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Canada Active Considerer Market

Full report

Tourism New Zealand

October 2022



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Objective

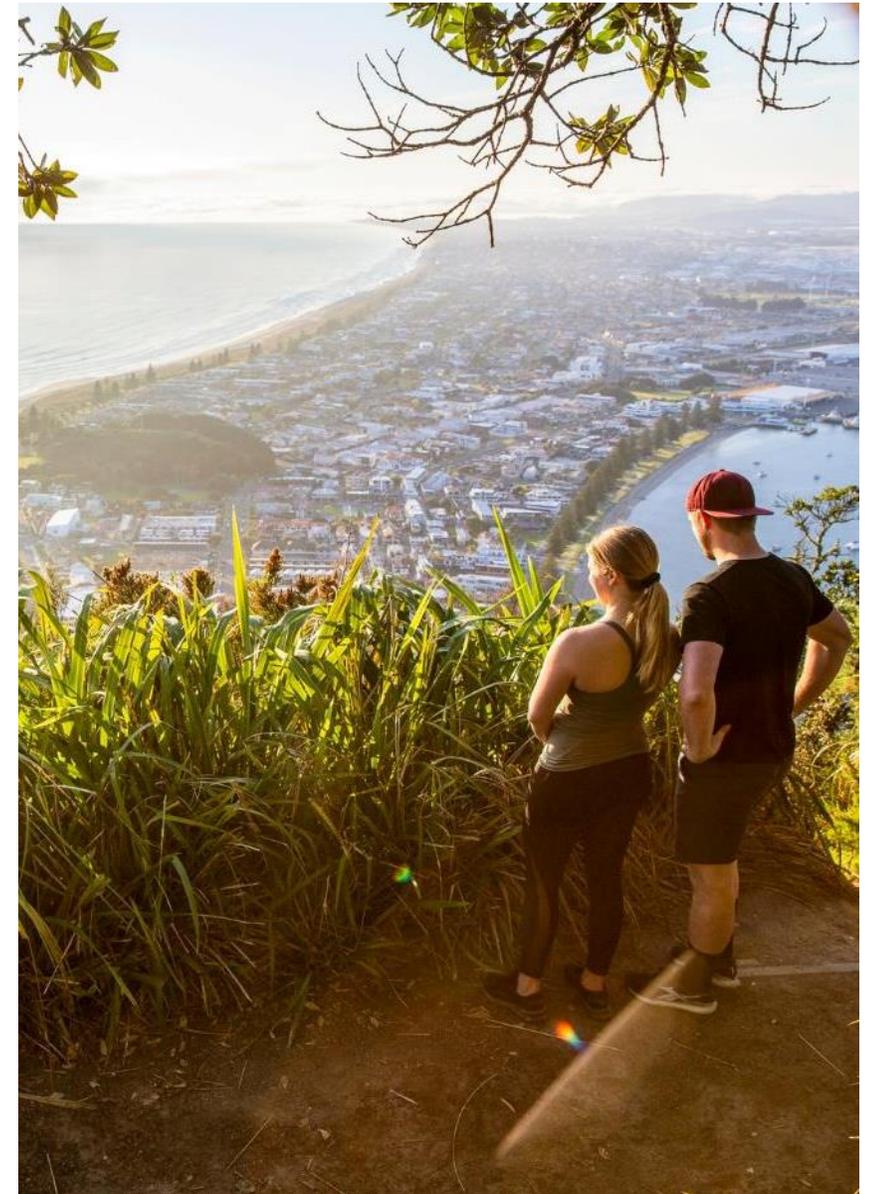
Provide an update on the size and profile of the Active Considerer (ACs) audience in Canada and their sentiment towards travelling to New Zealand

BACKGROUND

- The Covid-19 pandemic has had a significant impact on the New Zealand tourism industry. New Zealand's border is now open to visitors and there are green shoots of recovery.
- Tourism New Zealand (TNZ) is evaluating opportunities from emerging markets. This is the second wave commissioned in Canada since April 22
- Specific questions we sought to answer from this wave included...
 - What is the size of opportunity for TNZ in Canada?
 - How can TNZ drive desirability of New Zealand as a holiday destination?
 - How are travel demand and behaviors shaping post-Covid 19?
 - Business issue: To what degree is not being able to fly directly (outside of Vancouver) a barrier to travelling to New Zealand?

RESEARCH APPROACH

- In order to answer the objective, a 15-minute online survey was conducted among 300 Canadian Active Considerers of New Zealand
- Fieldwork took place between 3 – 12 October 2022



Key insights

Canada is [an attractive opportunity](#) for TNZ to drive international arrivals: the Active Considerer (AC) incidence is 21% and stable, equating to 5.7m Canadians.

With 38% of ACs looking to travel to New Zealand between now and May 2023, there is [a good opportunity for TNZ to drive immediate arrivals](#).

To capitalise on this opportunity, marketing messages need [to appeal to the key triggers to visit New Zealand](#): desire to experience beautiful scenery, to have fun and to learn and explore new things.

In terms of brand messages, continue to [leverage New Zealand's perceived strengths](#) in being pure and pristine, offering range of adventure, opportunities to escape the world, and local experiences – at the same time, [addressing perceived weaknesses](#) in being seen as embracing visitors and offering a range of various experiences (not just adventure).

TNZ can [help ACs move to the booking stage](#) by promoting deals on accommodation & activities on newzealand.com, making it easy for ACs to finish their research and help ACs to decide on the best time to travel to New Zealand.

Results highlight there is an increasing proportion of ACs who are looking to use travel agents to book overseas holidays, indicating [opportunities for partnerships with travel agents](#).

The time it takes to fly to New Zealand is the key concern for ACs, while not being able to fly direct is less of an issue – generally, lack of direct flight is not a significant issue, and most of ACs would tolerate at least one stop over.

1

What is the size of opportunity for TNZ in Canada?



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Active Considerer journey funnel – Canada

Active Considerers definition

Active Considerers find New Zealand highly appealing as a vacation destination, would seriously consider visiting in the next three years, see New Zealand as a preferred destination for their next vacation and have a realistic budget for their visit (C\$1,700 per person on a holiday to New Zealand).

Total population of Canada

38.2m

Online population,
18-74 years of age

26.8m

Find New Zealand highly appealing as a holiday destination, and...

53%

Online population, 18-74 years of age

14.1m

Would seriously consider visiting in the next three years, and...

60%

8.4m

New Zealand is a preferred destination for their next holiday, and...

