

KANTAR

Singapore Active Considerer market

Full report

Tourism New Zealand

November 2022



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Objective

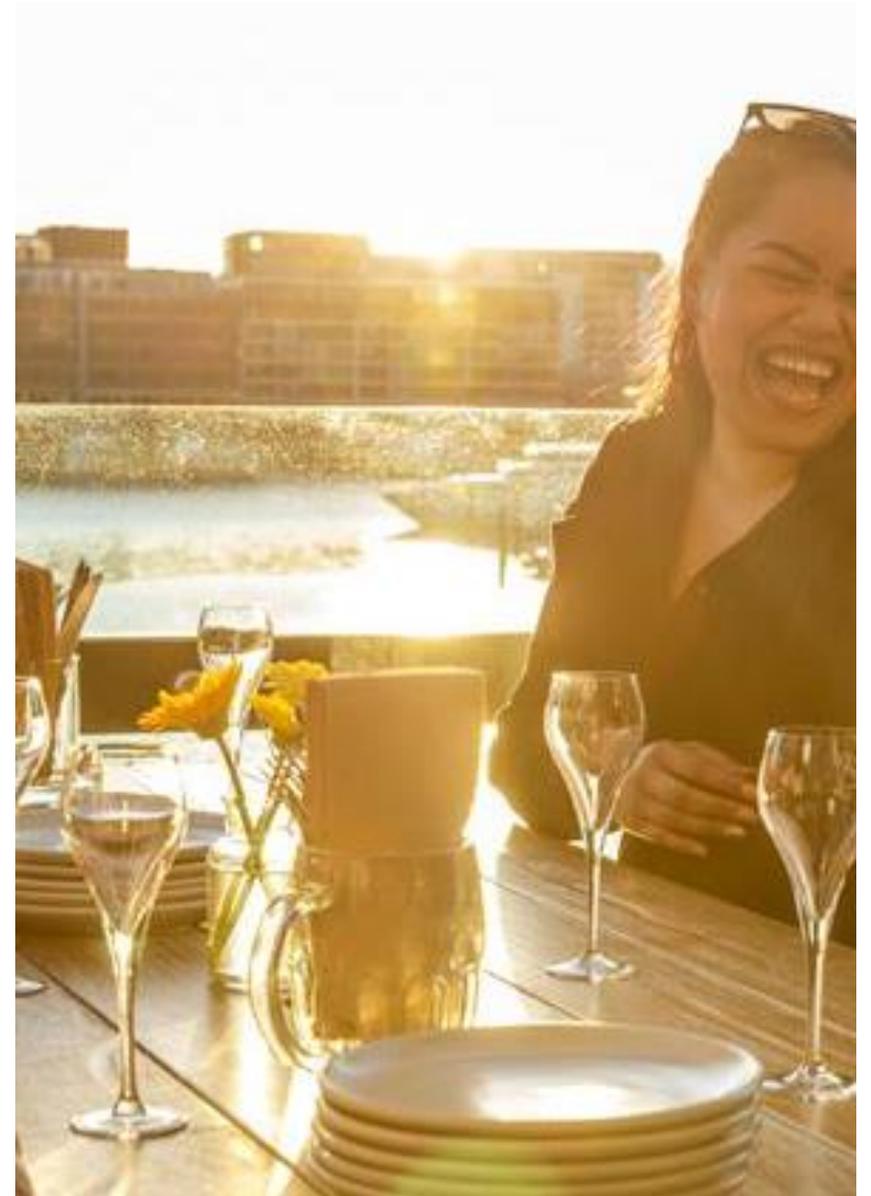
Provide an update on the size and profile of the Active Considerer (AC) audience in Singapore and their sentiment towards travelling to New Zealand

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 recovery is underway
- With COVID-19 reshaping the travel landscape, Tourism New Zealand (TNZ) is keen to continue to evaluate the opportunity within the Singapore market
- Specifically, TNZ needs an update on the size and profile of the AC audience in Singapore from the last dip in May 22 as well as an understanding of the demand to travel to New Zealand now that borders have opened

RESEARCH APPROACH

- To answer the objective, a 15-minute online survey was conducted among 300 Singaporean Active Considerers of New Zealand
- Fieldwork took place between 17th – 27th October 2022



Key insights

Singapore continues to be a compelling opportunity for TNZ – despite incidence of Active Considerers sitting below peak levels seen in 2021, the current 20% equates to approximately half a million Singaporeans.

There is clear pent-up demand to travel overseas and with 47% of ACs looking to travel to New Zealand between now and May 2023, suggesting there is a sizable opportunity for TNZ to drive immediate arrivals.

However, New Zealand faces strong competition from North East Asian countries – Japan remains New Zealand's top competitor while South Korea is increasing in preference.

To build a competitive edge, activity needs to leverage New Zealand's strengths – namely, its beautiful landscapes and scenery and being a place to relax, as well as building perceptions of the range of experiences, fun and enjoyment and safety that New Zealand has to offer.

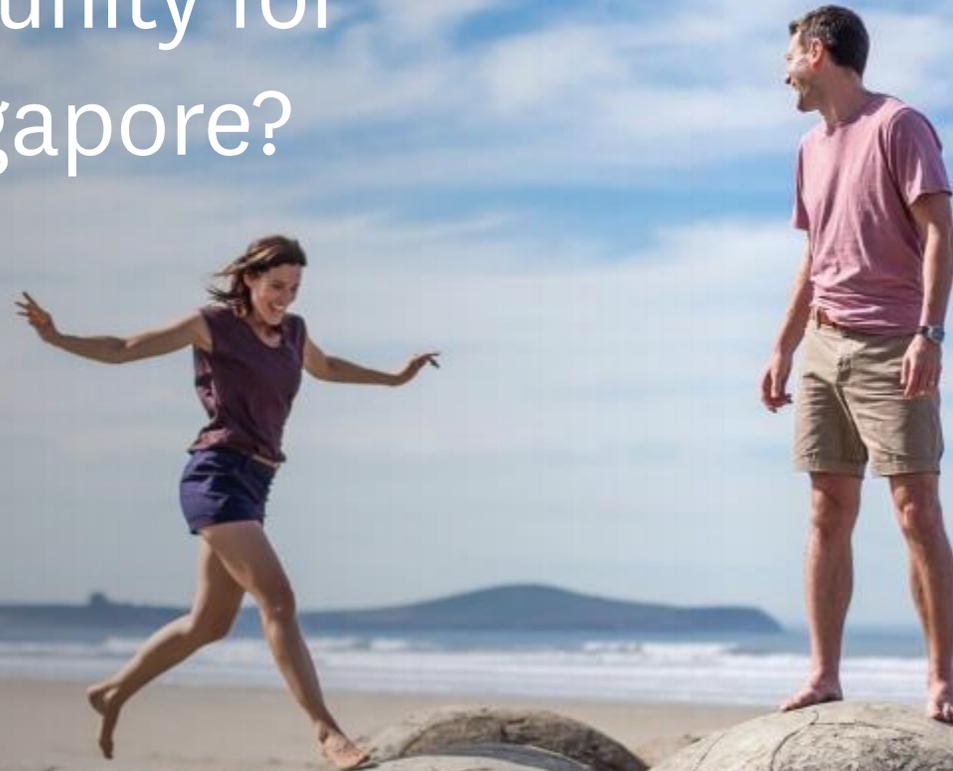
TNZ can help funnel more ACs through to the booking stage by reassuring ACs how easy it is to travel around New Zealand, and what the best time of year to visit it to make the most of the weather.

Partnering with airlines and aggregator websites such as Expedia and Trip.com should be considered given the majority of ACs would look to book flights and accommodation for New Zealand via these channels

NZ has a strong value for money proposition, however, increasing cost of airfares are a risk: if the average price would go up to S\$1600, 25% of ACs are likely to be priced out of market

1

What is the size of the opportunity for TNZ in Singapore?



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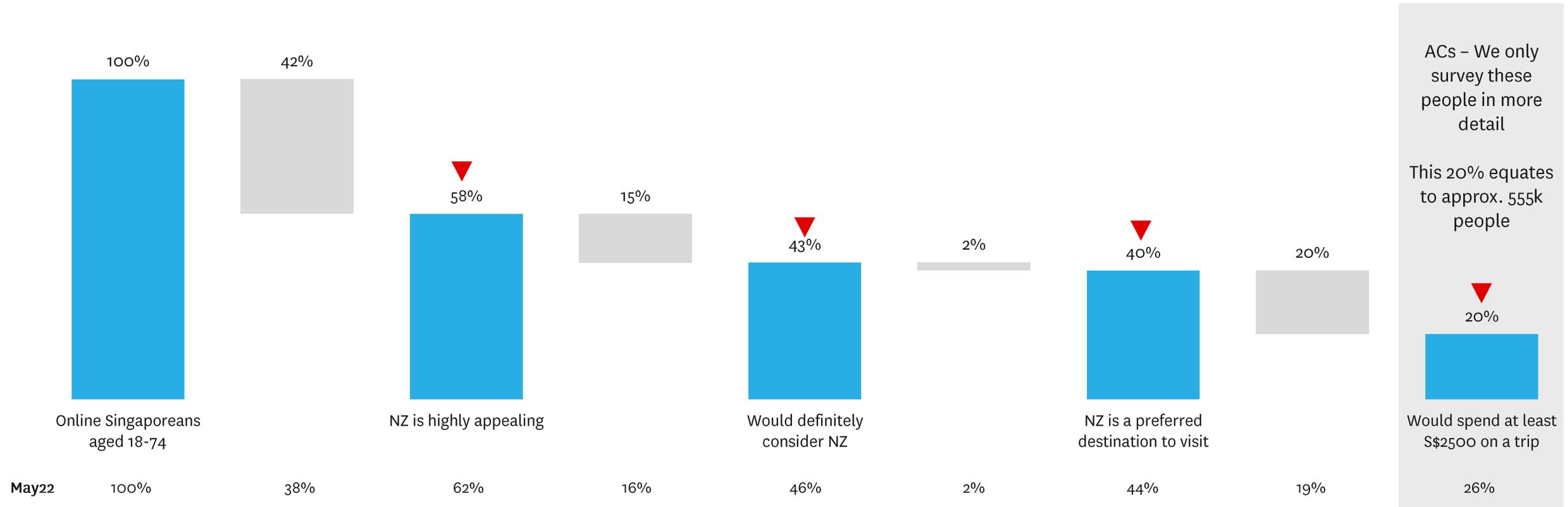


