

A man and a woman are walking away from the camera on a gravel path that leads towards a lighthouse perched on a rocky cliff. The man is wearing a dark blue jacket and light-colored trousers, and the woman is wearing a green jacket and light-colored trousers. They are both looking towards the lighthouse. The sky is filled with soft, colorful clouds from the setting or rising sun, and the ocean is visible in the background with several large rock formations.

KANTAR

Active Considerer (AC) Monitor

Americas: July – December 2022

Report

February 2023

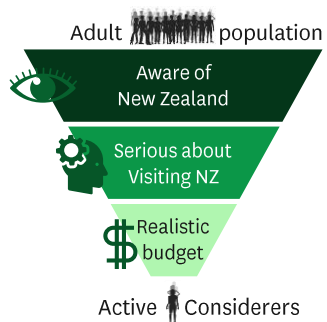


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Appendix: AC Monitor research specifications



- Kantar conducts a **monthly online survey** on behalf of Tourism New Zealand in the following key markets:
 - Australia, China, Germany, Japan, UK and USA
 - 150 ACs per country each month
 - Standard reporting is of a **six month rolling average** which avoids month-by-month variability and ensures a focus on long term trends in the data
- Kantar conducts a **bi-annual survey** for emerging markets:
 - Canada, India, South Korea and Singapore
 - 300 – 500 ACs per country per wave



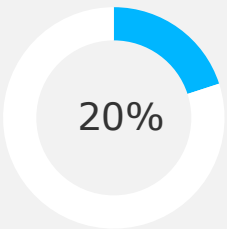
- We survey **ACs of New Zealand**
 - ACs are those who are aware of New Zealand, **serious** about visiting and who have a **realistic** budget
- Kantar ensures a representative sample by **weighting** to the age, gender and region distribution of the online population
 - Online population estimates come from Kantar TNS's 2022 market sizing exercise

Performance Dashboard

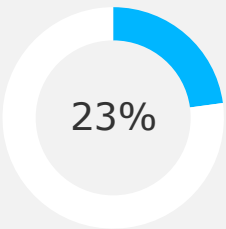
Incidence: ⁽¹⁾

Percentage of the population who qualify as Active Considerers (ACs)

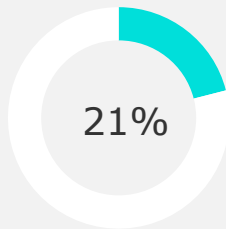
April – June 22



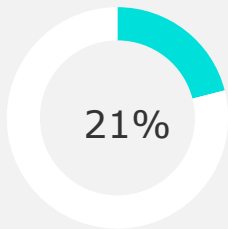
Oct – Dec 22



April – June 22



Oct – Dec 22



Preference KPI ⁽²⁾

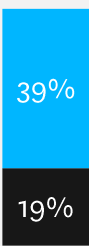
■ First: The percentage of ACs who selected New Zealand as their number 1 destination choice

■ Second: The percentage of ACs who have New Zealand as their number 2 destination choice

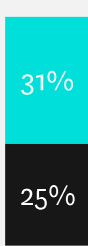
59%



59%



57%



61%



Dreaming

Planning

Booking

56%

9%

35%

43%

9%

48%

62%

18%

20%

55%

18%

26%


Performance Dashboard



Brand areas
to focus on

Strengths

- Clean & unpolluted
- Range of adventure
- Relationship with land
- Landscapes & scenery








Dial up

- Welcoming of all visitors
- Family friendly
- Great at any season
- Local culture

Top 5 competitors

(% selected destination in
their top five preferred
destinations)


				
Italy	France	Hawaii	Australia	Canada
43%	35%	30%	29%	23%

Top 5
knowledge gaps

- What the weather is like?
- How easy is it to travel around?
- The length of time required to fly to New Zealand?
- How welcoming the locals are?
- How safe is it from crime?






Strengths

- Clean & unpolluted
- Range of adventure
- Escape troubles
- Wildlife experience



Dial up

- Landscapes & scenery
- Culturally comfortable
- Range of experiences
- Embraces visitors

				
Australia	Hawaii	Italy	Ireland	Greece
40%	34%	32%	25%	25%

- Length of time required to fly to NZ?
- What the weather is like?
- How easy it is to travel around?
- Length of time needed to experience NZ properly?
- How safe it is from crime?

1. Sample sizes: USA: Q2 FY23 (6MRA) n = 6601; Canada: Oct '22 n = 300

Key insights - USA



- The USA is a **major opportunity** for TNZ to drive arrivals in both short and long-term: there are 47 million ACs, 48% of whom are ready to book. Focus should be on AC conversion by strengthening preference for New Zealand and addressing key concerns and barriers to booking
- **Preference** for New Zealand remains stable at 59%, but with a long-term upward trend among two of our priority mindsets, Experienced Connectors and Fun-Loving Trail Blazers
- There is an **opportunity to boost preference** by highlighting a welcoming local culture and people, family friendly experiences and year-round holiday options as these attributes emerge as stronger drivers of preference post-pandemic
- **Competitors to focus on** are Italy, France, Hawaii, and Australia. Relative to these competitors, New Zealand **excels** in areas such as scenic landscapes, a place to escape to, and connection with the land, but has **room to improve** in promoting itself as being a family friendly destination that can be visited year-round
- Softer performance in the latest quarter on feeling 'comfortable visiting, despite any cultural differences', 'landscapes & scenery' and 'fun & enjoyment' is a watch-out
- To convert ACs through the funnel, tactical messages should address key knowledge gaps, namely New Zealand's weather, travel time, ease of travel, and how welcoming and safe New Zealand is

Key insights Canada

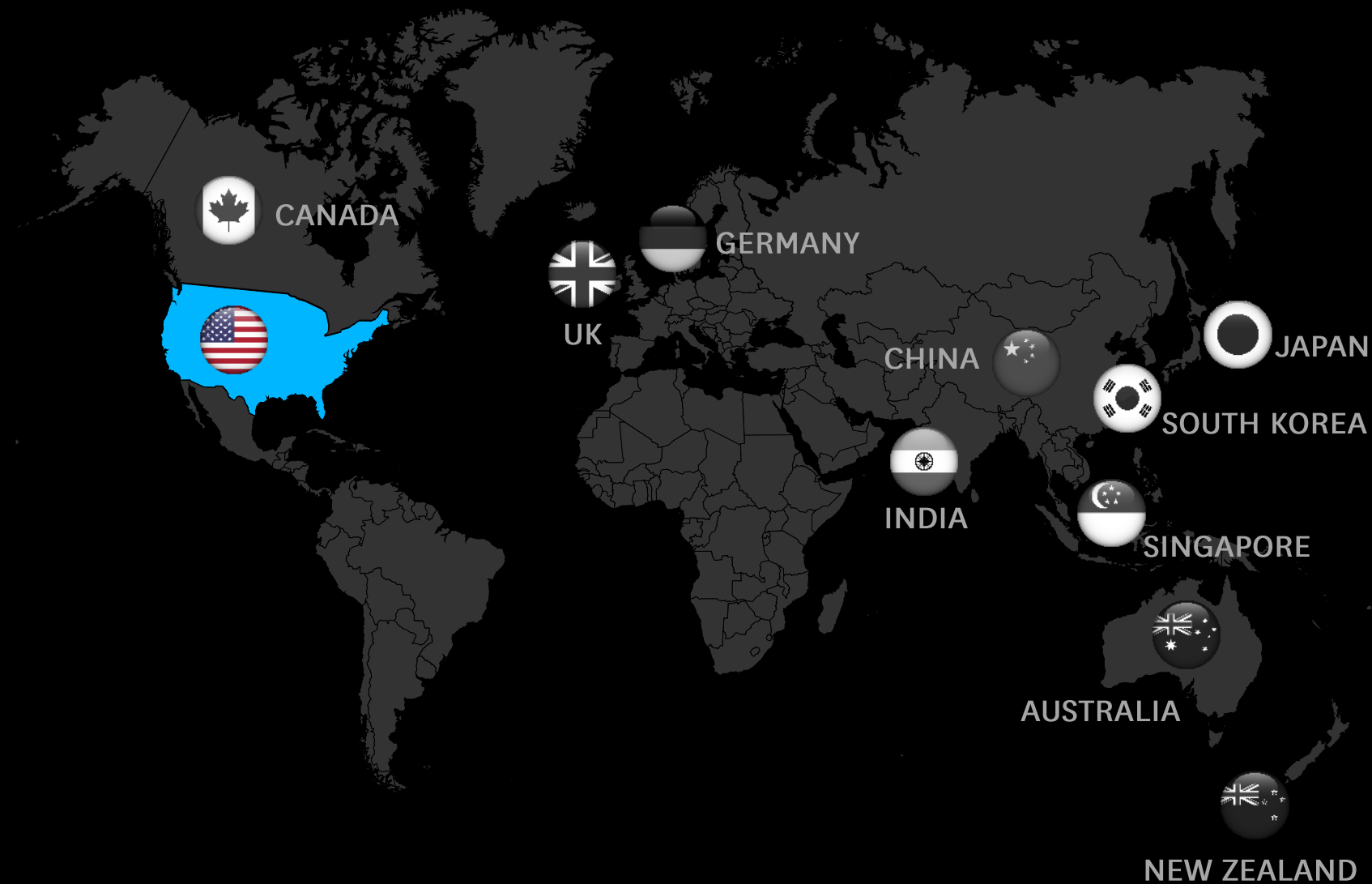


- Canada is **an attractive opportunity** for TNZ to drive arrivals in both the short and long-term with 5.7 million potential ACs, 26% of whom are ready to book
- To capitalise on this opportunity, tactical marketing messages need **to address key concerns and barriers to booking** by helping ACs decide on the best time to travel to New Zealand and how to travel around easily
- **Competitors to focus on** are Australia, Hawaii and Italy. To build a competitive advantage, strategic brand messages should **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)
- There are **opportunities for partnerships with travel agents**, as an increasing proportion of ACs are looking to use travel agents to book overseas holidays



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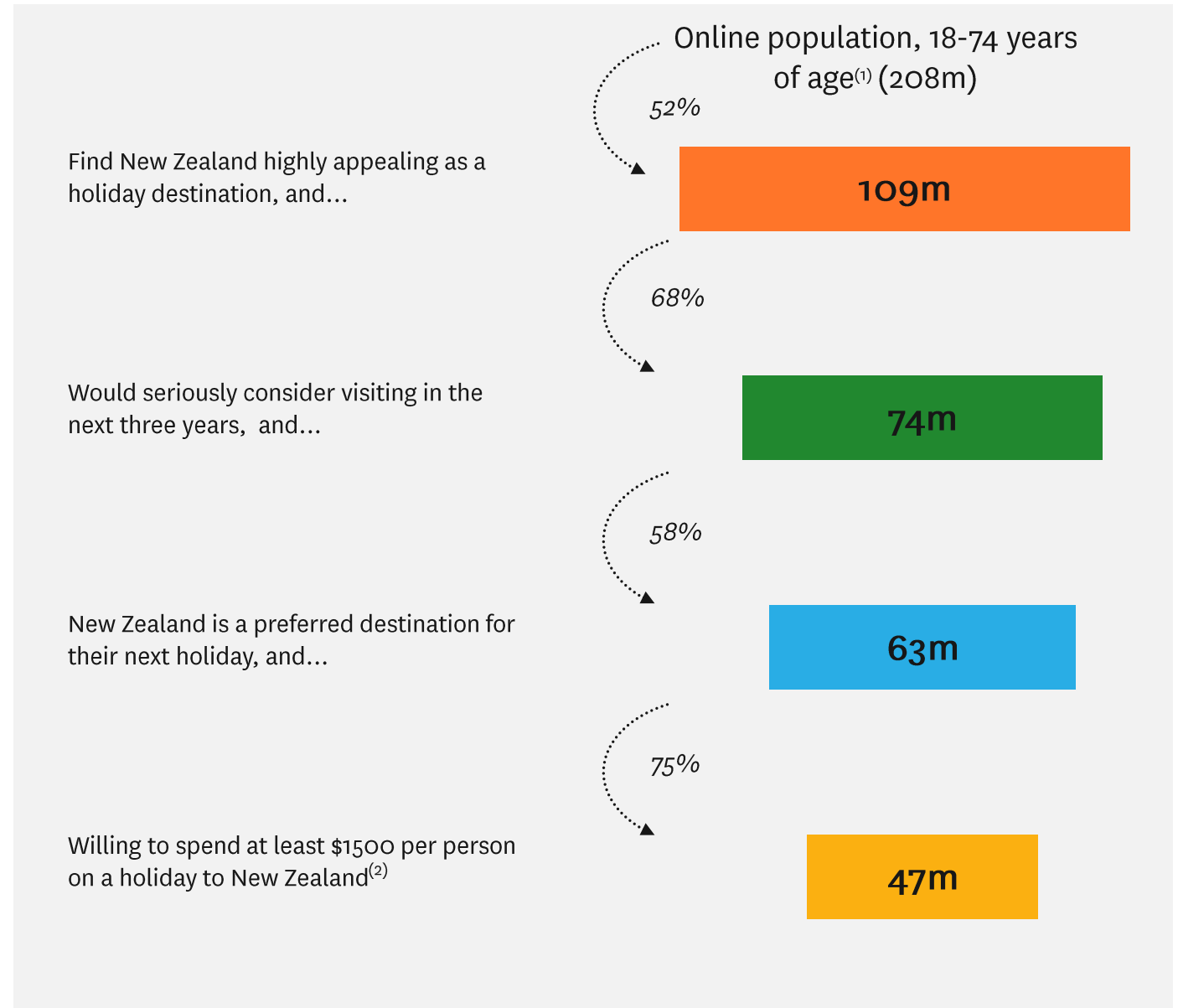