84%

7.0m

Willing to spend at least C\$1,700 per person on a holiday to New Zealand⁽¹⁾

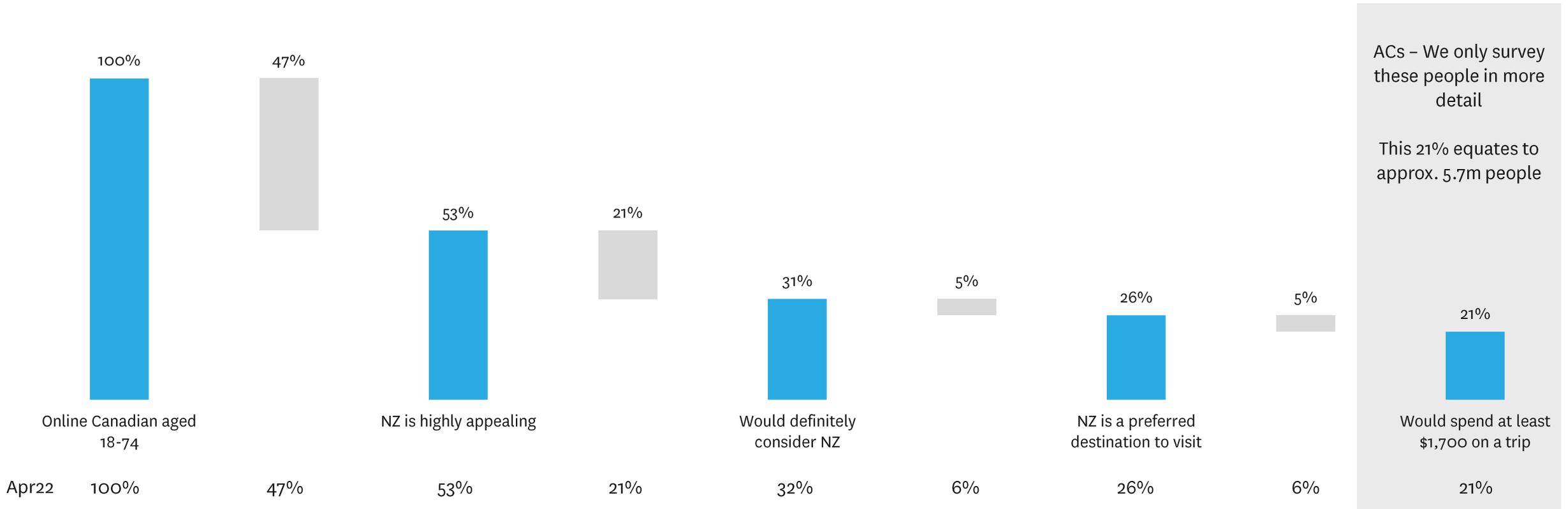
81%

5.7m

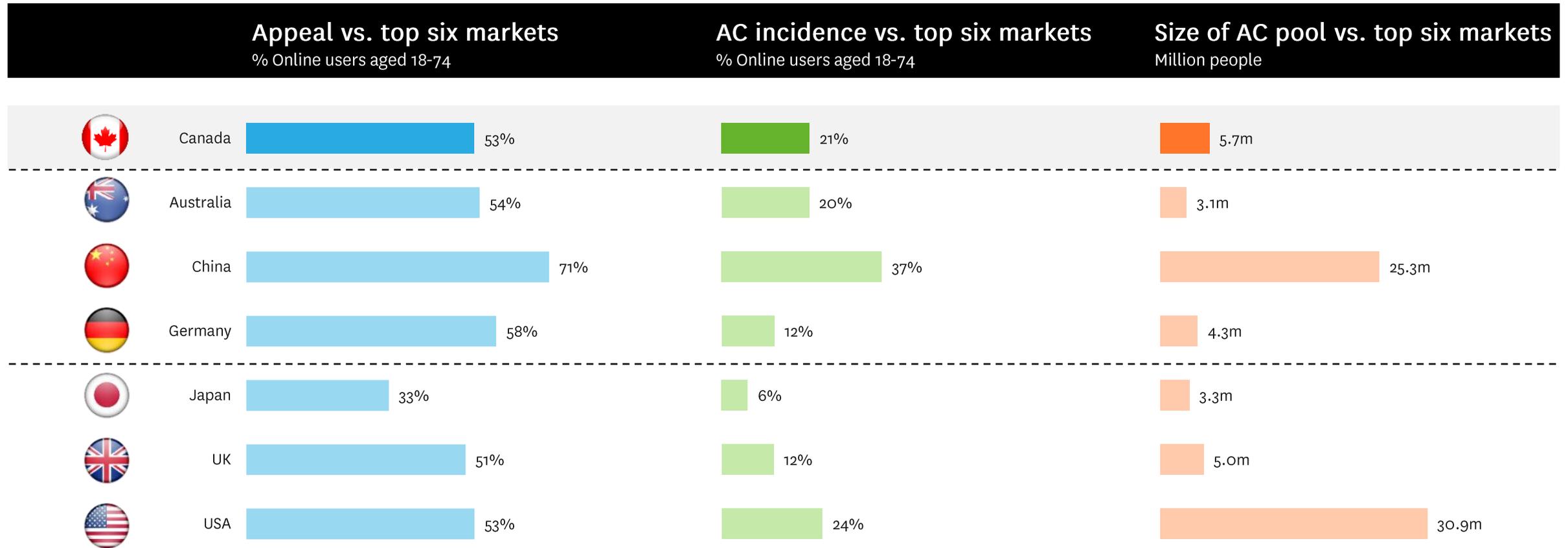
Canada is an attractive market for New Zealand: the AC incidence in Canada remains stable at 21%, equating to approximately 5.7 million people

Qualifying criteria for defining ACs

% Online users aged 18-74 | Oct 22



In terms of the size of Canada's AC pool relative to other markets, Canada is an attractive market for New Zealand.



Notes:

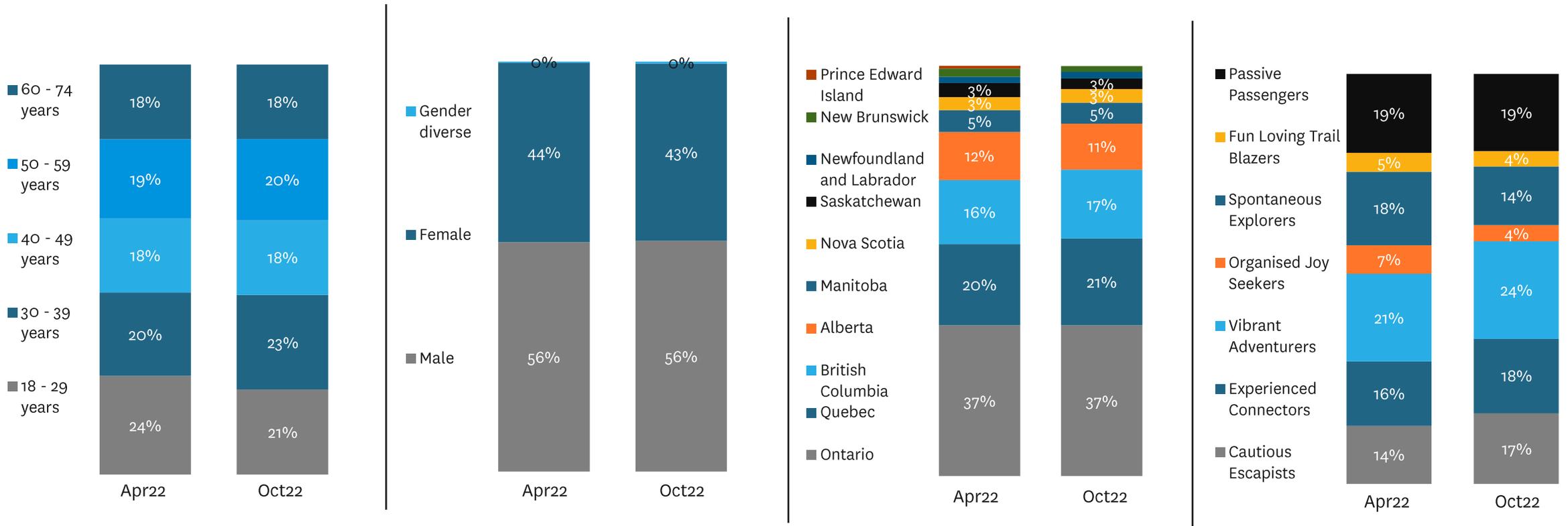
1. Sample sizes: Total Acs n = 2,001
2. Source for top 6 markets: AC Monitor | 6MRA | Online users aged 18-74 | Apr22-Sep22
Australia n = 4,872 | China n = 2,851 | Germany n = 9,202 | Japan n = 19,183 | UK n = 10,405 | USA n = 6,507



ACs are concentrated in Ontario, Quebec & British Columbia and around 4 in 10 ACs are in the Vibrant Adventurer & Experienced Connector mindsets – our priority mindset groups

Profile of Active Considerer

% Online users aged 18-74



Notes:

1. Sample sizes: Total ACs Apr | Oct 22 n = 793 | 395

▲ ▼ Significantly higher / lower than comparison at 95%



2

How can TNZ drive desirability of New Zealand as a holiday destination?

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New Zealand's top 10 competitor set remains relatively stable: Australia and Hawaii are the largest competitors followed by a number of destinations within Europe

Top ten competitor set for ACs

% Active Considerers ranking destination in top five | Oct 22



Notes:

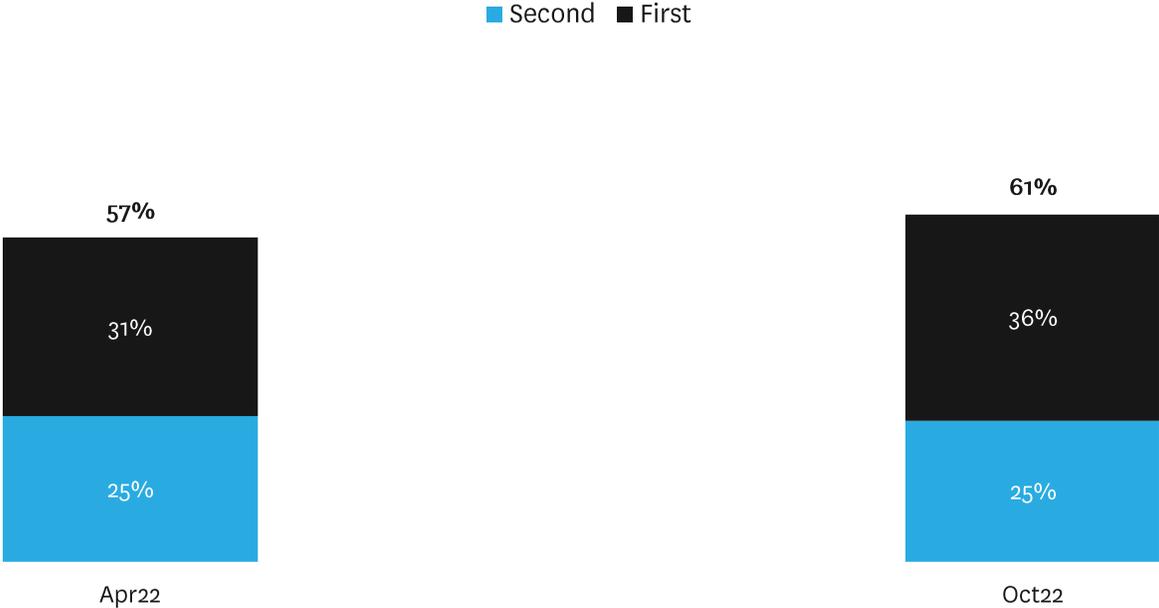
1. Sample sizes: Total ACs Apr | Oct 22 n = 500 | 300
2. Q "Aside from New Zealand, what other four destinations make up your top five preferred destinations to visit a holiday?"

▲ ▼ Significantly higher / lower than comparison at 95%

Levels of preference for New Zealand in Canada remain relatively stable, with more than a third of Active Considerers ranking New Zealand as their most preferred destination to visit

Preference KPI over time

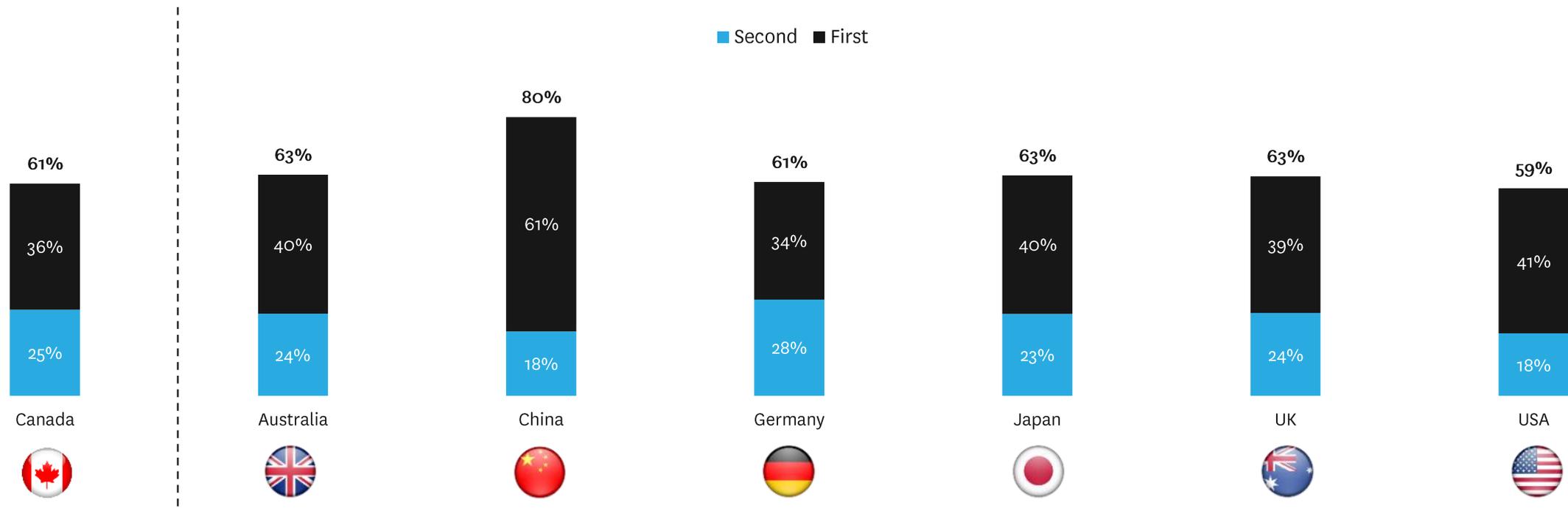
% Active Considerers | Oct 22



Levels of preference for New Zealand in Canada are comparable with most key markets

