KANTAR

Active Considerer (AC) Monitor

Asia Key markets: July - December 2022

Report

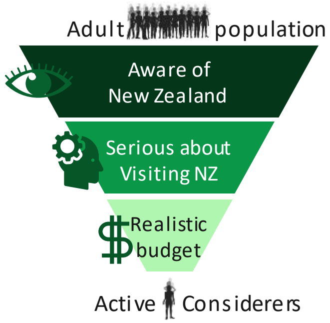
February 2023

NEW ZEALAND TOURISM

100% PURE NEW ZEALAND
newzealand.com

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



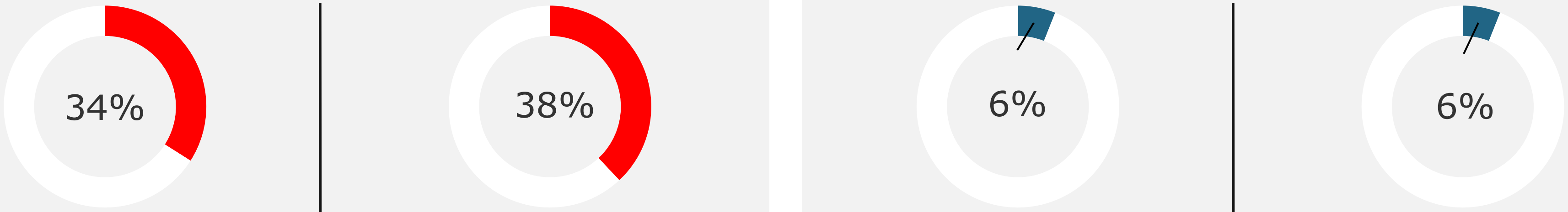
- We survey **ACs of New Zealand**
  - ACs are those who are aware of New Zealand, **serious** about visiting and who have a **realistic** budget
- Kantar ensures a representative sample by **weighting** to the age, gender and region distribution of the online population
  - Online population estimates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

Performance Dashboard

	Apr-Jun 22	Oct-Dec 22	Apr-Jun 22	Oct-Dec 22

Incidence:

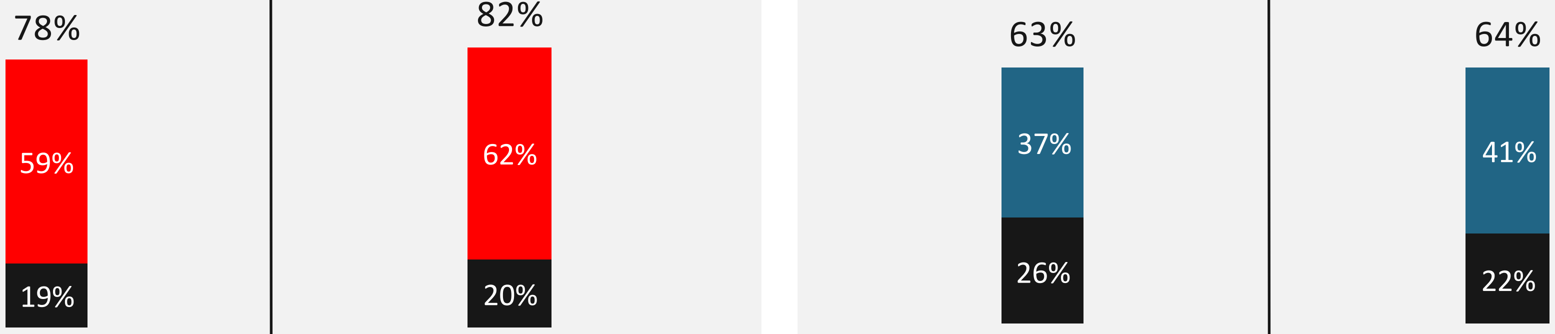
Percentage of the population who qualify as Active Considerers (ACs)



Preference KPI:

🟥🟦 First: The percentage of ACs who have New Zealand as their number 1 destination choice

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



	Apr-Jun 22	Oct-Dec 22	Apr-Jun 22	Oct-Dec 22
Dreaming	**63%**	**63%**	**55%**	**44%**
Planning	**11%**	**10%**	**21%**	**23%**
Booking	**26%**	**27%**	**24%**	**33%**

1. Sample sizes: Online population China Q4 FY22 – Q2 FY23 (6MRA) n = 3029, 2637; Japan Q4 FY22 – Q2 FY23 (6MRA) n = 17468, 20353
2. Sample sizes: ACs China Q4 FY22 – Q2 FY23 (6MRA) n = 902, 902; Japan Q4 FY22 – Q2 FY23 (6MRA) n = 900, 900

Performance Dashboard

Brand areas to focus on

Strengths	Dial up
✓ Place to escape	Affordable to fly to
✓ Clean & unpolluted	Affordable activities
✓ Relax & refresh	Local culture
✓ Unique experiences	Quality food & wine

Strengths	Dial up
✓ Landscapes & scenery	Relax & refresh
✓ Wildlife	Safe destination
✓ Clean & unpolluted	Escapism
✓ Unique National parks	Embraces visitors

Top 5 competitors

(% selected destination in their top five preferred destinations)

Australia	France	Japan	Singapore	Hawaii
42%	34%	33%	31%	30%

Australia	Hawaii	Taiwan	Italy	Singapore
53%	50%	26%	25%	23%

Top 5 knowledge gaps

1. What the weather is like?
2. Unsure how New Zealand is managing Covid-19?
3. What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)?
4. How easy it is to travel around?
5. Whether the things to see and do are unique?

1. What the options are for travelling within New Zealand?
2. What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)?
3. How easy it is to travel around?
4. What the weather is like?
5. Whether I will be able to buy the type of food I like to eat?

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1. Sample sizes: ACs China Q4 FY22 – Q2 FY23 (6MRA) n = 902, 902; Japan Q4 FY22 – Q2 FY23 (6MRA) n = 900, 900

Key insights - China

- In China, the main strategic focus should be on moving the existing ACs through the visitor consideration funnel to accelerate on the ground recovery. Additional strategic focus could be on growing the AC pool because while the pool is sizeable, it has shrunk during the pandemic
- China presents a sizeable immediate opportunity to drive arrivals, with 38.2 million ACs, 27% of whom are ready to book. There is also a long-term upward trend in first-choice preference, particularly among two of the priority mindsets: Vibrant Adventurers and Fun Loving Trail Blazers
- To convert existing ACs, TNZ's focus should be on continuing to grow preference for New Zealand and addressing key concerns and barriers to booking
- Strategic brand messaging needs to focus on key drivers of brand preference. Post-pandemic, being a destination where visitors can escape their daily routines, experience the local culture, enjoy quality food and wine, in any season, and affordability are emerging as stronger drivers of preference
- Competitors to focus on are Australia, France and Japan. To stand out from these competitors, New Zealand should leverage its strengths in its pristine nature and unique experiences and being a place to relax and escape to, however, there is room to improve perceptions of local culture and affordability of New Zealand holidays
- Tactical communications need to address growing knowledge gaps about weather, ease of travelling around and the unique things to see and do; there remains a need for messages around New Zealand's Covid management practices, especially for ACs in the planning mindset
- Consideration should be given to above-the-funnel brand marketing to drive appeal and active consideration for New Zealand: both appeal and AC incidence have dropped considerably during the pandemic, and while both are showing signs of recovery they are a considerable way off pre-pandemic levels

Key insights - Japan

- For Japan, the strategic focus should be twofold: (1) in the short-term, drive arrivals among existing ACs to accelerate on the ground recovery; (2) in the long-term, invest in growing the AC pool that has shrunk considerably during the pandemic
- Japan presents a sizeable immediate opportunity to drive arrivals, and thus accelerate on-the-ground recovery, with 4.5 million potential ACs, 33% of whom are ready to book
- To accelerate conversion of existing ACs, TNZ's focus should be on strengthening their preference for New Zealand and addressing key concerns and barriers to booking
- The focus should be on promoting New Zealand as a welcoming destination where visitors can unwind, escape from their daily routines, and enjoy stunning landscapes and wildlife experiences; post the pandemic there is a lesser focus on range of adventure and unique experiences
- Competitors to focus on are Australia and Hawaii. Relative to these competitors, New Zealand's strengths lie in its unique and pristine landscapes & scenery, wildlife, and range of adventure but there is room to dial up New Zealand as being a welcoming and friendly place to relax, escape and feel safe
- Tactical communications need to be filling in key knowledge gaps about the options for travelling to New Zealand and ease of travelling around, and about the weather which is a growing concern; for those in planning and booking additional focus is needed on messaging New Zealand's Covid safety practices
- Consideration should be given to above-the-funnel brand marketing to drive appeal and active consideration for New Zealand: both appeal and AC incidence have dropped considerably during the pandemic and are not yet showing signs of recovery

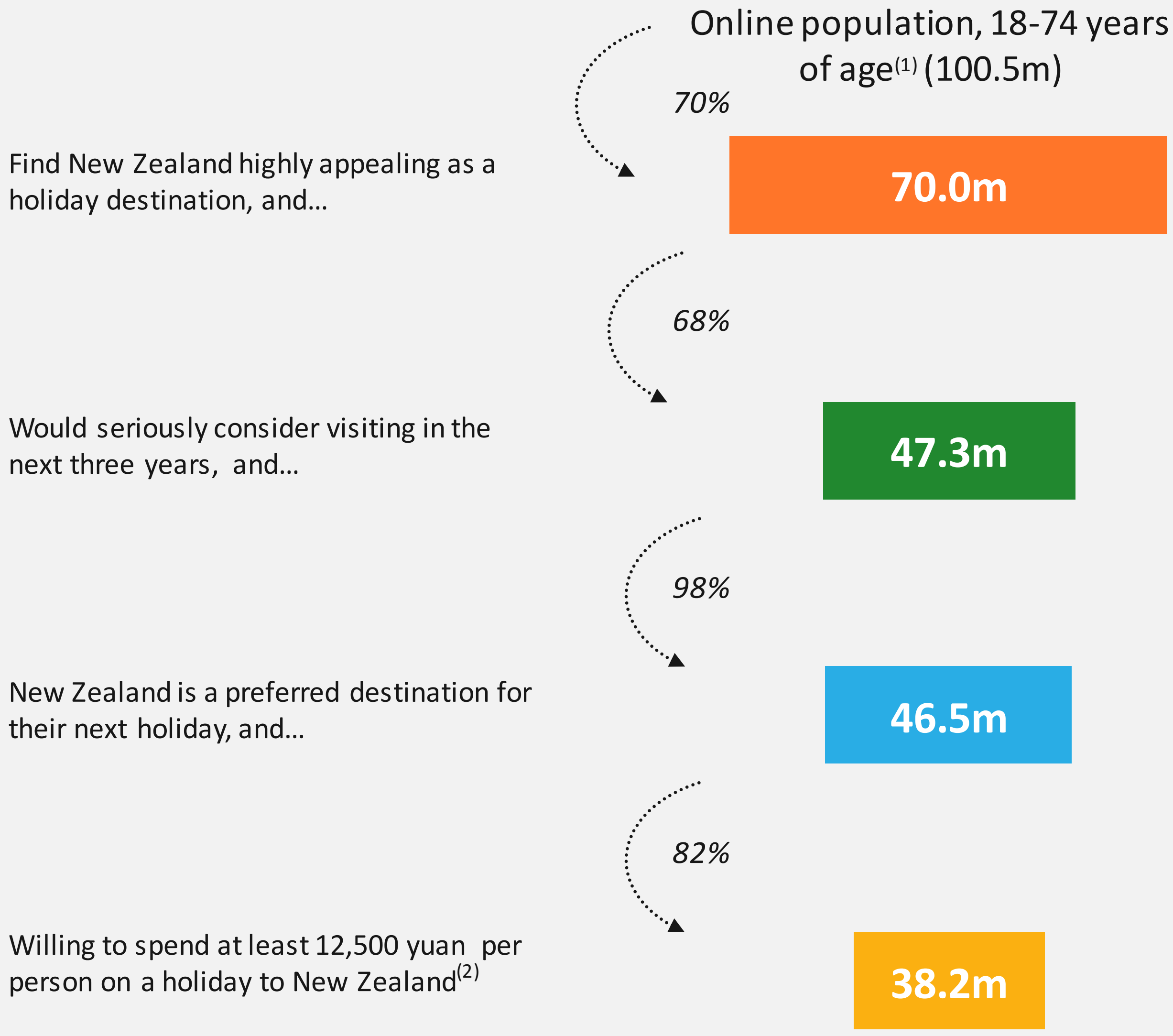
CHINA


CANADA
GERMANY
UK
USA
JAPAN
SOUTH KOREA
INDIA
SINGAPORE
AUSTRALIA
NEW ZEALAND

Active Considerer journey funnel – China

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 (12,500 yuan per person on a holiday to New Zealand).