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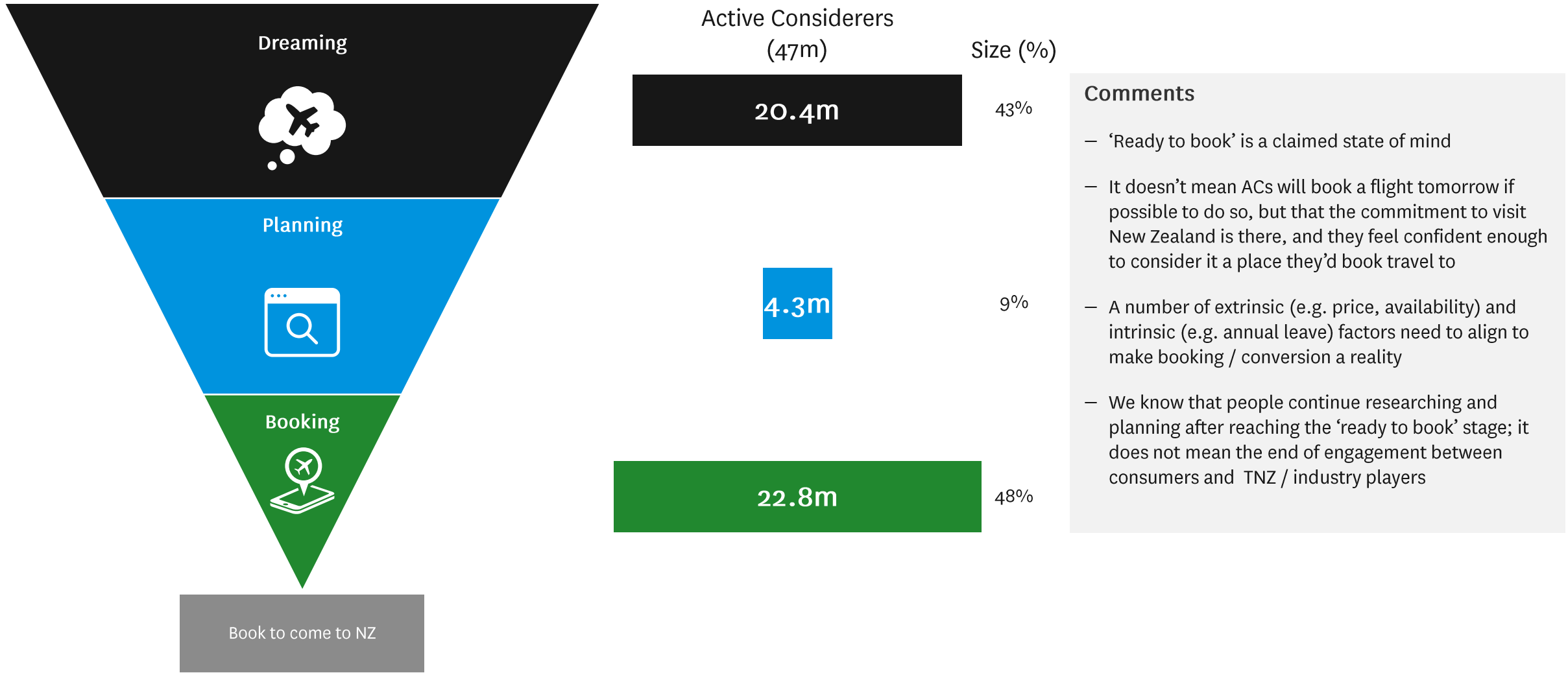
Active Considerer journey funnel – USA

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 (\$1500 USD per person on a holiday to New Zealand)



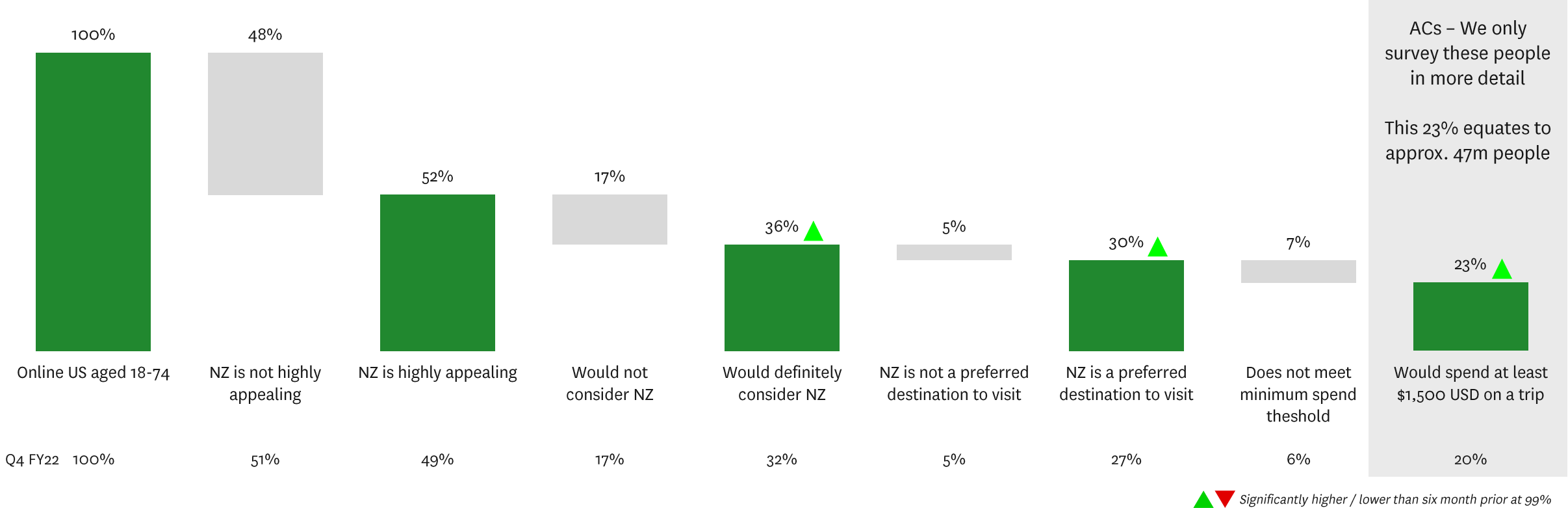
Journey funnel to New Zealand - USA



The size of opportunity in the USA has recently increased and now has an AC incidence of 23% (approx. 47 million people)

Qualifying criteria for defining ACs

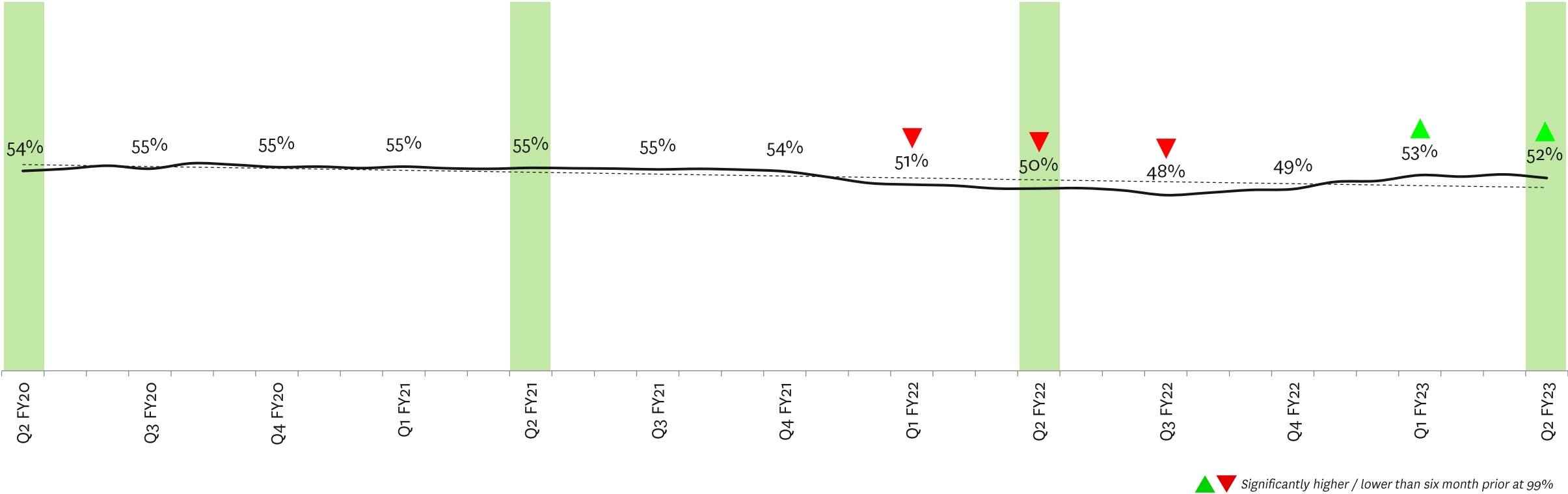
AC Monitor | Current 6M | % Online users aged 18-74



New Zealand's appeal has recovered to 52% in the latest quarter after pandemic dip

Appeal
AC Monitor | 6MRA | Target online population aged 18-74

- Appeal is measured among the total online population aged 18 to 74 years old, and is the ‘above the funnel’ measure
- Appeal measures the emotive connection to the brand, irrespective of the barriers people have in converting their appeal to active consideration and arrivals
- Appeal is likely to be impacted by macro situation, scalable events (i.e., Rugby World Cup, NZ handling of Covid pandemic), and high impact earned mass-reach media TNZ efforts

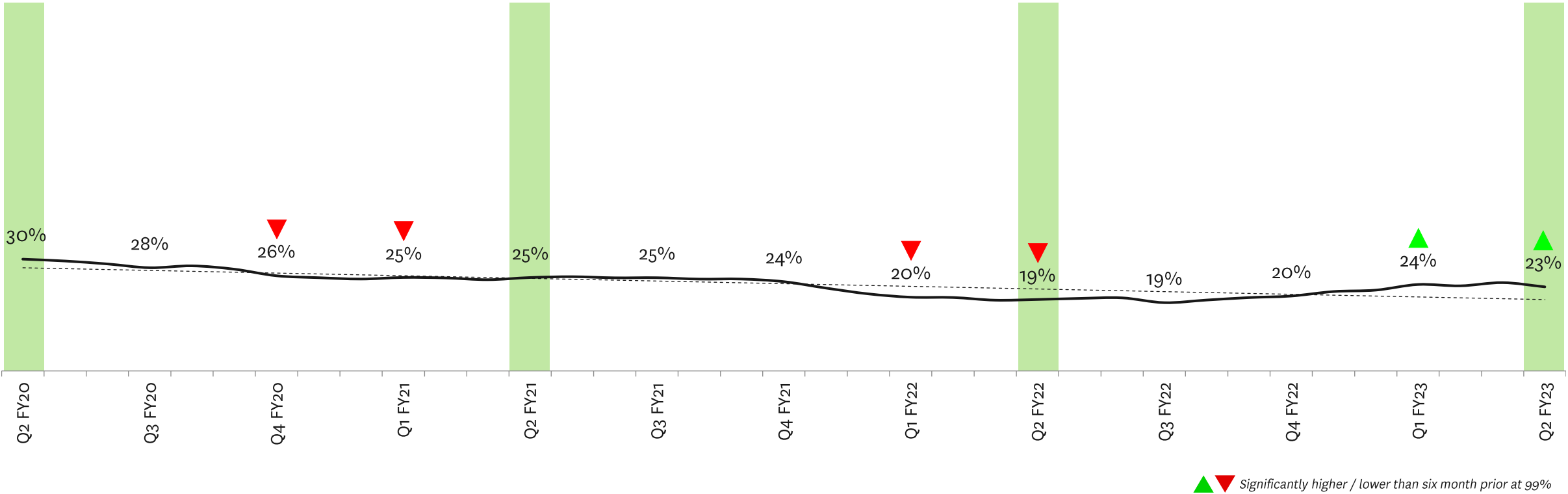


1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 3629, 3833, 4217, 4220, 4250, 4956, 5222, 6122, 6757, 6548, 5874, 6507, 6601
2. Question “Putting aside any thoughts about time and cost, how appealing do you find New Zealand as a holiday destination?”