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Singapore is a compelling market for TNZ with the AC incidence of 20%, equating to approximately half a million people

Qualifying criteria for defining ACs

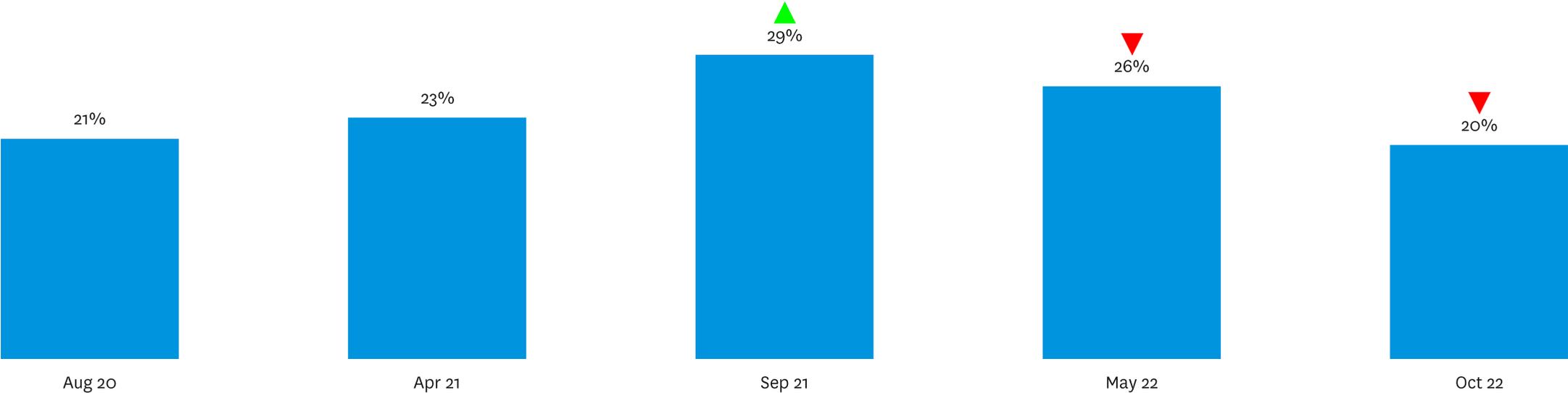
% Online users aged 18-74 | Oct22



Following a peak in September 21, the incidence of ACs has been shifting back to levels seen 2 years ago

Incidence of ACs

% Online users aged 18-74 | Over time

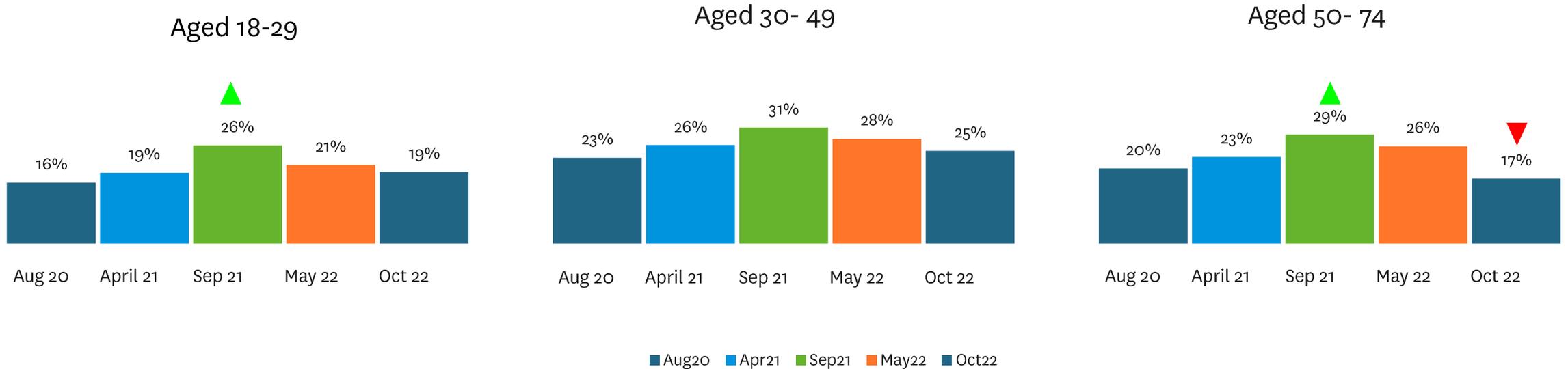


We can see the overall pattern of incidence over time mirrored across all age groups, but the decline in incidence in this wave is most notable among the older cohort

Incidence of ACs

% Online users aged 18-74 | Over time

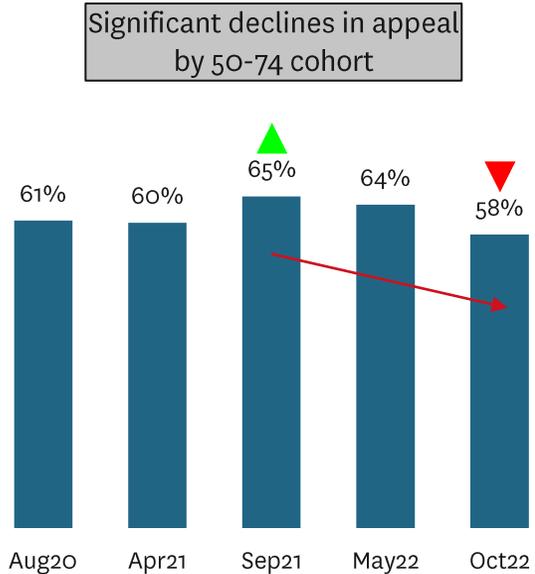
50-74 years old cohort make up approximately 41% of ACs



The most notable downward shifts are in the appeal of New Zealand and in willingness to spend metrics

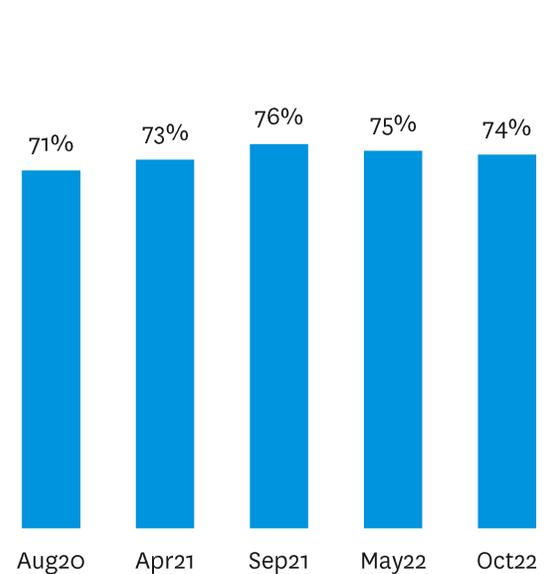
Appeal of New Zealand (%8-10)

% Online users aged 18-74 | Oct 22



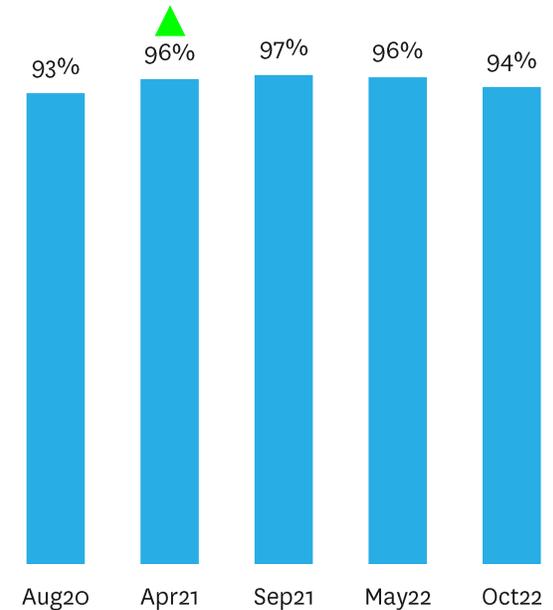
Consideration of New Zealand (%8-10)

% Those who find NZ appealing | Oct 22



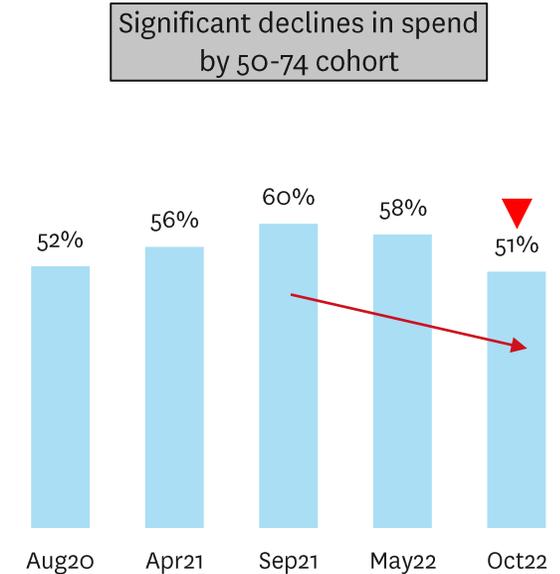
Preference of New Zealand (%4-5)

% Those who would consider visiting | Oct 22



Anticipated spend on holiday in New Zealand (>\$2,500)