Online population, 18-74 years of age[1] (100.5m)

70%

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

70.0m

68%

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

47.3m

98%

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

46.5m

82%

Willing to spend at least 12,500 yuan per person on a holiday to New Zealand[2]

38.2m

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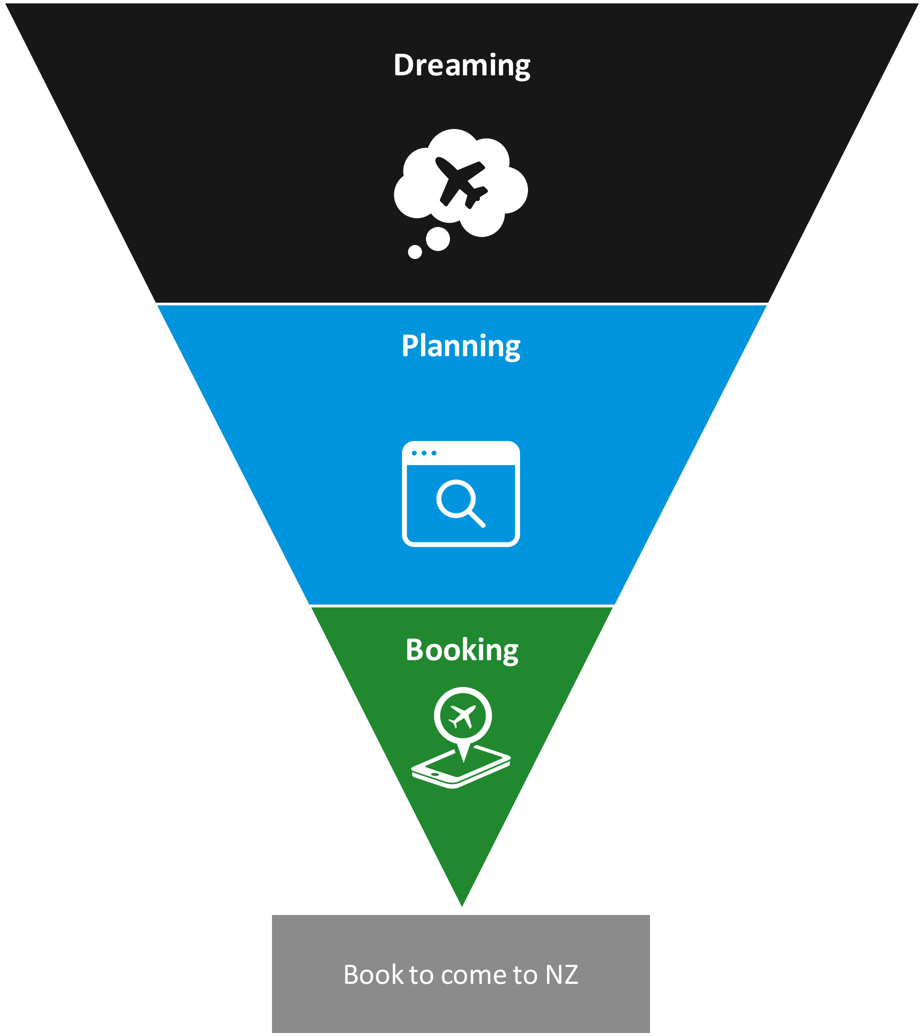
1. The approx. AC pool size is based on the online population estimates as of December 2022 and the AC incidence rate for the current six months
2. Including accommodation and daily expenses. Based off actual market data spend (IVS 2019)

Journey funnel to New Zealand - China

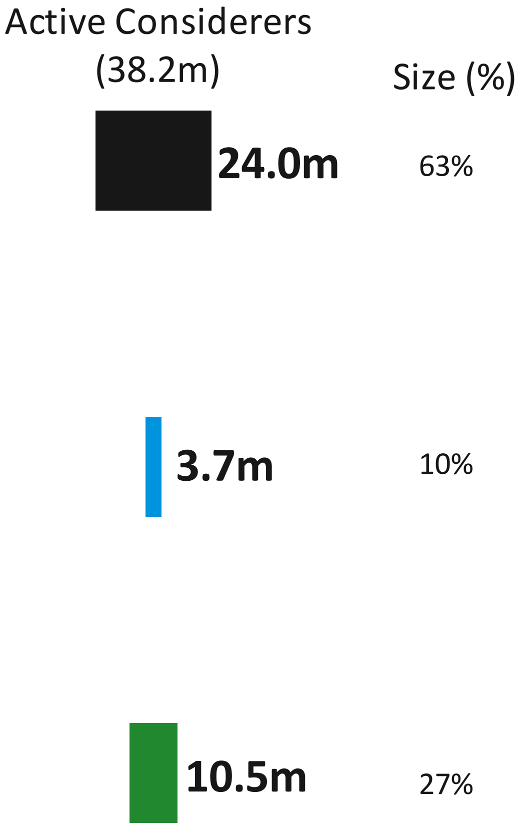


Dreaming

Planning

Booking

Book to come to NZ



Comments

- ‘Ready to book’ is a claimed state of mind
- It doesn’t mean ACs will book a flight tomorrow if possible to do so, but that the commitment to visit New Zealand is there, and they feel confident enough to consider it a place they’d book travel to
- A number of extrinsic (e.g. price, availability) and intrinsic (e.g. annual leave) factors need to align to make booking / conversion a reality
- We know that people continue researching and planning after reaching the ‘ready to book’ stage; it does not mean the end of engagement between consumers and TNZ / industry players

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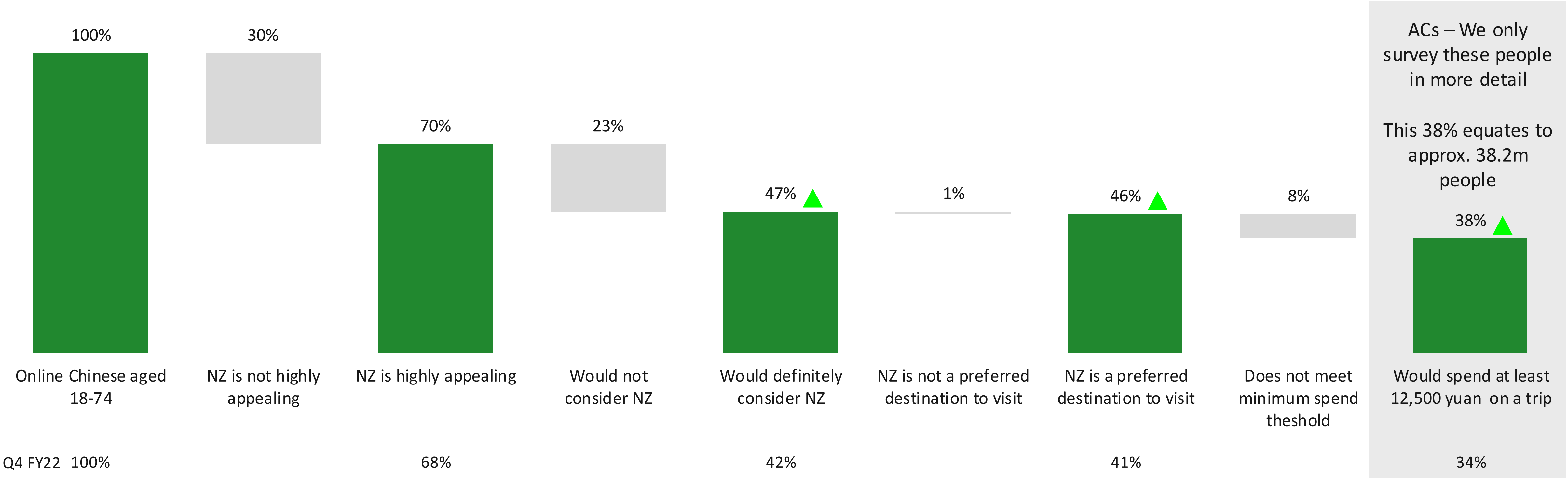
1. Sample size: ACs Q2 FY23 (6MRA) n = 902

There is a significant opportunity in China, and it has grown in the last quarter, with a potential market size of 38.2 million ACs

Qualifying criteria for defining ACs

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



ACs – We only survey these people in more detail

This 38% equates to approx. 38.2m people

▲▼ *Significantly higher / lower than six month prior at 99%*

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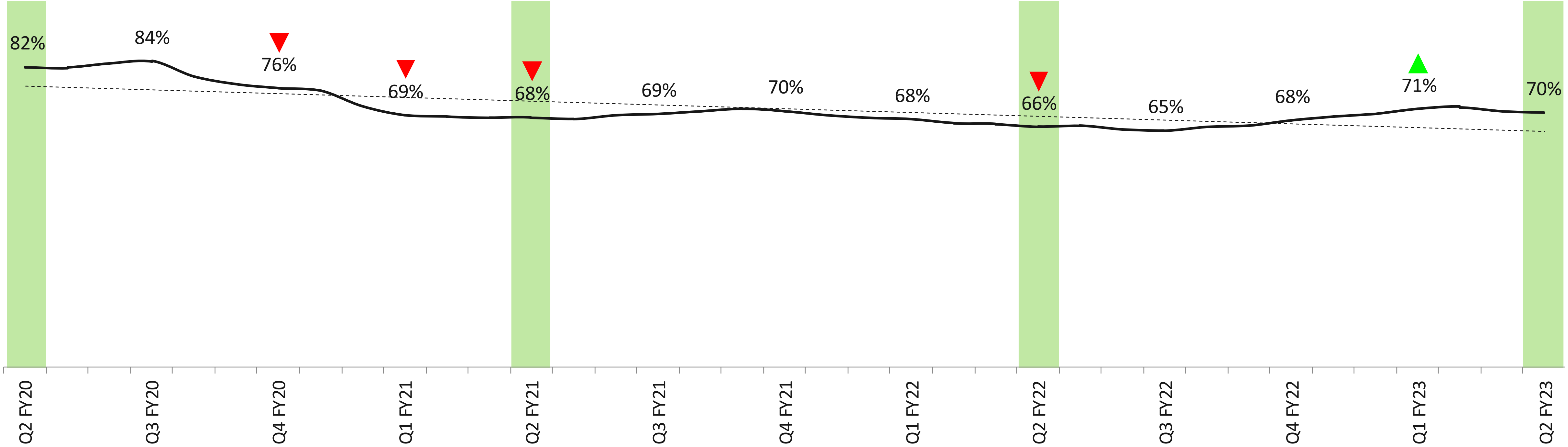
1. The approx. AC pool size is based on the online population estimates as of December 2022 and the AC incidence rate for the current six months
2. Sample size: Q2 FY23 (6MRA) n = 2637; Q4 FY22 (6MRA) n = 3029

