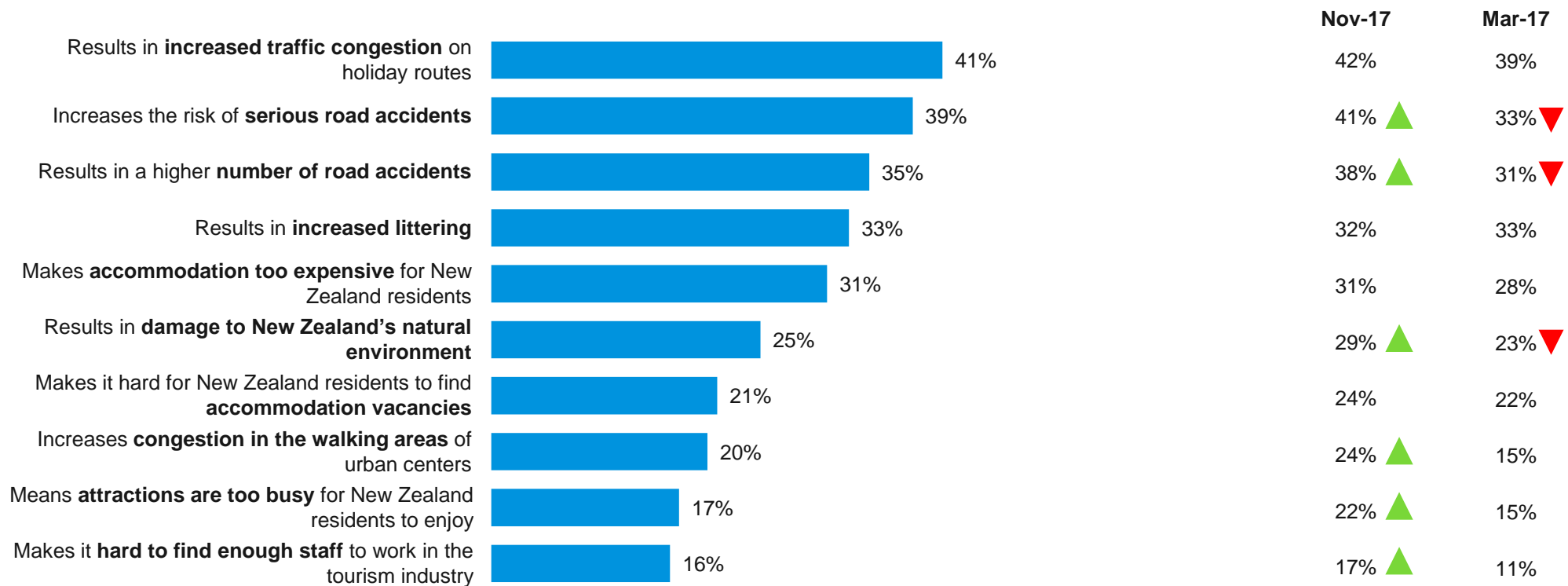
Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

▲ ▼ Significantly higher / lower than previous wave at 95% CL

Perceptions of the adverse impacts of tourism remain unchanged compared to November 2017 with traffic congestion and road safety continuing to be of highest concern

Cons of international tourism

% agree, 18+ year olds, Mar-18



Base: New Zealanders aged 18 plus Nov-16 n = 521; Mar-17 n = 500; Nov-17 n = 501; Mar-18 n = 555
 Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

▲ ▼ Significantly higher / lower than previous wave at 95% CL

North Island residents outside of Auckland and Bay of Plenty have stronger perceptions of the benefits of international tourism

Pros of international tourism by region

% agree, 18+ year olds, Mar-18

	Auckland	Wellington	Bay of Plenty	Other North Island	Canterbury	Otago
Creates economic growth for the regions	54%	68%	54%	62%	69%	55%
Creates growth opportunities for businesses	49%	58%	46%	72%	69%	64%
Creates employment opportunities for residents	38%	60%	57%	61%	58%	55%
Adds to the vitality of regions and local communities	37%	49%	40%	51%	44%	47%
Connects local communities to other cultures	28%	42%	27%	46%	35%	32%
Drives improvements to recreational facilities in local communities	30%	37%	25%	45%	33%	28%
Drives infrastructure development in the regions	30%	43%	36%	35%	32%	39%