AC incidence has rebounded to 23% in the latest quarter after pandemic dip, but still below pre-pandemic levels of 3 years ago

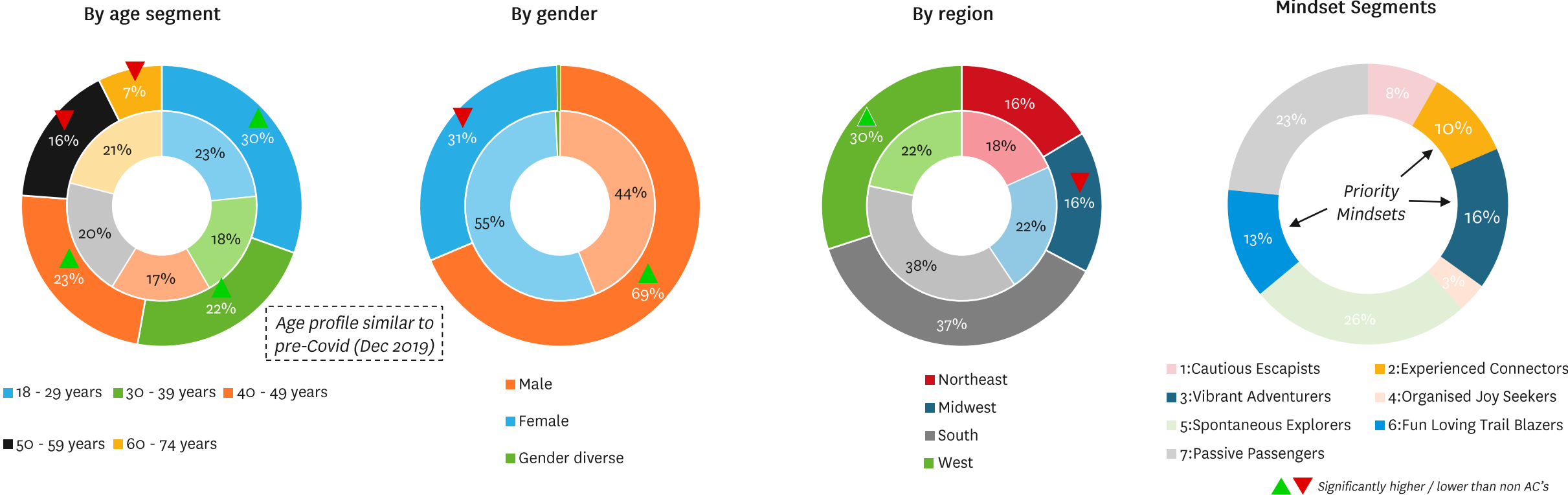
Incidence of ACs over time
AC Monitor | 6MRA | Target online population aged 18-74



Compared to non-ACs, ACs are likely to be younger, males and from the West; priority mindsets are 39% of ACs

Profile of Active Considerer
AC Monitor | Current 6M | Active Considerers vs Non-Active Considerers

Outer ring: USA Active Considerers
Inner ring: USA non-Active Considerers



Based on preference, key competitors to focus on are Italy and France, followed by Hawaii and Australia

Top ten competitor set for ACs

AC Monitor | Current 6M vs. Previous 6M |
Total Active Considerers



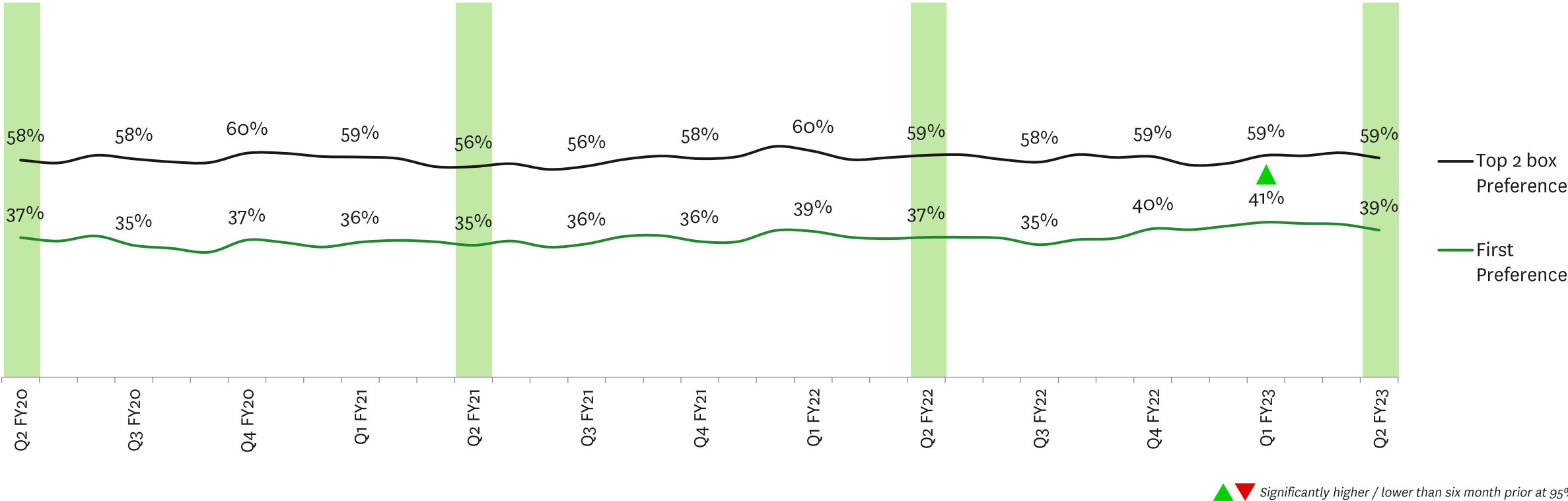
Legend

- Top 3
- Rank 4-7
- Rank 8-10

Preference for New Zealand has remained strong and largely stable over time

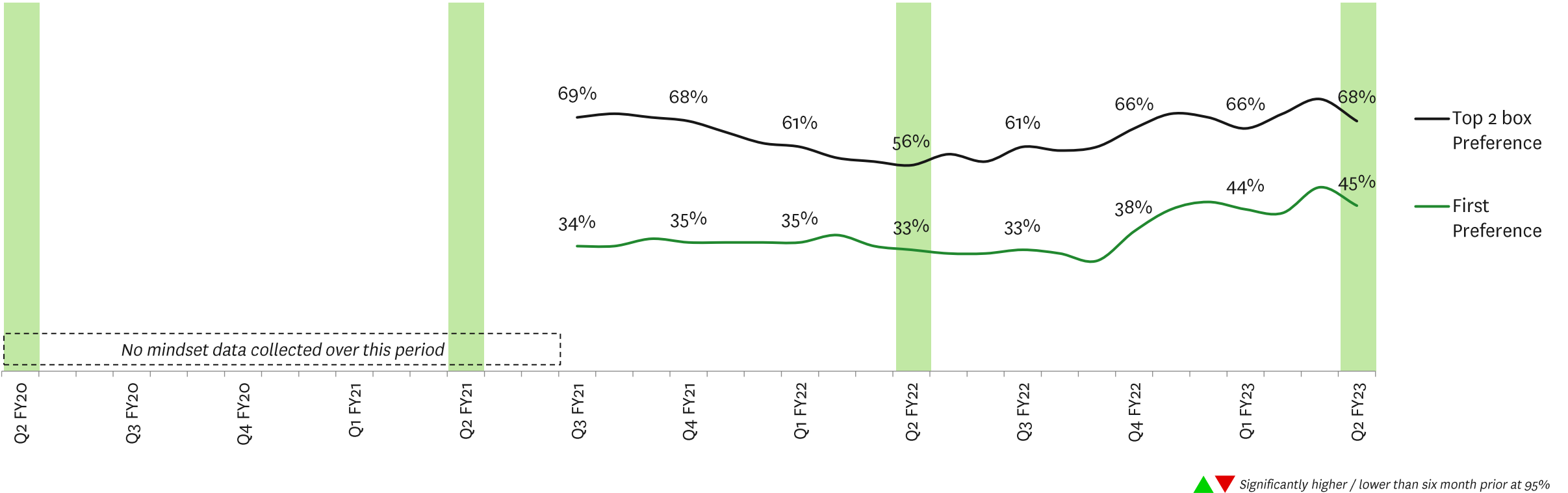
Preference KPI

AC Monitor | 6MRA | Total Active Considerers



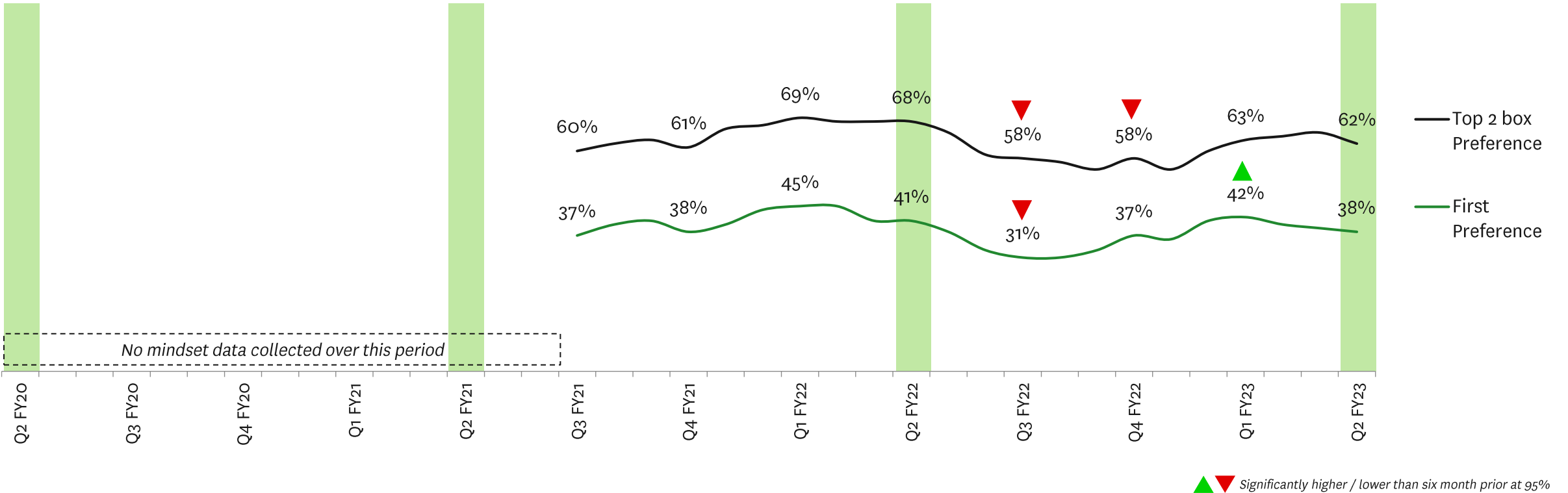
Among Experienced Connectors, first-choice preference for New Zealand has strengthened over the last year to levels higher than previously seen

Preference KPI
AC Monitor | 6MRA | Experienced Connectors



Among Vibrant Adventurers, preference for New Zealand has recovered from the dip in mid-late FY22

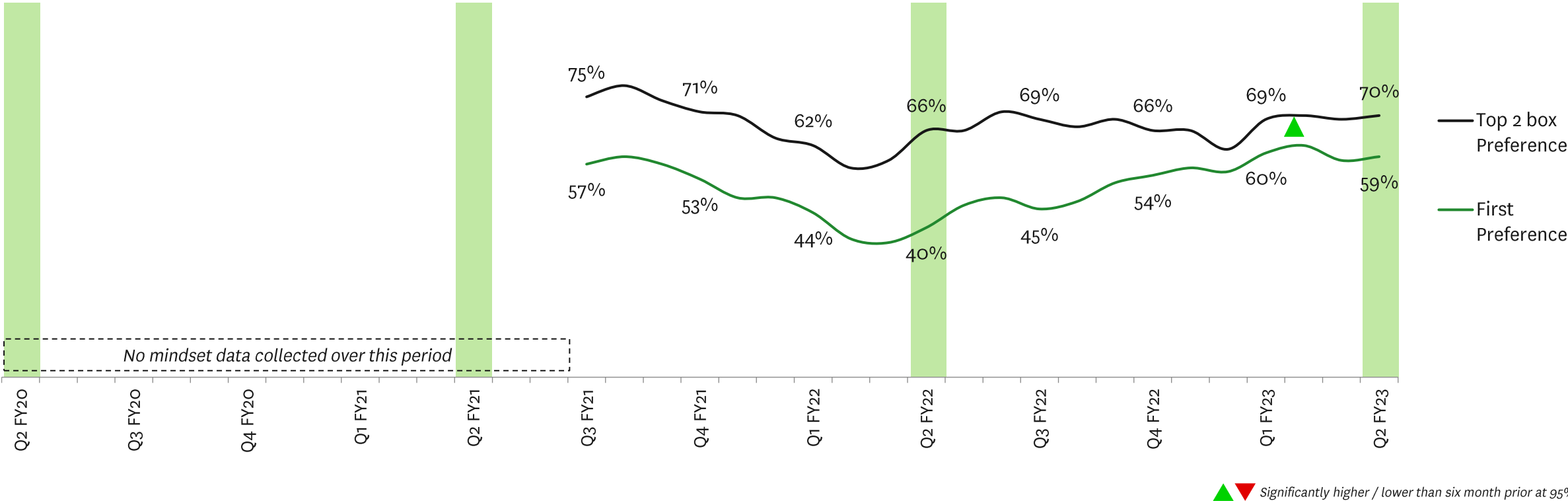
Preference KPI
AC Monitor | 6MRA | Vibrant Adventurers



Preference among Fun Loving Trail Blazers has rebounded from the dip in early FY22

Preference KPI

AC Monitor | 6MRA | Fun Loving Trail Blazers



Context to preference drivers

Using Jaccard's analysis, we estimate which destination attributes drive preference for New Zealand and how New Zealand performs relative to its key competitors in order to identify priority attributes to focus on in each market

We typically do brand preference driver analysis once a year on key markets

The brand driver analysis included in this report is based on the most recent results available: Data from Jan-22 to Dec-22.