Appeal of New Zealand holidays is showing signs of recovery, following a considerable decline during the pandemic

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



▲▼ *Significantly higher / lower than six month prior at 99%*

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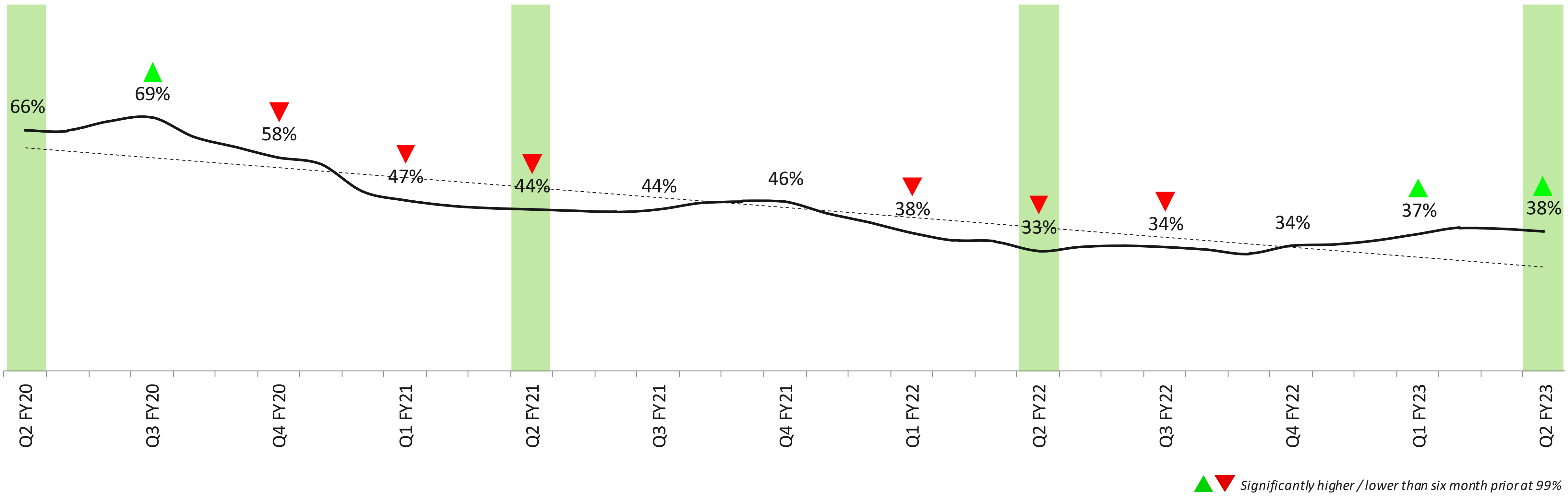
1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 1361, 1338, 1592, 1964, 2095, 2641, 2558, 2531, 3025, 2921, 3029, 2851, 2637
2. Question "Putting aside any thoughts about time and cost, how appealing do you find New Zealand as a holiday destination?"

Although the AC incidence is showing signs of recovery after dropping significantly during the pandemic, it has a long way to go before reaching high levels of three years ago

Incidence of ACs over time

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



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1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 1361, 1338, 1592, 1964, 2078, 2623, 2557, 2531, 3025, 2921, 3029, 2851, 2637
2. % of population who find New Zealand as a holiday destination as highly appealing (%8-10), has strong consideration to holiday in New Zealand (%8-10), strongly prefers to holiday in New Zealand (%4-5), and would spend at least 12,500 yuan while holidaying in New Zealand

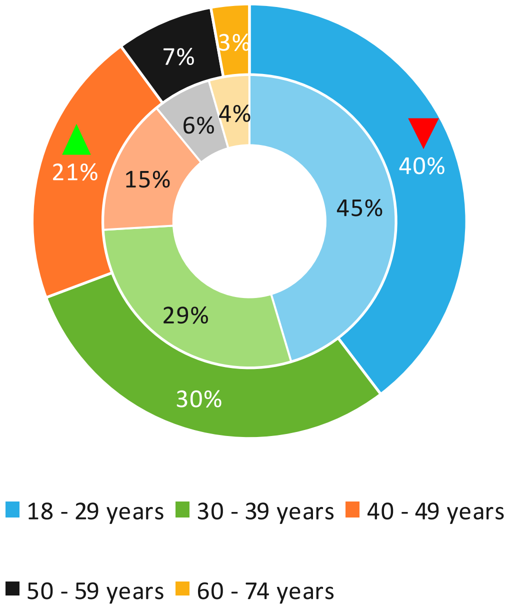
Those aged under 40 years old make up 70% of ACs; the priority mindsets make up 37% of ACs

Profile of Active Considerer

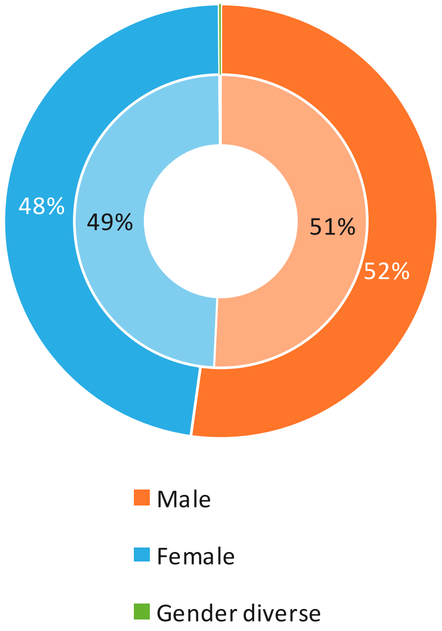
AC Monitor | Current 6M | Active Considerers vs Non-Active Considerers

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

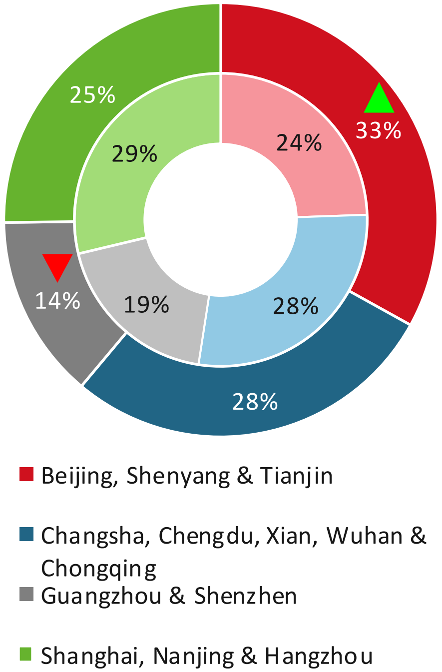
By age segment



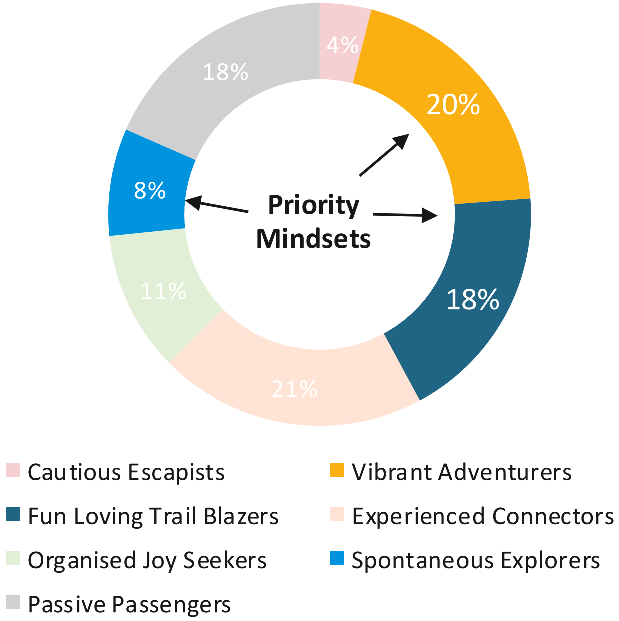
By gender



By region



Mindset Segments



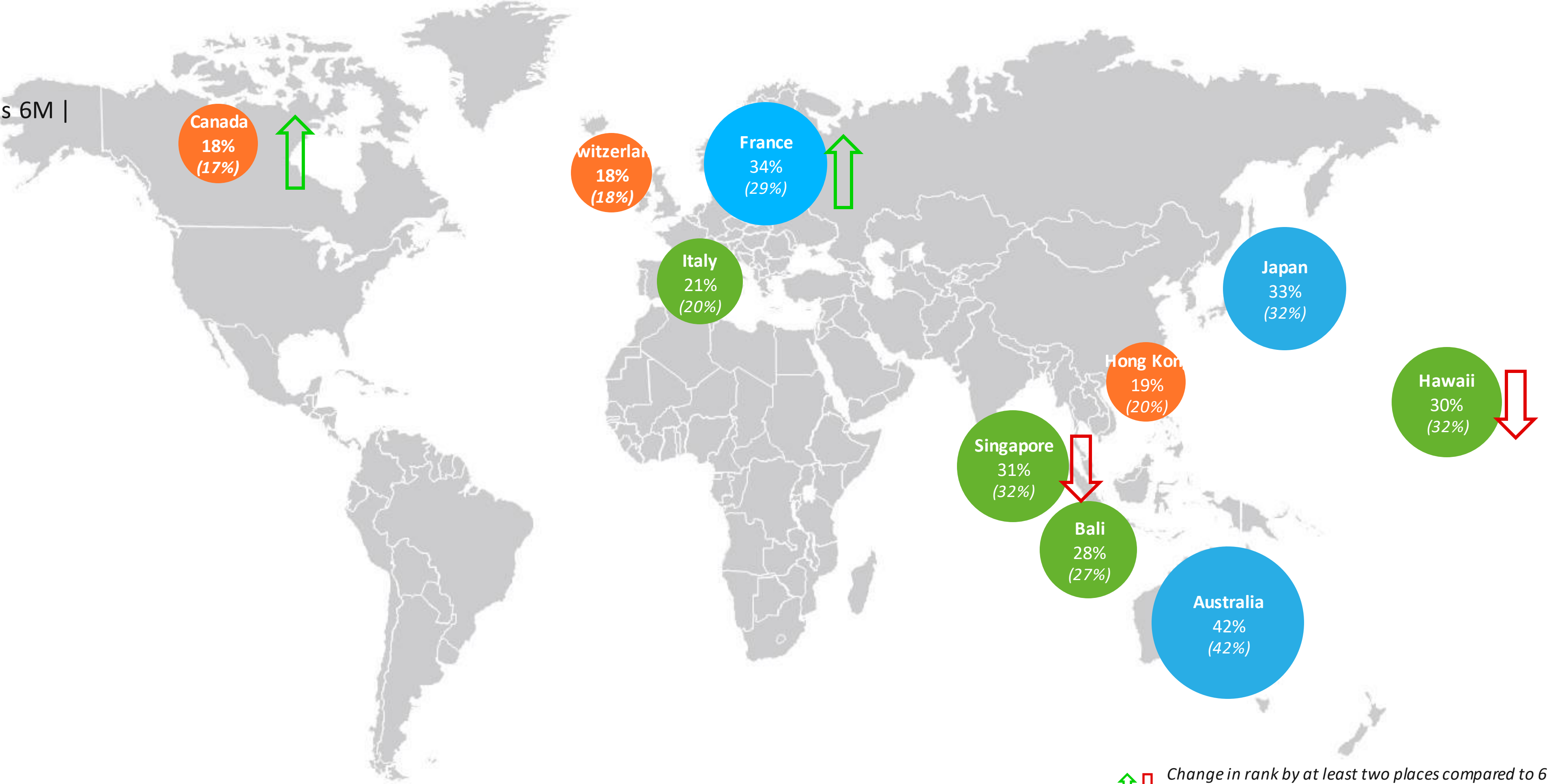
▲▼ *Significantly higher / lower than non-ACs*

