

# TOURISM 2025>



GROWING VALUE TOGETHER  
WHAKATIPU UARA NGATAHI

TWO YEARS ON





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THE ASPIRATIONAL GOAL

\$41 billion

total tourism revenue in 2025

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HOW WE ARE GETTING THERE

By improving the competitiveness  
of New Zealand tourism



A full-page photograph of three hikers (two men and one woman) walking along a mountain trail. They are wearing backpacks and hiking gear. The trail is bordered by a white wooden fence. In the background, there are large, rugged mountains with patches of snow under a blue sky with some clouds. A tree branch is visible in the top right corner. The foreground is filled with tall grass and some large green plants.

| Tē tōia, tē haumatia

NOTHING CAN BE ACHIEVED WITHOUT A PLAN



“The future belongs to those who can hear it coming.”

DAVID BOWIE

Tēnā koutou.

Tourism 2025 unashamedly sought to grow the tourism industry with its clear, simple aspiration to make tourism a \$41 billion per year industry by 2025, by growing value faster than volume.

Two years on, and growth has exceeded all forecasts. Tourism was worth \$29.8 billion in the year to March 2015. The official measurement for the year to March 2016 is expected to be in excess of \$32.5 billion. The tourism industry has greatly enjoyed this period and I know that businesses are busy and reaping financial gains from this growth. New Zealand society has also benefited with more jobs, more economic activity and with the vibrancy that visitors bring as they travel around our country.

As we celebrate this success, we must have our eyes firmly on the future so we can continue to steer tourism towards our 2025 aspiration. The setting has changed quite significantly since Tourism 2025 was launched and the welcomed growth throws up its own set of challenges that need to be factored into our thinking.

‘Tourism 2025 – Two Years On’ is designed to:

- Reaffirm the Tourism 2025 growth framework. The framework, with its five themes, continues to provide a robust way for businesses and other participants in the tourism industry to plan their activities. Target for Value, Productivity, Visitor Experience and Connectivity, backed by Insight, continue to provide a compelling framework for advancing tourism.
- Reinforce that continuing industry efforts are needed to more evenly spread the benefits of tourism by reducing seasonality and increasing regional dispersal. Progress in these areas is vital to achieving better utilisation of tourism assets and people.

- Integrate specific elements that reflect the challenges of growth and the changing international operating context of tourism, particularly to scale up the overall capacity of the tourism industry and to ensure the sustainability of the growth being generated.
- Reset the priority actions to be advanced over the next two or three years to enable us to deliver the balanced and sustainable tourism industry growth that we are aspiring to.

Through reviewing, realigning and refocusing Tourism 2025, we ensure that the tourism industry is armed with a strategic approach that is right for now and which also has a clear vision for the years ahead.

Of all the achievements of the past two years, the most important has been the tourism industry's alignment of purpose, guided by Tourism 2025. We can and will shape our future, and Tourism 2025 provides a framework that we can all use to drive our individual efforts to form a cohesive whole and to front-foot our responses to the challenges and opportunities that we face.

Ngā mihi nui



**CHRIS ROBERTS**

Chief Executive

TIA

May 2016





## CULTURAL INTEGRATION



“Our manuhiri, or guests, come to us as strangers.

We tailor our service to get to know them so we can suit their needs based on their own mana and how they wish to be respected. The starting point is always to value our manuhiri for who they are, why they came to Aotearoa, what their expectations are and then by delivering to their specific needs. This value of manaakitanga is a universal one which all New Zealand tourism operators can use to raise the bar of delivering exceptional service.

Equally, we need to work more on valuing the networks that unite our industry. We consider our guests as our taonga (our precious gifts), so we should be looking out for each other to ensure our manuhiri will become walking advocates for their New Zealand experience.

He tangata takahi manuhiri, he marae puehu: A person who mistreats his guest has a dusty marae. This whakatauki (Māori proverb) highlights that someone who disregards his visitors will soon find he has no visitors at all. It accentuates the importance of manaakitanga.”