There is an opportunity to promote New Zealand as being a culturally comfortable destination to visit, family friendly and perfect for escaping everyday life as these have emerged as stronger drivers for people post-pandemic

Top 15 drivers of preference for NZ

AC Monitor | % | 2022 (Jan-Dec 22) | Total Active Considerers | Index (see appendix)

Latest results	2022 rank	2021 rank ⁽¹⁾	2019 rank ⁽¹⁾
Culturally comfortable	1	14	3
Landscapes & scenery	2	1	2
Escape troubles	3	*	*
Fun & enjoyment	4	8	9
Relationship with the land	5	13	*
Safe destination	6	7	4
Family friendly	7	12	17
Range of adventure	8	6	5
Clean & unpolluted	9	3	6
Unique experiences	10	9	8
Escape normal life	11	16	14
All seasons	12	22	16
Local culture	13	15	10
Friendly people	14	4	7
Interesting cities	15	21	20

Latest results	2022 rank	2021 rank ⁽¹⁾	2019 rank ⁽¹⁾
Relax & refresh	16	5	11
Indigenous culture	17	*	*
Challenging	18	20	15
Range of experiences	19	11	12
Embraces visitors	20	10	*
Unique national parks	21	*	*
Iconic attractions	22	29	22
Covid-19 management	23	*	*
See lots without travelling far	24	26	24
Local experiences	25	17	21
Easy to travel around	26	24	26
History & heritage	27	31	27
Wildlife	28	*	*
Affordable activities	29	28	29
Quality food & wine	30	19	19
Affordable to fly to	31	32	30

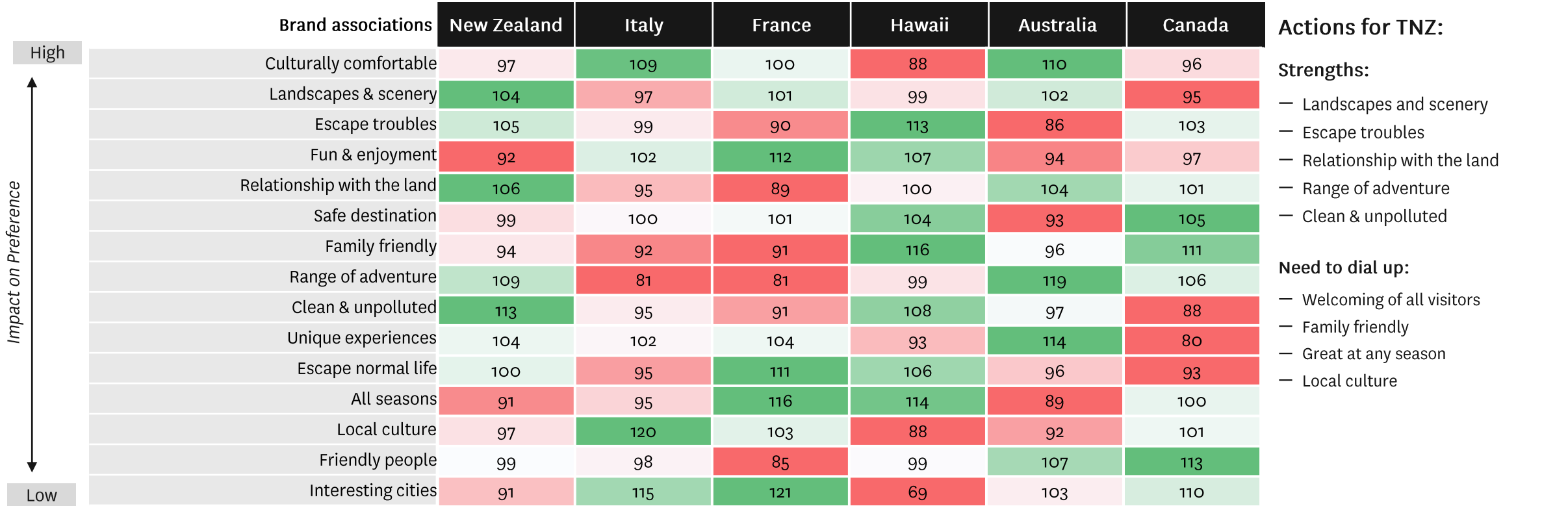
Notes:

- Some ranks may be missing if the statement has been removed for the current analysis period - #2 in 2021 and #1 in 2019 was 'Thinking about visiting makes me feel really excited' which has since been removed as a preference driver

* Not asked at that time

New Zealand excels in areas such as scenic landscapes, a place to escape to, and connection with the land, but has room to improve in promoting itself as being a family friendly destination which offers local cultural experiences

Relative brand positioning for top 15 drivers of preference
 AC Monitor | Current 6M | Total Active Considerers (New Zealand and top five competitors) | Index (see appendix)



Tactical communications need to address common knowledge gaps about New Zealand's weather, travel time, ease of travel, and how welcoming and safe New Zealand is

Top ten knowledge gaps

AC Monitor | Current 6M vs. Previous 6M | Total Active Considerers

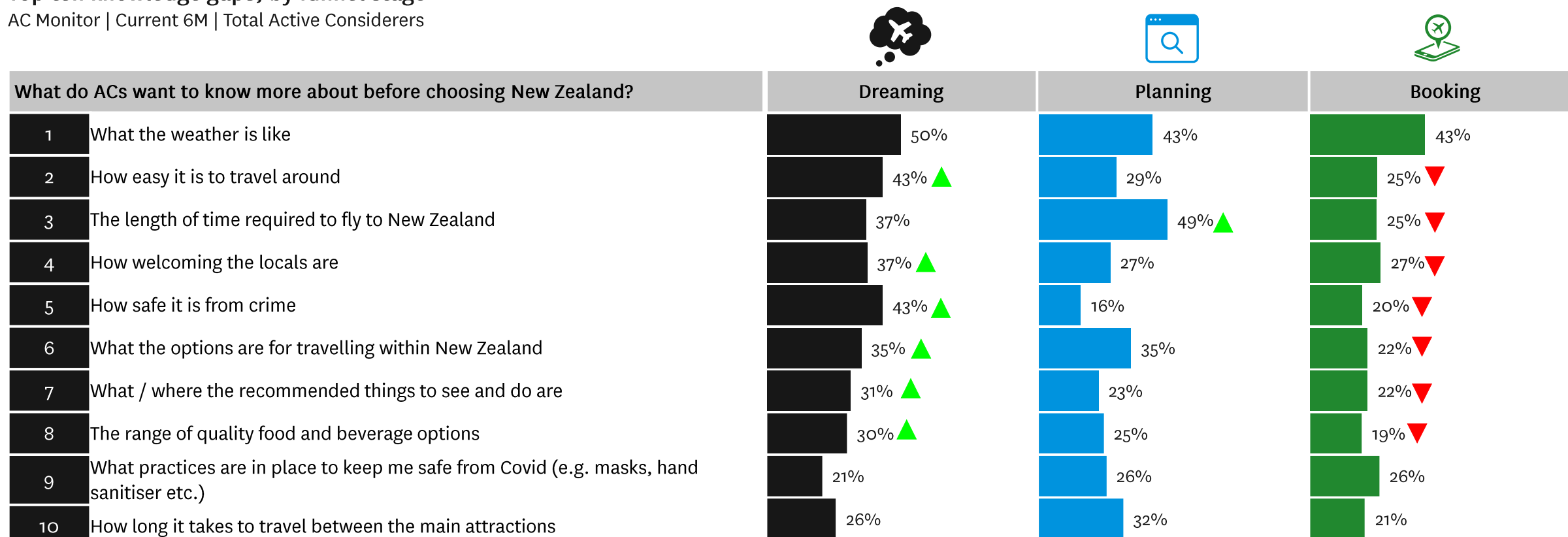
What do ACs want to know more about before choosing New Zealand?		Now	Six months ago	Pre-Covid ⁽²⁾
1	What the weather is like	46% ▲	38%	*
2	How easy it is to travel around	33%	28%	27%
3	The length of time required to fly to New Zealand	32%	32%	27%
4	How welcoming the locals are	31%	28%	23%
5	How safe it is from crime	29%	25%	32%
6	What the options are for travelling within New Zealand	28% ▲	22%	22%
7	What / where the recommended things to see and do are	26%	25%	21%
8	The range of quality food and beverage options	24% ▲	17%	*
9	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	24%	24%	*
10	How long it takes to travel between the main attractions	24%	24%	21%

Ranks higher now than six months ago
▲ ▼ Significantly higher / lower than six month prior at 95%

Tactical marcomms need to be used earlier in the AC journey as more ACs in dreaming and planning stages have knowledge gaps than those in the booking stage

Top ten knowledge gaps, by funnel stage

AC Monitor | Current 6M | Total Active Considerers



▲ ▼ Significantly higher / lower than comparison group at 95%

While the weather is a top concern across all priority mindsets, other information needs do vary, emphasising an opportunity for targeted messages

Top ten knowledge gaps, by Priority Mindsets

AC Monitor | Current 6M | Priority mindsets

What do ACs want to know more about before choosing New Zealand?		Experienced Connectors	Vibrant Adventurers	Fun Loving Trail Blazers
1	What the weather is like	55% ▲	54% ▲	52%
2	How easy it is to travel around	43%	46%	17%
3	The length of time required to fly to New Zealand	24%	42%	29%
4	How welcoming the locals are	42%	38%	25%
5	How safe it is from crime	36%	33%	18%
6	What the options are for travelling within New Zealand	36%	39%	36% ▲
7	What / where the recommended things to see and do are	36%	21%	26%
8	The range of quality food and beverage options	24%	35%	26% ▲
9	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	17%	17%	46% ▲
10	How long it takes to travel between the main attractions	19%	27%	35%

▲ ▼ Significantly higher / lower than six month prior at 95%



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).

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

53%

Online population, 18-74 years of age⁽¹⁾ (26.8m)