Preference KPI vs. top six markets

% Active Considerers | Oct 22



Notes:

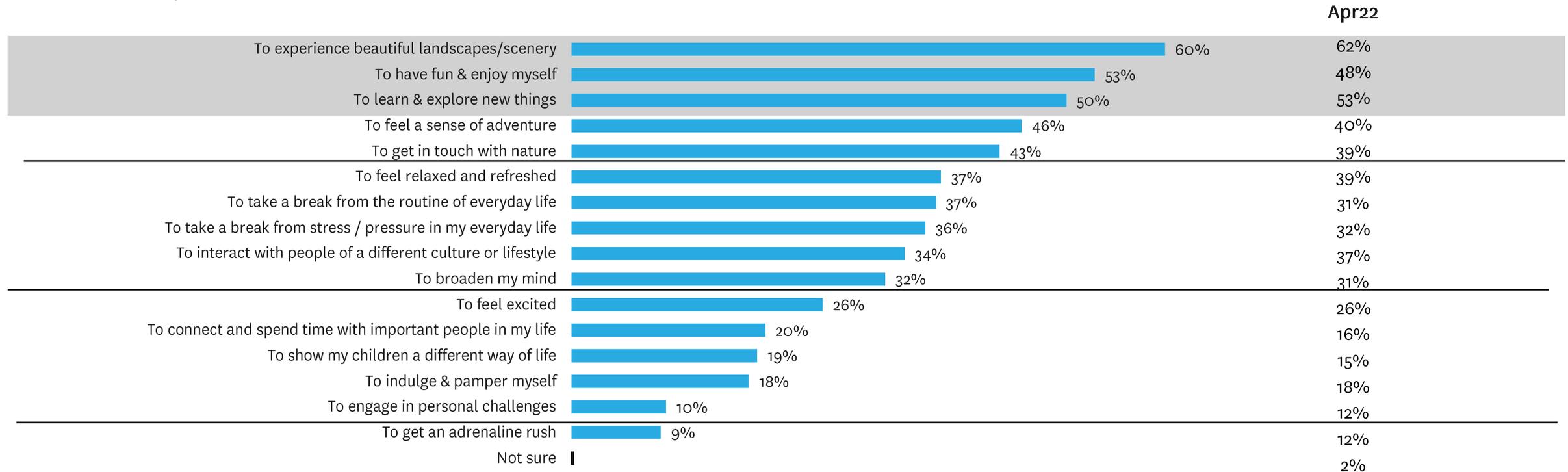
1. Sample size: Canada n = 300
2. Source for top 6 markets: AC Monitor | 6MRA | Total Active Considerers | Apr22-Sep22
 Australia n = 900 | China n = 902 | Germany n = 901 | Japan n = 900 | UK n = 900 | USA n = 899
 Q "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"



Marketing messages need to appeal to the key triggers to visit New Zealand: desire to experience beautiful scenery, to have fun and to learn and explore new things

Reasons to visit New Zealand

% Active Considerers | Oct 22



Among our ACs, New Zealand out performs competitors as a destination with amazing wildlife experiences. Affordable activities and a clean and unpolluted environment

Relative brand positioning - this heat map shows the relative performance of the attributes we measure that drive preference for New Zealand.

Index (see appendix) | Total Active Considerers | Brand associations | New Zealand and top five competitors | Oct 22

Brand associations	New Zealand	Australia	Hawaii	Italy	Greece	Ireland
Landscapes & scenery	99	100	101	99	96	109
Safe destination	102	98	99	97	84	112
Embraces visitors	98	98	112	85	107	104
Range of adventure	106	116	107	76	71	83
Clean & unpolluted	118	92	95	56	86	92
Fun & enjoyment	92	95	112	109	119	106
Friendly people	100	97	105	97	89	115
Range of experiences	92	108	106	104	102	114
Unique experiences	99	102	87	109	123	90
Comfortable	96	106	90	117	101	106
Escape the troubles of the world	111	86	110	93	95	65
Relax & refresh	96	85	133	96	109	95
Amazing wildlife experiences	121	145	85	24	49	67
Local culture	88	103	102	130	118	106
Quality food & wine	90	95	81	170	113	95
Affordable activities	120	73	70	73	94	127
Local experiences	102	95	110	95	98	92
Iconic attractions	86	99	88	140	132	117

Actions for TNZ:

Messaging needs to continue to **hero New Zealand’s landscape and scenery** – this is a core reason to visit New Zealand but doesn’t offer New Zealand a competitive edge

Communications could also boost New Zealand’s credential of **fun & enjoyment, and range of experiences** which are again core reasons to visit but offer little competitive edge

Messaging could also leverage our competitive strengths:

- Range of adventure
- Amazing wildlife experiences
- Affordable activities



Notes:

Q “Which destinations, if any, do you associate with this statement?”
Japan has dropped from Top 5 competitors since Apr22, replaced with Ireland

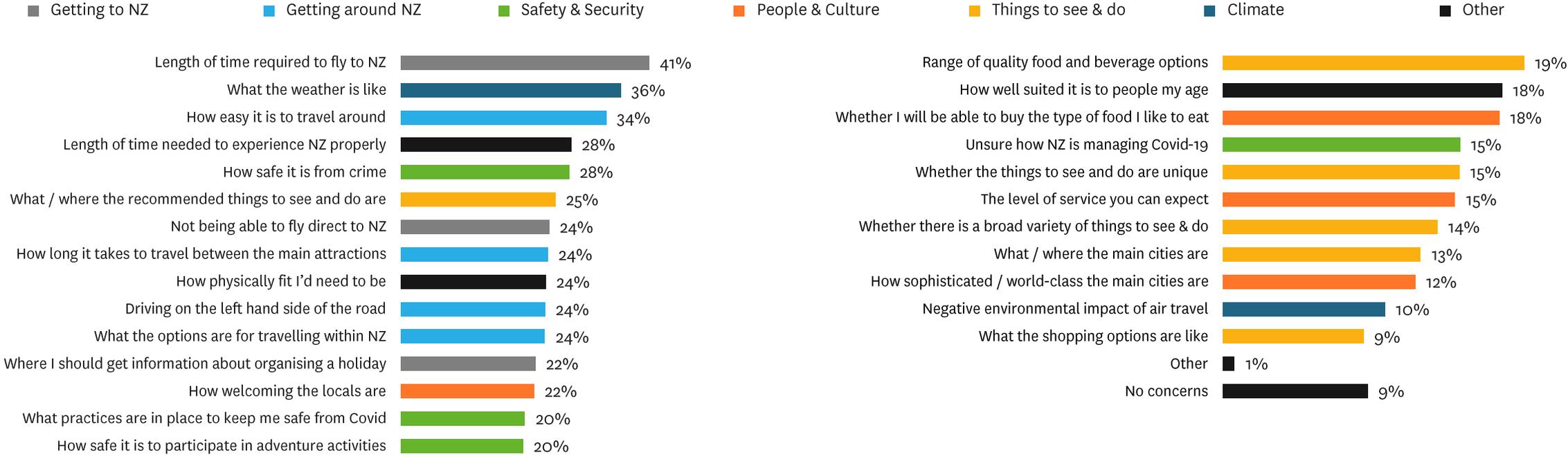
Relative weakness 100 Relative strength
Heat map shading is across rows, i.e. compares the six countries on that attribute



Top concerns around visiting New Zealand are logistical – ACs need reassurances around the time needed and the ease of travelling to and around New Zealand

Concerns about choosing New Zealand as a holiday destination

% Active Considerers | Oct 22



3

How are travel demand and behaviors shaping post-Covid 19



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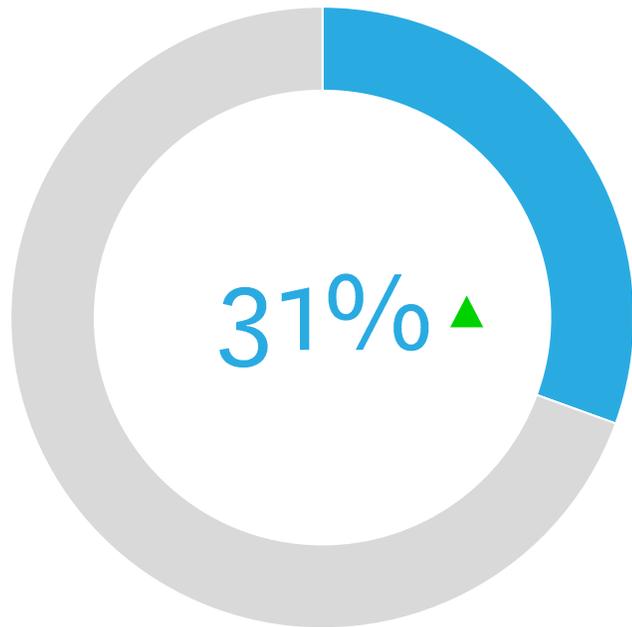


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With 38% of ACs looking to travel to New Zealand between now and May 2023, this is an opportunity for TNZ to drive immediate arrivals among Canadian ACs