1. Sample size AC | Non-AC n = 902 | 1735

Based on preference, key competitors to focus on are Australia, France and Japan, with France increasing in preference

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

⇧⇩ *Change in rank by at least two places compared to 6 months ago*

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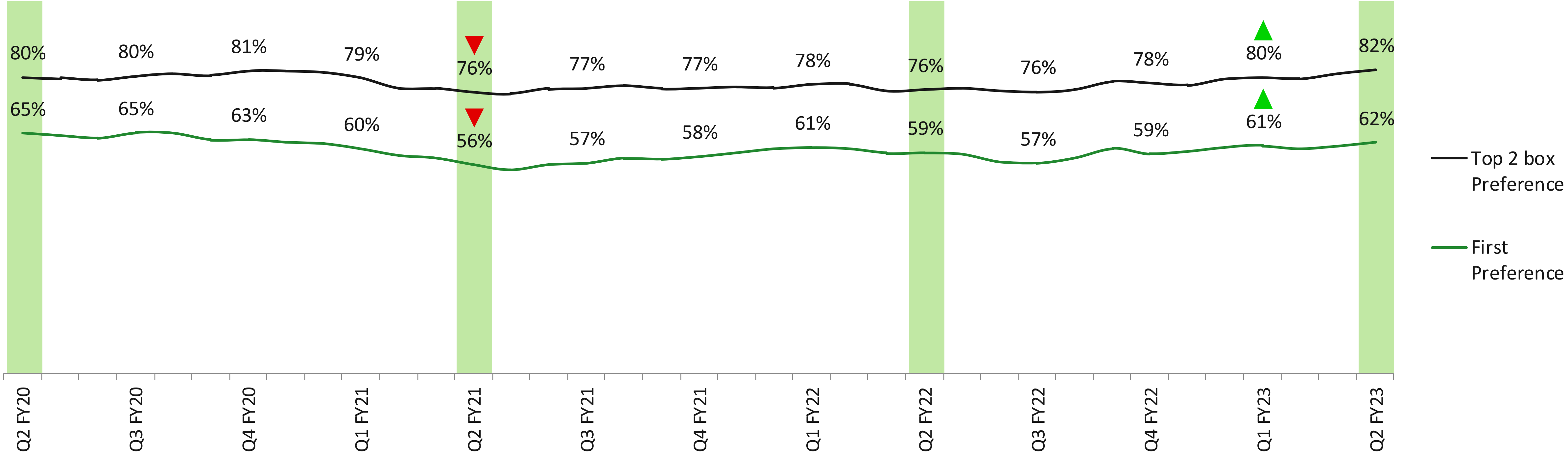
1. Sample size: Q4 FY22 – Q2 FY23 (6MRA) n = 901, 902
2. % selected destination in their top five preferred destinations
3. Figures in brackets denote previous 6 months
4. Question "Aside from New Zealand, what other four destinations make up your top five preferred destinations to visit for a holiday?"

Preference for New Zealand has been steadily recovering from the dip during Covid, reverting to pre-pandemic levels

Preference KPI

AC Monitor | 6MRA | Total Active Considerers



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

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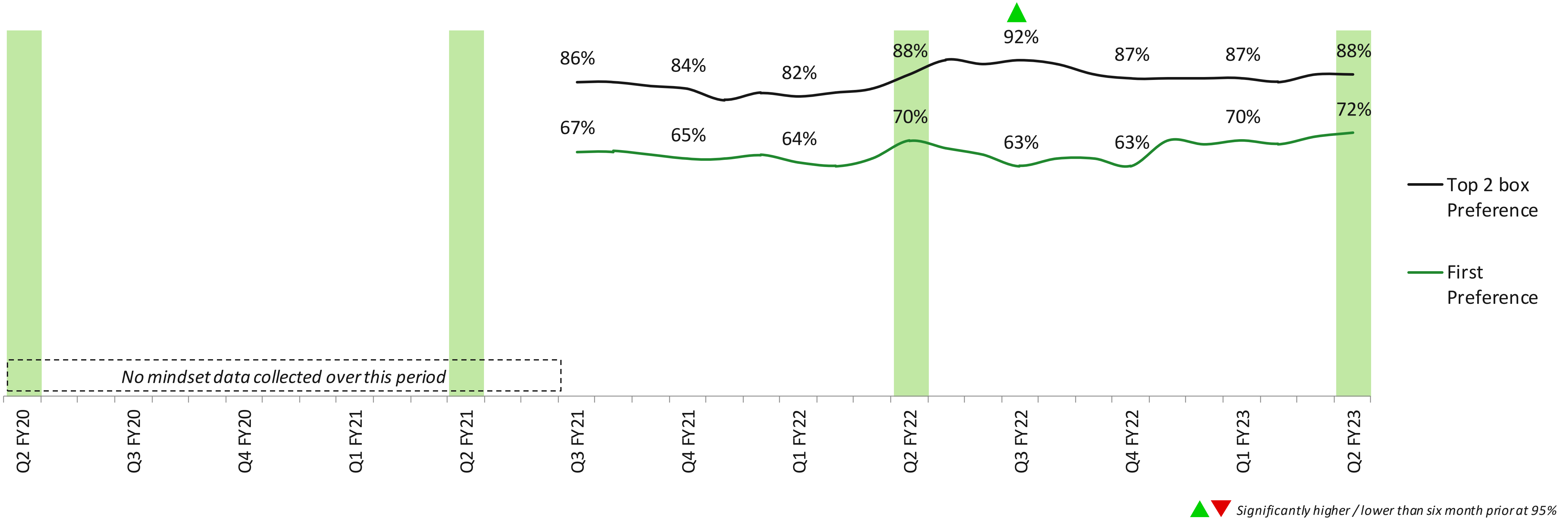
1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 904, 902, 900, 901, 902, 1053, 1052, 900, 900, 900, 900, 900, 900
2. Question "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

Experienced Connectors are more inclined to have increased levels of preference for New Zealand during spring/summer

Preference KPI

AC Monitor | 6MRA | Experienced Connectors



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

KANTAR

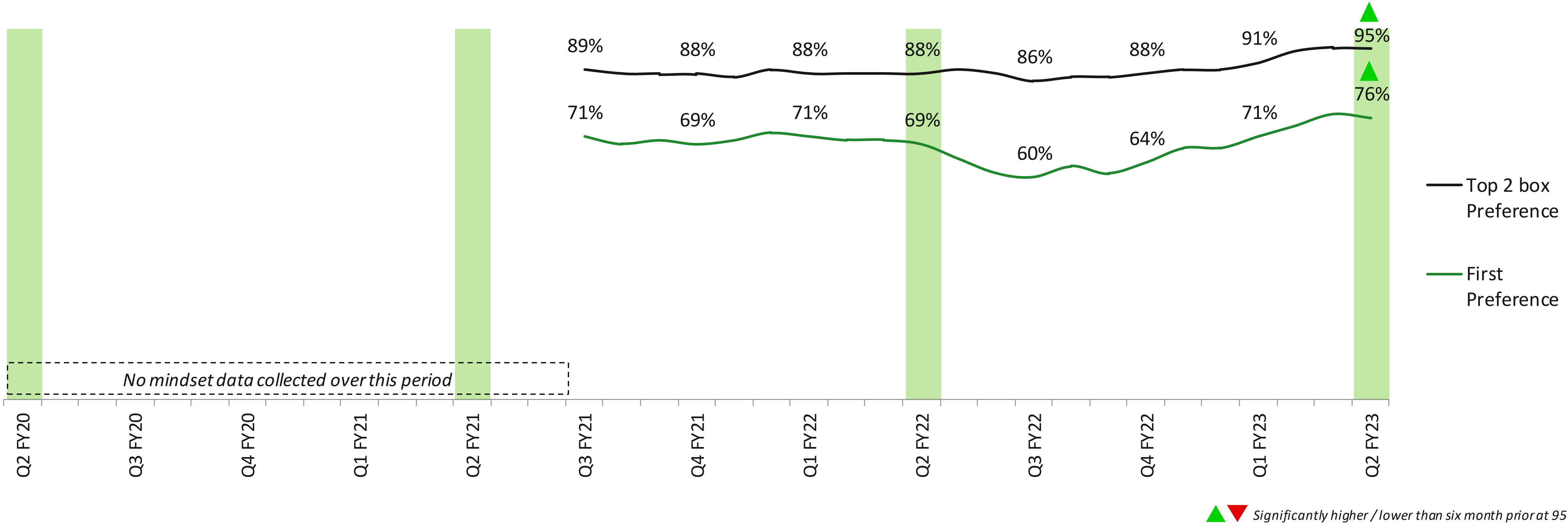
1. Sample size: Q2 FY21– Q2 FY23 (6MRA) n = 155, 215, 159, 155, 147, 145, 170, 161
2. Question "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

100% PURE NEW ZEALAND

Preference among Vibrant Adventurers has been strengthening, particularly in the last quarter with 95% of this mindset ranking New Zealand within their top 2 holiday destinations

Preference KPI

AC Monitor | 6MRA | Vibrant Adventurers



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

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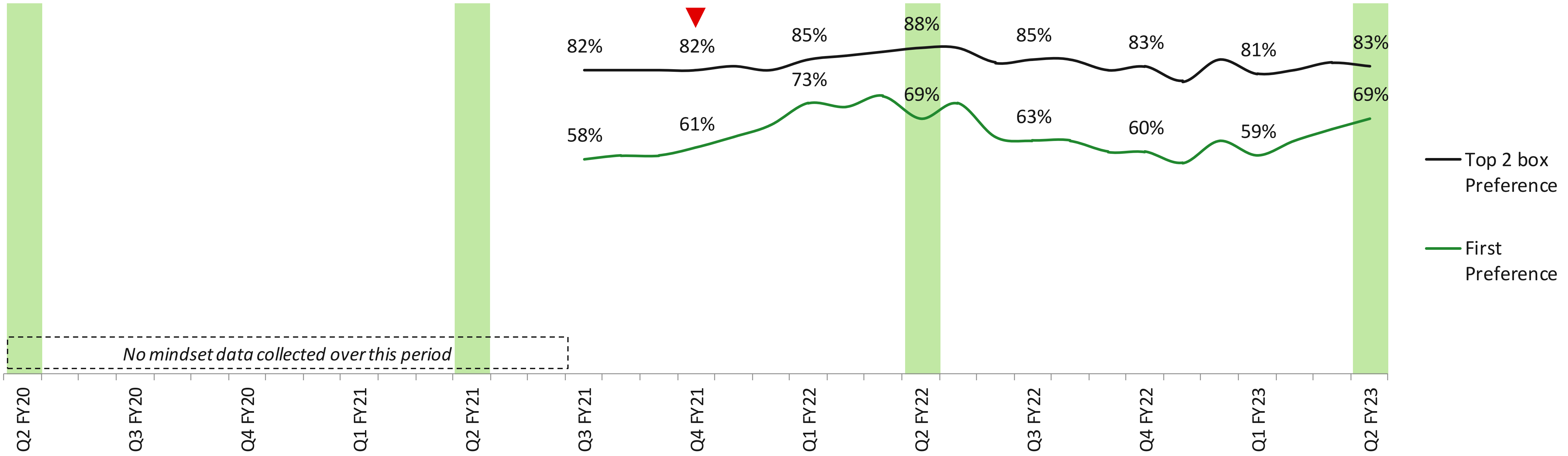
1. Sample size: Q2 FY21– Q2 FY23 (6MRA) n = 121, 173, 174, 164, 156, 180, 173, 148
2. Question "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

Among Fun Loving Trail Blazers, first-choice preference has recovered to levels seen a year previously

Preference KPI

AC Monitor | 6MRA | Fun Loving Trail Blazers



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

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1. Sample size: Q2 FY21 – Q2 FY23 (6MRA) n = 84, 104, 74, 80, 72, 63, 64, 78
2. 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.