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%

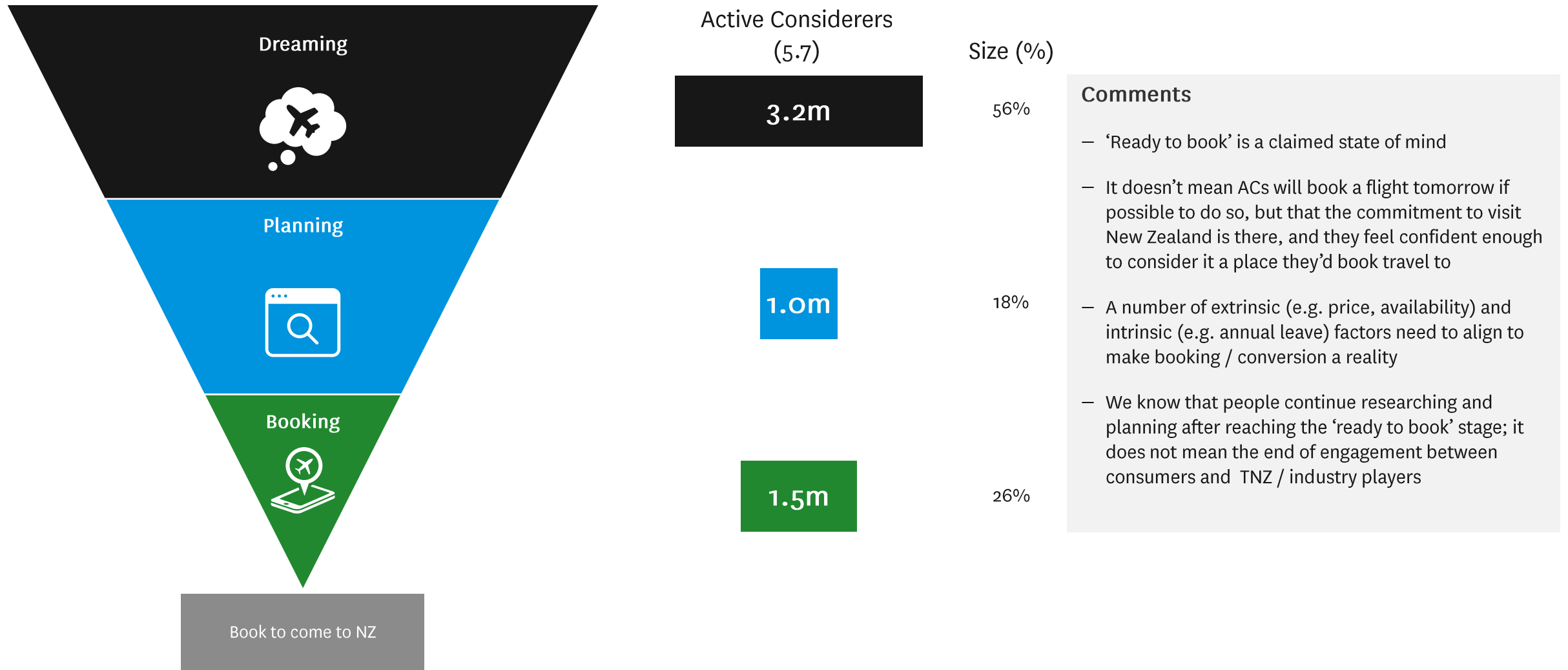
7.0m

Willing to spend at least \$1,700 CAD per person on a holiday to New Zealand⁽²⁾

81%

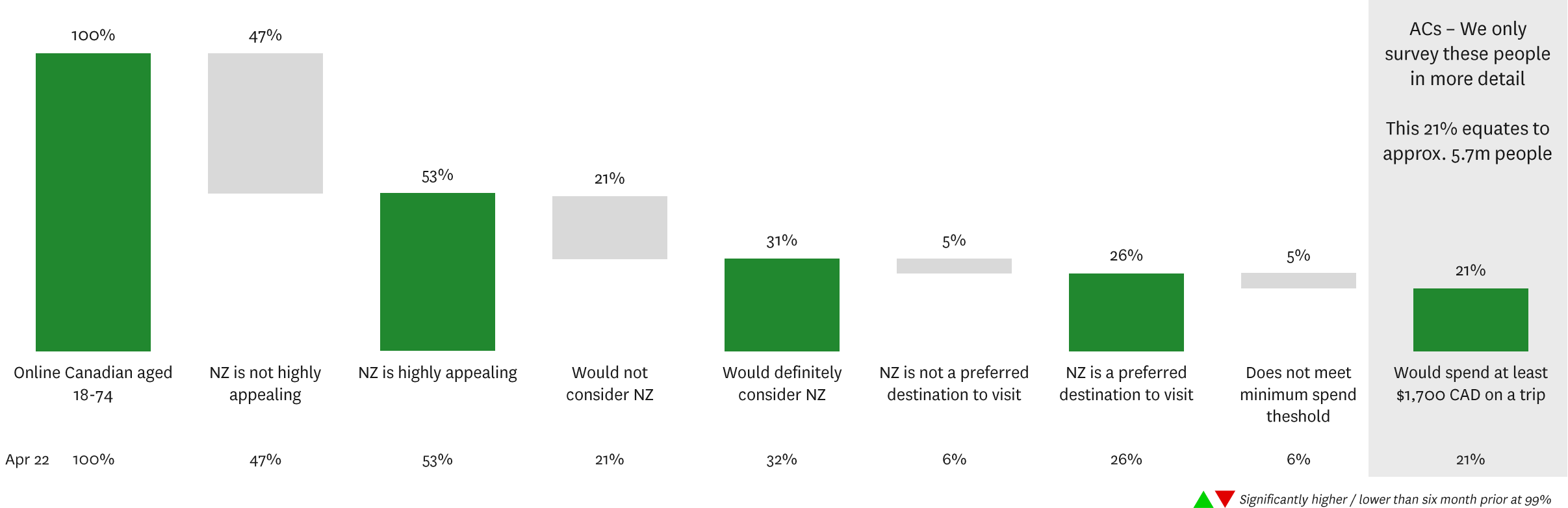
5.7m

Journey funnel to New Zealand – Canada



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

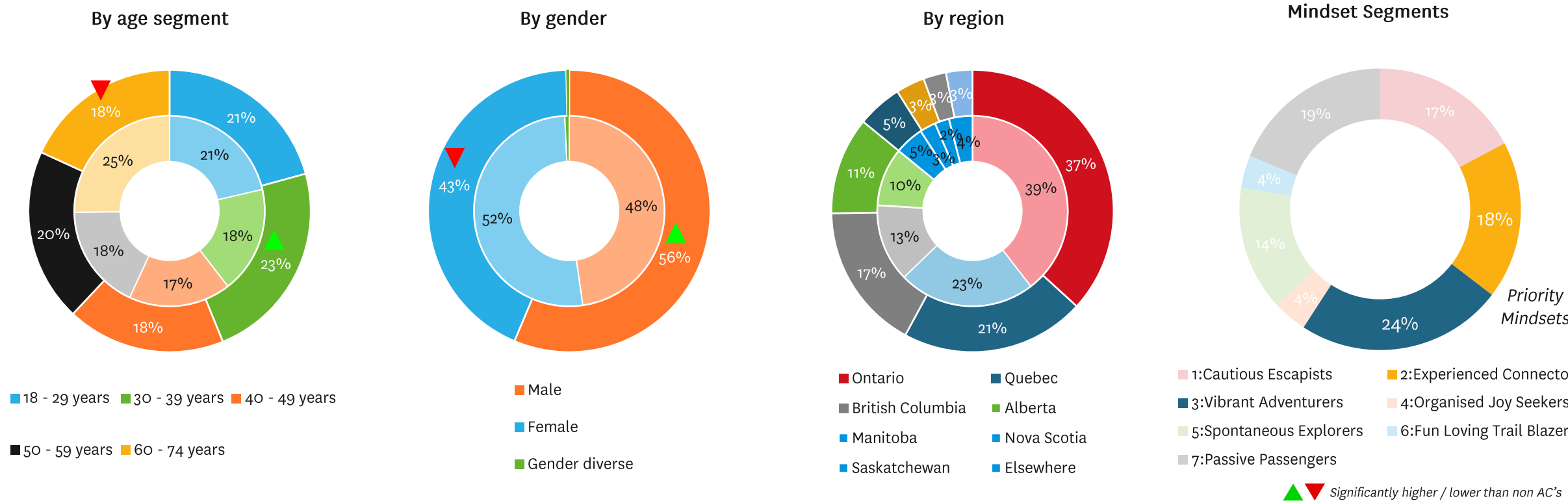
Qualifying criteria for defining ACs
AC Monitor | Oct 22 | % Online users aged 18-74



ACs are concentrated in Ontario, Quebec & British Columbia and are largely Vibrant Adventurers & Experienced Connectors mindsets.

Profile of Active Considerer
 Active Considerers vs Non-Active Considerers | Oct 22

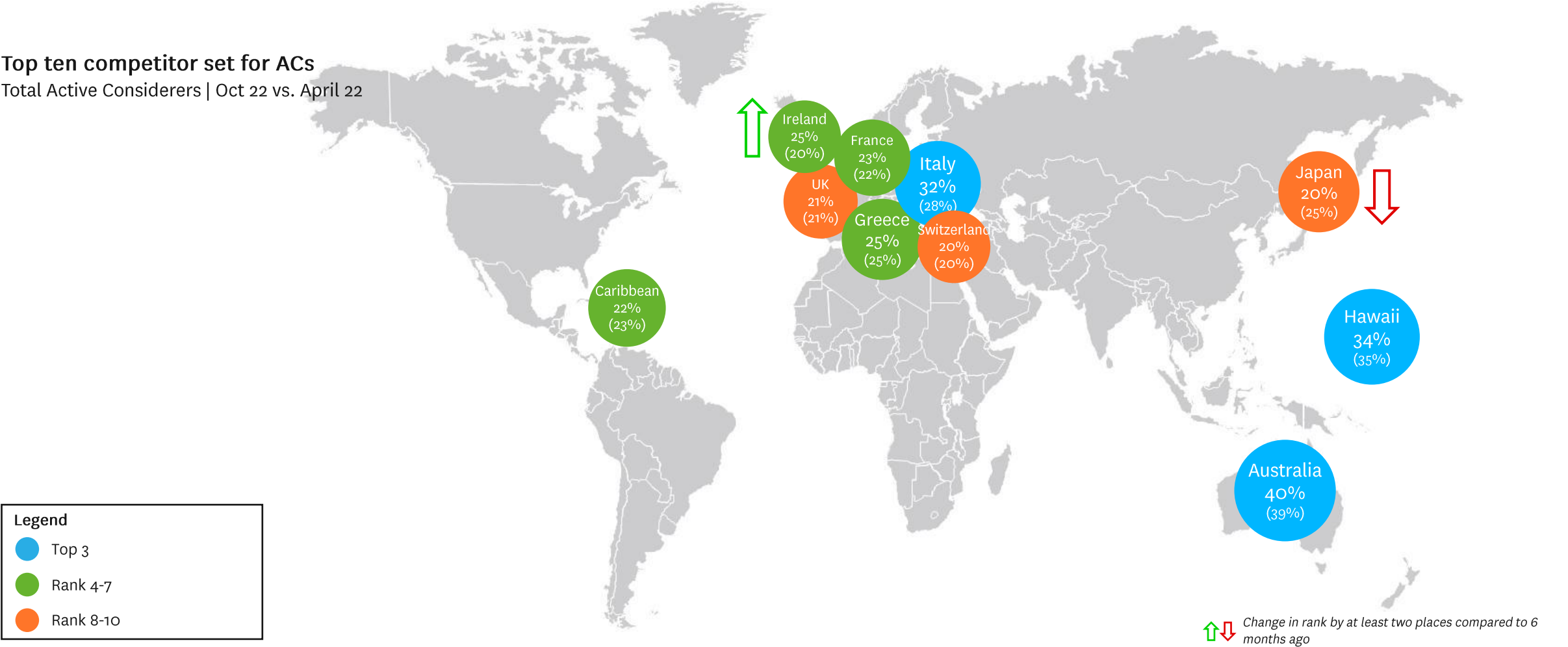
Outer ring: Canada Active Considerers
 Inner ring : Canada non-Active Considerers



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

Total Active Considerers | Oct 22 vs. April 22



Legend

●

 Top 3

●

 Rank 4-7

●

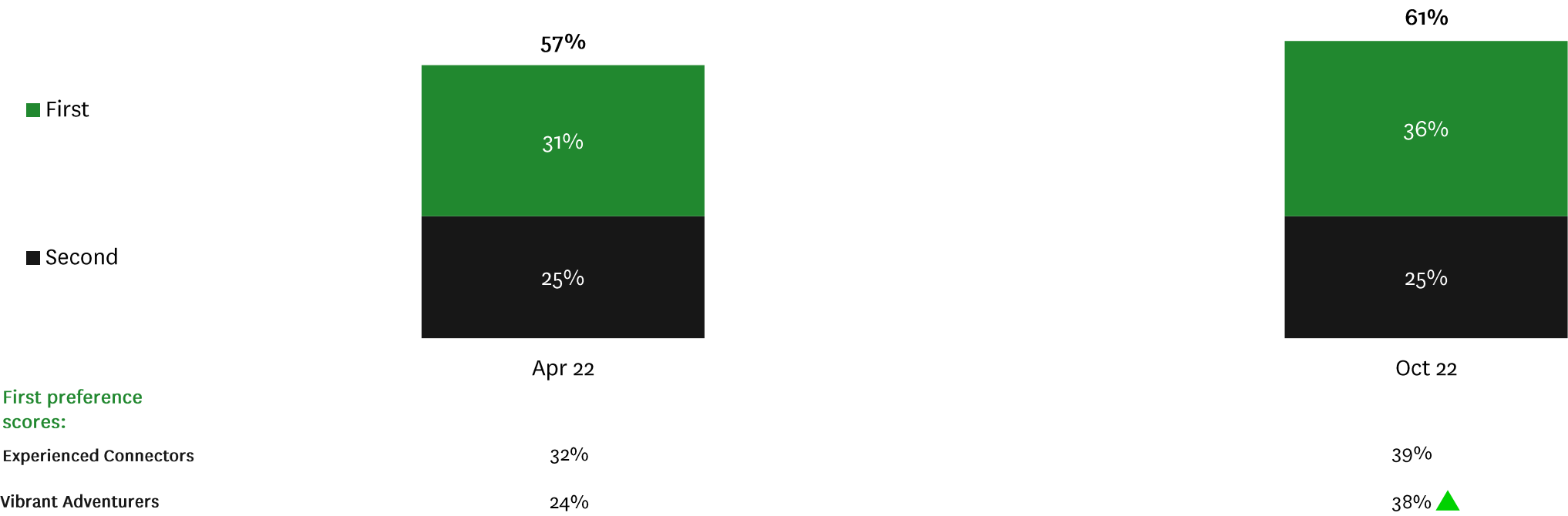
 Rank 8-10

↑↓ Change in rank by at least two places compared to 6 months ago

Levels of preference for New Zealand in Canada are strengthening, particularly among Vibrant Adventurers

Preference KPI

Total Active Considerers | Priority Mindsets



▲ ▼ Significantly higher / lower than six month prior at 95%



1. Sample sizes: Total ACs Apr | Oct 22 n = 500 | 300; Experienced Connectors Apr | Oct 22 n = 87 | 56; Vibrant Adventurers Apr | Oct 22 n = 109 | 74
2. Total % = ACs ranking New Zealand top two out of top five preferred destination to visit
3. Question “Can you please rank those destinations in order of preference where 1 is your most preferred destination?”



Context to preference drivers

- When it comes to choosing a travel destination, not all factors are equally important. We use a method called Jaccard's analysis to estimate which destination attributes have most influence over people's preference for New Zealand as a travel destination.
- We also compare New Zealand's performance with performance among competitors (specific to the market) to help us prioritise which areas to focus our marketing efforts on for each of our key markets.
- We typically conduct a brand driver analysis annually for our key markets, the brand driver analysis included in this report is based on the most recent results available: Data from Jan-22 to Dec-22.