Heat map shading is across rows

Base: Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70
Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

Relative agreement
Weaker  Stronger

Perceptions of negative impact of tourism are strongest among those residing in Otago


Cons of international tourism by region

% agree, 18+ year olds, Mar-18

	Auckland	Wellington	Bay of Plenty	Other North Island	Canterbury	Otago
Results in increased traffic congestion on holiday routes	40%	40%	41%	42%	38%	71%
Increases the risk of serious road accidents	33%	34%	38%	45%	44%	63%
Results in a higher number of road accidents	32%	34%	32%	31%	38%	61%
Results in increased littering	28%	38%	37%	33%	36%	51%
Makes accommodation too expensive for New Zealand residents	29%	29%	37%	30%	29%	49%
Results in damage to New Zealand's natural environment	21%	31%	28%	20%	29%	48%
Makes it hard for New Zealand residents to find accommodation vacancies	20%	26%	20%	18%	21%	43%
Increases congestion in the walking areas of urban centres	21%	27%	16%	14%	18%	43%
Means attractions are too busy for New Zealand residents to enjoy	18%	18%	13%	19%	14%	37%
Makes it hard to find enough staff to work in the tourism industry	15%	13%	8%	20%	11%	49%

Heat map shading is across rows

Base: Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70
 Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

Relative agreement
 Weaker  Stronger

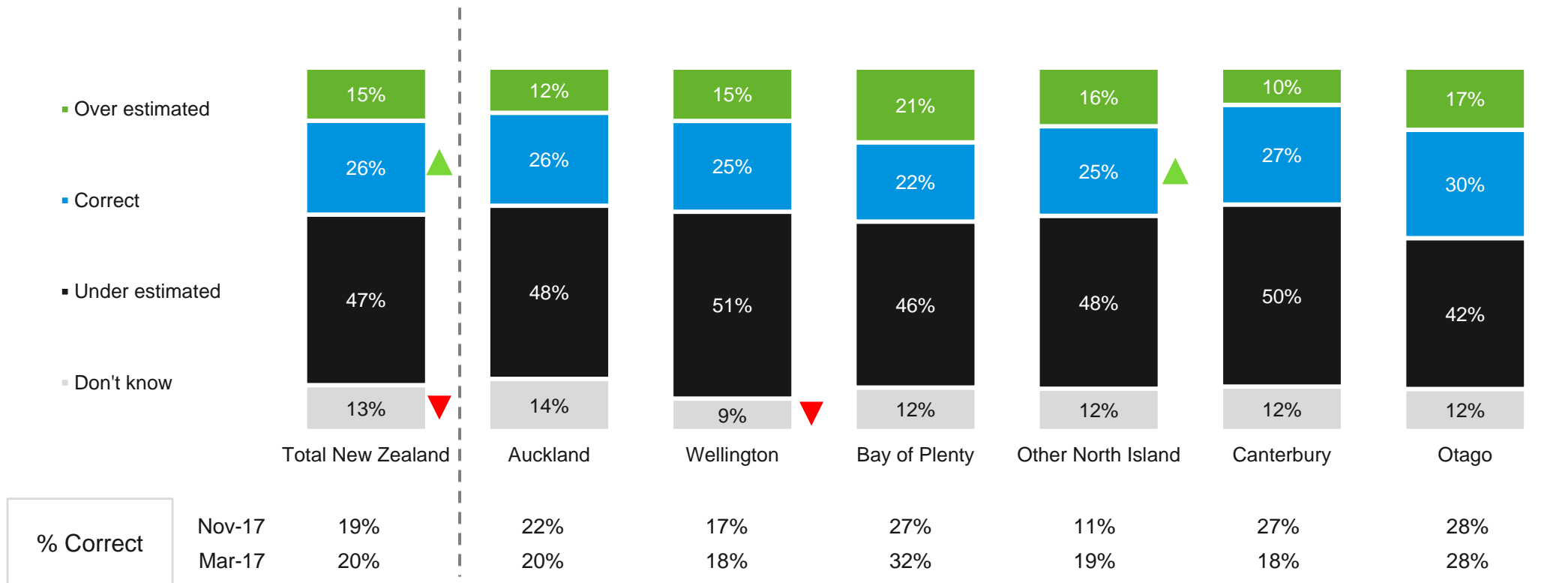
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Appendix: measures by region