**CEILLHE TEWHARE TENETI HEMA SPERATH**

(Ngāpuhi – Ngāti Hau, Ngāti Manu, Ngāti Wai, Ngāti Hine and Ngāti Airana!) |

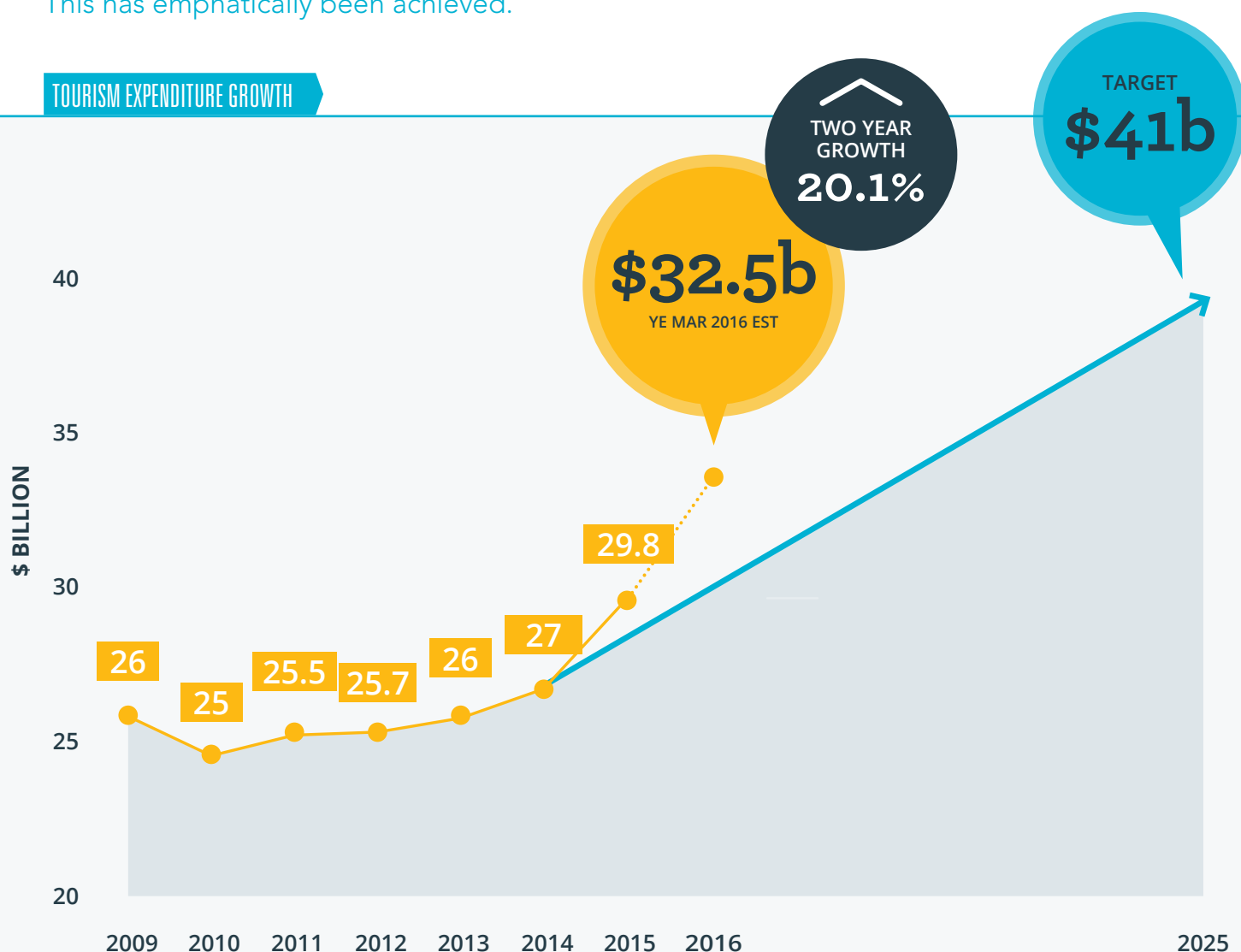
Founder & Director | TIME Unlimited Tours

# TOURISM 2025 DRIVER OF GROWTH

**Tourism 2025** was developed in a period of low growth. It purposefully sought to attract and stimulate growth into the tourism industry.

This has emphatically been achieved.

## TOURISM EXPENDITURE GROWTH



Tourism is well on track to achieve the aspirational target of a \$41 billion industry by 2025. It is also notable that the value of the visitor economy has grown considerably faster than volume, which was our aim, especially for international tourism. In 2015, international tourism value grew three times faster than volume, with spend up 31% compared to arrivals up 9.6%<sup>1</sup>.

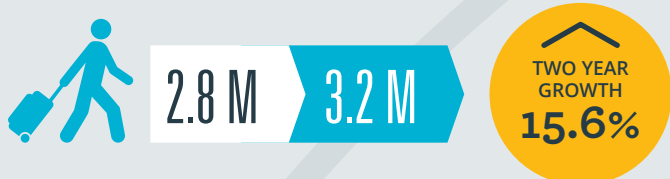
Domestic tourism has also been buoyant and is showing steady growth with domestic guest nights up by 9.2% over the past two years.

The estimated total expenditure for the year to March 2016 is expected to be in the region of \$32.5 billion, well ahead of the growth rate required to reach \$41 billion in 2025.

<sup>1</sup>International Visitor Arrivals and International Visitor Survey, YE Dec 2015

## THE DATA: 2014-2016

### INTERNATIONAL ARRIVALS



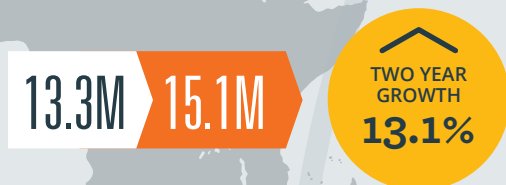
### HOTEL REVENUE PER ROOM



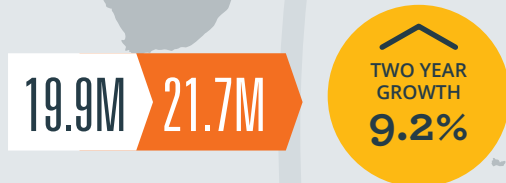
### GUEST NIGHTS



### GUEST NIGHTS – INTERNATIONAL



### GUEST NIGHTS – DOMESTIC



## TOURISM OPERATOR



“Being the founder of a fast growing tourism business is an enormous and exciting challenge.”

We are completely focused on making sure we are thrilling our customers and behind the scenes ensuring we are operating a tight business by investing in technology. We are always looking at new opportunities and we value the support we receive from our colleagues across the highly connected tourism industry. Tourism 2025 provides us with a common language and set of values for developing our businesses, and for engaging across the wider industry.”

RYAN SANDERS | Founder | Haka Tours



# TOURISM 2025 GROWTH FRAMEWORK | PROGRESS

**Tourism 2025** was launched in March 2014 following an extensive industry-led process that worked to identify and understand the factors determining tourism success. This resulted in the establishment of the \$41 billion growth aspiration and the actions needed to achieve it.