There are a range of attributes such natural beauty, range of experiences, welcoming people & culture that align with the 'If You Seek' brand platform and should be leveraged to strengthen preference

Top 15 drivers of preference for NZ

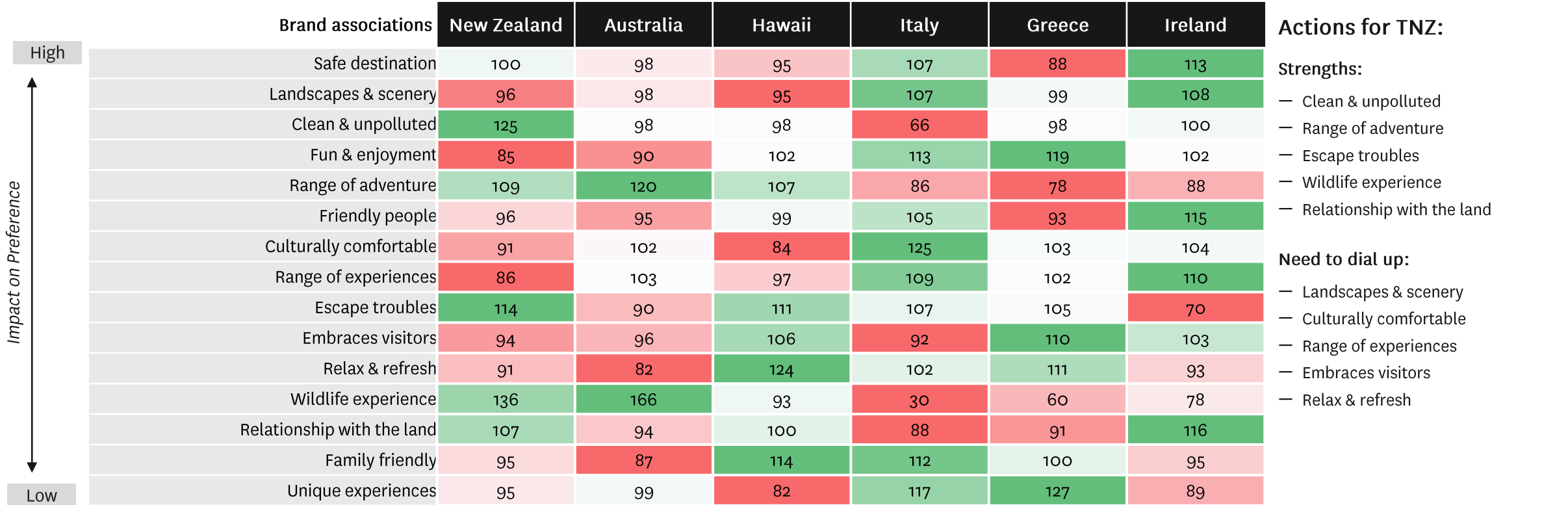
AC Monitor | % | 2022 (Apr-22 and Oct-22) Total Active Considerers | Index (see appendix)

Rank	Latest results
1	Safe destination
2	Landscapes & scenery
3	Clean & unpolluted
4	Fun & enjoyment
5	Range of adventure
6	Friendly people
7	Culturally comfortable
8	Range of experiences
9	Escape troubles
10	Embraces visitors
11	Relax & refresh
12	Wildlife experience
13	Relationship with the land
14	Family friendly
15	Unique experiences

Rank	Latest results
16	Covid-19 management
17	Indigenous culture
18	Local culture
19	Escape normal life
20	Local experiences
21	Unique national parks
22	Iconic attractions
23	Interesting cities
24	All seasons
25	Easy to travel around
26	Challenging
27	See lots without travelling far
28	Quality food & wine
29	History & heritage
30	Affordable activities
31	Affordable to fly to

New Zealand’s high-impact strengths include its pristine nature and range of adventure, but there is room to strengthen its positioning on landscapes & scenery and the range of experiences on offer

Relative brand positioning for top 15 drivers of preference
AC Monitor | Oct-22 | Total Active Considerers (New Zealand and top five competitors) | Index (see appendix)



Tactical messages should address common knowledge gaps about time it takes to fly to New Zealand, ease of travelling around and weather

Top ten knowledge gaps

AC Monitor | Oct 22 vs. April 22 | Total Active Considerers

What do ACs want to know more about before choosing New Zealand?		Oct 22	Apr 22
1	Length of time required to fly to NZ	41%	42%
2	What the weather is like	36%	31%
3	How easy it is to travel around	34%	31%
4	Length of time needed to experience NZ properly	28%	32%
5	How safe it is from crime	28%	26%
6	What / where the recommended things to see and do are	25%	21%
7	Not being able to fly direct to NZ	24%	23%
8	How long it takes to travel between the main attractions	24%	22%
9	How physically fit I'd need to be	24%	20%
10	Driving on the left hand side of the road	24%	21%

Ranks higher now than six months ago

▲

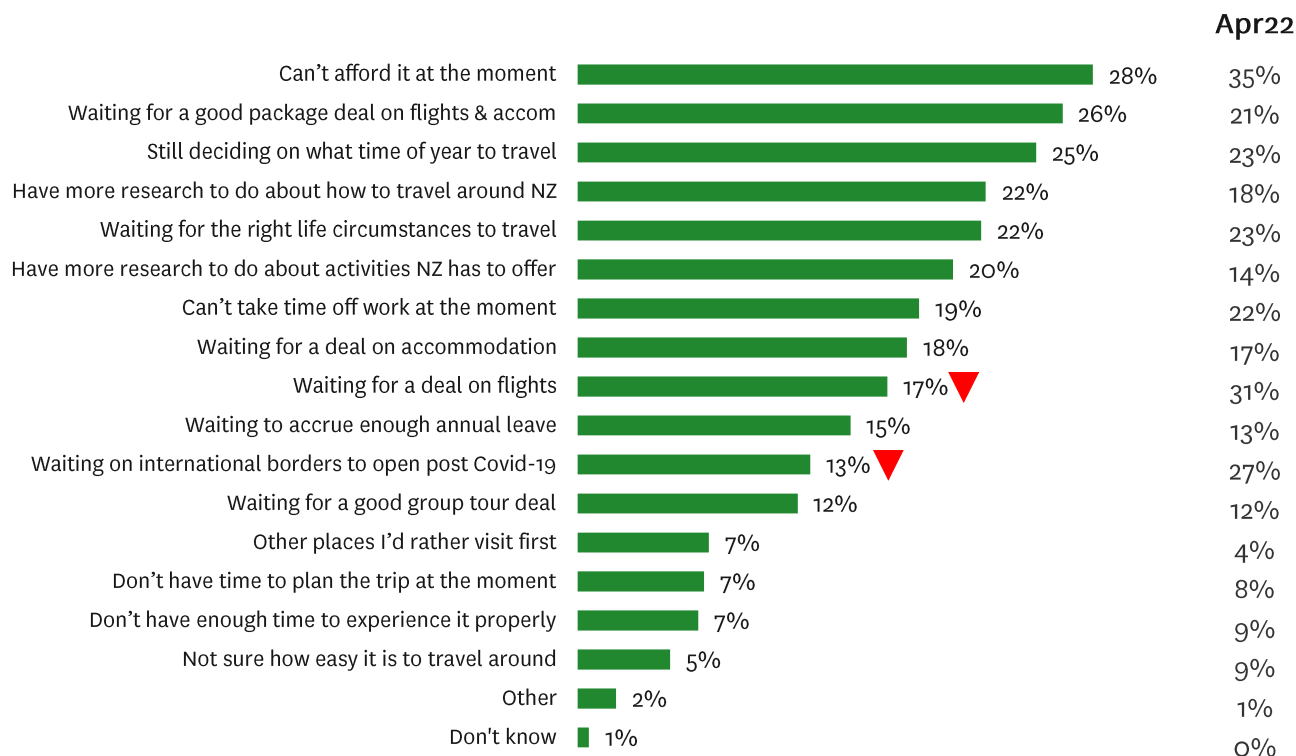
▼

Significantly higher / lower than six month prior at 95%

Being shown accommodation and activities deals, and information around the best times of year to visit New Zealand, will likely help ACs to book

Barrier to booking holiday to New Zealand

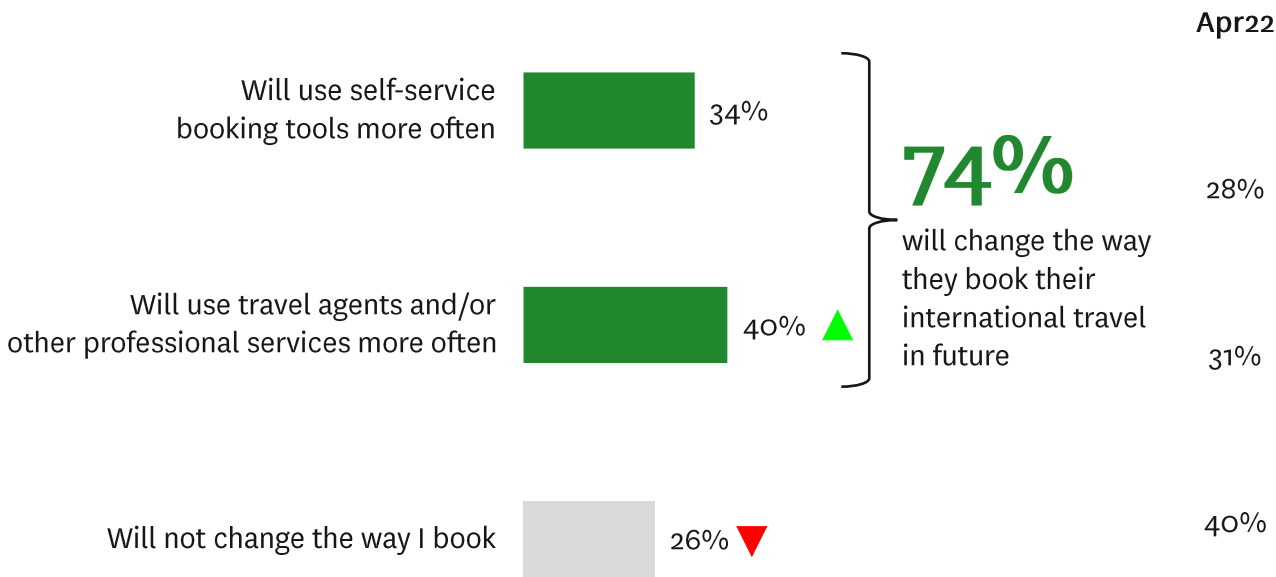
% Active Considerers | Oct 22



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 holiday booking method

% Active Considerers | Oct 22



1

Appendix

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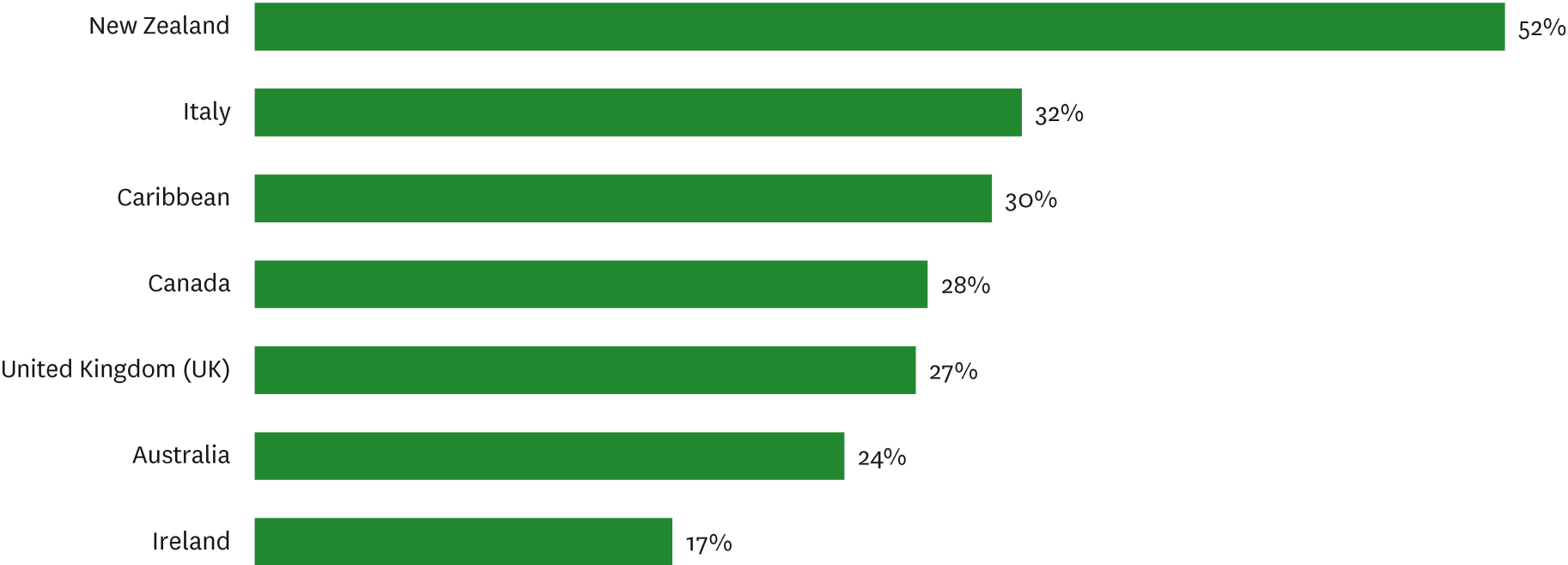


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New Zealand is, by far, the most prominent holiday destination recalled from any recent advertising or promotional activity

Holiday destinations seen advertised or promoted recently (Prompted Awareness)