Although drivers of preference have fluctuated during the pandemic, they are gradually reverting to their pre-pandemic state; escapism and an opportunity to experience the local culture, quality food and wine, in any season, are emerging as stronger drivers of preference

Top 15 drivers of preference for New Zealand

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

Latest results	2022 rank	2021 rank(1)	2018 rank(1)
Landscapes & scenery	**1**	2	4
Escape normal life	**2**	5	7
Fun & enjoyment	**3**	4	3
Affordable to fly to	**4** ⇧	17 ⇩	8
Clean & unpolluted	**5** ⇧	11 ⇩	1
Affordable activities	**6**	6	9
Relax & refresh	**7** ⇧	15 ⇩	6
Culturally comfortable	**8**	10 ⇧	14
Local culture	**9**	12 ⇧	16
Unique experiences	**10** ⇧	23 ⇩	11
All seasons	**11** ⇧	24 ⇩	20
Range of experiences	**12** ⇩	8 ⇧	19
Family friendly	**13** ⇧	18 ⇩	12
See lots without travelling far	**14** ⇧	19 ⇩	10
Quality food & wine	**15**	16 ⇧	22

Latest results	2022 rank	2021 rank(1)	2018 rank(1)
Safe destination	**16** ⇩	3 ⇧	13
Local experiences	**17** ⇩	7 ⇧	18
Embraces visitors	**18** ⇩	9	*
Unique national parks	**19**	*	*
Wildlife	**20**	*	*
Friendly people	**21** ⇩	14 ⇩	5
Escape troubles	**22**	*	*
Range of adventure	**23**	25 ⇩	21
History & heritage	**24** ⇩	20 ⇧	25
Indigenous culture	**25**	*	*
Easy to travel around	**26**	26	27
Iconic attractions	**27**	28 ⇩	23
Covid-19 management	**28**	*	*
Interesting cities	**29**	27	26
Relationship with the land	**30**	29	*
Challenging	**31**	32 ⇩	28

⇧⇩ *Moved up / down in rank by four or more places*

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1. Some ranks may be missing if the statement has been removed for the current analysis period - #1 in 2021 and #2 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 stands out from competitors on being a place to escape and relax with its pristine nature and unique experiences; New Zealand is less competitive on perceptions of affordability which could hinder conversion

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)

Impact on Preference: High ↕ Low

Brand associations	New Zealand	Australia	France	Japan	Singapore	Hawaii
Landscapes & scenery	104	126	98	73	85	111
Place to escape	116	105	91	72	90	117
Fun & enjoyment	100	97	98	101	98	106
Affordable to fly to	84	102	100	118	118	85
Clean & unpolluted	108	105	81	99	105	95
Affordable activities	87	96	100	119	105	99
Relax & refresh	112	98	88	86	92	117
Culturally comfortable	103	92	105	99	103	98
Local culture	98	95	109	112	109	79
Unique experiences	105	102	107	94	98	93
All seasons	102	102	86	92	99	117
Range of experiences	98	95	119	96	99	96
Family friendly	99	96	93	110	100	101
See a lot in close proximity	104	98	100	99	89	108
Quality food & wine	91	94	121	115	101	86

Strengths:

- Place to escape
- Clean & unpolluted
- Relax & refresh
- Unique experiences

Need to dial up:

- Affordable to fly to
- Affordable activities
- Local culture
- Quality food & wine

1. Only top drivers are reported by rank as reported in Preference Driver Analysis 2022
2. Question: "Which destinations, if any, do you associate with this statement?"

Relative weakness 🟥 🟥 100 🟩 🟩 *Relative strength*

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

Tactical communications need to address growing knowledge gaps about the weather, ease of travelling around and the unique things to see and do; there remains a need for messages around New Zealand's Covid management practices

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	35% ▲	27%	*
2	Unsure how New Zealand is managing Covid-19	34%	38%	*
3	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	32%	35%	*
4	How easy it is to travel around	30% ▲	22%	22%
5	Whether the things to see and do are unique	25% ▲	18%	14%
6	How safe it is from crime	25%	29%	25%
7	What / where the recommended things to see and do are	25% ▲	18%	14%
8	How welcoming the locals are	24%	24%	15%
9	How safe it is to participate in adventure activities	23%	19%	23%
10	Whether I will be able to buy the type of food I like to eat	23%	20%	15%

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

1. Sample size: Q4 FY22 – Q2 FY23 (6MRA) n = 451, 450 Q2 FY20 (6MRA) n = 914
2. Q2 FY20
3. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

* Not asked at that time

Knowledge gaps vary by funnel stage so targeted messaging is recommended; converting planners requires focus on messaging Covid management practices and safety from crime, while, when trying to convert bookers, messages about the unique things to see and do are more important

Top ten knowledge gaps, by funnel stage

AC Monitor | Current 6M | Total Active Considerers

	What do ACs want to know more about before choosing New Zealand?	Dreaming	Planning	Booking
1	What the weather is like	35%	43%	33%
2	Unsure how New Zealand is managing Covid-19	25% ▼	61% ▲	41% ▲
3	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	27% ▼	47% ▲	35%
4	How easy it is to travel around	29%	29%	31%
5	Whether the things to see and do are unique	21% ▼	24%	32% ▲
6	How safe it is from crime	20% ▼	39% ▲	30%
7	What / where the recommended things to see and do are	24%	27%	25%
8	How welcoming the locals are	22%	24%	28%
9	How safe it is to participate in adventure activities	23%	30%	23%
10	Whether I will be able to buy the type of food I like to eat	21%	25%	27%

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

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1. Sample size Q2 FY23 (6MRA) Dreaming n = 275, Planning n = 42, Booking n = 134
2. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

There is also variation in knowledge gaps by mindsets: for instance, Experienced Connectors are more concerned by the weather but less concerned about the unique things to see and do than other mindsets

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	40%	32%	32%
2	Unsure how New Zealand is managing Covid-19	39%	40%	24%
3	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	37%	37%	35%
4	How easy it is to travel around	34% ▲	24%	39%
5	Whether the things to see and do are unique	24%	30%	32%
6	How safe it is from crime	26%	19%	22%
7	What / where the recommended things to see and do are	27%	19%	20%
8	How welcoming the locals are	27%	32% ▲	13%
9	How safe it is to participate in adventure activities	24%	19%	25%
10	Whether I will be able to buy the type of food I like to eat	24%	23%	25%

▲▼ *Significantly higher / lower than six months ago at 95%*

---

1. Sample size Q2 FY23 (6MRA) Experienced Connectors n = 86; Vibrant Adventurers n = 90; Fun Loving Trail Blazer n = 40;
2. Question " Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

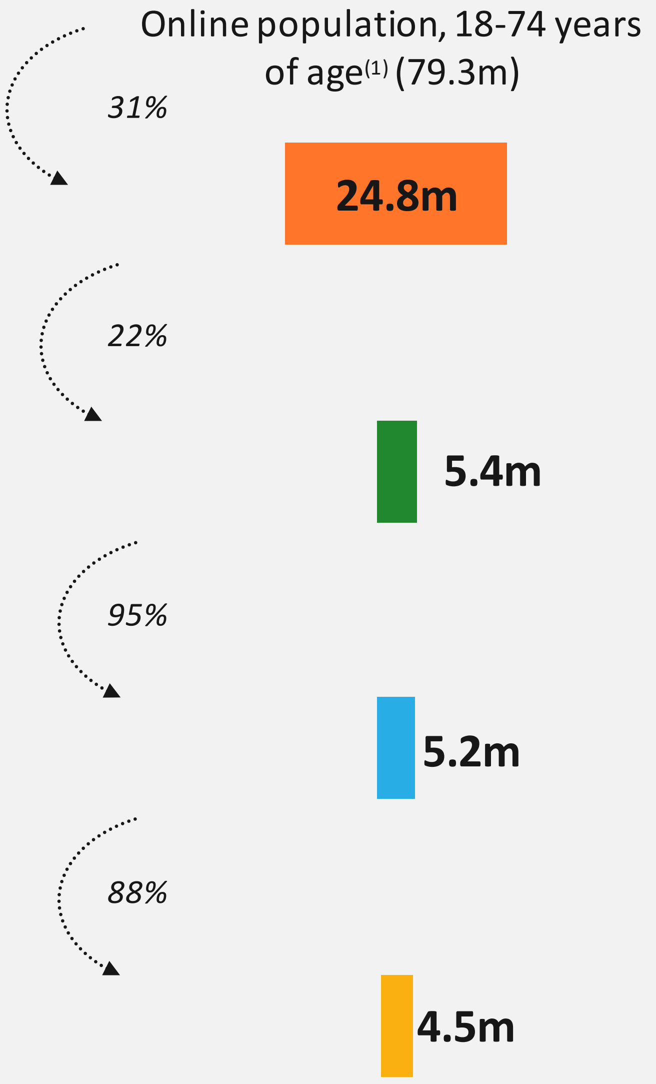
JAPAN


CANADA
USA
UK
GERMANY
CHINA
SOUTH KOREA
INDIA
SINGAPORE
AUSTRALIA
NEW ZEALAND

Active Considerer journey funnel – Japan

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 (Y100,000 per person on a holiday to New Zealand).