Central to Tourism 2025 are the five themes that make up the growth framework. Substantial progress has been achieved within each of the themes:

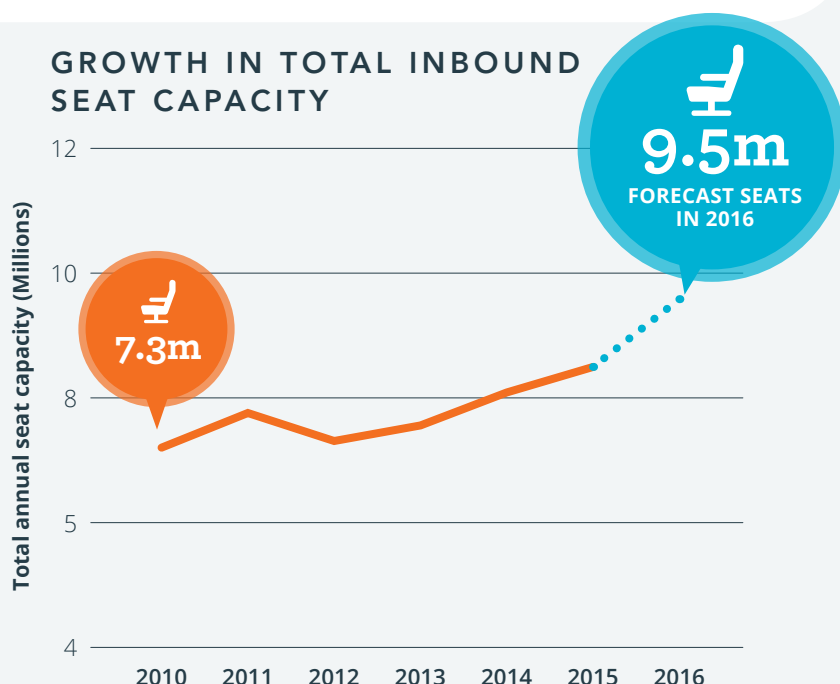


## AIR CONNECTIVITY

There has been a major step change in New Zealand's connectivity with the world.

More airlines are flying to and from New Zealand, operating with increased capacity on more routes, right around the Pacific Rim and beyond. New Zealand has never been as well connected via its aviation networks and further substantial capacity growth is planned. There has been matching investment in airport facilities to accommodate the growth and to promote route opportunities to airlines. A more competitive domestic aviation market has developed which has increased capacity and reduced fares on many routes. The wider tourism industry has a better understanding of its role in supporting sustainable air connections.

### GROWTH IN TOTAL INBOUND SEAT CAPACITY



## ROUTE DEVELOPMENT AND CAPACITY GROWTH



“New Zealand's air connections with the rest of the world continue to expand at a rapid pace.”

These connections are critical to tourism and also to the wider economy through the high value trade and business connections that are enabled when air routes are established. By developing our airport infrastructure, we are future-proofing New Zealand's ability to grow tourism and to compete globally as a well-connected high value economy.”

**ADRIAN LITTLEWOOD** | Chief Executive |  
Auckland Airport





## PRODUCTIVITY

Tourism operators have scaled up their operations to meet increasing demand.

The total number of people working in tourism increased by 15,000<sup>2</sup> in the year to March 2015. A number of initiatives are underway to increase the capability and skill levels of staff across the industry. While strategies to improve seasonality have been used (such as shifting marketing spend, targeting markets with off-peak travel characteristics, using business events and special interest activities), the seasonal pattern for inbound tourism has not yet changed overall. Tourism New Zealand has shifted its marketing to shoulder season periods and there is early evidence that this approach will improve shoulder season arrivals for key holiday markets. There is little to indicate that efforts to increase regional dispersal have had an impact, with the main destinations appearing to be growing faster than smaller destinations.

<sup>2</sup> Tourism Satellite Account YE March 2015

## SEASONALITY



“**Growing New Zealand’s shoulder seasons has become a top priority for Tourism New Zealand.**”

To drive this, we are placing virtually all our marketing resources towards promoting travel in these periods. While we don’t expect to eliminate a summer seasonal peak, we’ve already achieved growth two percentage points faster in spring 2015 than in summer 2015/16, and we’re optimistic autumn 2016 growth will also exceed last summer’s growth. ”

**KEVIN BOWLER** | Chief Executive |  
Tourism New Zealand

## SEASONALITY



“**Central to every discussion of tourism profitability in New Zealand and return on investment is the issue of seasonality – many tourism businesses still lose money in the winter months.**”

If we could replace April and September with two more months like February, the industry would be transformed, more sustainable, and employing more people. Tourism 2025 has been important in developing response strategies to seasonality, and while we see progress we have yet to reap the full benefits from these actions. There are systemic reasons for the seasonal patterns (such as when people have holidays or they want to see New Zealand over summer months) that are hard to change. We can, however, continue to work smartly from the shoulders out. An ongoing but worthy challenge for us all to accept and conquer. ”

**GRANT WEBSTER** | Chief Executive | Tourism Holdings Ltd





## VISITOR EXPERIENCE

A number of actions have been taken to ensure New Zealand tourism is providing a quality experience for our visitors.

Measurement by Tourism New Zealand is showing a consistently high level of satisfaction from international visitors, and many tourism firms are measuring visitor satisfaction as part of their own quality improvement efforts. Sector issues that impact visitors have been addressed by comprehensive industry and government efforts, for instance, improving safety within the adventure tourism sector and driving on New Zealand roads. The annual New Zealand Tourism Awards have been re-established to recognise tourism operators who offer an excellent visitor experience and a demonstrable commitment to Tourism 2025.



## TARGET FOR VALUE

Expenditure per visitor has increased appreciably with the average spend per night rising by 23.4% in the December 2015 quarter compared to two years earlier, driven by the targeted China and US markets.

Emphasis has been placed on high value markets, both geographic, such as China and US, and by product group, such as luxury and special interest categories including golf and fishing activities, and business events. In parallel with air route developments, emphasis has been placed by Tourism New Zealand and industry partners on developing emerging markets around the Pacific Rim, such as South America and across South East Asia and India.