Travelled overseas on vacation in the last six months

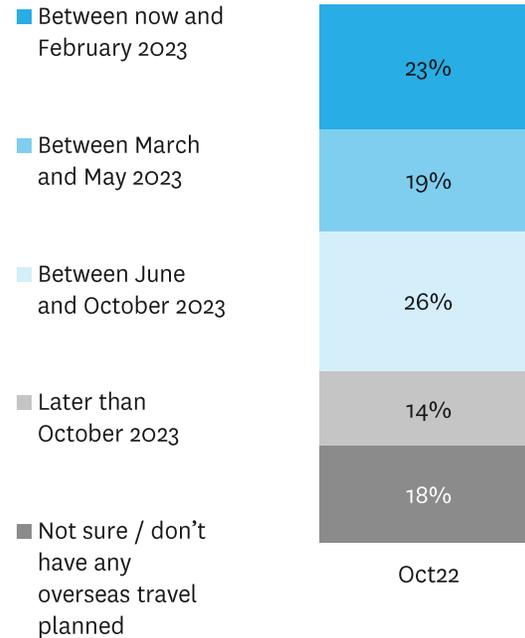
% Active Considerers | Oct 22



17%
Apr22

Likely timing for next overseas vacation

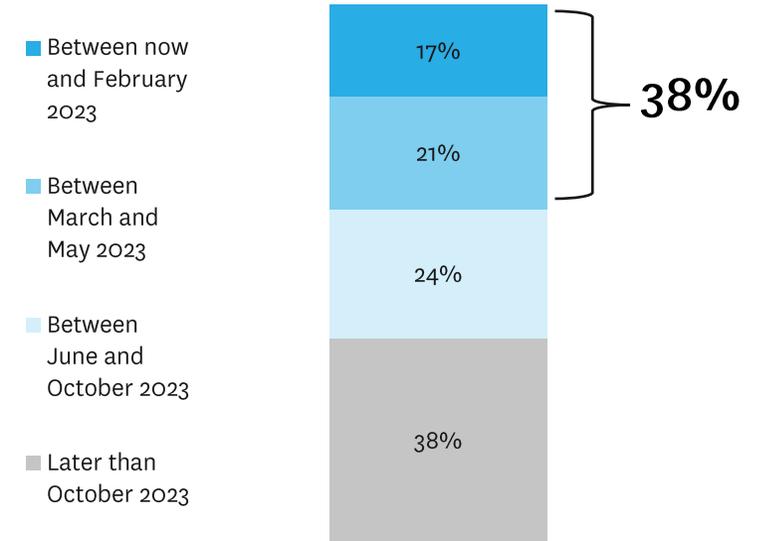
% Active Considerers | Oct 22



Oct22

When likely to visit New Zealand

% Active Considerers | Oct 22



Oct22

Notes:

1. Sample sizes: Total ACs Oct 22 n = 300

Q "Have you travelled overseas on holiday in the last 6 months?"

Q "When are you looking to take your next overseas holiday?"

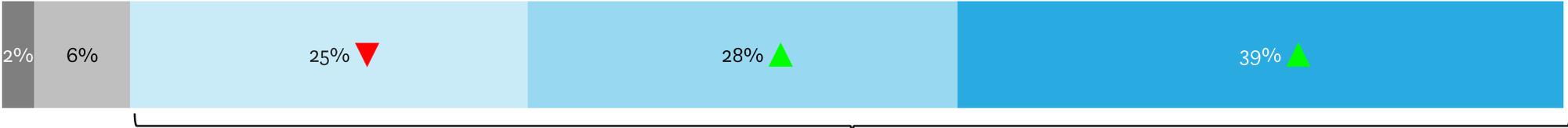
Q "New Zealand borders are now open for tourists. With this in mind, when would you want to visit New Zealand for a holiday?"

The appetite for travelling to multiple overseas destinations as part of the same overseas holiday continues to grow – this highlights the opportunity for New Zealand to be a part of any South Pacific travel itinerary.

Interest in travelling to multiple countries as part of an overseas vacation

% Active Considerers | Oct 22

■ Now much less interested ■ Now slightly less interested ■ Interest is the same ■ Now slightly more interested ■ Now much more interested



92%
are now more interested in travelling to multiple countries as part of an overseas holiday than pre-COVID-19

Apr22

4%

9%

36%

20%

31%



Notes:

1. Sample sizes: Total ACs Apr | Oct 22 n = 500 | 300
Q “Thinking about how you have travelled in the past, looking forward, are you now more or less interested in travelling to multiple countries as part of an overseas holiday?”

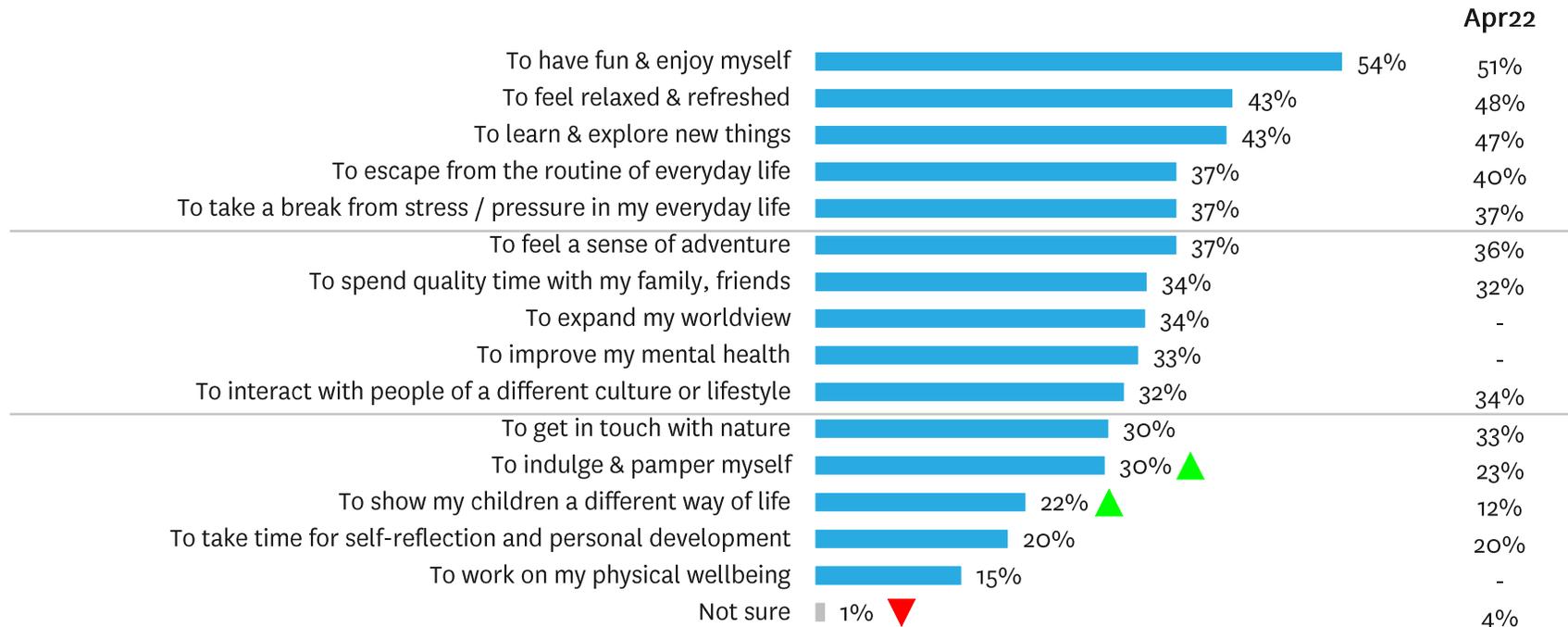
▲ ▼ Significantly higher / lower than comparison at 95%



Marcomms can leverage the key drivers of holiday demand: the need for fun, to learn & explore, to relax and indulge and to show children another way of life

Needs/reasons driving the desire to travel internationally for a leisure vacation

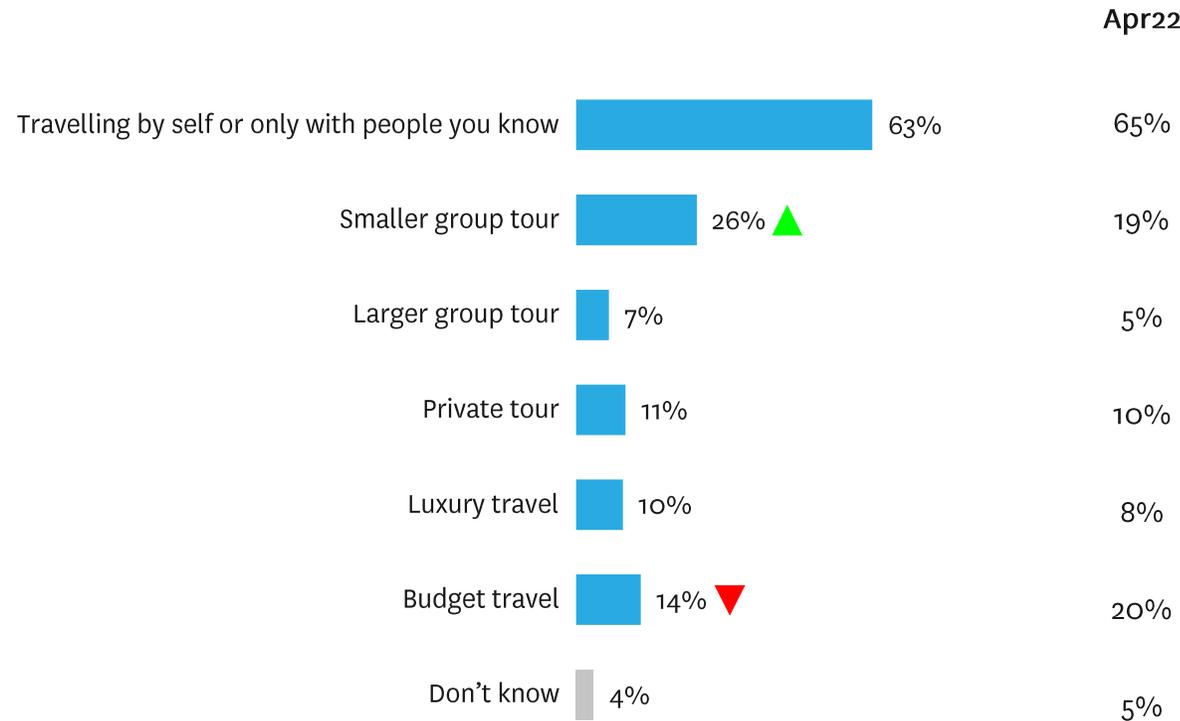
% Active Considerers | Oct 22



Independent travel is the most popular way to experience an overseas destination, but there is a growing interest in smaller group tours