% Those who agree NZ is a preferred holiday destination | Oct 22



▲ ▼ Significantly higher / lower than last wave



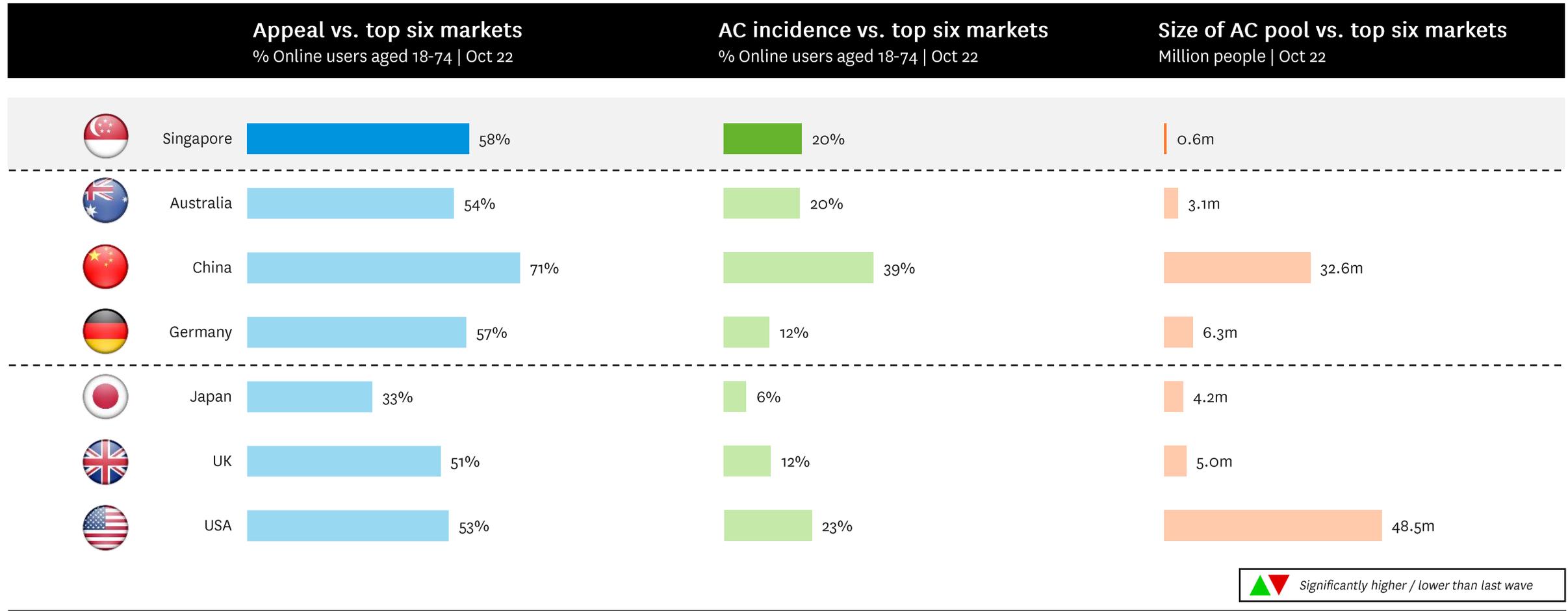
Notes:

Sample sizes: Aug 20, Apr 21, Sep21, May22, Oct22. Appeal n = 2139, 1372, 1780, 2,053, 1,617. Consider n = 1,300, 842, 1,170, 1,258, 935. Preference n = 905, 617, 886, 933, 683. Spend n = 841, 586, 853, 893, 641.

Q "Putting aside any thoughts about time and cost, how appealing do you find New Zealand as a holiday destination?" Q "Would you consider visiting New Zealand for a holiday within the next three years?" Q "To what extent do you agree or disagree that New Zealand is a preferred destination for your next holiday?"



The AC incidence in Singapore is comparable to other key markets but the smaller population size means that it presents less of an opportunity to drive high volumes of arrivals



Notes:

1. Sample sizes: Sep21, May22, Oct22 n = 2,053, 1,617
2. Source for top 6 markets: AC Monitor | Online users aged 18-74 | Nov21-Apr22 | May22-Oct22
 Australia n = 4,692, 4,220 | China n = 2,951, 2,303 | Germany n = 10,635, 7,950 | Japan n = 20,148, 16,802 | UK n = 10,163, 8,760 | USA n = 6,263, 5,726

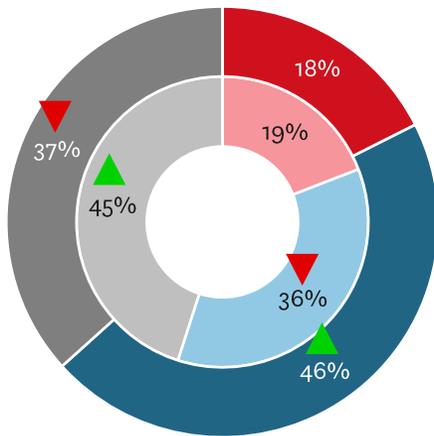


The global priority mindsets, Experienced Connectors and Vibrant Adventurers, make up 24% of Singapore's AC pool

Profile of Active Considerers

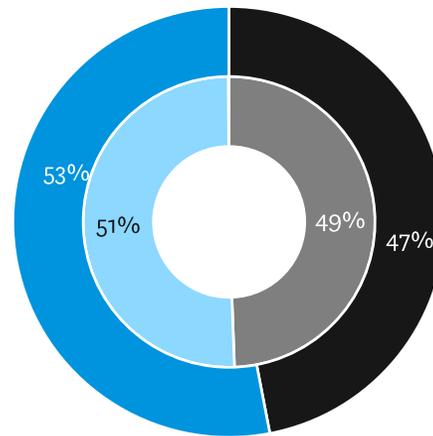
% Active Considerers vs % Non Active Considerers | Oct 22

By age segment



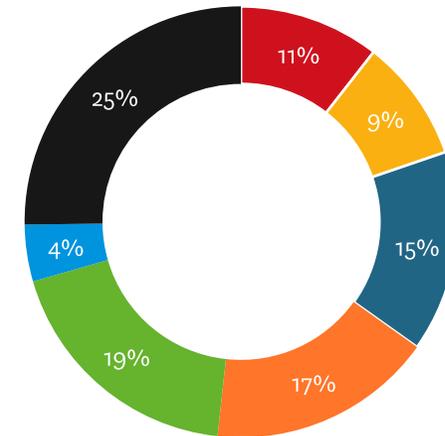
■ 18-29 ■ 30-49 ■ 50-74

By gender



■ Male ■ Female ■ Gender diverse

Mindset Segments



■ Cautious Escapists ■ Experienced Connectors ■ Vibrant Adventurers ■ Organised Joy Seekers
 ■ Spontaneous Explorers ■ Fun loving Trail blazers ■ Passive Passengers

Outer ring: Singaporean ACs
 Inner ring: Singaporean non-ACs
 ▲ ▼ Significantly higher / lower than non-ACs at 95%



2

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

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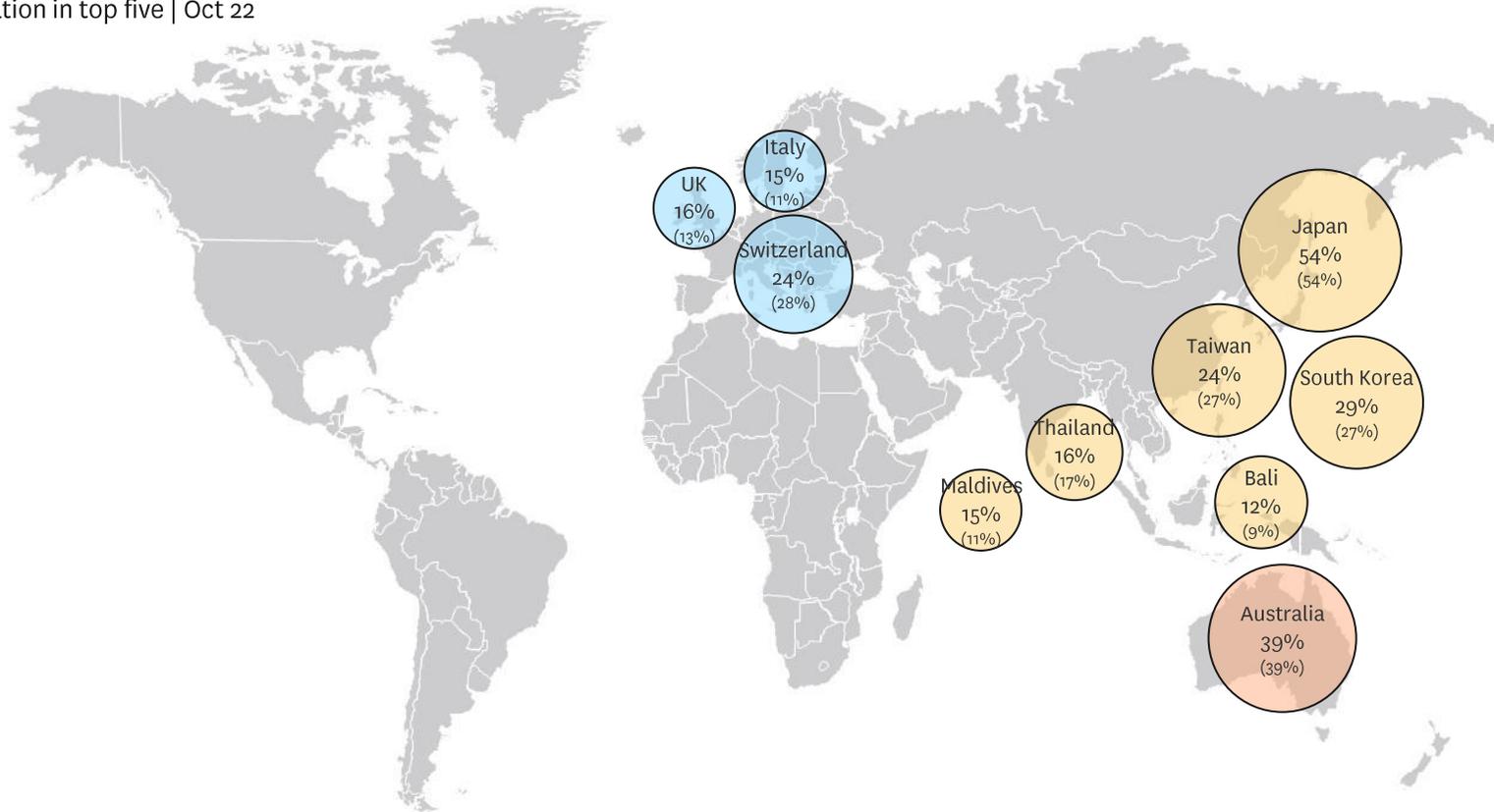
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Japan remains New Zealand's top competitor, followed by Australia

Top ten competitor set for ACs

% Active Considerers ranking destination in top five | Oct 22

China and Canada fall off top 10, replaced with Italy and Bali



▲ ▼ Significantly higher / lower than last wave at 95%



Notes:

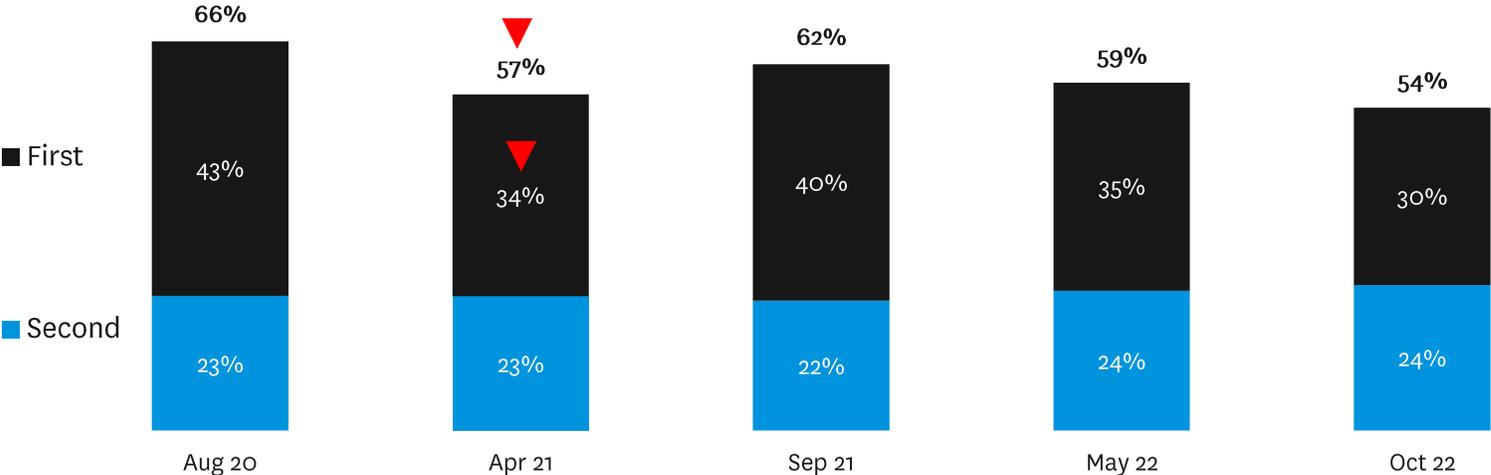
1. May22 results are in brackets
2. Sample sizes: May22, Oct22 n = 499, 300
3. Q "Aside from New Zealand, what other four destinations make up your top five preferred destinations to visit for a holiday?"



Among ACs, preference for New Zealand has been trending downwards

Preference KPI Singapore over time

% Active Considerers | Oct 22



▲ ▼ Significantly higher / lower than last wave at 95%



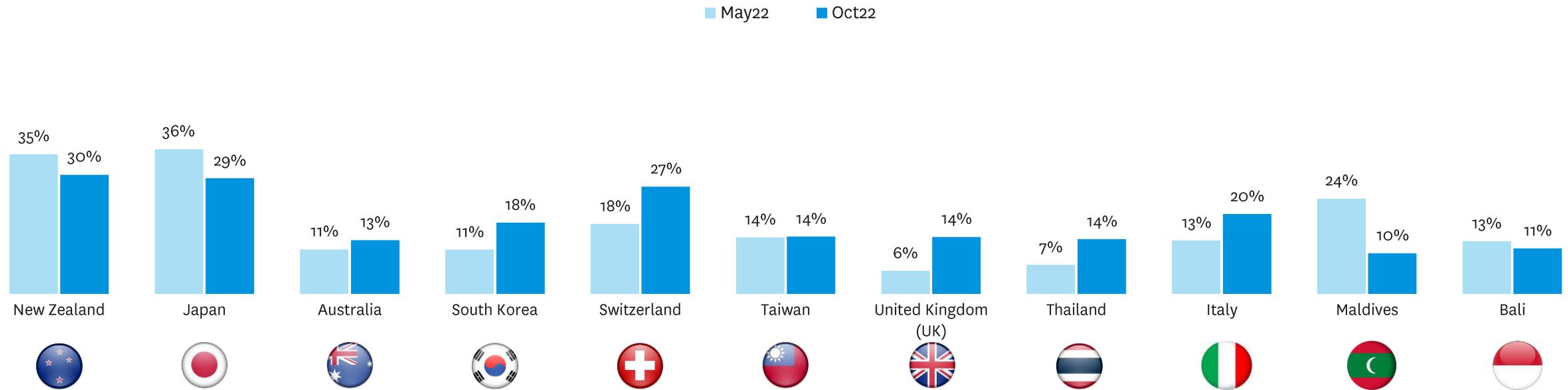
Notes:
 1. Sample sizes: Total ACs Aug20, Apr21, Sep21, May22, Oct22 n = 403, 300, 500, 499, 300
 Q "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"



Levels of preference for top competitors remains relatively stable over time, but New Zealand faces tough competition from Japan as well as Switzerland which is increasing in preference

Preference for destination of interest (Top Box)

% Active Considerers | Oct 22



▲ Significantly higher / lower than last wave at 95%



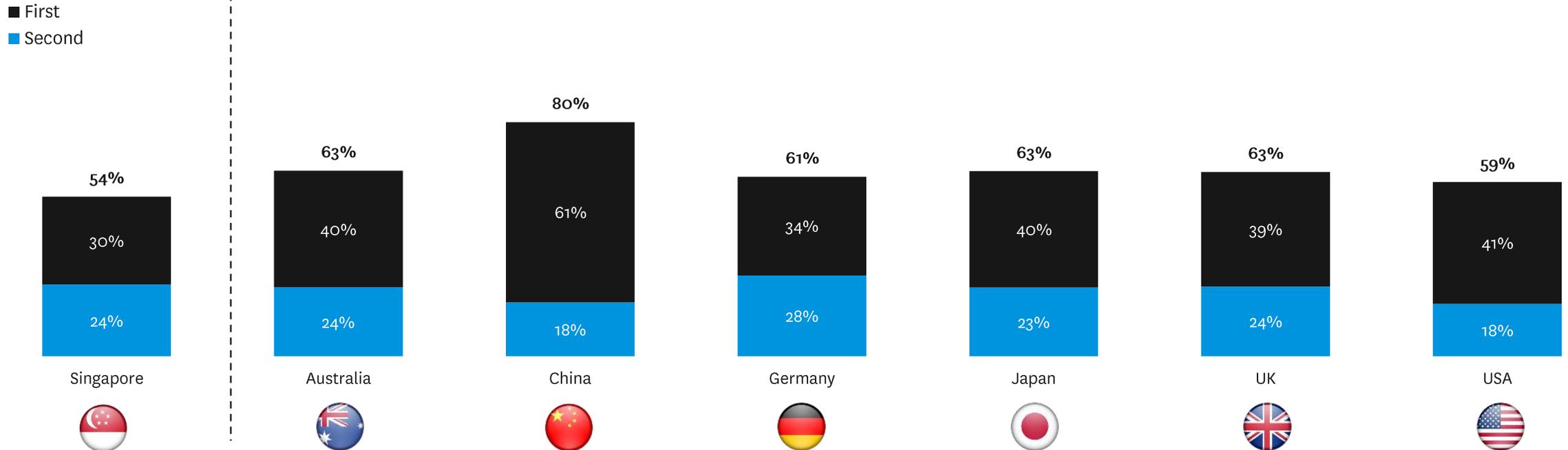
Notes:

1. Top 10 destinations reported only
2. Sample sizes: Total ACs May 22, Oct22 n = 499, 300
3. Scores ordered by 'first preference'
4. Q "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

Singaporean ACs have broadly similar levels of preferences for New Zealand as ACs from other markets

Preference KPI vs. top six markets

% Active Considerers in market | Oct 22



Notes:

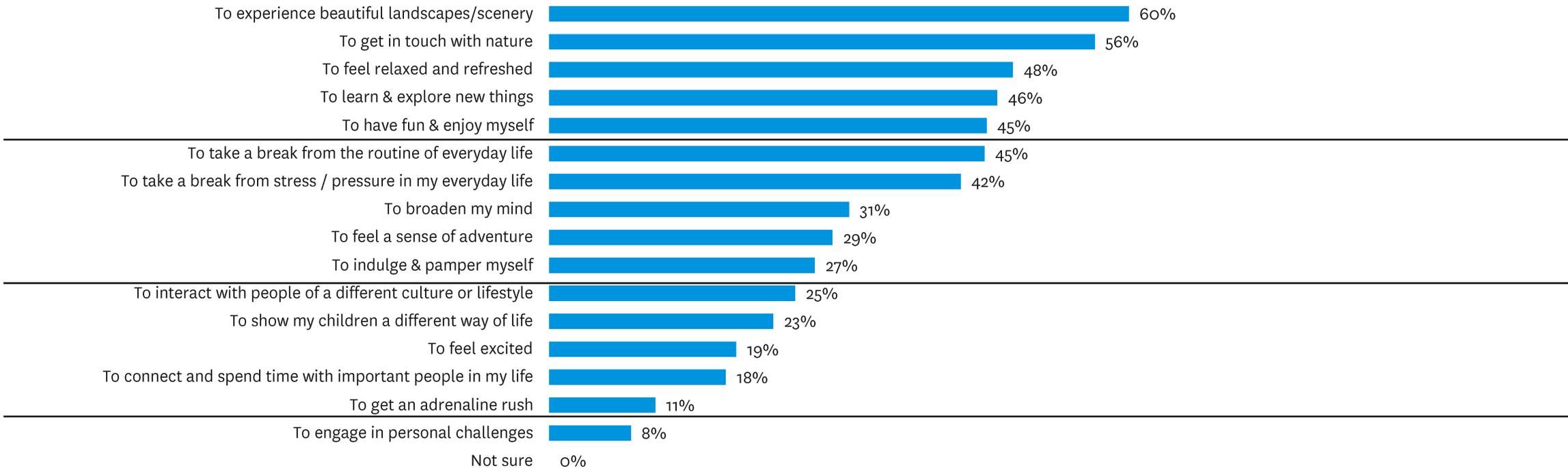
1. Sample size: Singapore ACs Oct22 n = 300
2. Source for top 6 markets: AC Monitor | 6MRA | Total Active Considerers | Apr22-Sep22
 Australia n = 900 | China n = 902 | Germany n = 901 | Japan n = 900 | UK n = 900 | USA n = 899
 Q "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"



Communicating New Zealand's beauty, nature and scenery would help to reinforce key drivers to visit New Zealand

Reasons to visit New Zealand for a holiday

% Active Considerers | Oct 22



Among Singaporean ACs, New Zealand stands out for its spectacular landscapes, range of adventure, amazing wildlife and being a place to relax but perceptions around the range of experiences, fun and enjoyment and safety that New Zealand has to offer could be improved

Relative brand positioning

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

This heat map shows the relative performance of the attributes we measure that drive preference for New Zealand.