Online population, 18-74 years of age(1) (79.3m)

31%

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

24.8m

22%

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

5.4m

95%

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

5.2m

88%

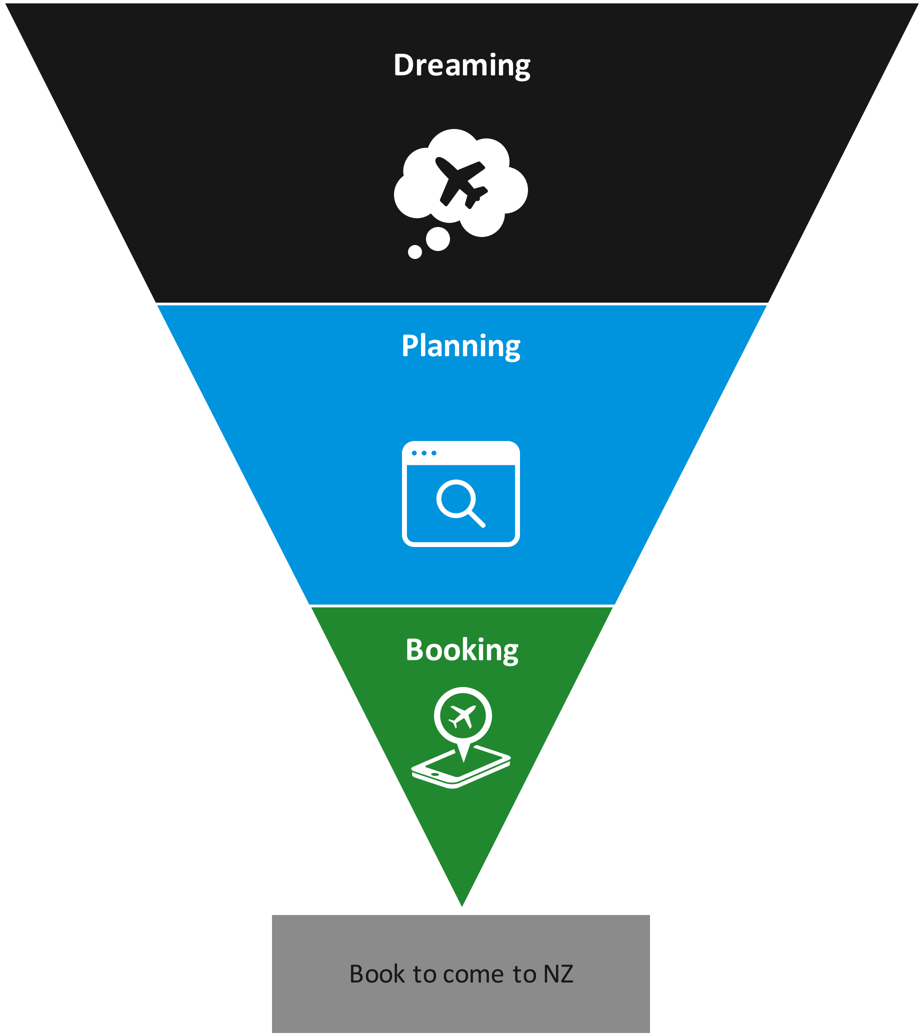
Willing to spend at least Y100,000 per person on a holiday to New Zealand(2)

4.5m

---

1. The approx. AC pool size is based on the online population estimates as of December 2022 and the AC incidence rate for the current six months
2. Including accommodation and daily expenses. Based off actual market data spend (IVS 2019)

Journey funnel to New Zealand - Japan



Active Considerers (4.5m)	Size (%)
2.0m	44%
1.0m	23%
1.5m	33%

Comments

- ‘Ready to book’ is a claimed state of mind
- It doesn’t mean ACs will book a flight tomorrow if possible to do so, but that the commitment to visit New Zealand is there, and they feel confident enough to consider it a place they’d book travel to
- A number of extrinsic (e.g. price, availability) and intrinsic (e.g. annual leave) factors need to align to make booking / conversion a reality
- We know that people continue researching and planning after reaching the ‘ready to book’ stage; it does not mean the end of engagement between consumers and TNZ / industry players

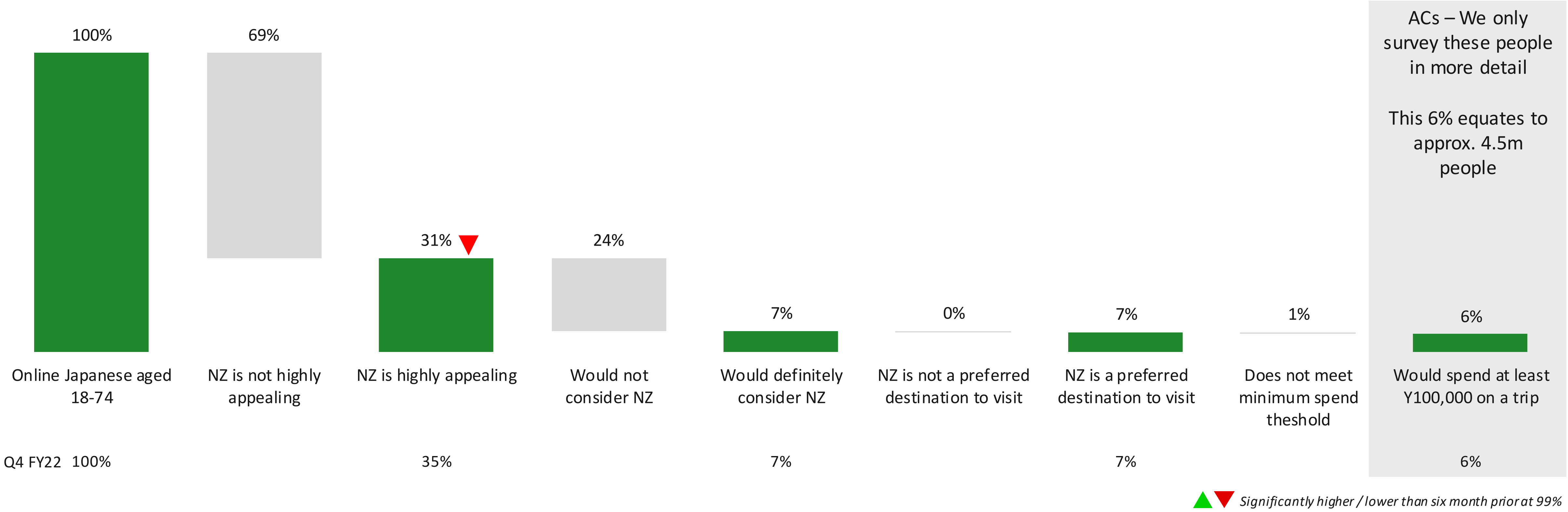
---

1. Sample size: ACs Q2 FY23 (6MRA) n = 900

Japan represents a sizable opportunity for TNZ with 4.5 million potential ACs

Qualifying criteria for defining ACs

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



ACs – We only survey these people in more detail

This 6% equates to approx. 4.5m people

▲▼ *Significantly higher / lower than six month prior at 99%*

---

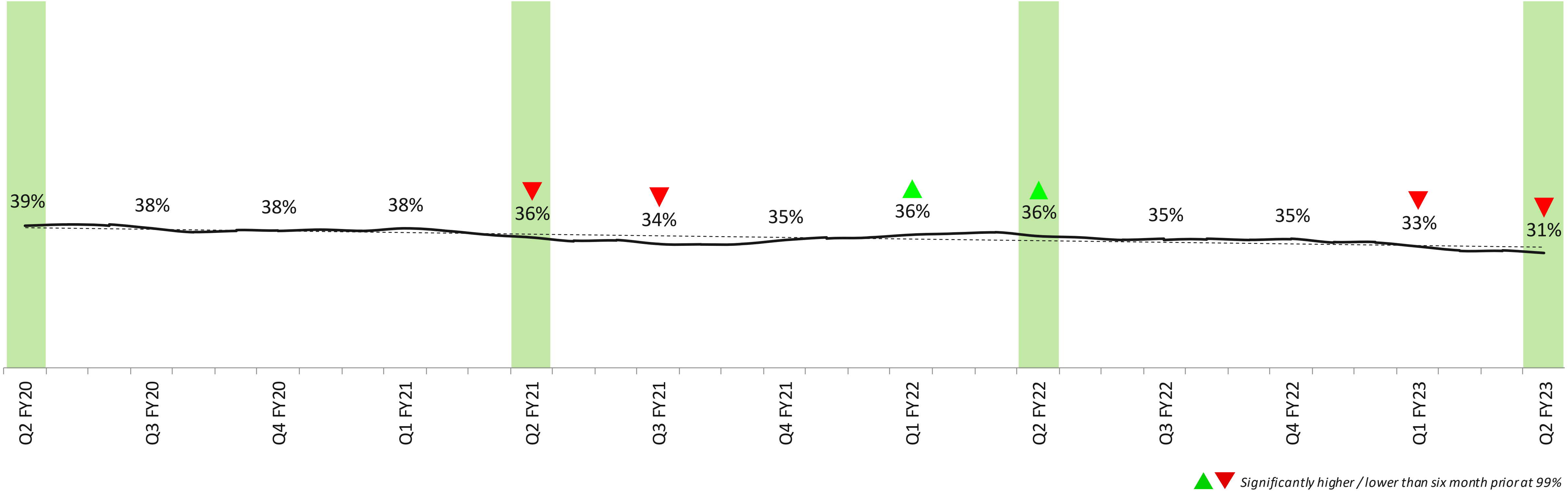
1. The approx. AC pool size is based on the online population estimates as of December 2022 and the AC incidence rate for the current six months
2. Sample size Q2 FY22 | Q4 FY22 n = 20353 | 17468

Appeal of New Zealand holidays remained broadly consistent throughout the pandemic but has recently dropped

- 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

Appeal

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



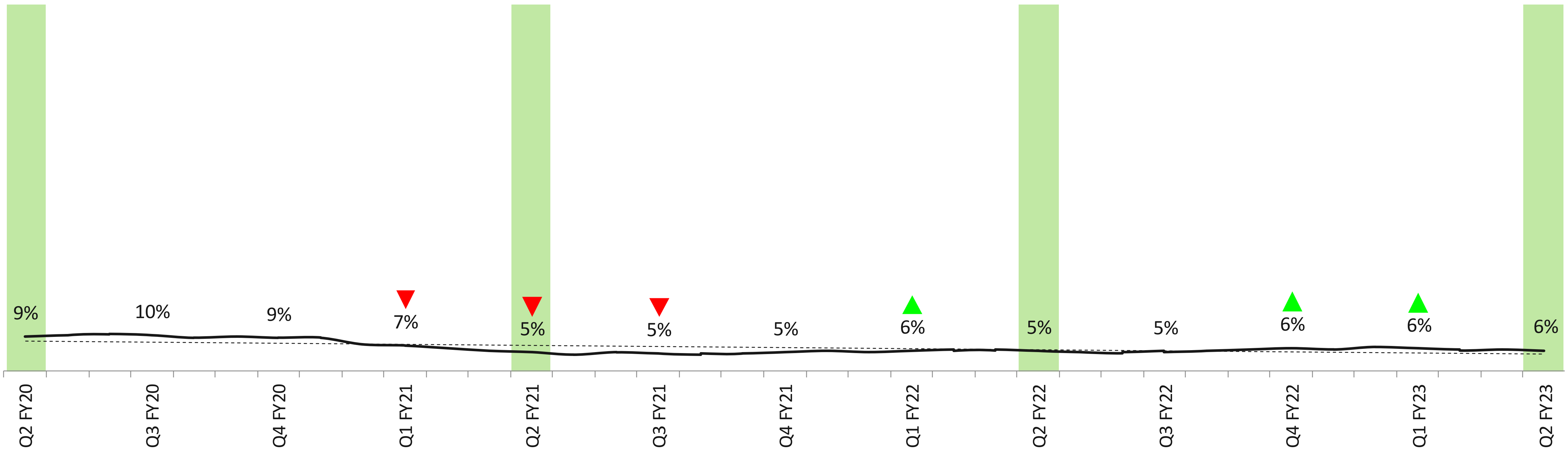
▲▼ *Significantly higher / lower than six month prior at 99%*

1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = = 11109, 10671, 11887, 15267, 21088, 25834, 24125, 20636, 21659, 20878, 17468, 19183, 20353
2. Question "Putting aside any thoughts about time and cost, how appealing do you find New Zealand as a holiday destination?"