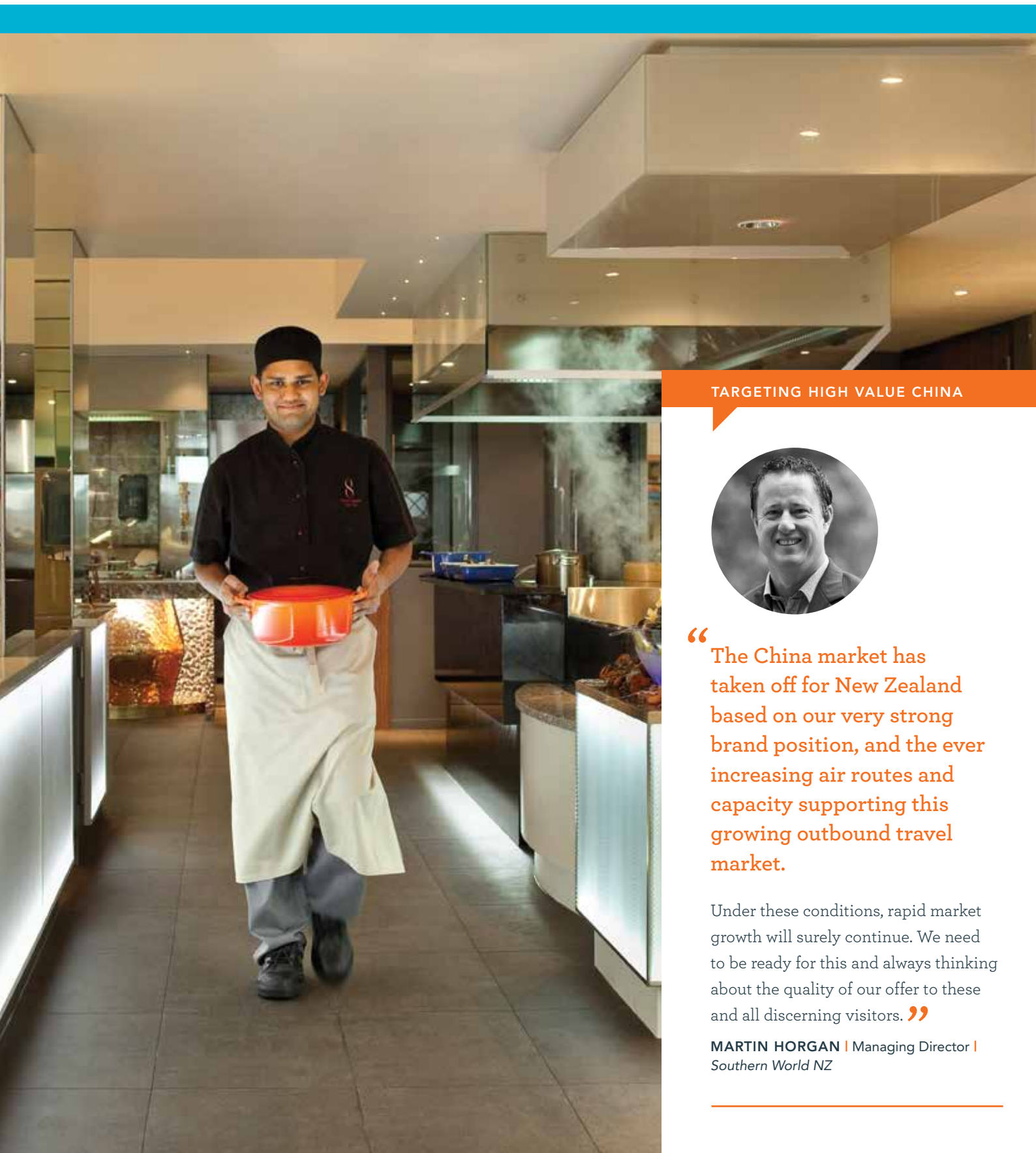
## INSIGHT

Tourism insight has developed, driven largely by wide acceptance that quality insight must support decision-making.

This has led to some specific research, such as the Ministry of Business, Innovation & Employment's high value China research, Tourism New Zealand and TIA's Mood of the Nation research and improvements to the production and dissemination of tourism statistics. However, information gaps remain across a wide range of tourism data and research requirements.







#### TARGETING HIGH VALUE CHINA



“The China market has taken off for New Zealand based on our very strong brand position, and the ever increasing air routes and capacity supporting this growing outbound travel market.”

Under these conditions, rapid market growth will surely continue. We need to be ready for this and always thinking about the quality of our offer to these and all discerning visitors.”

**MARTIN HORGAN** | Managing Director | Southern World NZ



# OPERATING CONTEXT

**Tourism 2025** was released in 2014 to address low growth and a declining share of global tourism activity.

Since then, international visitor arrivals have increased strongly: by 5.1% in 2014 and 9.6% in 2015, and by 13.2% in the first quarter of 2016. This growth has been driven by the gradual economic recovery in many origin markets, greatly increased air connectivity as airlines have lifted capacity and opened new routes, and lower costs of air travel due to increased competition on key routes and low fuel prices. The Hobbit movies are cited by a significant number of visitors as an influence on their decision to visit New Zealand. Tourism New Zealand's 100% Middle-earth campaign leveraged this interest. The rapid expansion of the Chinese outbound market has also been an important factor.

The growth achieved by New Zealand inbound arrivals has exceeded overall global tourism growth of 4.2% in 2014 and 4.4% in 2015, a reversal of the situation over the 2010-2012 period when New Zealand was underperforming compared to world growth.