Knowledge of annual tourist numbers is relatively similar across the New Zealand regions

Knowledge of annual visitor numbers – by region

%, Mar-18



Base: Total NZ n = 555, Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70

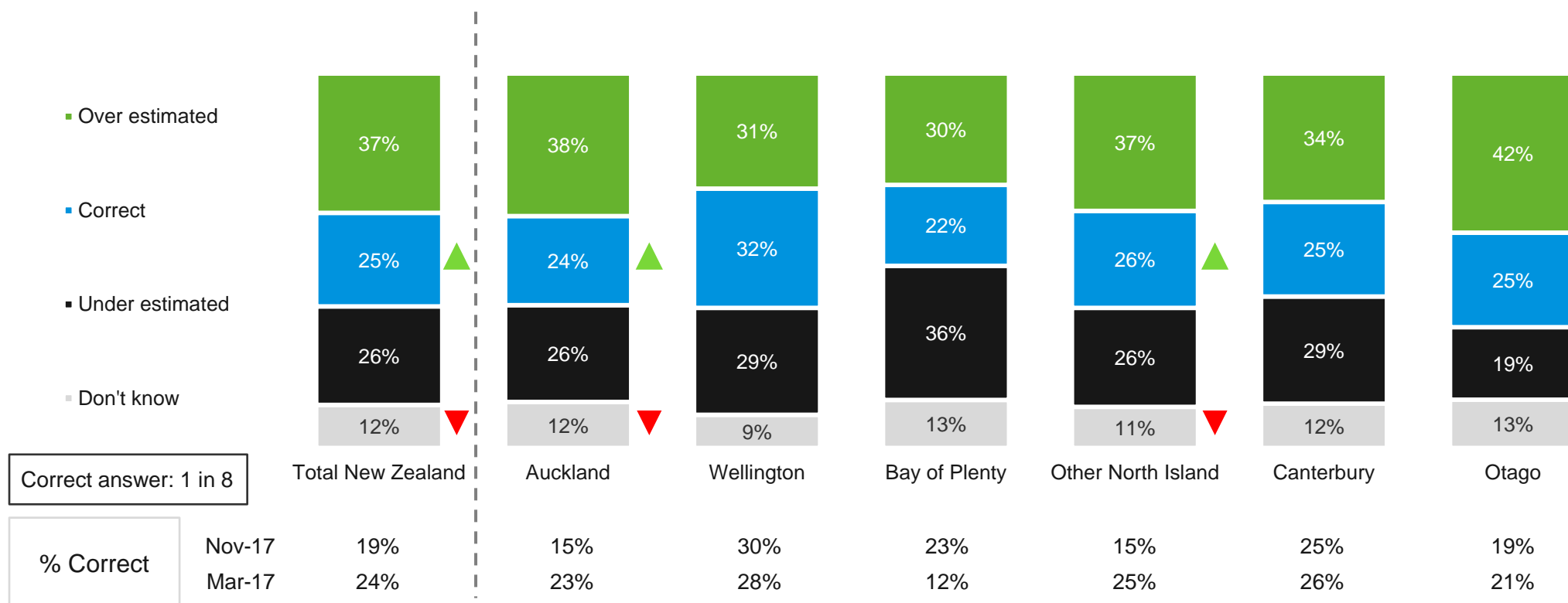
Significantly higher / lower than other New Zealand at 95% CL

Significantly higher / lower than Nov-17 at 95% CL

Knowledge of the number of New Zealand workers employed in the tourism industry is relatively similar across the New Zealand regions