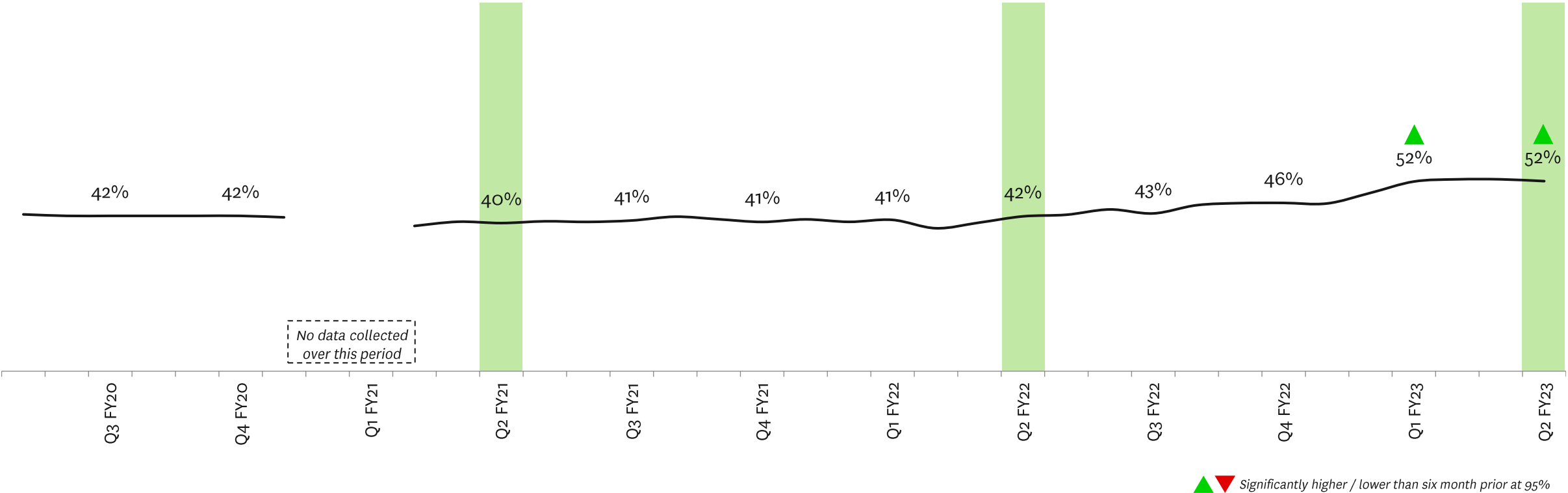
AC Monitor | Current 6M | Total Active Considerers



Prompted awareness for New Zealand wasn't impacted as much as other key markets during the peak of the Covid pandemic, and it has increased in the last year

Seen New Zealand advertised or promoted recently (Prompted Awareness)

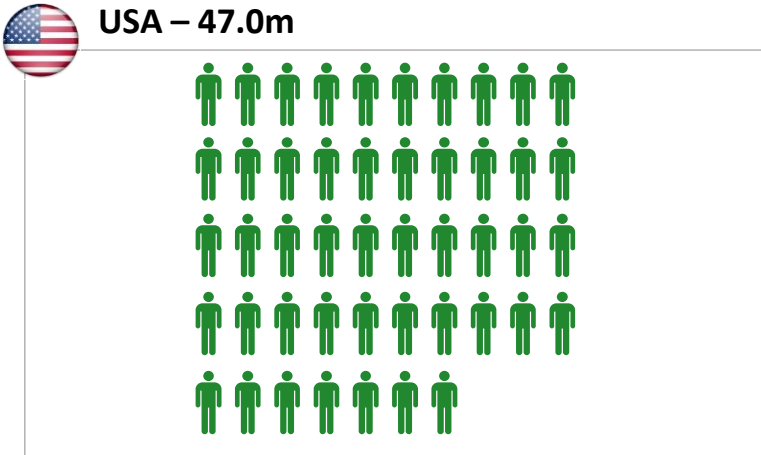
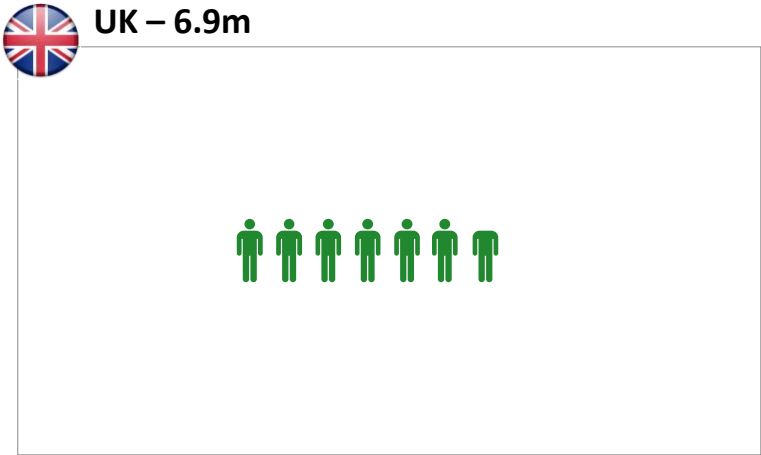
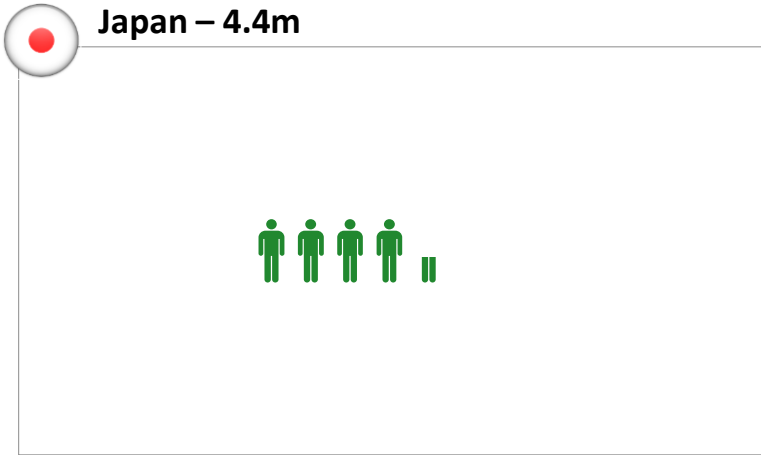
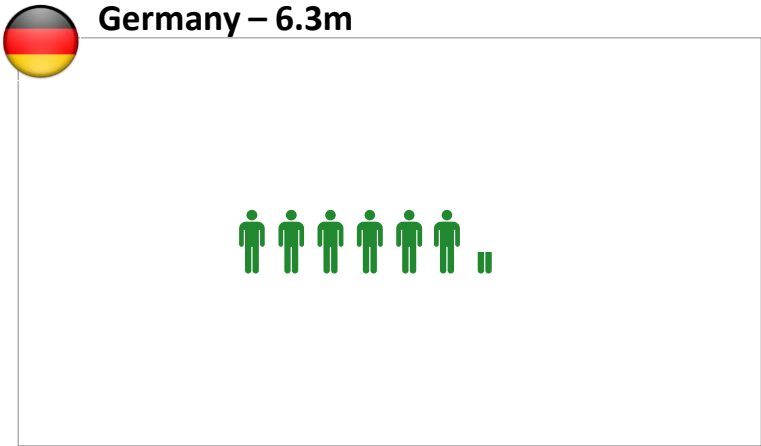
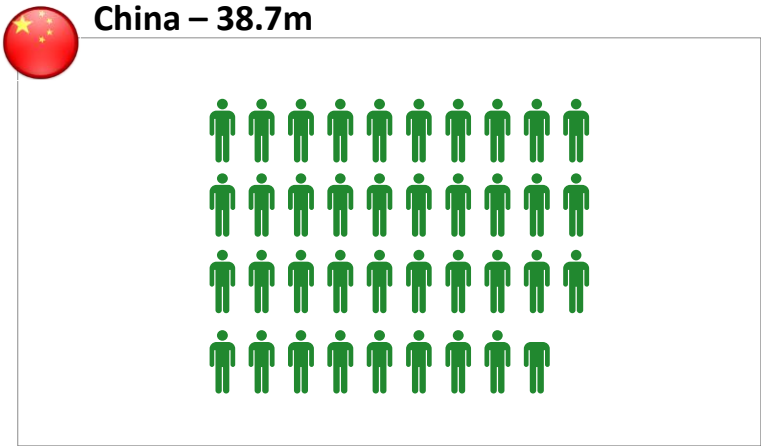
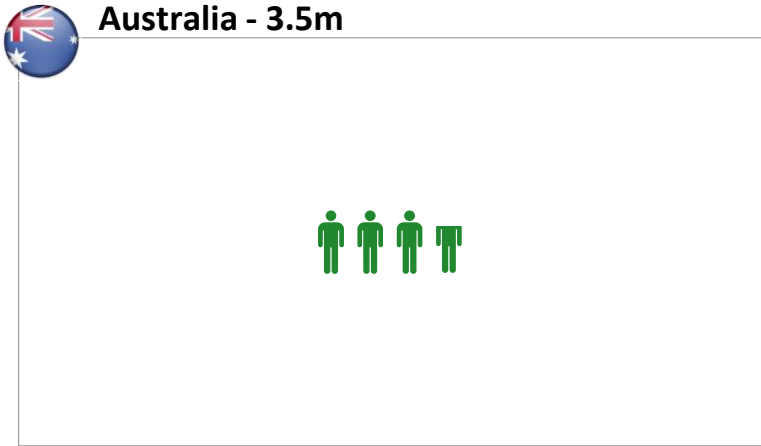
AC Monitor | 6MRA | Total Active Considerers



Appendix: Market size

 = 1 million ACs

Updated using AC incidence rates for the six months to December 2022

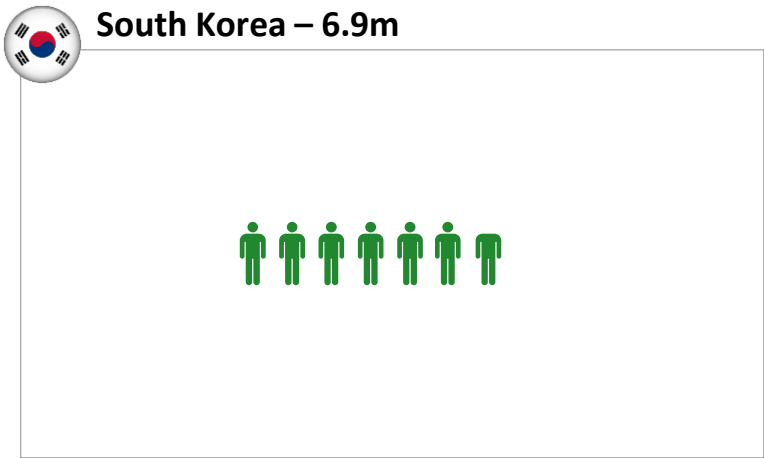
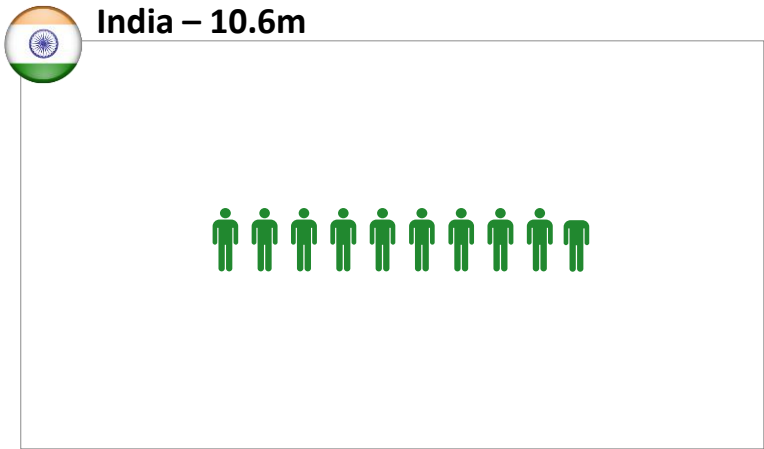
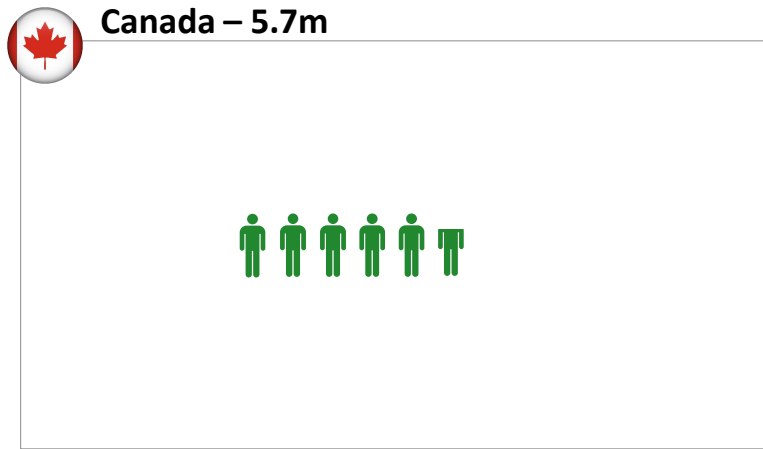