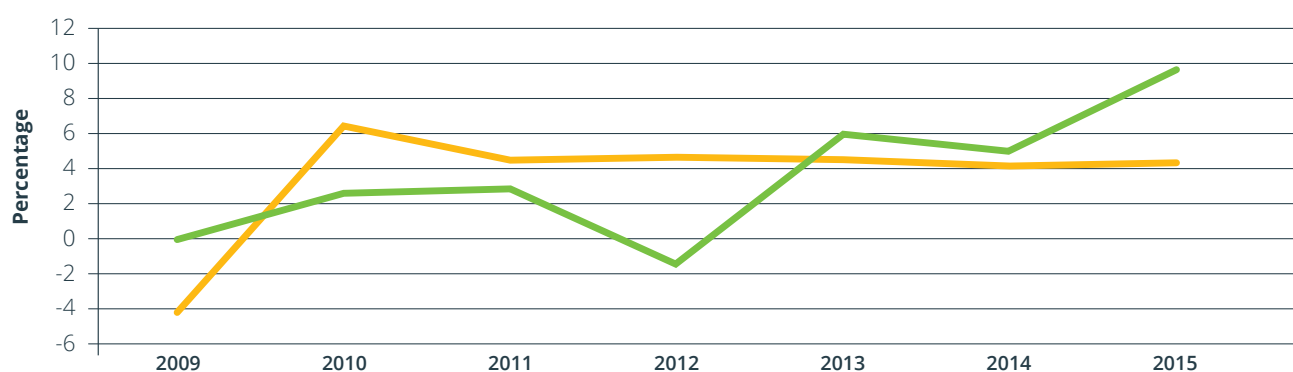
The recent growth has seen the peak periods become increasingly busy and tourism operators have reaped the benefits of this strong demand. However, within the peak

season some capacity constraints have appeared and some destinations may have been 'over-sold' to the detriment of the visitor experience. These strains have shown themselves as shortages of some types of accommodation for short periods for certain locations and overloaded infrastructure such as road congestion and parking shortages. Faced with increasing passenger movements at the border, the government has imposed a border clearance levy to fund services. Local government interests are also looking at their own funding options.

While New Zealand tourism has not reached its overall capacity (our visitor 'density' is not in the world's top 100), pressure is building in a few specific places at certain times, and there is a sense that specific responses are needed to mitigate the risks in these situations.

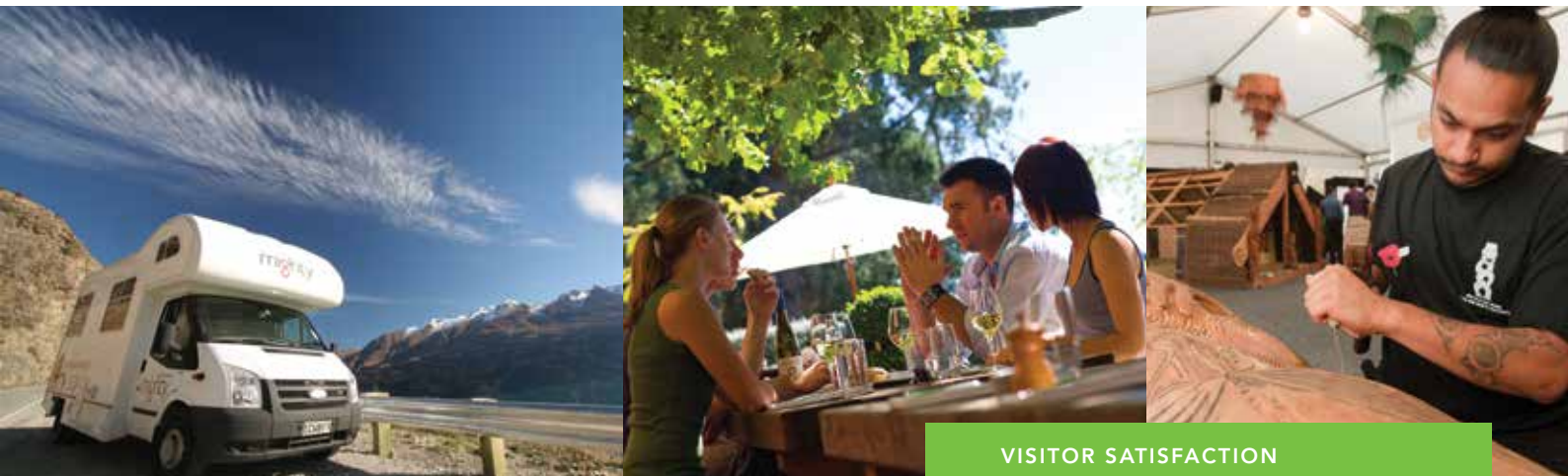
What we are recognising is that some parts of the tourism industry can grow quickly – such as aviation capacity, airports and rental vehicle fleets. However, other areas are slower to respond – such as publicly-provided infrastructure like water and sewerage or recreational amenities, and long term private infrastructure such as accommodation facilities. For tourism to grow, there must be cohesion in advancing these elements to avoid imbalances across the industry that will ultimately result in compromised visitor experiences and potentially lower levels of public support for tourism.

## INTERNATIONAL VISITOR ARRIVALS – ANNUAL GROWTH



# TOURISM OUTLOOK

The short to medium term outlook for tourism remains positive, or even highly positive. This is a period of opportunity for the industry.



Images from left: thl. Christchurch & Canterbury Tourism. TRENZ/Murray Lloyd

This positive outlook is driven by the significant capacity increases in New Zealand's air connectivity pipeline, either in place or on the way. A number of new routes and greater flight frequency will significantly increase the number of seats servicing New Zealand over the next two years. With more competition on key routes, more modern aircraft fleets and continuing low fuel prices, the cost of travelling to and from New Zealand will remain relatively low, boosting volumes.

Increased airline capacity will see more marketing of New Zealand as a visitor destination by the airlines working to fill their seats. This is in addition to the extensive and effective marketing programmes of Tourism New Zealand and other industry players.

However, there are risks to growth that need to be taken into consideration. These include potential for global economic instability and disruption from war or terrorism, and increasing competition from other visitor destinations.

New Zealand tourism is also exposed to the longer term risks and opportunities that will emerge as the global systems tackle the issues of carbon use and climate change. New Zealand is a distant destination that is potentially highly vulnerable to these factors, but on the other hand they present enormous opportunities for us to be at the forefront of the transition to a carbon-neutral world. It is how we respond that will count. Successful and profitable tourism businesses will be best positioned to act as opportunities arise.