Brand associations	New Zealand	Japan	Australia	South Korea	Taiwan	Switzerland
Landscapes and scenery	112	85	97	61	79	133
Safe destination	93	119	93	106	97	103
Embraces visitors	96	99	106	102	126	85
Range of adventure	114	77	124	69	65	100
Clean and unpolluted	109	101	90	67	70	122
Fun & enjoyment	92	99	101	113	110	120
Friendly people	97	121	78	110	134	65
Range of experiences	92	106	97	119	107	108
Unique experiences	99	109	85	109	80	120
Comfortable	95	108	96	122	94	95
Escape the troubles of the world	108	86	95	73	86	141
Relax and refresh	111	88	97	78	85	107
Amazing wildlife experiences	129	48	160	49	44	61
Local culture	87	121	86	140	135	76
Quality food and wine	100	101	113	100	91	84
Affordable activities	89	90	97	155	185	60
Local experiences	95	107	99	120	124	70
Iconic attractions	88	117	100	106	99	121

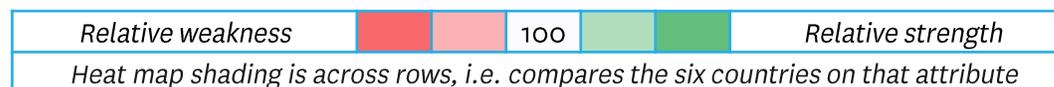
Actions for TNZ:

More focus is needed on communicating:

- Safe destination
- Fun and enjoyment
- Range of experiences
- Local culture
- Iconic attractions

While leveraging our core strengths:

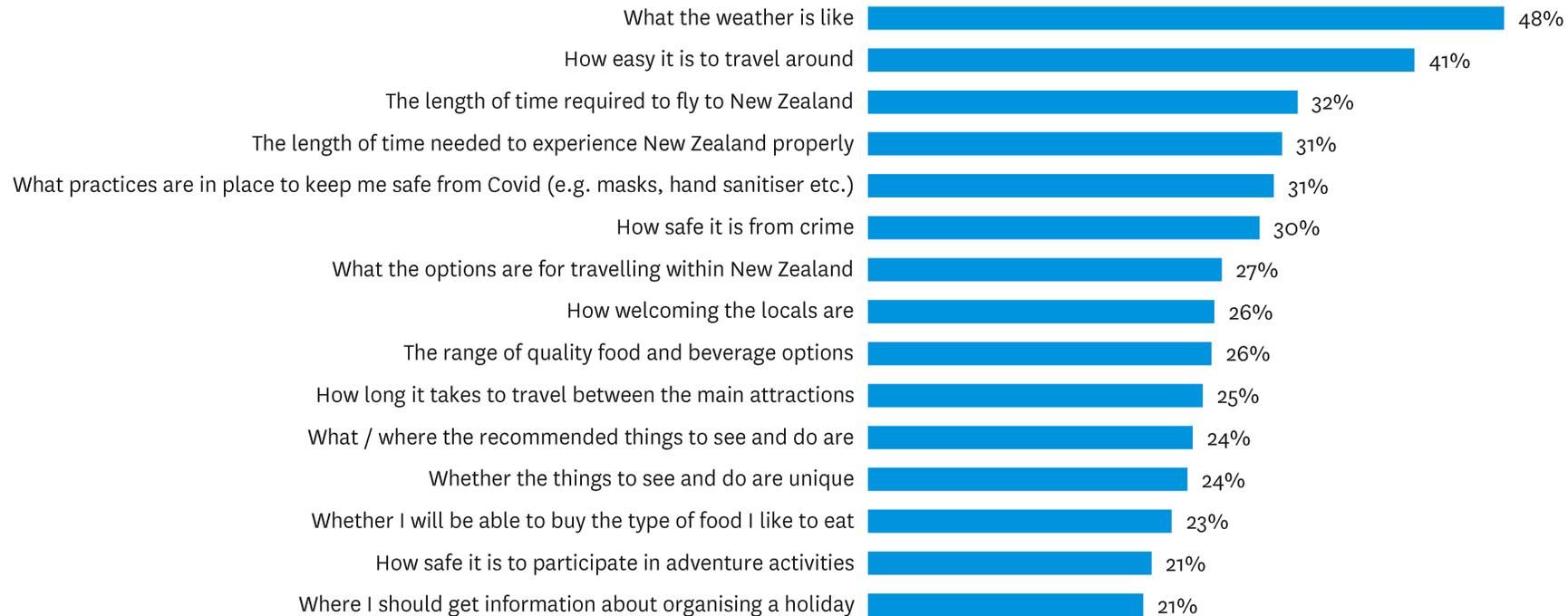
- Landscapes & scenery
- Range of adventure
- Clean and unpolluted
- Relax & refresh
- Amazing wildlife experiences



Communications also need to address concerns for booking a holiday to New Zealand, namely what the weather is like and the ease of travelling around

Biggest concerns for booking a holiday to New Zealand

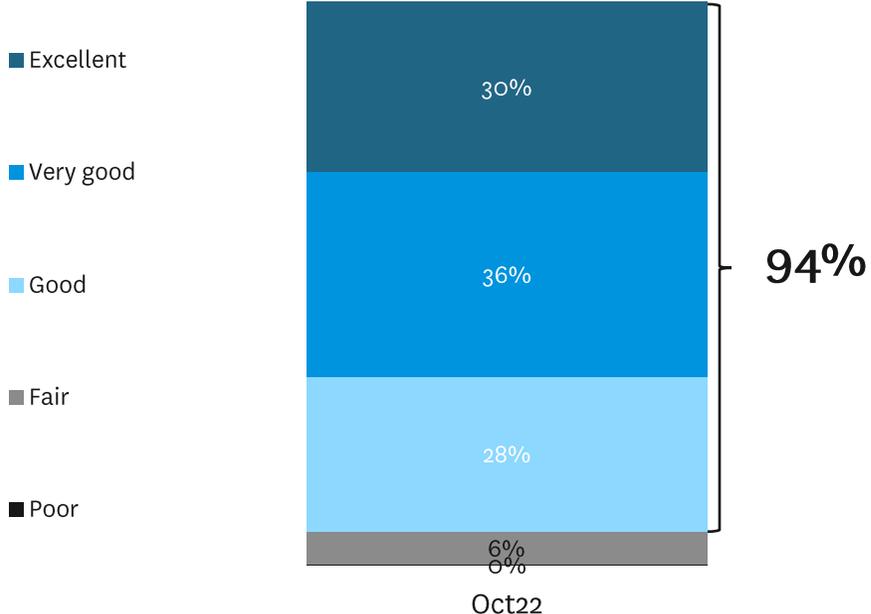
% Active Considerers | Oct 22



TNZ does not need to focus on driving value for money perceptions as they are already very strong relative to competitors and value for money is not a top preference driver

Perceptions of New Zealand’s value for money as a holiday destination

% ACs | Oct 22



Relative brand positioning of value for money

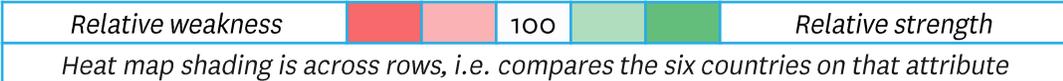
Index (see appendix) | Total Active Considerers | New Zealand and top five competitors | Oct 22

Brand associations	New Zealand	Japan	Australia	South Korea	Taiwan	Switzerland
Provides good value for money	129	95	92	102	133	50

“Provides good value for money” is not within the top 15 drivers for preference for New Zealand



NOTES:
 1. Sample size: May 22 n = 300
 Qu: “How would you rate New Zealand in terms of its value for money as a holiday destination?”
 Q “Which destinations, if any, do you associate with this statement?”



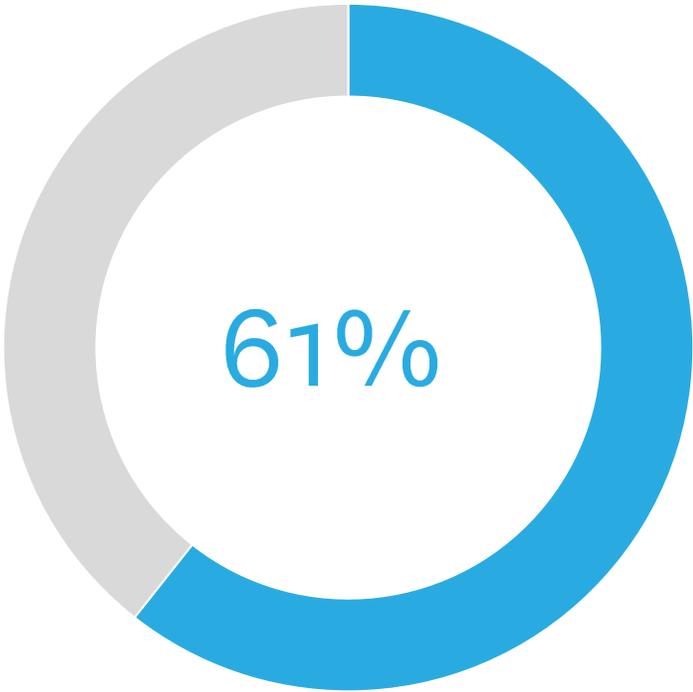
3

How is travel demand and behaviors shaping post-Covid 19?