Knowledge of New Zealand workers employed in the tourism industry – by region

%, Mar-18



Base: Total NZ n = 555, Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70

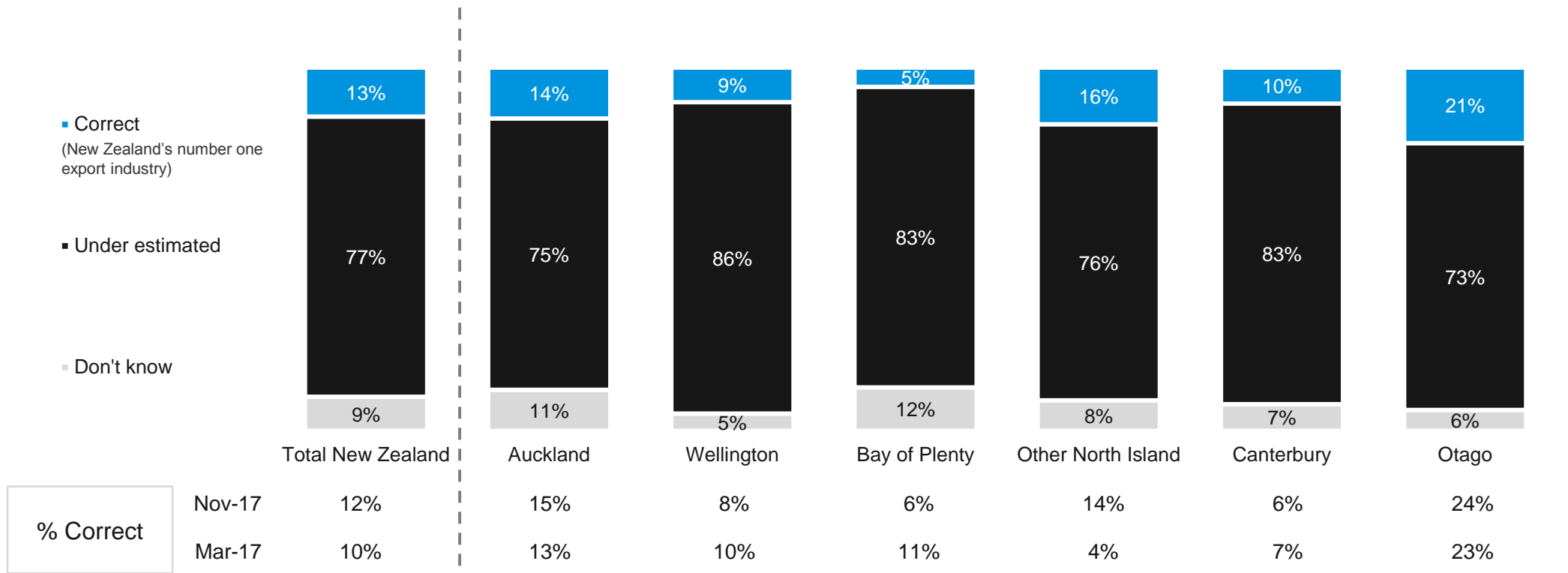
Significantly higher / lower than other New Zealand at 95% CL

Significantly higher / lower than Nov-17 at 95% CL

Knowledge of the value of the tourism industry shows no significant changed compared to November 2017 and no significant difference between the regions

Knowledge of the value of the tourism industry – by region

%, Mar-18



Base: Total NZ n = 555, Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70

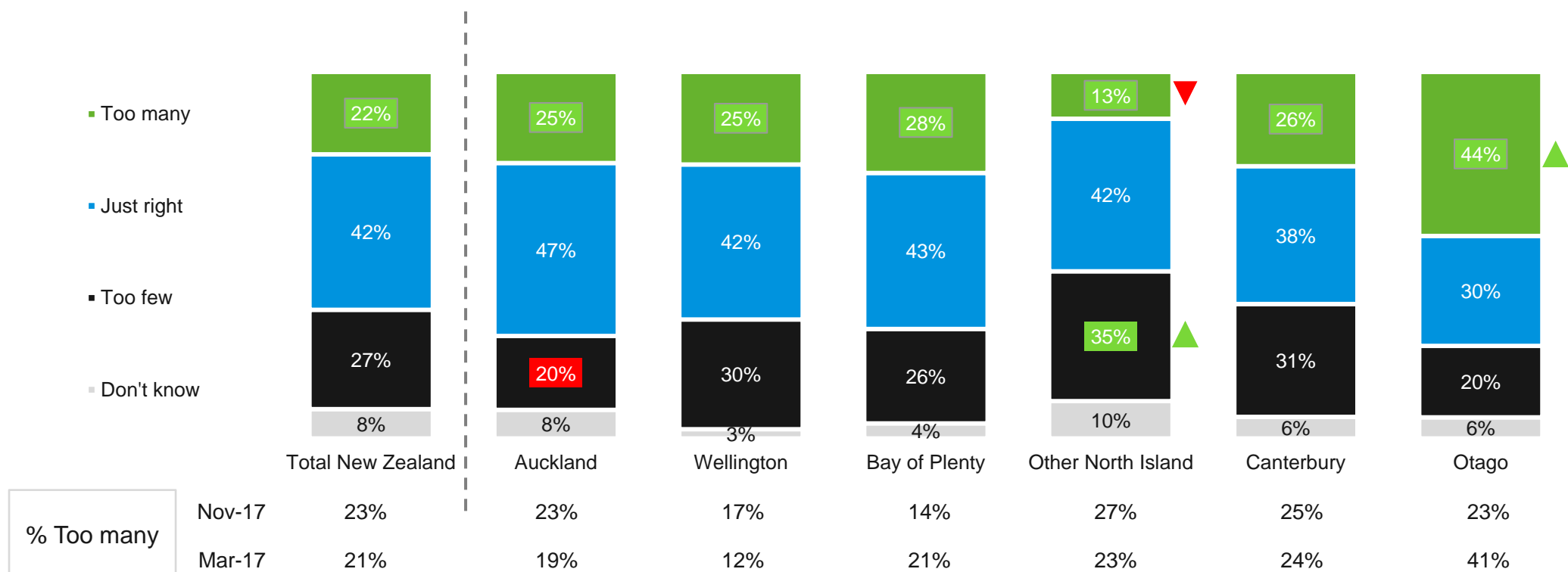
Significantly higher / lower than other New Zealand at 95% CL