## VISITOR SATISFACTION



“We can only increase value from tourism if we consistently exceed the expectations of our visitors.”

This means that all of us in the tourism industry must be running our affairs so that we are making our customers as happy with their experience as possible. If we all do this on a consistent basis, we will together be able to extract more value from our visitors who, in turn, will be happy to pay a fair price for their wonderful New Zealand experience.”

**JEROEN JONGEJANS** | Director |  
*Dive! Tutukaka*



# TOURISM 2025 GROWTH FRAMEWORK

The Tourism 2025 growth framework is a tool for improving the competitiveness of New Zealand's tourism industry.

It provides a shared planning methodology and common language that can be used widely across the industry, by businesses, tourism agencies and associations, regions, and local and central government.

Using the Tourism 2025 growth framework will enable us to grow value individually and together.

The themes have been identified for their critical importance to the industry aspiring to ignite strong and sustainable growth in its value to New Zealand. The themes remain the same in this document although the descriptions of each have been changed to reflect the current New Zealand operating environment.

**The five themes of the Tourism 2025 growth framework are:**



## PRODUCTIVITY

Productivity for profit

Use the resources deployed in tourism to generate profit and attract investment. Search for new solutions for seasonality and regional dispersal, and to find ways to improve our capability.



## VISITOR EXPERIENCE

Drive value through outstanding visitor experience

By listening to our visitors and understanding their needs we can continuously improve the experience enjoyed by our visitors.





## CONNECTIVITY

### Grow sustainable air connectivity

Use relationships, partnerships and collaboration opportunities to ensure New Zealand is serviced by sustainable aviation connections, both international and domestic.

## INSIGHT

### Prioritise insight to drive and track progress

Tourism collects, analyses, disseminates and uses information to provide the insights to inform the decisions needed to achieve the Tourism 2025 growth aspiration.

## TARGET

### Target for value

Target visitors with highly valued attributes (such as spend, seasonal pattern, regional dispersal) that deliver the greatest overall economic benefit.



# TOURISM 2025

## AREAS OF CURRENT EMPHASIS

The **Tourism 2025** growth framework remains at the centre of Tourism 2025 – Two Years On. It establishes an extremely effective way of identifying the parts of the tourism system that need to be worked on in alignment right across the industry.

Assessment of Tourism 2025 in the current operating environment highlights two key areas that need further attention:

### SEASONALITY

Use the tools available to grow the shoulder and off-peak visitor seasons. Progress will mean tourism assets are able to be more profitably utilised and more of the 295,908 people directly and indirectly working in tourism will be filling stable year-round jobs. The levers for making gains include off-peak marketing, using active pricing strategies to disincentivise peak season travel, developing off-peak tourism products and scheduling events in shoulder seasons.

### DISPERSAL

By improving the spread of tourism around the country, we can ensure all regions benefit from tourism activity, while relieving pressure on those places with the highest visitor loads. Better regional dispersal will result in better use of New Zealand's tourism assets. The levers include developing and promoting compelling propositions for travelling to a region, having a strong focus on developing the quality of the regional destination, developing connectivity to the region, whether by air, road or sea, and ensuring an excellent visitor experience.

These aspects are critical to ensuring the efficient use of the capital and labour used within the tourism industry and for ensuring the industry remains well supported by the New Zealand public.





Image: Coronet Peak Ski Area.

## DISPERSAL



“Taupo has just two seasons – a flat-out summer which runs from December to Easter, and the rest of the year.”

Our challenge is to increase the use of our tourism assets across the latter eight months. We must use all the levers in our arsenal: organising events, targeted marketing, developing off-peak attractions, a greater focus on seasonal themes such as ski, linking across tourism networks, and more. We need to be smarter about increasing visitors' travel around the whole country as well as improving seasonality. Taupo, like many regions around New Zealand, has the capacity for tourism to contribute more strongly to the regional economy.”

**RAY SALTER** | Chair |  
*Destination Great Lake Taupo*



# NEW AREAS OF EMPHASIS FOR TOURISM 2025

The current high growth tourism operating environment allows the industry to take a longer term view. We need to ensure the appropriate investments are made to ensure capacity matches demand growth. It is equally important to establish a clear position, supported by tangible actions, to ensure tourism is a sustainable industry.

The following areas require action:



## CAPACITY DEVELOPMENT AND INFRASTRUCTURE

The density of visitors in New Zealand, even in the peak season when both domestic and international visitors are most active, is relatively low by international standards. As a nation, we are limited in the peak season by capacity in such areas as our roads, port facilities, accommodation, water and sewerage, and public amenities. It is clear that investment in many areas of tourism infrastructure is lagging behind demand, so we need to speed up our planning, decision-making and investment cycles. To achieve this, it is essential that the owners of the infrastructure, whether public or private, are familiar with and aligned to the tourism industry and its Tourism 2025 growth aspiration.



## SUSTAINABILITY

With momentum building on global responses to mitigate climate change risks, it is clear that the New Zealand tourism industry can and must develop strategies to ensure it is demonstrably committed to looking after its economic future and the resources it uses to operate. To achieve this, sustainability must become a genuine ethical underpinning of the industry. While there are many programmes and initiatives that promote and measure sustainability, Tourism 2025 is signalling the desire and expectation that long term sustainability becomes a core value against which all decisions are tested.