There is clear pent-up demand to travel - 61% Singaporean ACs have already travelled overseas in the last six months and 64% are planning to travel overseas by May 2023

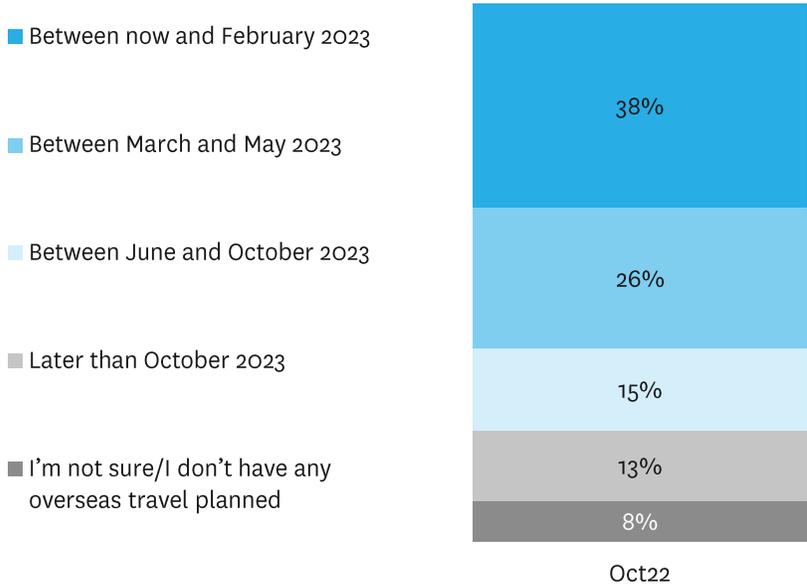
Travelled overseas on holiday in the last six months

% Active Considerers | Oct 22



Likely timing for next overseas holiday

% Active Considerers | Oct 22



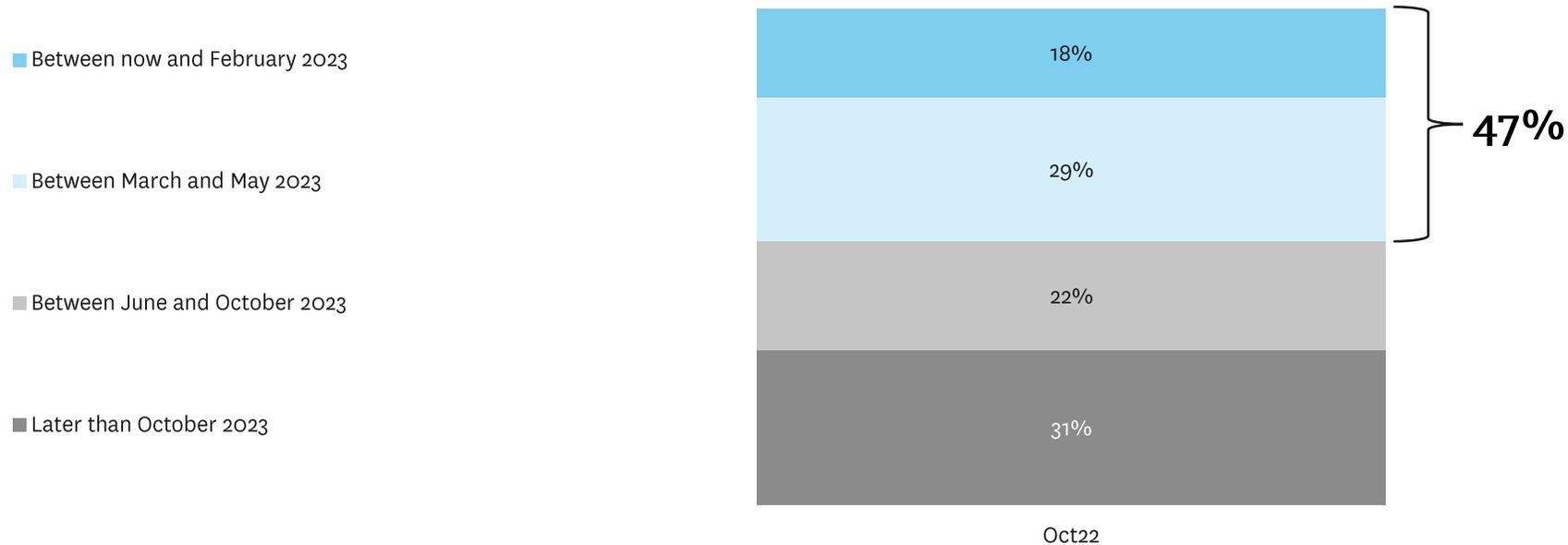
Notes:
 1. Sample size: Oct 22 n = 300
 Q "Have you travelled overseas on holiday in the last 6 months?"
 Q "When are you looking to take your next overseas holiday?"



With 47% of ACs looking to travel to New Zealand between now and May 2023, this is an opportunity for TNZ to drive immediate arrivals among Singaporean ACs

When likely to visit New Zealand

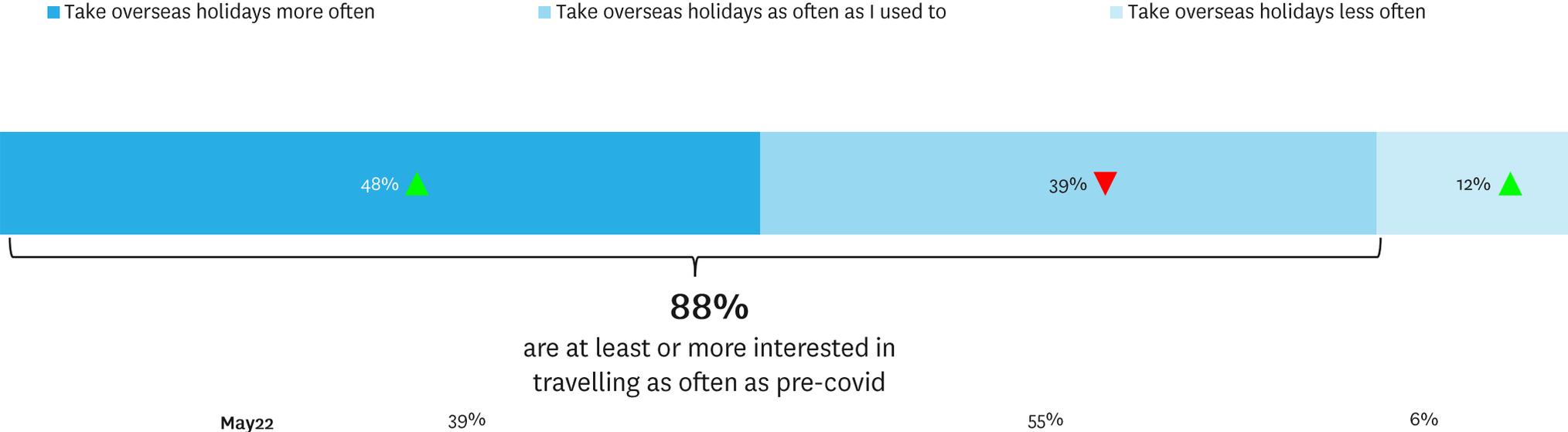
% Active Considerers | Oct 22



Appetite for travelling to multiple overseas destinations as part of the same overseas holiday is growing – we need to ensure that New Zealand is the key destination within the travel itinerary

Expected change to overseas holiday travel

% Active Considerers | Oct 22



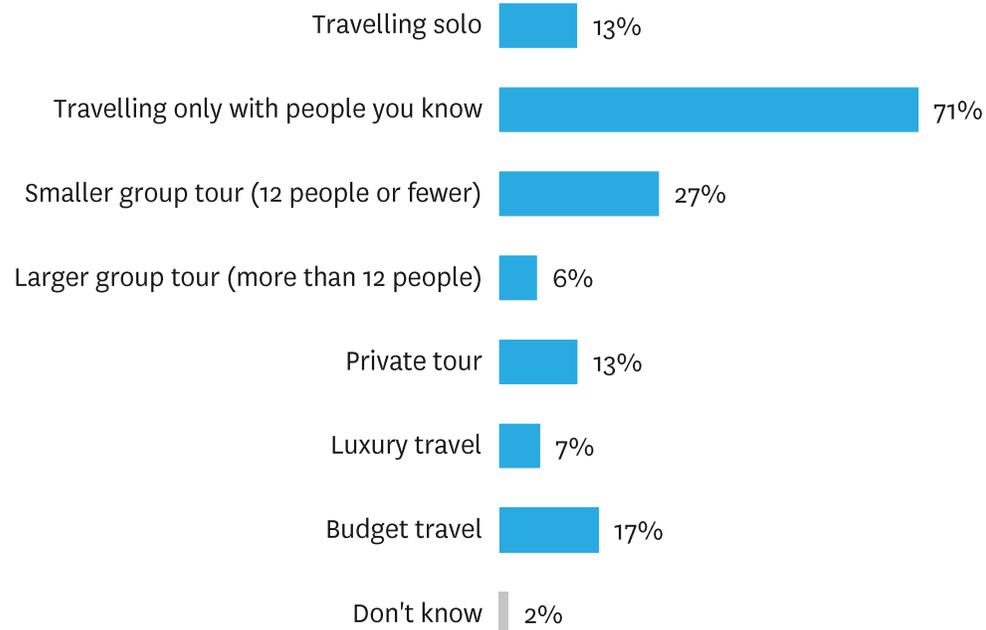
▲ ▼ Significantly higher / lower than last wave at 95%



By far the most popular way to travel is to do so with people you know but there is also sizeable interest in smaller group tours – ensure to depict travelling with others in communications

Interest in type of international holiday

% Active Considerers | Oct 22



Partnering with airlines and travel aggregator websites is worth considering as the majority of ACs would look to book flights and accommodation for New Zealand via these channels

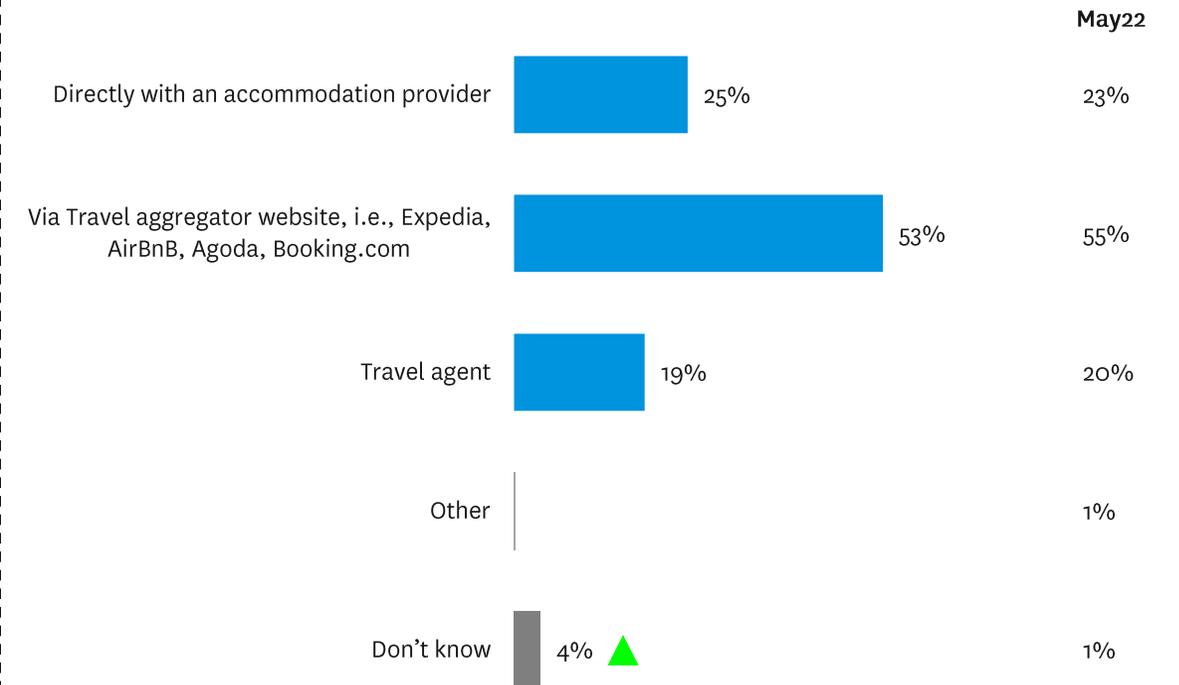
Preference to book flights to New Zealand