The AC incidence declined considerably during the pandemic but has been relatively stable over the last two years

Incidence of ACs over time

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



▲▼ *Significantly higher / lower than six month prior at 99%*

1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = = 11109, 10671, 11887, 15267, 21088, 25834, 24125, 20636, 21659, 20878, 17468, 19183, 20353
2. % of population who find New Zealand as a holiday destination as highly appealing (%8-10), has strong consideration to holiday in New Zealand (%8-10), strongly prefers to holiday in New Zealand (%4-5), and would spend at least Y100,000 while holidaying in New Zealand

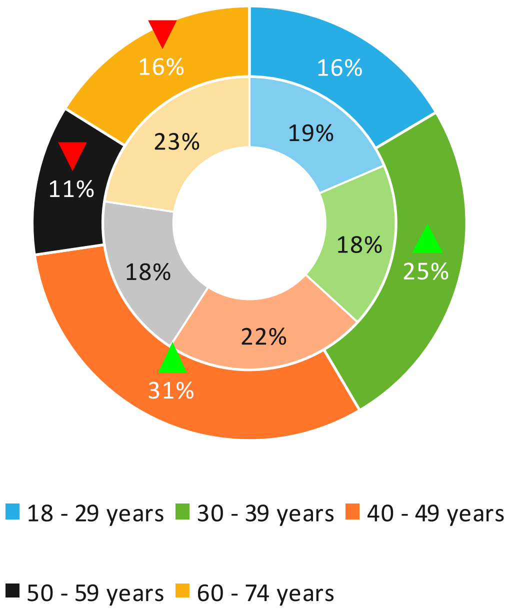
Compared to non-ACs, ACs are more likely to be in the 30 to 49 yrs. age group, to be males and reside in Kanto; priority mindsets make up 22% of ACs

Profile of Active Considerer

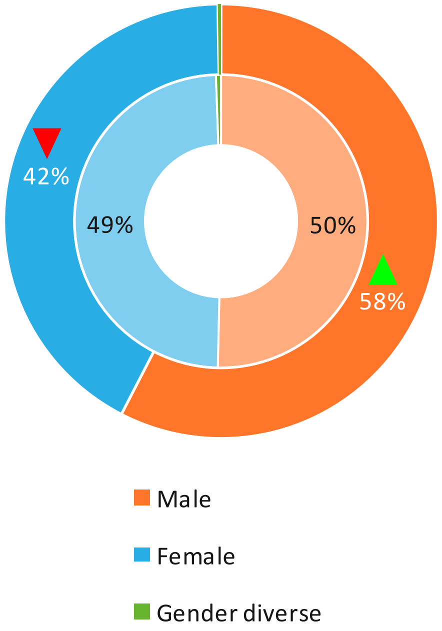
AC Monitor | Current 6M | Active Considerers vs Non-Active Considerers

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

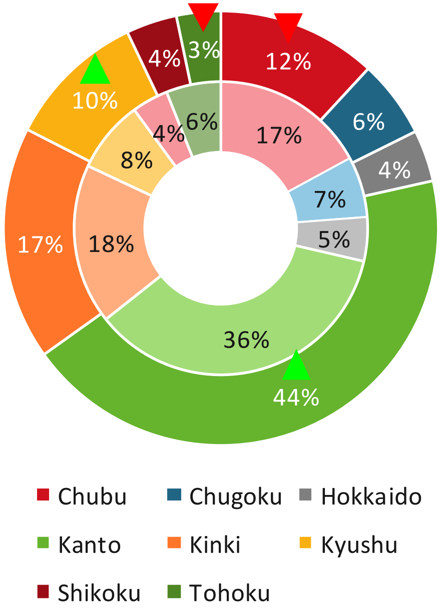
By age segment



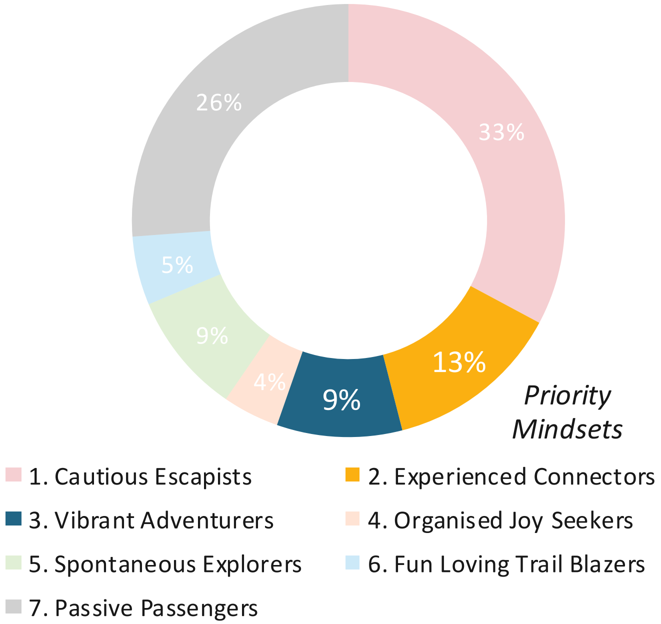
By gender



By region



Mindset Segments



▲▼ Significantly higher / lower than non-ACs

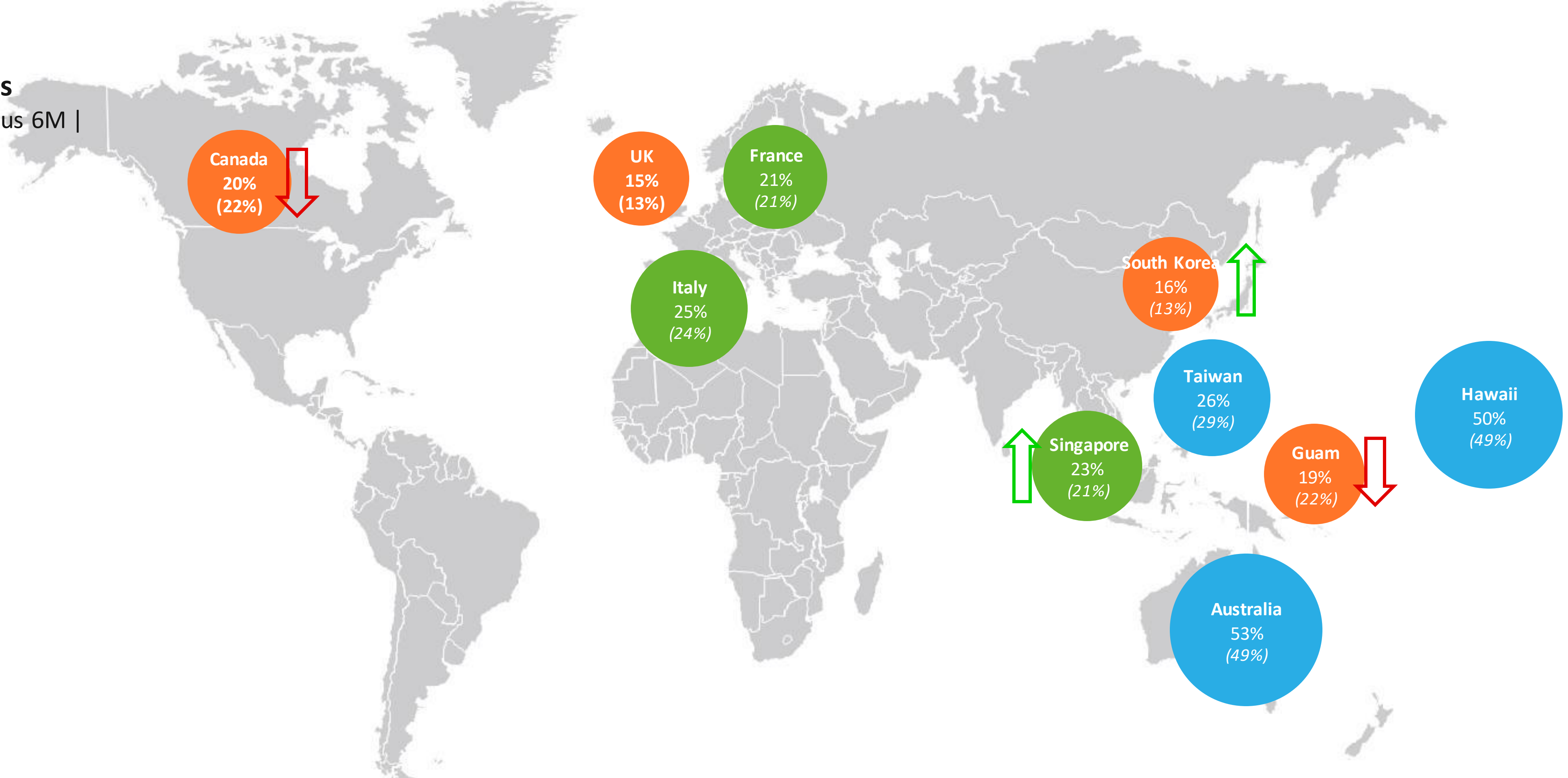
---

1. Sample size AC | Non-AC n = 900 | 19453

Australia and Hawaii are the key competitors to watch, based on preference among Japanese ACs

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

⇧⇩ *Change in rank by at least two places compared to 6 months ago*

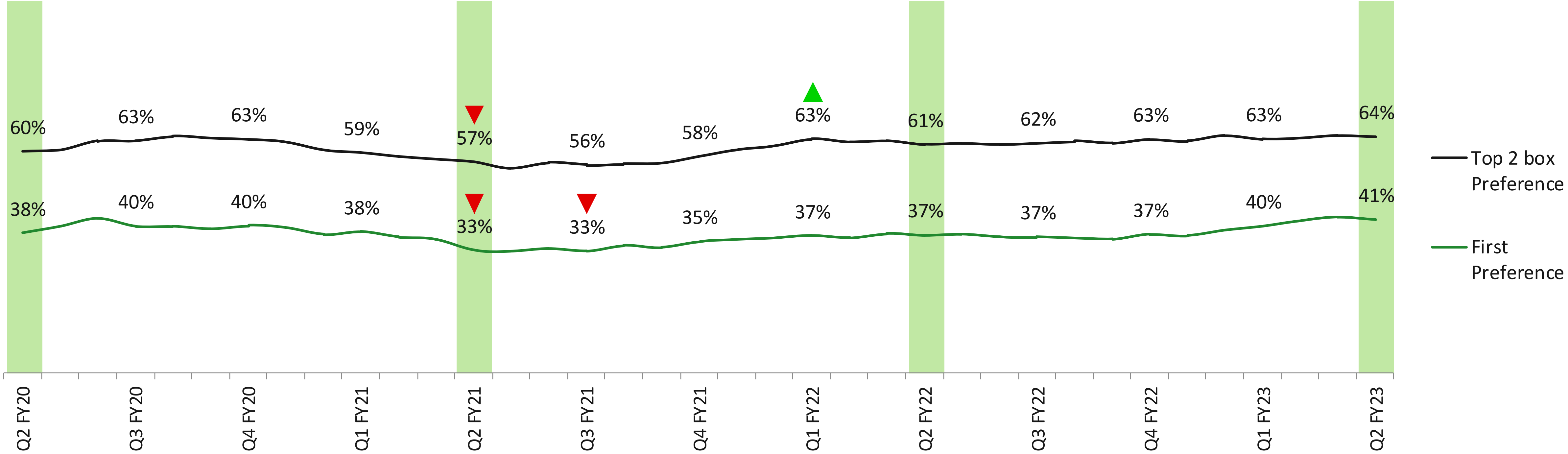
---

1. Sample size: Q4 FY22 – Q2 FY23 (6MRA) n = 900, 900
2. % selected destination in their top five preferred destinations
3. Figures in brackets denote previous 6 months
4. Question "Aside from New Zealand, what other four destinations make up your top five preferred destinations to visit for a holiday?"