Interest in type of international vacation

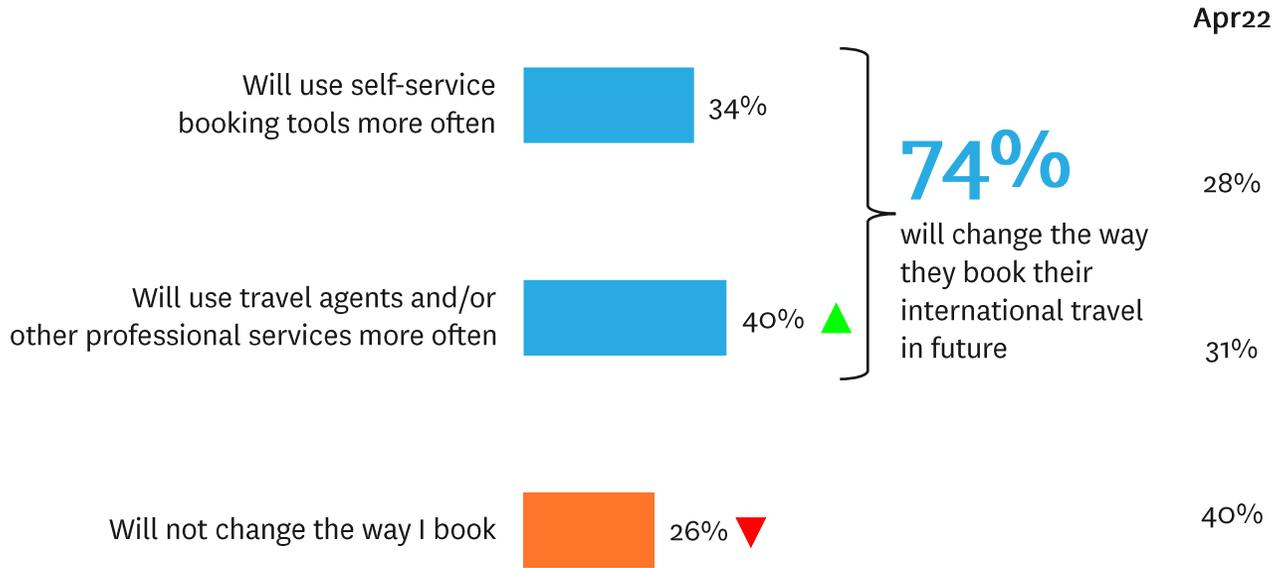
% Active Considerers | Oct 22



There are opportunities for partnerships with travel agents, as an increasing proportion of ACs are looking to use travel agents to book overseas holidays

Changes to overseas vacation booking method

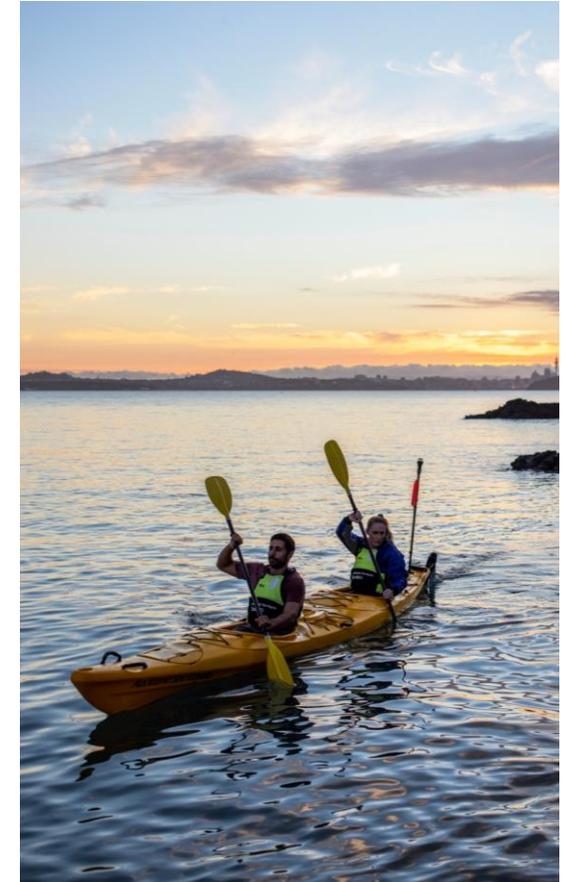
% Active Considerers | Oct 22



Affordability is the key barrier to progressing to booking an overseas holiday – positively, concerns with trips being disrupted by Covid-19 are slowly wearing off

Concerns about booking a vacation overseas

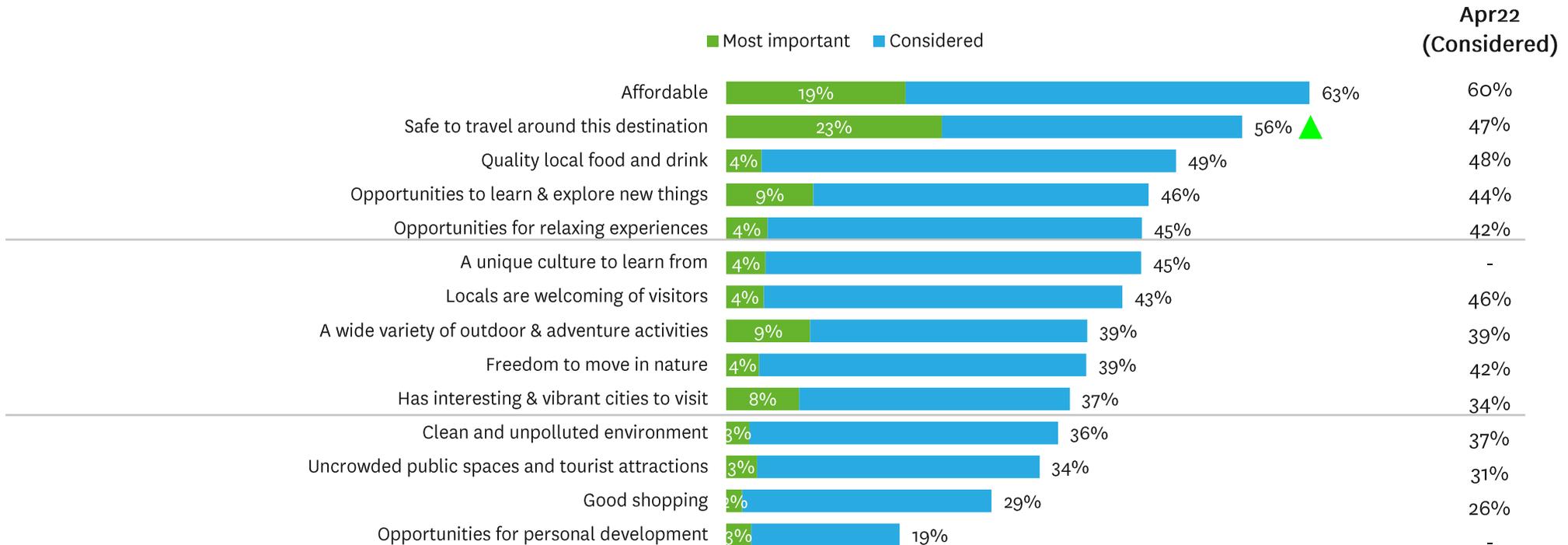
% Active Considerers | Oct 22



ACs are likely to prioritise destinations which are affordable, safe to travel around and offer opportunities to learn & explore and to relax

Attributes likely to be considered when choosing next destination

% Active Considerers | Oct 22



Notes:

1. Sample sizes: Total ACs Apr | Oct 22 n = 500 | 300

Q "Which of these destination attributes will you be looking for when choosing your next overseas holiday destination?"

Q "And which of these attributes would be the most important one?"

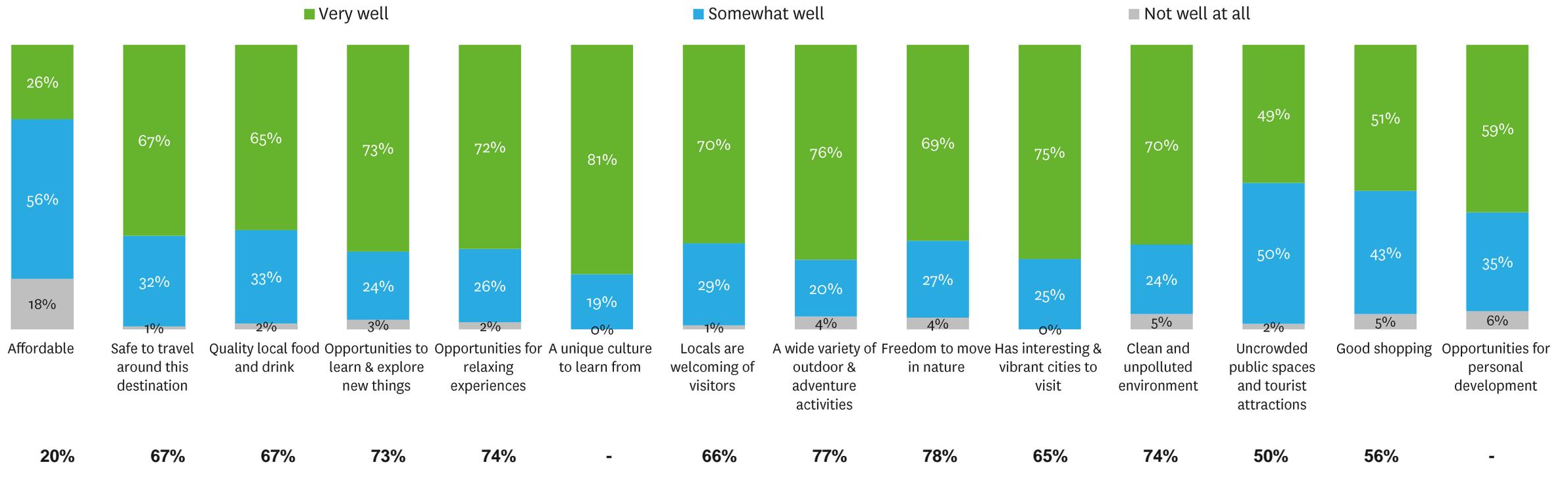
▲ ▼ Significantly higher / lower than comparison at 95%



With the exception of affordability, New Zealand is in a strong position to drive holiday demand in the post-Covid environment

New Zealand's delivery to destination attributes that are considered when selecting a holiday destination

% Active Considerers | Oct 22



Notes:
 1. Sample sizes: Total ACs Apr | Oct 22 n = 500 | 300
 Q "In your opinion, how well does New Zealand deliver on each of these attributes?"