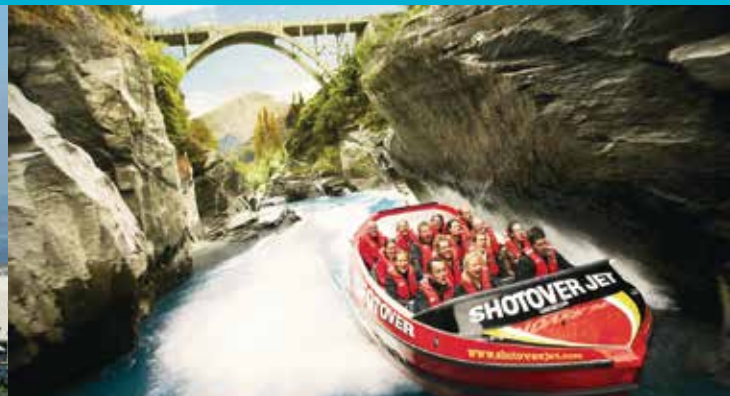
### CAPACITY DEVELOPMENT AND INFRASTRUCTURE



**“ I strongly believe that nature will continue to underpin the tourism industry, just as it underpins much of what it means to be a Kiwi.**

Strong tourism growth is welcome news and DOC is keen to play its part, but I'm also mindful that the long-term success of the tourism industry and New Zealand will depend on fostering what makes us unique as a country. I will continue to champion a vision for New Zealand that has nature, culture and conservation at its very heart. Toitū te marae a Tāne-Mahuta, Toitū te marae a Tangaroa, Toitū te tangata: If the land is well and the sea is well, the people will thrive. ”

**LOU SANSON** | Director General | Department of Conservation



### Tourism 2025 uses a broad but internationally consistent definition of sustainability:

- **Economic.** Tourism businesses need to be profitable and viable as long term operations. Such businesses are well placed to invest in product development, innovation and their people, allowing them to become sustainable businesses with the ability to act on the opportunities that emerge.
- **Environmental.** The New Zealand tourism industry is highly reliant on the environment in which visitors immerse themselves, whether this is air and water quality, or urban and natural environments. As such, tourism must champion the interests of its environment through its own conduct and by being a powerful voice in New Zealand's overall management of its environmental assets.
- **Cultural.** New Zealand's unique culture is a powerful point of differentiation for the New Zealand tourism industry and is a way we can both enhance the visitor experience and create opportunities for Māori and non-Māori alike. Central to this is the way we apply the Māori custom to adopt and embrace our visitors as whānau. By doing this right across our industry, we will showcase our unique culture while making our visitors feel welcomed and enthralled by New Zealand's rich cultural mix.
- **Social.** Tourism takes place where the host society lives and works. This makes it important that tourism has the support of the New Zealand public. Tourism creates jobs, business opportunities, facilities and amenities that the resident population benefits from immensely. But increased tourism can crowd out locals, increase prices and expose locals to increased risks from, for instance, driving. Tourism must ensure continued public support. While the public is currently very well disposed to tourism, public sentiment needs to be monitored and acted upon before issues arise.

### SUSTAINABILITY



“For Air New Zealand, sustainability is integral to how we do business and our business plan has delivering sustainable growth at its very heart.”

While it's great to see inbound tourism continuing to grow, we have a responsibility to ensure we protect and enhance our unique natural environment which our industry relies so heavily on, and to make sure that our visitors have a great experience and aren't disappointed when they come here.”

**CHRISTOPHER LUXON** | Chief Executive Officer | Air New Zealand



# PRIORITIES FOR 2016 TO 2018

Tourism 2025 established a growth framework to drive the tourism industry out to 2025. As the industry has developed, the work that needs doing to support its progress has also changed. The following set out the priorities for advancement over the next two years.



## PRODUCTIVITY

### INFRASTRUCTURE FACILITATION

Define the priority growth-related infrastructure requirements of the tourism industry and examine pathways for its provision of this infrastructure. Emphasis will be on infrastructure that cannot respond quickly to changing demand levels.

Examine how poorly-resourced communities can be assisted to respond to infrastructure needs.



### SUSTAINABLE TOURISM POSITIONING

Tourism businesses and agencies to focus on the sustainability of their operations across economic, social, cultural and environmental indicators to collectively position New Zealand as a sustainable tourism destination. Develop a strategic industry commitment to sustainability. Consider establishing a 'Sustainable Tourism Forum' for developing approaches for wider sector uptake.



### DESTINATION MANAGEMENT

Greater emphasis placed on managing visitor destinations (specific places, regions, local government jurisdictions) in order to develop the capacity, quality and sustainability of those destinations, and to optimise the benefits flowing to the host communities.



### DEVELOPING DOC CAPACITY

Tourism industry to work with the Department of Conservation (as a major participant in the tourism industry) to respond to growth in visitor numbers to ensure that visitors' experiences on public conservation lands are maintained and enhanced.



### TOURISM PRODUCT DEVELOPMENT

Foster the development of new and innovative tourism products and attractions through industry initiatives and by ensuring the Tourism Growth Partnership is well targeted and fit for purpose for the tourism industry.



### PEOPLE AND SKILLS

Continue and expand existing efforts to align sector workforce and skill requirements with the supply of the right people with the right skills at the right time and places.



### DOMESTIC STIMULUS

Through an industry working group identify a list of agreed industry actions to maximise the potential of domestic tourism.



### OPERATOR QUALITY

Tourism operators are supported to deliver new and improved products, improved service levels, and to raise their own management capabilities.



### REDUCING REGULATORY COMPLIANCE BURDEN

Examine the regulatory environment applied to tourism firms and assess the effectiveness of these requirements in relation to the impost on the firms and the resulting benefits.



### EVENTS PROGRAMMING

Emphasize the scheduling of events (meetings, conferences, sports events and festivals) outside of the peak season visitor load to foster off-peak travel activity, especially by domestic travellers.



### REGIONAL DEVELOPMENT AND TOURISM

Initiatives to foster regional development are established to encourage and incentivise tourism as part of the development strategies.



#### KEY





## VISITOR EXPERIENCE

### CUSTOMER SATISFACTION MEASUREMENT

Tourism industry at all levels to systematically track satisfaction of international and domestic visitors, whether by direct customer feedback or social media, and use this information to address areas of dissatisfaction and deliver ever higher satisfaction levels.