% Active Considerers | Oct 22



Preference to book your accommodation in New Zealand

% Active Considerers | Oct 22



Notes:

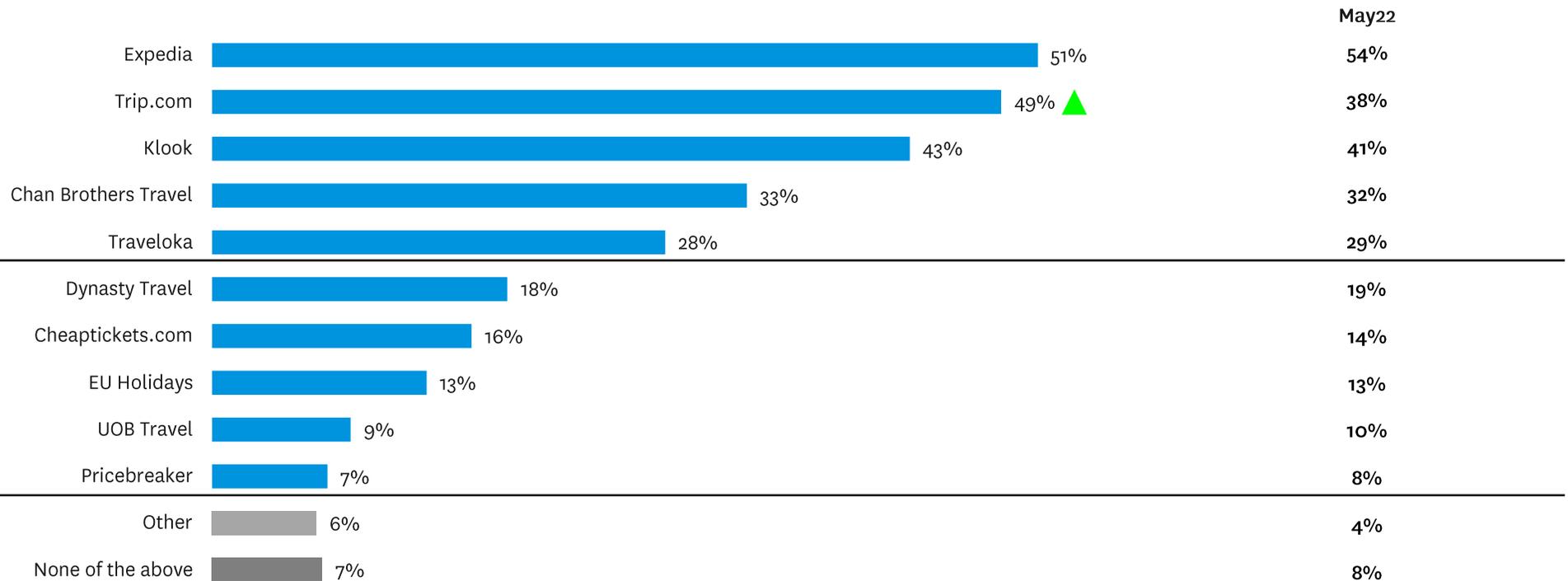
- Sample size: May 22, Oct 22 n = 499, 300
- Q "How would you prefer to book your flights to New Zealand?"
 Q "How would you prefer to book your accommodation in New Zealand?"



Expedia and Trip.com would provide the best opportunity for partnership as they are the top channels used to book international travel

Media channels for booking international travel

% Active Considerers | Oct 22



▲ Significantly higher / lower than last wave at 95%



Notes:

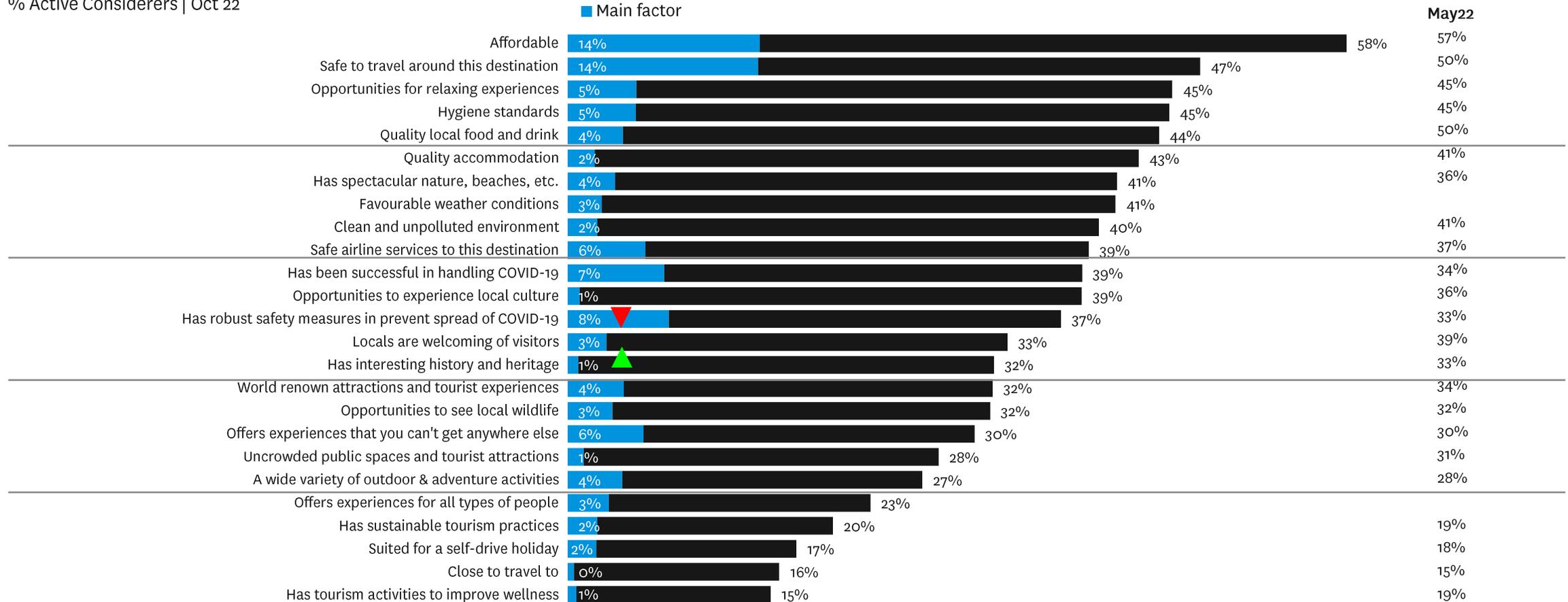
- 1. Sample size: May22, Oct22 n = 499, 300
- Q "Which of the below are your preferred channels to book an international holiday?"



In the current economic climate, ACs are likely to prioritise destinations which are affordable but they are also looking for a destinations which are safe to travel around and offer opportunities to relax

Destination attributes / factors for next overseas holiday

% Active Considerers | Oct 22

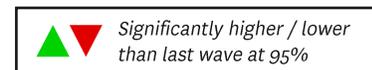


Notes:

1. Sample size: May 22 n = 499, 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?"



4

Business issue: What impact will increasing air fares have on ACs decision to travel?

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The price of air fares can act as a trigger and a barrier to the decision to book travel

At today's approximate return air fares to New Zealand from Singapore at S\$1,400

33%

Think it is a good deal

13%

Think it is already too expensive

We know from other markets that a good deal on flights can trigger ACs to book a flight – thus, good deals present an opportunity to activate the market

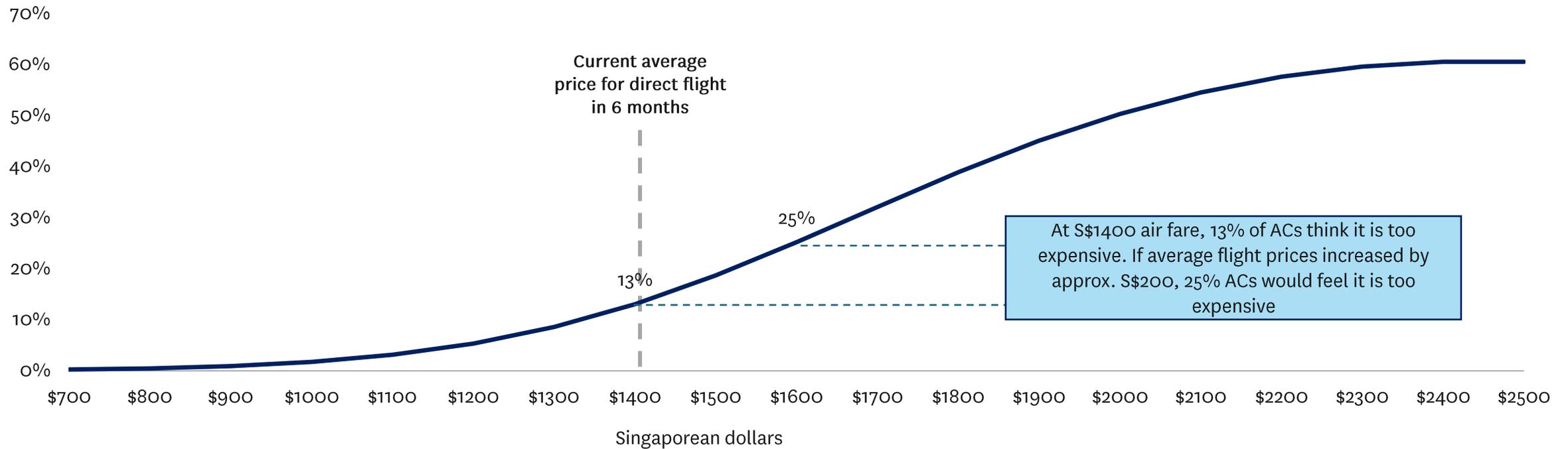
We know from other markets that flight prices can also act as a barrier to booking – the price may push people out of the market