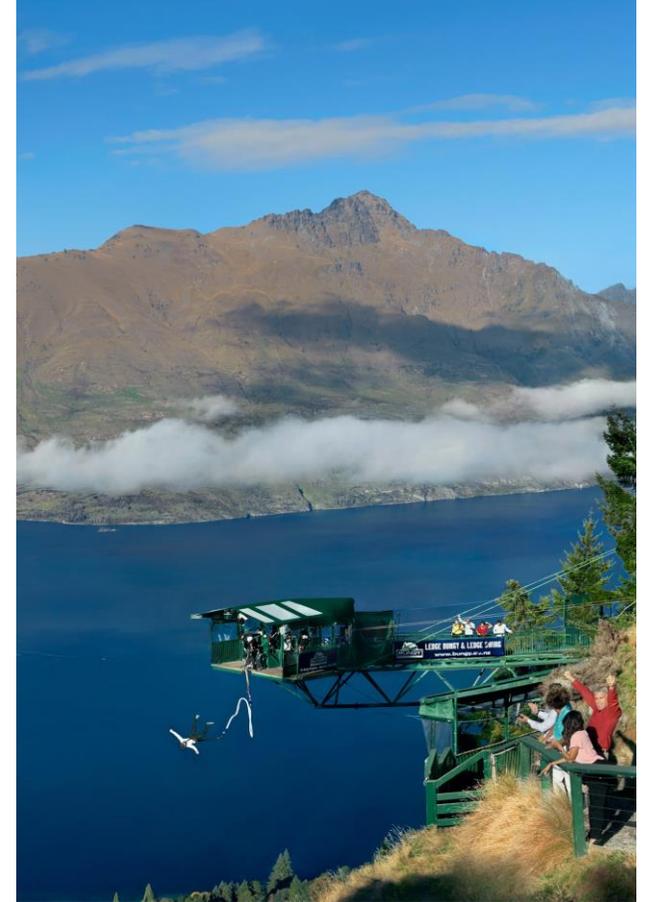
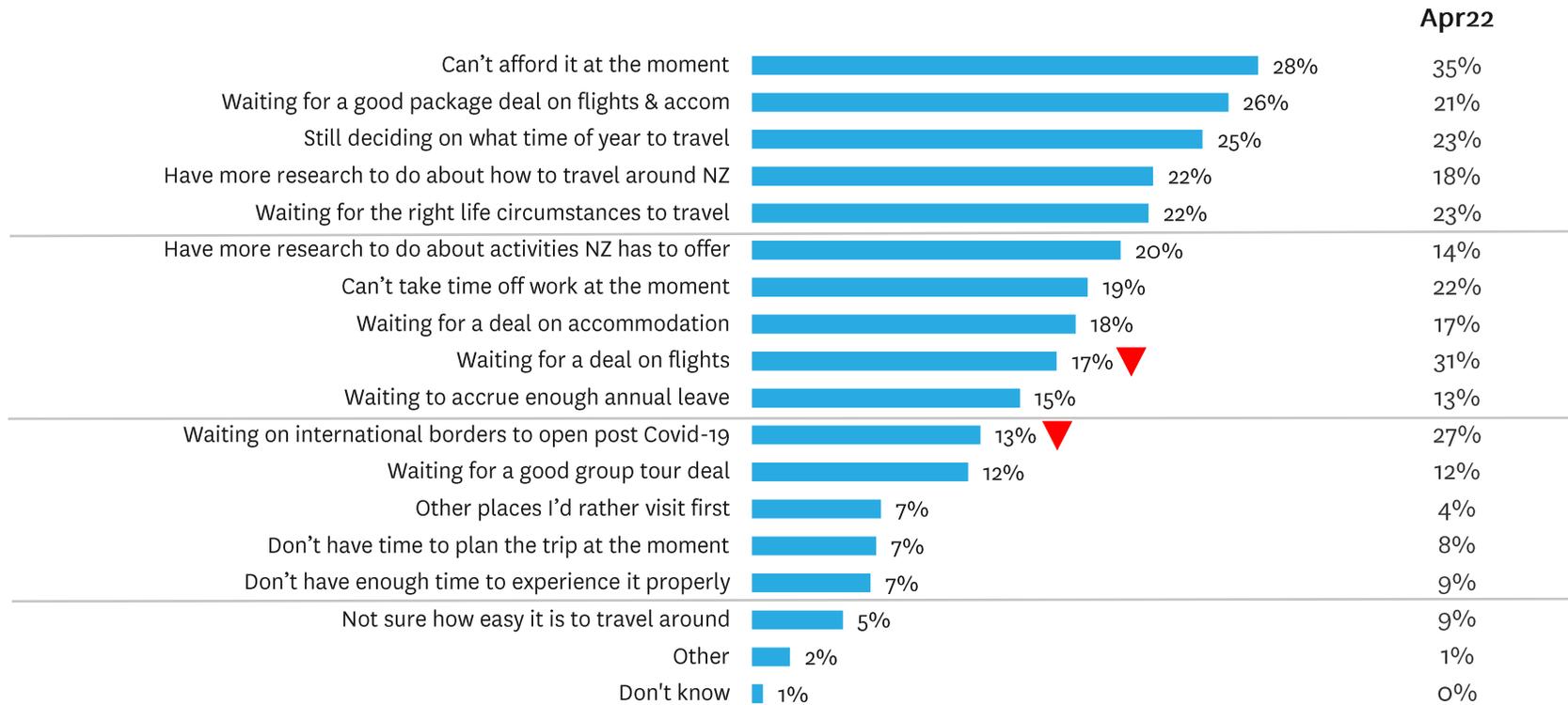
▲ ▼ Significantly higher / lower than comparison at 95%



TNZ can help ACs to move to the booking stage by promoting deals on accommodation & activities on newzealand.com, making it easy for ACs to finish their research and help ACs to decide on the best time to travel to New Zealand

Barrier to booking vacation to New Zealand

% Active Considerers | Oct 22



With a quarter of ACs already in the booking mindset, there is a sizeable opportunity for TNZ to drive arrivals

Journey funnel to New Zealand

% Active Considerers | Oct 22

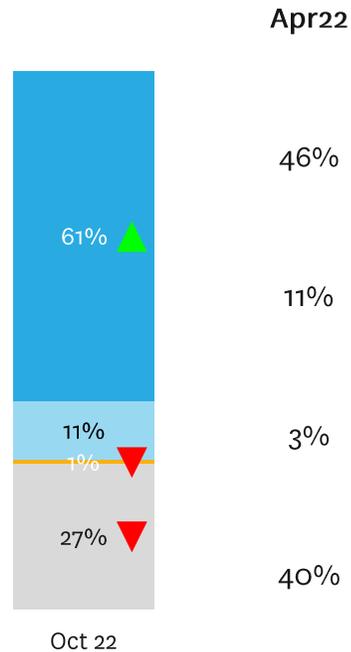


There is a need to clarify to ACs that New Zealand is open to tourists, as 40% are either unsure or believe the borders are still closed

Current understanding of New Zealand border status to Canadian travellers

% Active Considerers | Oct 22

- The borders are currently open to tourists
- The borders are currently closed but there is a set date for when borders will open
- The borders are currently closed and there is no confirmed date for borders to open
- Not sure



4

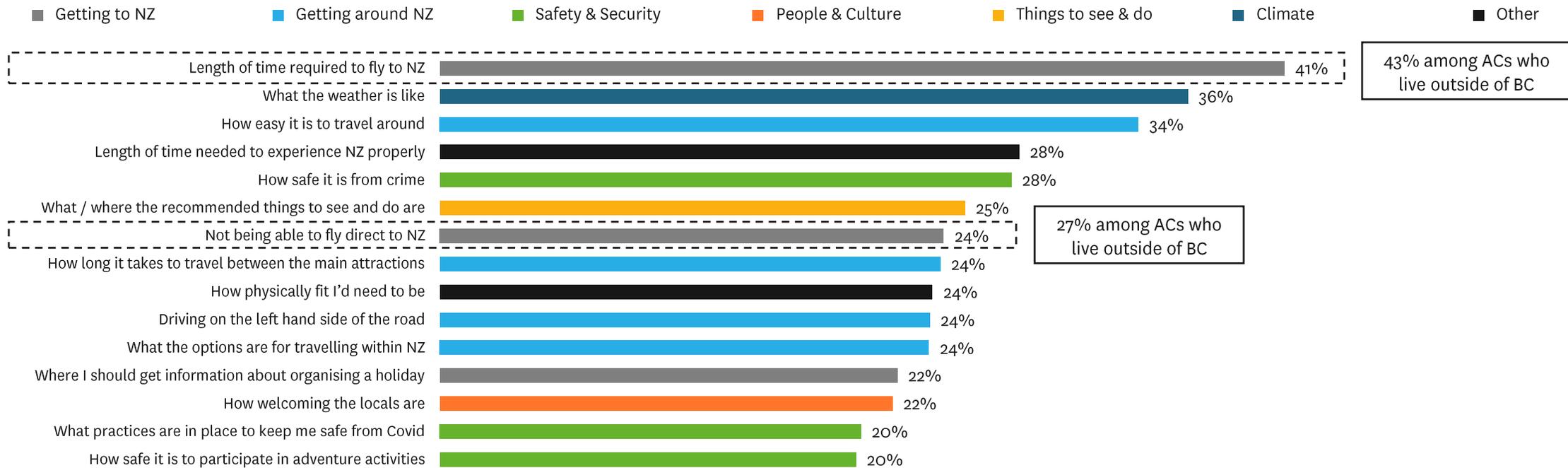
Business issue: To what degree is not being able to fly directly a barrier to travelling to New Zealand?