### CULTURAL INTEGRATION

Foster the use of Māori culture and cultural elements (such as greetings, pōwhiri, waiata, mihi, and stories) across the tourism industry, by Māori and especially non-Māori, to provide experiences that are uniquely New Zealand and which impart strong and genuine hospitality to our visitors.



### BORDER FACILITATION

The relevant government agencies (Customs, MPI and Immigration NZ) work in genuine partnership with the industry on continuous improvement to the border experience for travellers. Advance consideration of initiatives to establish common border facilitation with Australia.



### VISITOR SAFETY

Continue existing efforts to increase the safety of visitors within New Zealand, for instance around driver safety, and where issues arise ensure the response involves the key agencies working together.



### RECOGNISING SUCCESS

Use success recognition mechanisms such as awards to celebrate individual achievement and allow operators to benchmark their own performance against the best.



### VISA FACILITATION

Immigration NZ works with industry on continuous improvement to visa processes, particularly for China and emerging markets like India and Indonesia.



## TARGET FOR VALUE

### OFF PEAK MARKETING

All agencies and firms that market New Zealand internationally do so to promote high value off-peak travel activity to New Zealand.



### EMERGING MARKETS

Continue to develop new markets to diversify New Zealand's market base and to establish visitors with positive seasonal and dispersal characteristics.



### TARGETING THE MICE SECTOR

High value visitors for Meetings, Incentives, Conference and Exhibitions are attracted through targeted marketing by Tourism New Zealand and other partners and the availability of world-class facilities, including the international convention centre in Auckland; and new convention centres in Wellington and Christchurch.



### MARKET MIX OPTIMISATION

New Zealand tourism agencies and firms work to attract visitors to New Zealand who: travel off-peak, travel widely throughout New Zealand, spend well and align with the New Zealand tourism offer.



### TARGETING HIGH VALUE VISITORS

Continue to develop very high value niche markets that generate disproportionate value for the businesses and regions supporting this activity.



### LEVERAGE TOURISM AND EDUCATION

Develop the relationship between the tourism and export education sectors to leverage reciprocal benefits for each sector.



### HIGH VALUE CHINA

Specific work undertaken to manage and optimise the China market, including market research and development, marketing for high value visitors, alignment with the New Zealand tourism offer, and developing New Zealand capability in hosting China visitors.







## INSIGHT

### INSIGHT LEADERSHIP

Establish an industry-led approach for preparing an implementable insight strategy and action plan. This will include: examination of mechanisms for accessing investment from the government's \$1.5 billion Science and Innovation programme in larger-scale insight projects to support tourism value growth; and the establishment of an industry-led mechanism for undertaking Insight investigations of small and practical projects.

### REGIONAL DEVELOPMENT

Insight is shared to ensure local government and other regional stakeholders have an informed understanding of the value of tourism and its role as a driver of regional development.

### DOMESTIC SEGMENTATION

Undertake domestic tourism segmentation research and disseminate the findings to industry to improve understanding and targeting of different domestic traveller segments.

### TOURISM DATA

Industry to work with MBIE to ensure the tourism sector is provided with fit for purpose tourism data, including updating the Tourism Domain Plan, ensuring appropriate measurements of the size and value of the cruise sector and investigating regional Tourism Satellite Accounts.

### UTILISE TOURISM METADATA

Investigate how tourism metadata (such as GPS records, booking engine data, electronic card use, mobile phone use) can be used with a view to establishing long term data flows on tourism supply and customer response.

### TOURISM 2025 INSIGHTS

Maintain tracking and reporting systems for Tourism 2025, such as the annual State of the Industry report, and develop metrics to support sector gains against seasonality and regional dispersal.



## CONNECTIVITY

### ENABLING AVIATION ROUTE DEVELOPMENT

New Zealand to continue to pursue a liberal policy for enabling international air services to New Zealand, with a strong focus on liberalising markets which offer the greatest potential for high value visitors and seasonal spread.



### DEVELOPING AND SUSTAINING AIR ROUTES

Airlines and airports to work to develop and maintain new and existing air routes. Tourism industry to work to sustain these routes by ensuring demand levels that support route viability.



### ENABLING AIRPORT FACILITY DEVELOPMENT

Airports to establish and implement long term and sustainable development strategies to ensure alignment with overall sector growth.



### DOMESTIC AIR CONNECTIVITY

Foster growth of competitive aviation routes and capacity within New Zealand, to increase frequency and lower cost of travel.



## CAPACITY DEVELOPMENT AND INFRASTRUCTURE



“Now, more than ever, it is important to have a regional plan to support informed infrastructure decisions and timing, attract investment and provide focus for industry and cross-sector cooperation that will collectively build the resource base and capability of the region to achieve growth from the visitor economy.”

TRACY JOHNSTON | General Manager | Destination Marlborough

## UNLOCKING VALUE

“Planning for an investment pipeline that matches capacity with demand and quality with market expectation is a critical part of our business. Invest ahead of demand or out of step with market expectations and we risk either missing a return on investment or missing increased economic value.



That is why we work so hard on building a stronger business and enhancing customer journeys through a researched and deliberate investment programme. As an observation, I think there needs to be a more commercial and deliberate approach across more of the industry than just large infrastructure. Visitor experience, underpinned by the right infrastructure at the right quality, is essential to unlocking real economic value. ”

**MALCOLM JOHNS** | Chief Executive | *Christchurch International Airport*

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## **TIA THE VOICE OF THE TOURISM INDUSTRY**

- We lead implementation of the industry's Tourism 2025 growth framework.
- We lobby local and central government to shape policies and create an environment that helps our industry grow and flourish.
- We provide leadership on matters that impact on the competitiveness and success of the tourism industry.
- We deliver a comprehensive and diverse range of industry events including TRENZ, the New Zealand Hotel Industry Conference, New Zealand Tourism Awards, Discussing Tourism regional events and the Tourism Summit Aotearoa.



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