Significantly higher / lower than Nov-17 at 95% CL

Otago residents are more likely to perceive there to be too many tourists annually while 'Other North Island' residents are more likely to think there are too few tourists

Perception of current number of international visitors (based on actual number) – by region

%, Mar-18



Base: Total NZ n = 555, Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70

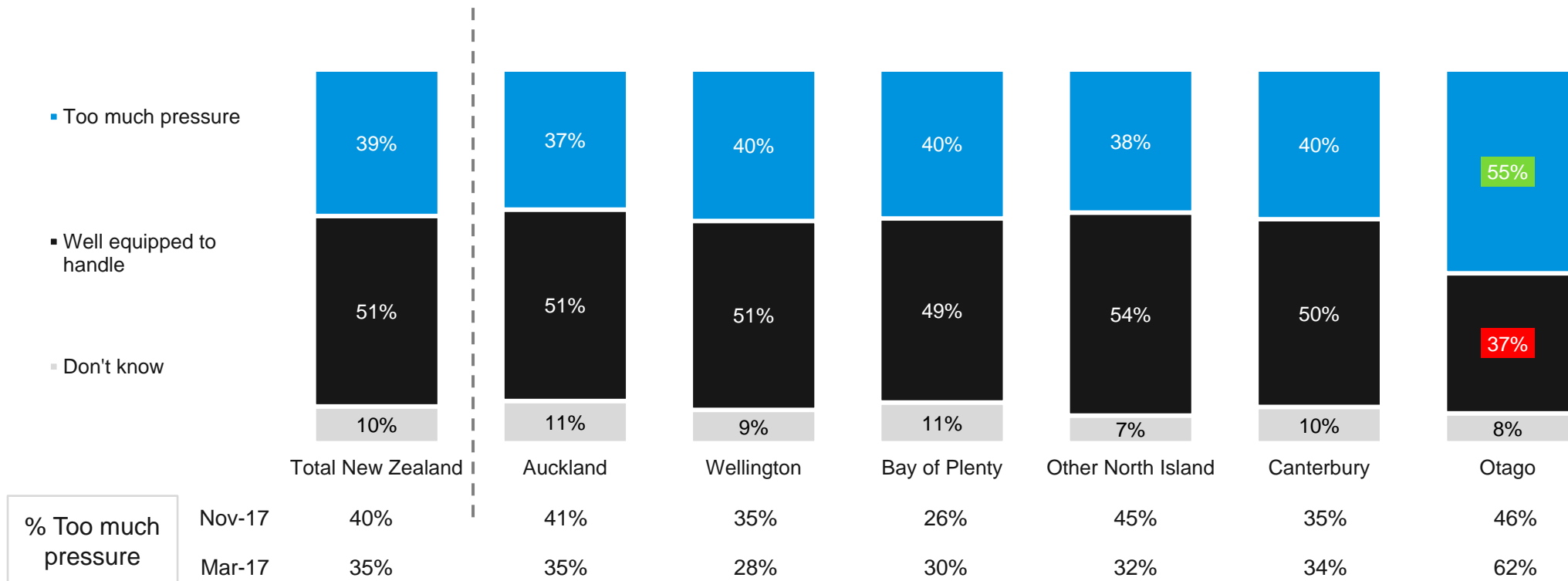
Significantly higher / lower than other New Zealand at 95% CL