The time it takes to fly to New Zealand is the key concern for ACs, while not being able to fly direct is less of an issue

Concerns about choosing New Zealand as a holiday destination

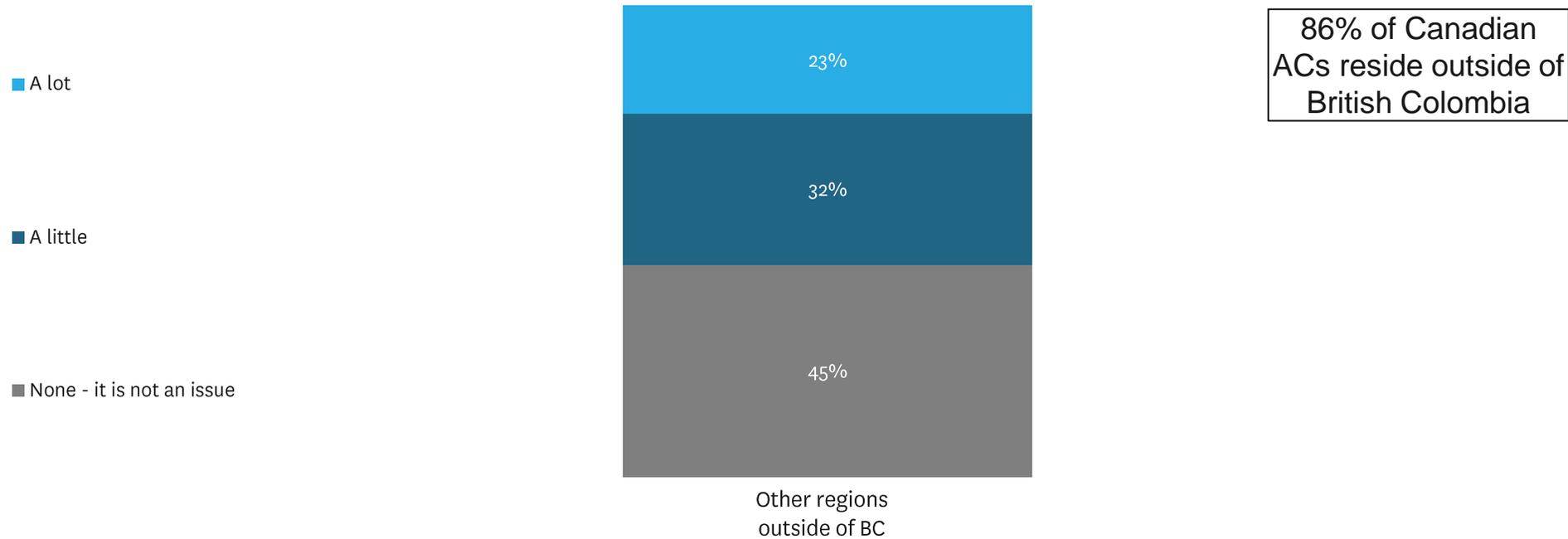
% Active Considerers | Oct 22



Only 23% of ACs who live outside British Columbia see the lack of direct flight from their state a significant barrier to travelling to New Zealand

Hesitation to fly to New Zealand given direct flight from Canada only available from Vancouver

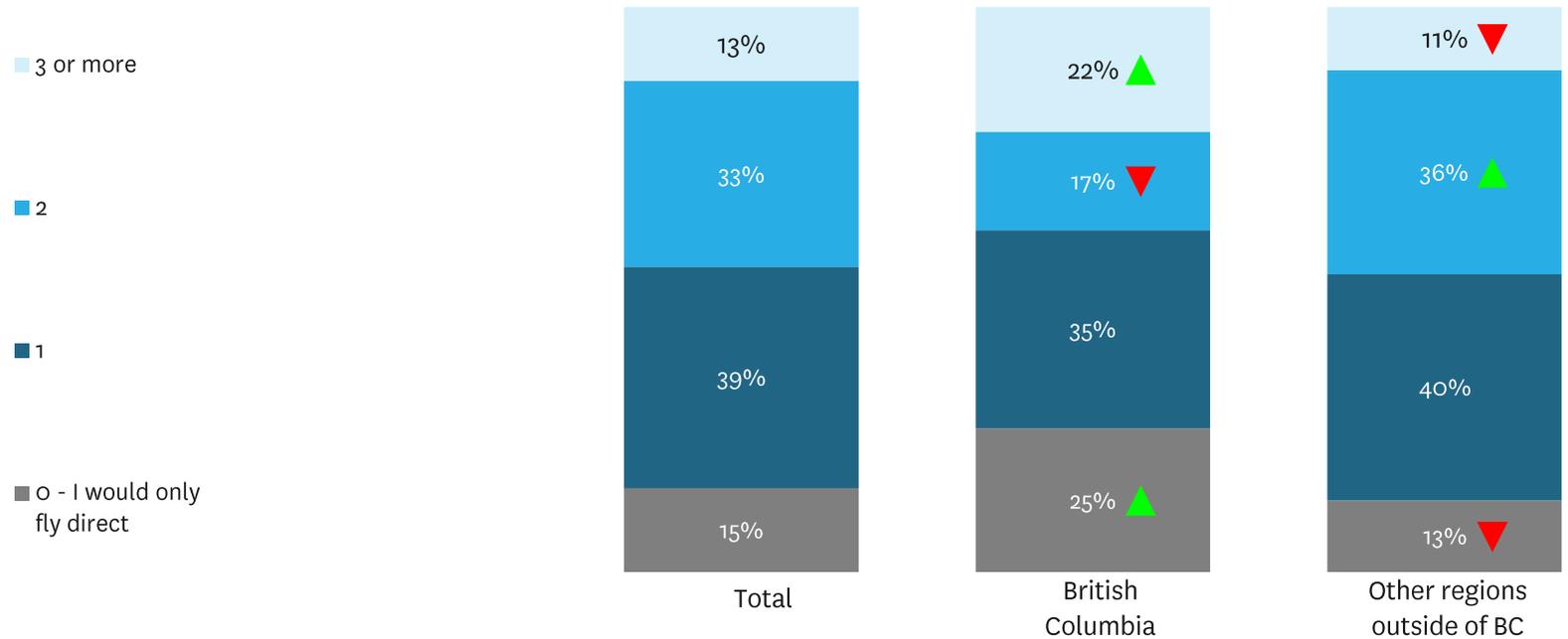
% Active Considerers excluding British Columbia | Oct 22



Most ACs would be comfortable with one stop over, and 46% would tolerate two or more stopovers

Willingness of maximum number of stopover

% Active Considerers | Oct 22



Notes:

1. Sample size: Canada n = 300, British Columbia n = 22, Other region n = 278
 Q "What is the maximum number of stopovers / connecting flights you would be willing to take to travel to New Zealand for a holiday?"

▲ ▼ Significantly higher / lower than comparison at 95%



5

Appendix



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Appendix: brand positioning ‘how to’

ACs are biased towards New Zealand by design. Because we’re already talking to people that really like the idea of visiting New Zealand, New Zealand tends to get rated much more favourably on the brand attributes than competitors do. To better understand relative performance, we need to adjust for this bias and provide an indexed view of performance:

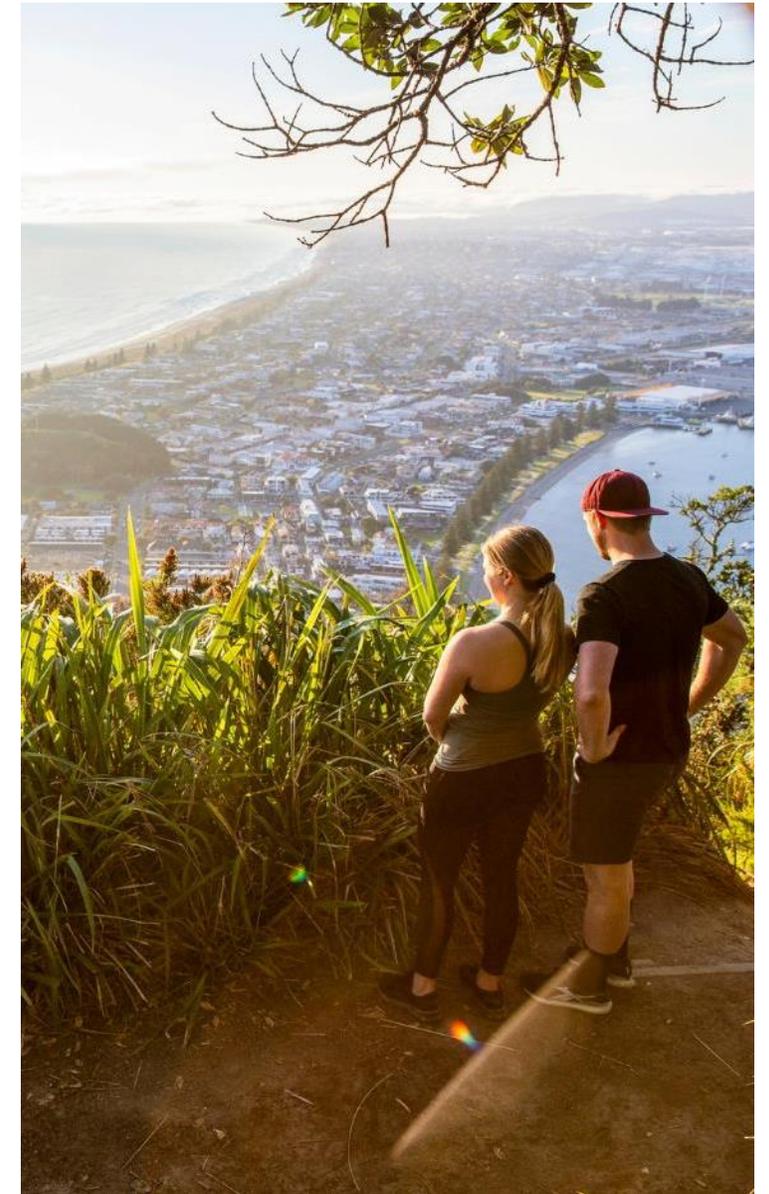
- A score of 100 means performance is in line with expectations after adjusting for bias
- Above 100 indicates a relative strength
- Below 100 indicates a relative weakness