Tier 1 & 2 total = **106.8** million

Appendix: Market size

 = 1 million ACs

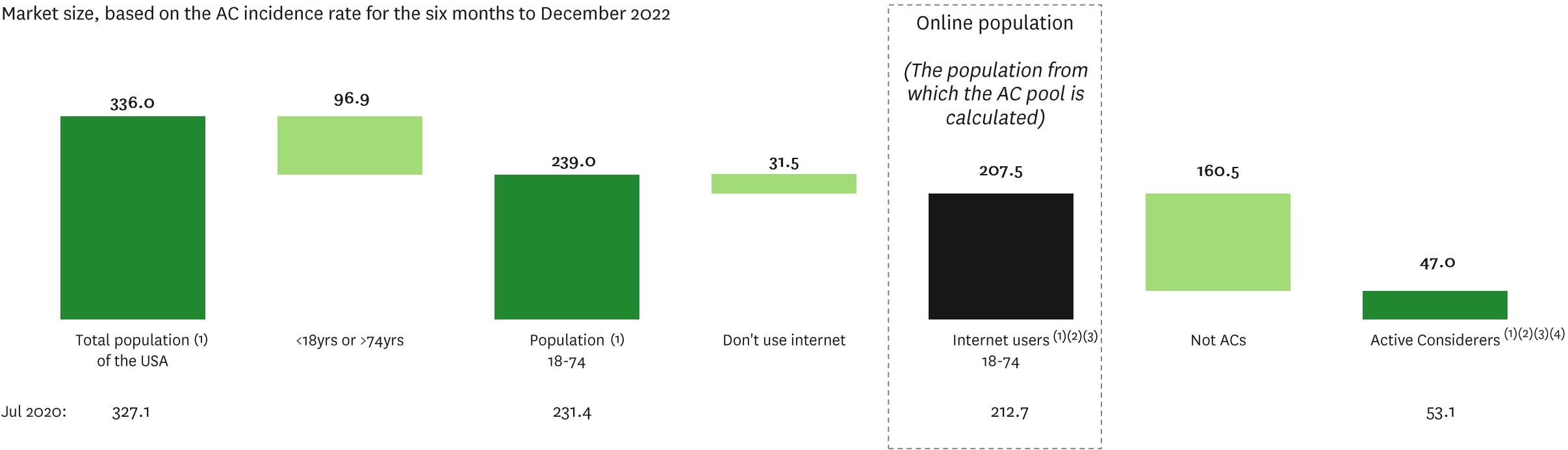
Updated using AC incidence rates for the latest wave in Oct-Nov 22



USA Market Sizing

Dec 22 | Million people

Market size, based on the AC incidence rate for the six months to December 2022

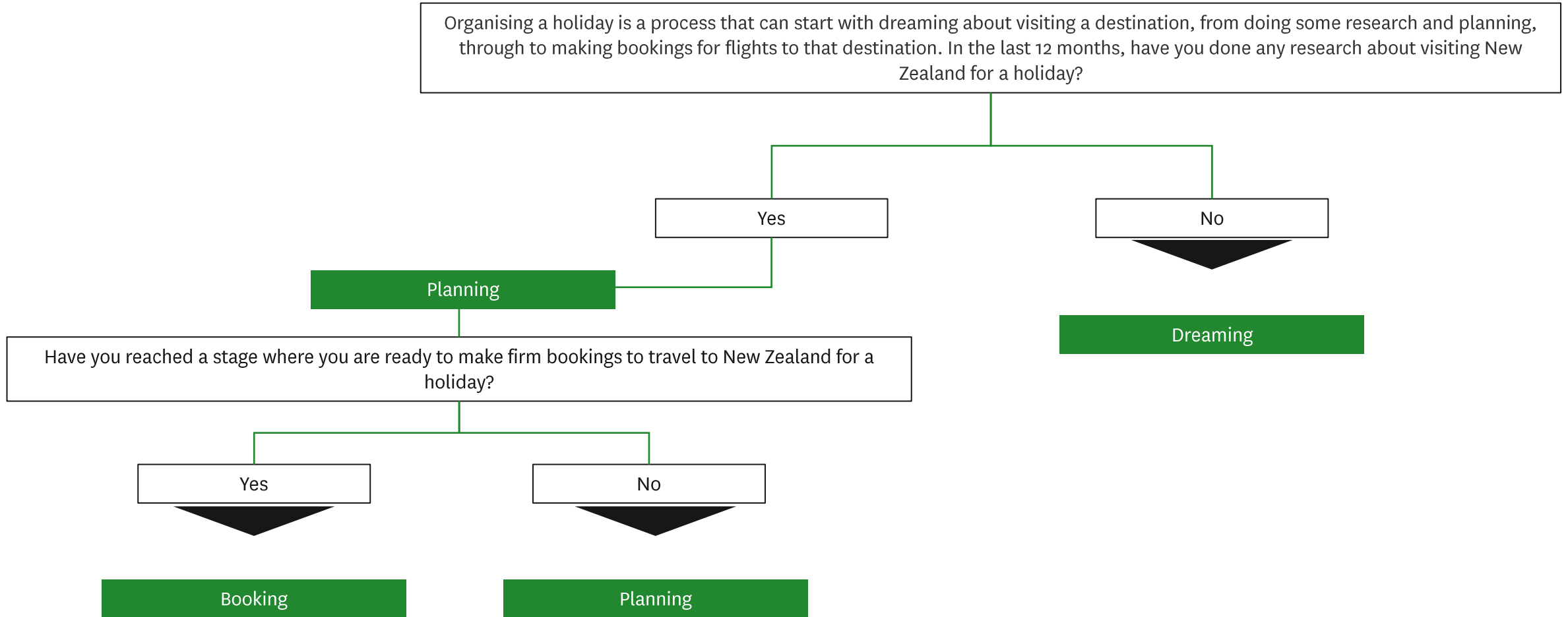


SOURCES/NOTES:

- (1) US Census Bureau, Annual Estimates of the Civilian Population by Single Year of Age and Sex for the United States and States; Time period ending: July 2021; Coverage: Civilian population
- (2) Worldometer population clock, USA; Time period as at mid January 2023
- (3) Kantar Population Profiler, Internet usage by age; Time period: 2020
- (4) Tourism New Zealand, Active Considerer Monitor Australia; Time period: Jul-Dec 2022, under the latest AC definition
- (5) Kantar Analysis

Appendix: Visitor consideration funnel

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



Appendix: Brand attribute wording

We ask ACs which of their preferred destinations they associate with a number of statements, including the following core attributes:

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
Challenging	Ideal for physically and mentally challenging yourself
Clean & unpolluted	The environment there is clean and unpolluted
Culturally 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
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
Wildlife	Has amazing wildlife experiences
Escape troubles	A place you can escape the troubles of the world

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
Escape normal life	Ideal for escaping normal daily life
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 National parks	Has remarkable and unique National parks
Indigenous culture	Has a unique indigenous culture
Covid-19 management	A destination I feel comfortable visiting due to their management of Covid-19

Appendix: Brand positioning ‘how to’

ACs are biased by their predisposition to 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

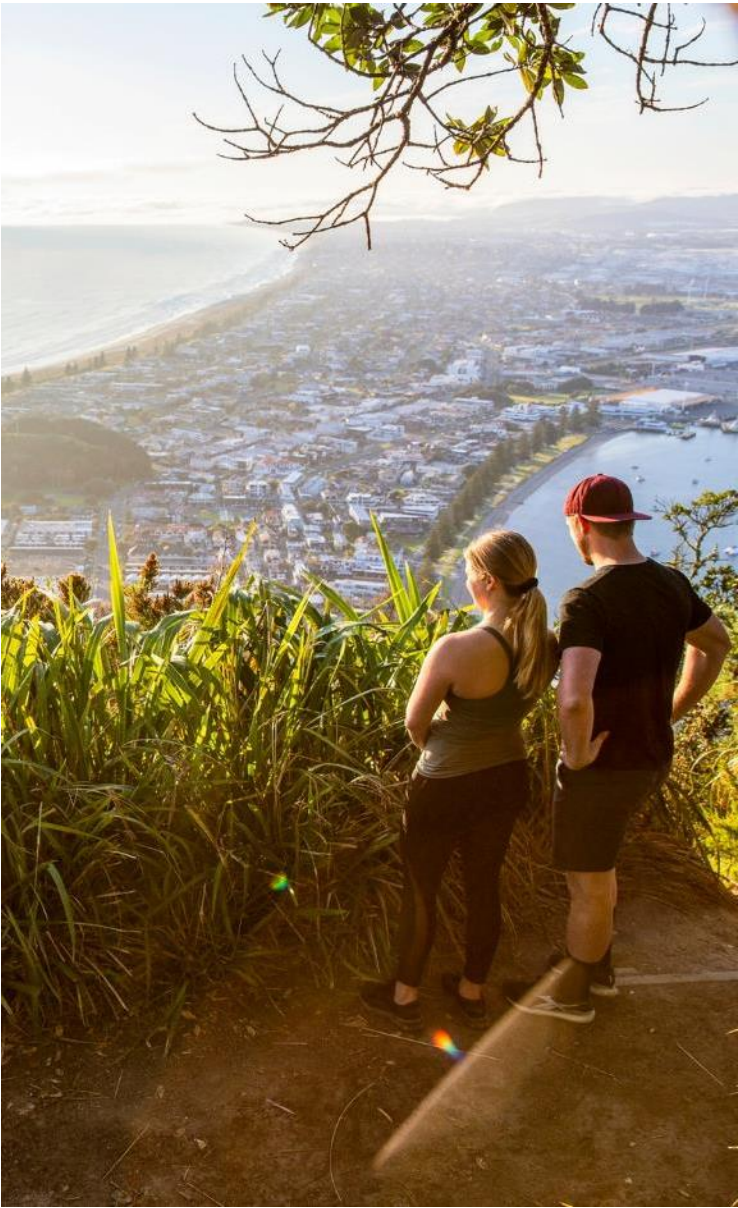
Scores are **relative**, i.e. removing / adding attributes and / or destinations from the analysis would give different scores

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

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

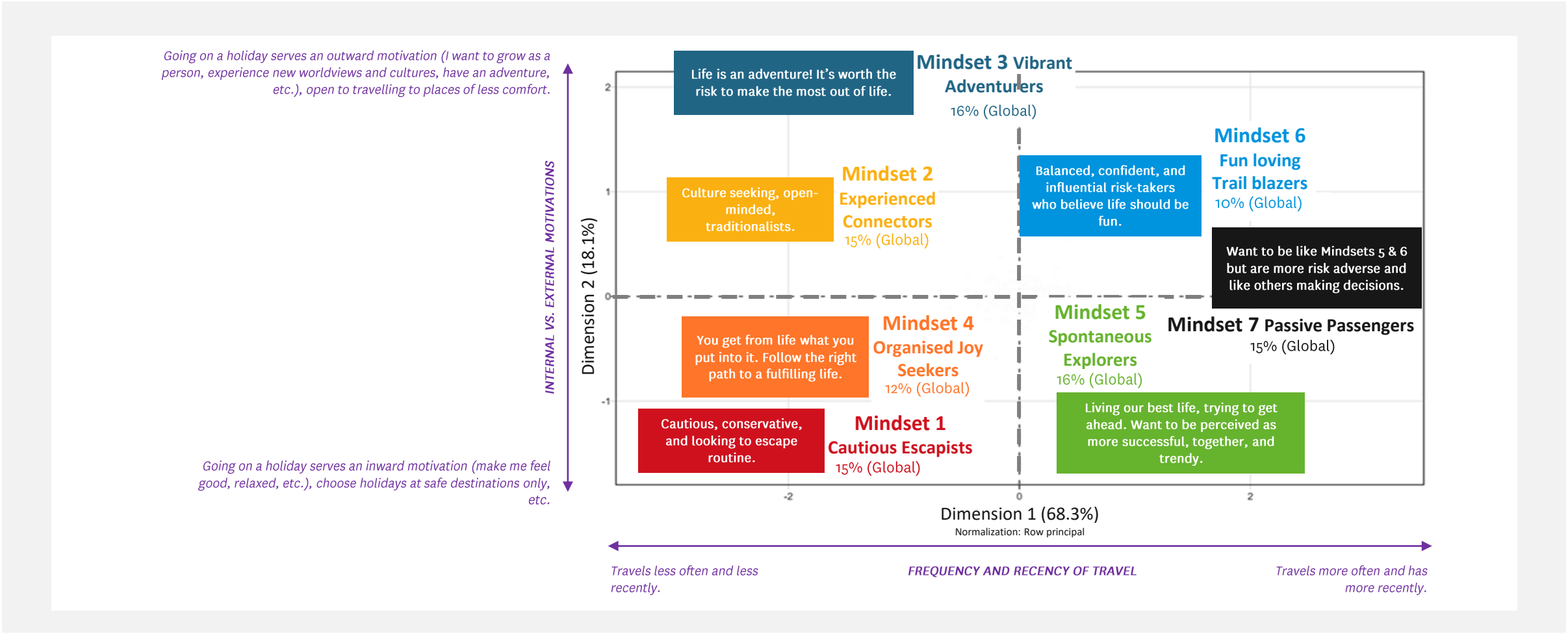
— It’s key to note that the score is relative – any change to the competitor and / or attribute sets will result in a change in the indices

— For example, 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



Mindset Introduction

A Visual Representation



Mindset Introduction

Side by side