Significantly higher / lower than Nov-17 at 95% CL

Residents of Otago are most likely to think that there is too much pressure from international visitors

Perceptions of the pressure that tourists put on New Zealand – by region

%, Mar-18



Base: Total NZ n = 555, Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70

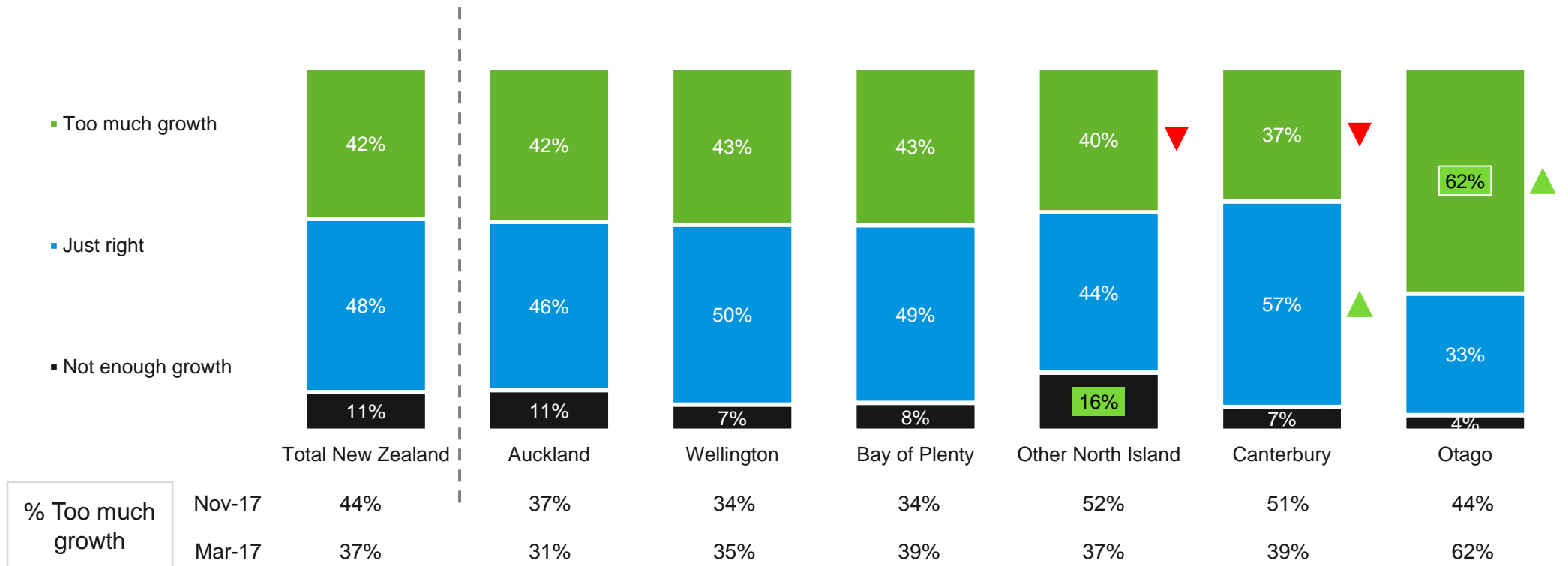
Significantly higher / lower than other New Zealand at 95% CL

Significantly higher / lower than Nov-17 at 95% CL

Otago residents are more likely to think that the predicted growth is too much

Attitudes towards predicted future growth of annual international visitors – by region

%, Mar-18



Base: Total NZ n = 555, Auckland n = 116, Wellington n = 109, Bay of Plenty n = 61, Other North Island n = 68, Canterbury n = 110, Otago n = 70

Significantly higher / lower than other New Zealand at 95% CL

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