Scores are **relative**, i.e. removing / adding attributes and / or destinations from the analysis would give different scores

Brand associations	New Zealand	Japan	Australia	Taiwan	South Korea	Thailand
Spectacular natural landscapes and scenery	Green	Light Green	Light Green	Light Green	Light Green	Light Green
The locals are friendly and welcoming	Red	Light Green				
Ideal to relax and refresh	Green	Light Green	Light Green	Light Green	Light Green	Light Green
I would feel safe travelling around this destination	Light Green					
Things to see and do are affordable	Red	Light Green				
Affordable to fly to this destination	Red	Light Green				

Annotations in the table:

- A horizontal arrow points from the 'Spectacular natural landscapes and scenery' row to the 'Thailand' column.
- A vertical arrow points from the 'Spectacular natural landscapes and scenery' row down to the 'Affordable to fly to this destination' row.
- Text in the 'Japan' column: "We look at how a given number of competitors perform on a given number of attributes to derive an index that measures expected performance"
- Text in the 'Japan' column: "It's key to note that the score is relative – any change to the competitor and / or attribute sets will result in a change in the indices"
- Text in the 'Japan' column: "For example, when we look at the top 10 versus when we look at the 12 monitor attributes, the scores reported for those same attributes will be different in each attribute set"



Full wording for the preference drivers

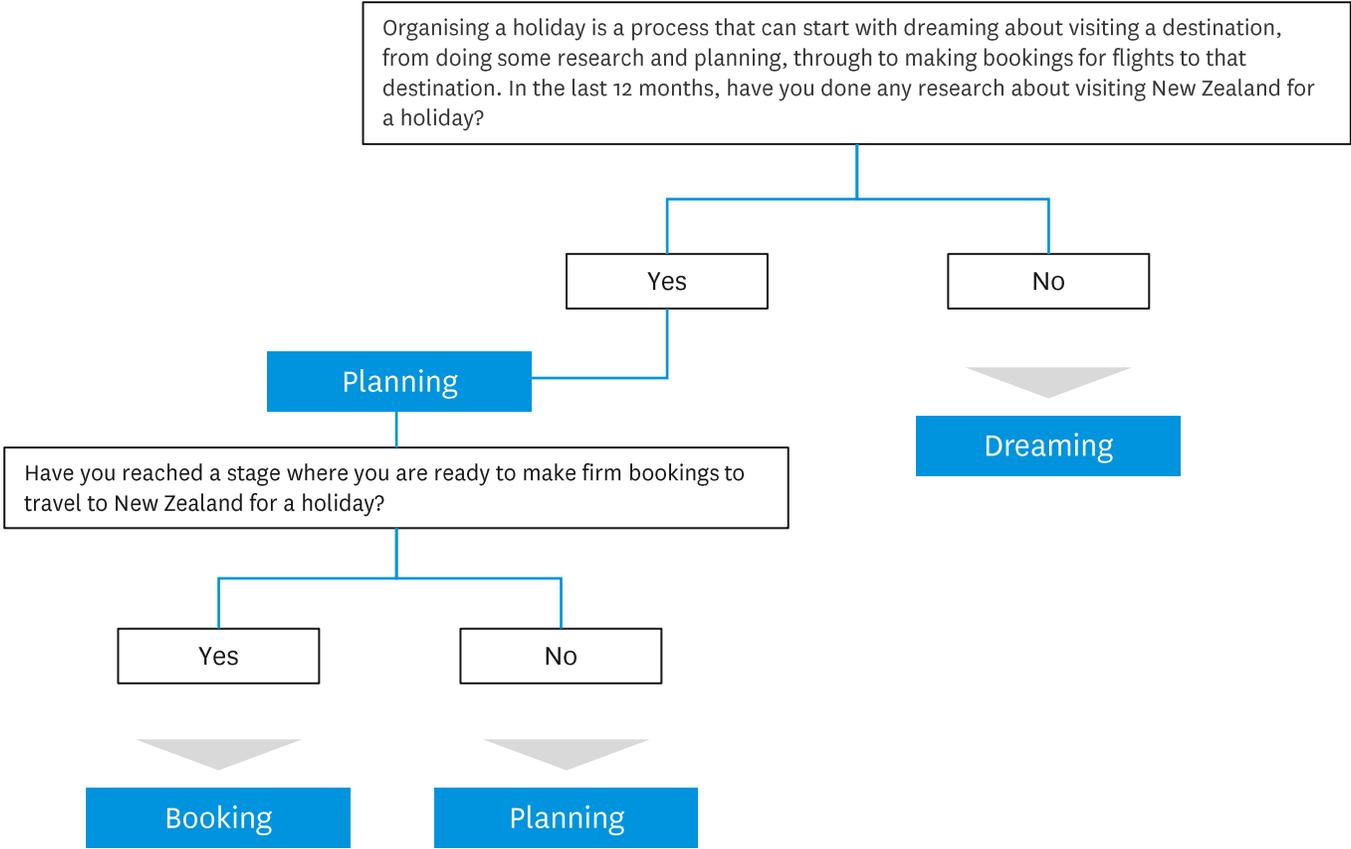
Wording for the preference drivers

Shorthand	Full wording
Affordable activities	Things to see and do are affordable
Affordable to fly to	It's affordable to fly to this destination
All seasons	Suitable for a holiday all year round
Amazing beaches	Has amazing beaches
Blending in with locals	Ideal for blending in with locals and not being seen as a tourist
Challenging	Ideal for physically and mentally challenging yourself
Clean & unpolluted	The environment there is clean and unpolluted
Comfortable	I'd feel comfortable visiting, despite any cultural differences
Easy to travel around	It's easy to travel around to see and do things
Embraces visitors	A destination that embraces visitors and wants them to enjoy their time there
Excitement	Thinking about visiting makes me feel really excited
Family friendly	Ideal for a family holiday
Friendly people	The locals are friendly and welcoming
Fun & enjoyment	Ideal for having fun and enjoying yourself
History & heritage	Offers opportunities to experience history and heritage
Iconic attractions	Has iconic attractions and landmarks

Shorthand	Full wording
Interesting cities	Has interesting cities to visit
Landscapes & scenery	Spectacular natural landscapes and scenery
Local culture	Offers opportunities to experience local culture
Local experiences	Offers opportunities to experience how it is to live like a local
Place to escape	Ideal for escaping normal daily life
Popular	A popular destination that lots of people want to visit
Quality food & wine	Offers quality local food and wine experiences
Range of adventure	Offers a wide variety of outdoor & adventure activities
Range of experiences	Offers a wide variety of tourist experiences
Relationship with the land	A destination where the people have a special relationship with the land
Relax & refresh	Ideal to relax and refresh
Safe destination	I would feel safe travelling around this destination
See lots without travelling far	Once there, you can see a lot without having to travel far
Unique experiences	Offers experiences that you can't get anywhere else
Unique wildlife	Opportunities to see local wildlife
Working holiday	Ideal for a longer term working holiday

Appendix: Visitor consideration funnel

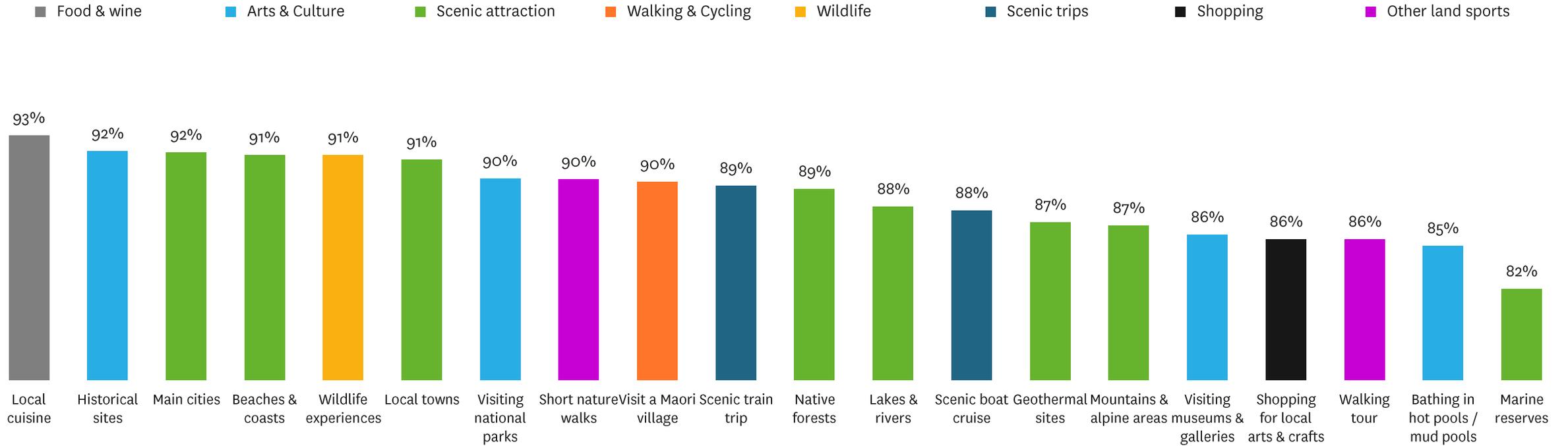
We ask two questions to determine where someone is in the visitor consideration funnel ...



Canadian ACs show interest in a wide range of activities

Activities interested in doing in New Zealand (Top 20)

% Active Considerers | Oct 22



Notes:

1. Sample size: Canada n = 300
Q "Which of the following would you be interested in seeing or doing when on holiday in New Zealand?"



Canadian ACs are broadly split between those with families and those without

Household composition

% Active Considerers