With an increase of S\$200 on today's approximate return air fares to New Zealand, twice the number of ACs are likely to be pushed out of the market as flight prices will be deemed too expensive

Return flight prices to New Zealand – price point deemed too expensive

% Active Considerers | Oct 22



Notes:

1. Sample size: Oct 22 n = 300

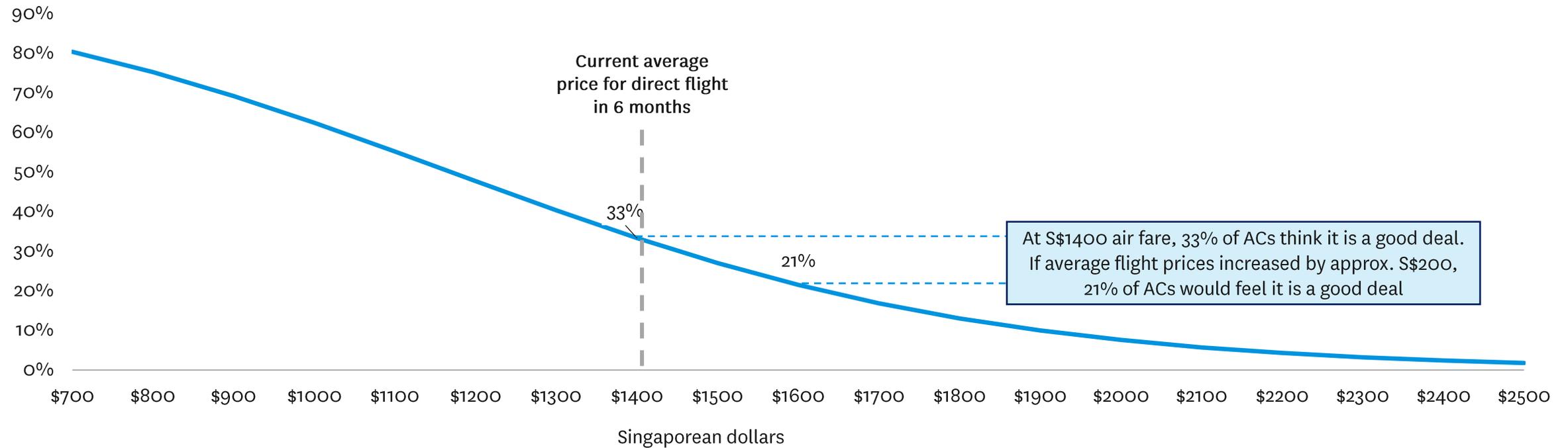
Q "At what price point would you consider flights to New Zealand so expensive you would no longer consider visiting New Zealand for a holiday?"



If flight prices were to increase by approx. S\$200, the ability to activate the market would be impacted with significantly fewer ACs who would find the price to be a good deal

Return flight prices to New Zealand – price point deemed a good deal

% Active Considerers | Oct 22



5 | Appendix



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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 and 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 and 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 and 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 and 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 and 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: 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	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Competitor 5
Landscapes & scenery		Green	Red	Red	Red	Red
Safe destination		Green	Red	Red	Red	Red
Embraces visitors		Red	Red	Red	Green	Green
Range of adventure	Red	Red	Red	Green	Red	Red
Clean & unpolluted	Red	Red	Red	Red	Red	Red
Fun & enjoyment	Green	Red	Red	Red	Red	Red
Friendly people	Red	Red	Red	Red	Red	Red
Range of experiences		Red	Red	Red	Red	Red
Unique experiences		Red	Green	Red	Green	Green
Comfortable		Red	Red	Red	Red	Red
Escape the troubles of the world	Green	Red	Red	Red	Red	Red
Landscapes & scenery	Green	Red	Red	Red	Red	Red

— We look at how a given number of competitors perform on a given number of attributes to derive an index that measures expected performance

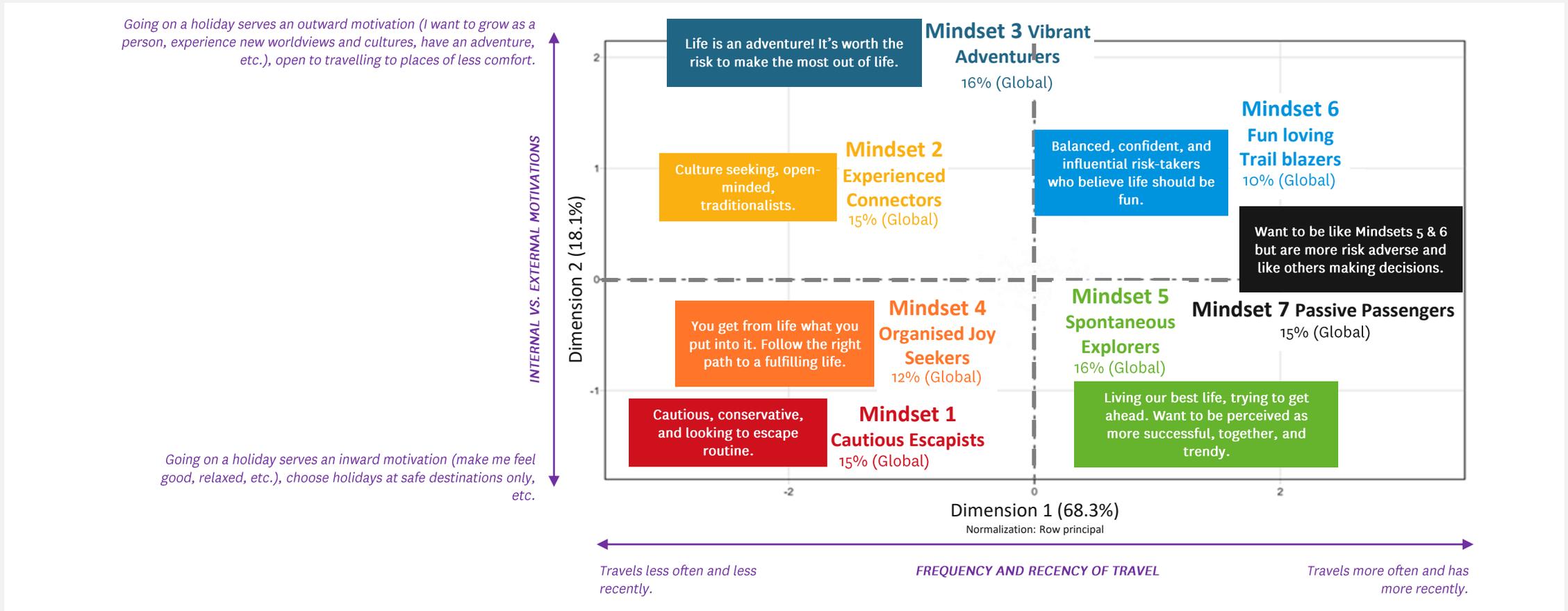
— It’s key to note that the score is relative – any change to the competitor and / or attribute sets will result in a change in the indices

— For example, if next quarter the top five competitors are different to the ones from this quarter, the scores reported for New Zealand next quarter will be different to the ones reported this quarter



Mindset Introduction

A Visual Representation



Mindset Introduction

Side by side

Mindset 1 Cautious Escapists

These cautious close-to-homers avoid taking unnecessary risks in life, like consistency and predictability and letting others lead. They have concerns about safety and worry about the future. They follow rules and are late adopters and value family stability and thrift. Travel is less important, but they travel to escape routine, feel pampered and connect with others and it gives them a sense of rejuvenation, appreciating and excitement.

Mindset 2 Experienced Connectors

These open-minded traditionalists like to make their own decisions, support their community and prefer to share credit. They value curiosity, authenticity learning and honesty. They travel for a different worldview, to learn new cultures and experience new things while spending time with others. They're confident travellers who like researching and value experience over money. They'll travel 10 hours plus and 2 + weeks for international holidays and feel grateful and appreciative for travel.

Mindset 3 Vibrant Adventurers

These adventurous risk takers like to make the most out of life. They like experimentation and prefer fun and open-minded, colourful settings and value freedom. Travel has a high importance, and they are motivated by uniqueness, adventure, and a different worldview. They like researching and will spend more to get off the beaten track. They're resilient & will sacrifice other things to travel, seeking less common destinations. Travel makes them feel bold and daring.

Mindset 4 Organised Joy Seekers

These self-reliant planners believe they get from life what they put into it. They avoid unnecessary risk and make their own decisions. Valuing duty, family, knowledge and wealth they like to pamper themselves when travelling and spend time with family and friends. They choose safe destinations, enjoy nature, escaping routine, cuisine and prefer to spectate. While they're less frequent travellers travel gives them joy, rejuvenation, freedom, confidence.

Mindset 5 Spontaneous Explorers

These striving leaders are living their best life, getting ahead and want to be perceived as successful, trendy and important. They value adventure, status, wealth, excitement & romance. They travel to reconnect with self & others, explore nature and a different worldview. They tend to be spontaneous, will do a few shorter trips, avoid sightseeing & like packages and guided tours for ease of travel. Amazement, naughty & quirky are feelings they tap into while traveling.

Mindset 6 Fun Loving Trail Blazers

These balanced, confident achievers are open to risk-taking and experimentation and believe life should be fun. They tend to be influential and value wealth, status, excitement as well as tradition, social responsibility, freedom and loved ones. They travel often and to interesting places to meet people, learn cultures and reconnect with themselves and others. Travel gives them a sense of rejuvenation, joy, boldness and confidence.

Mindset 7 Passive Passengers

These idealistic dreamers want to be like Parrots and Penguins but are more risk-averse in life and like it when others make decisions for them. While they value status and wealth, they prefer consistency. Something of a less-confident traveller, new is not that important, they like travelling locally and do little research or sightseeing. They tend to follow influencers and consult travel agents. They travel to reflect, grow and connect and feel understood.