Preference for New Zealand has slowly recovered to pre-pandemic levels following a dip during the peak of Covid

Preference KPI

AC Monitor | 6MRA | Total Active Considerers



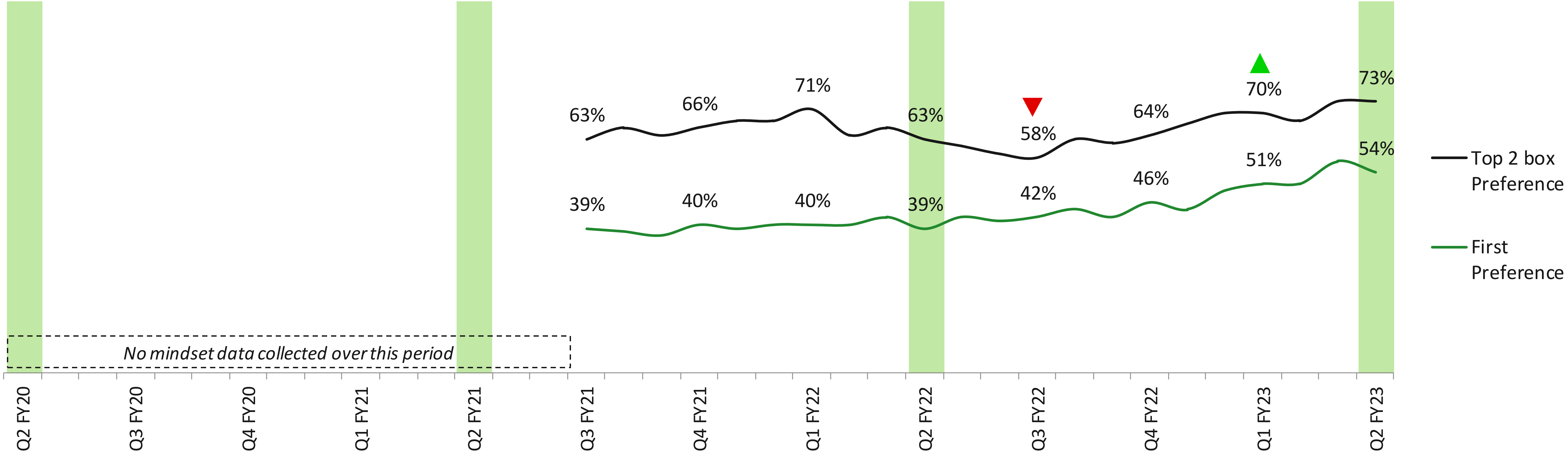
▲▼ *Significantly higher / lower than six month prior at 95%*

1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 904, 902, 900, 901, 902, 1053, 1052, 900, 900, 900, 900, 900, 900
2. Question "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

Preference among Experience Connectors has recovered and surpassed pre-pandemic levels

Preference KPI

AC Monitor | 6MRA | Experienced Connectors



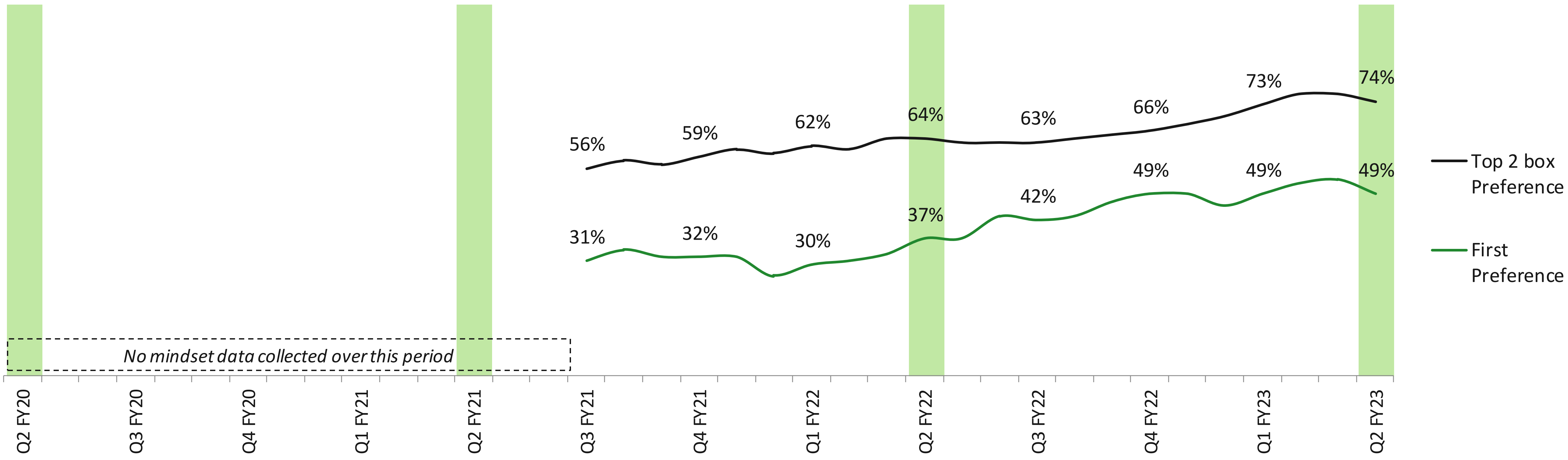
▲▼ *Significantly higher / lower than six month prior at 95%*

1. Sample size: Q2 FY21– Q2 FY23 (6MRA) n = 155, 215, 159, 155, 147, 145, 170, 161
2. Question "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

Preference among Vibrant Adventurers has steadily improved over the past two years, with first-choice preference at a high of 49%

Preference KPI

AC Monitor | 6MRA | Vibrant Adventurers



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

1. Sample size: Q2 FY21– Q2 FY23 (6MRA) n = 121, 173, 174, 164, 156, 180, 173, 148
2. Question "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

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.

The focus should be on promoting New Zealand as a welcoming destination where visitors can unwind, escape from their daily routines, and enjoy stunning landscapes and wildlife experiences; post the pandemic there is less focus on range of adventure and unique experiences

Top 15 drivers of preference for New Zealand

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

Latest results	2022 rank	2021 rank(1)	2019 rank(1)
Landscapes & scenery	**1**	2	2
Relax & refresh	**2** ⇧	9	7
Safe destination	**3**	3	5
Fun & enjoyment	**4**	5	8
Wildlife	**5**	*	*
Escape normal life	**6**	6 ⇧	10
Embraces visitors	**7**	8	*
Clean & unpolluted	**8**	7 ⇩	3
Escape troubles	**9**	*	*
Friendly people	**10**	11	11
Unique national parks	**11**	*	*
Range of adventure	**12** ⇩	4	4
Indigenous culture	**13**	*	*
Unique experiences	**14** ⇩	10 ⇩	6
Covid-19 management	**15**	*	*
Local culture	**16**	15	16
Culturally comfortable	**17**	19	20
Family friendly	**18**	16	15
Local experiences	**19** ⇩	12	12
Range of experiences	**20**	17	14
Quality food & wine	**21**	23	23
Interesting cities	**22**	25	25
Challenging	**23** ⇩	18	17
All seasons	**24** ⇩	20	18
Iconic attractions	**25** ⇩	21	21
History & heritage	**26** ⇧	31	29
Relationship with the land	**27**	26	*
Easy to travel around	**28**	28	26
See lots without travelling far	**29**	30	28
Affordable activities	**30**	29	27
Affordable to fly to	**31**	32	30

---

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

* Not asked at that time

⇧⇩ *Moved up / down in rank by four or more places*

New Zealand's strengths lie in its unique and pristine landscapes and scenery, wildlife, and range of adventure but there is room to dial up New Zealand as being a welcoming and friendly place to relax, escape and feel safe

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)

High

Impact on Preference

Low

Brand associations	New Zealand	Australia	Hawaii	Taiwan	Italy	Singapore
Landscapes & scenery	118	124	103	58	66	75
Relax & refresh	92	93	117	93	117	96
Safe destination	82	77	99	151	81	150
Fun & enjoyment	81	82	102	119	137	131
Wildlife	123	129	101	47	73	63
Escape normal life	90	89	109	96	131	109
Embraces visitors	89	83	95	146	98	123
Clean & unpolluted	147	114	80	52	57	83
Escape troubles	92	96	114	100	117	89
Friendly people	86	78	102	175	104	92
Unique National parks	115	128	92	46	93	84
Range of adventure	110	119	103	66	86	82
Indigenous culture	106	119	103	87	91	63
Unique experiences	100	93	88	93	150	105
Covid-19 management	100	101	80	129	65	130

Strengths:

- Landscapes & scenery
- Wildlife
- Clean & unpolluted
- Unique National parks

Need to dial up:

- Relax & refresh
- Safe destination
- Escapism
- Embraces visitors

1. Only top drivers are reported by rank as reported in Preference Driver Analysis 2022
2. Question: "Which destinations, if any, do you associate with this statement?"

Relative weakness 🟥 🟥 100 🟩 🟩 *Relative strength*

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

Tactical communications need to fill in key knowledge gaps about the options for travelling to New Zealand and ease of travelling around, and about the weather which is a growing concern

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 options are for travelling within New Zealand	33%	27%	30%
2	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	33%	35%	*
3	How easy it is to travel around	31%	29%	32%
4	What the weather is like	31% ▲	23%	*
5	Whether I will be able to buy the type of food I like to eat	26%	26%	24%
6	What / where the recommended things to see and do are	26%	29%	28%
7	Unsure how New Zealand is managing Covid-19	26%	27%	*
8	How welcoming the locals are	25%	24%	24%
9	How safe it is from crime	25%	26%	41%
10	The length of time required to fly to New Zealand	24%	25%	24%

🟨 *Ranks higher now than six months ago*

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

---

1. Sample size: Q4 FY22 – Q2 FY23 (6MRA) n = 450, 450 Q2 FY20 (6MRA) n = 912
2. Q2 FY20
3. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

* Not asked at that time

Knowledge gaps are fairly consistent across the three funnel stages but messages around the weather and options for travelling around will be most impactful among dreamers, whereas messages around Covid practices will have more impact on planners and bookers

Top ten knowledge gaps, by funnel stage

AC Monitor | Current 6M | Total Active Considerers

	What do ACs want to know more about before choosing New Zealand?	Dreaming	Planning	Booking
1	What the options are for travelling within New Zealand	37%	30%	29%
2	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	28%	40%	34%
3	How easy it is to travel around	31%	33%	29%
4	What the weather is like	34%	29%	26%
5	Whether I will be able to buy the type of food I like to eat	32% ▲	19%	23%
6	What / where the recommended things to see and do are	29%	26%	22%
7	Unsure how New Zealand is managing Covid-19	24%	27%	26%
8	How welcoming the locals are	28%	24%	21%
9	How safe it is from crime	26%	26%	21%
10	The length of time required to fly to New Zealand	27%	23%	19%

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

---

1. Sample size Q2 FY23 (6MRA) Dreaming n = 213, Planning n = 104, Booking n = 133
2. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

Indicatively, Experienced Connectors have greater knowledge gaps around the travel options within New Zealand and the recommended things to see and do, while Vibrant Adventurers are most concerned by the ease of travel, the weather and how welcoming the locals are – thus targeted messaging is recommended

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
1	What the options are for travelling within New Zealand	34%	21%
2	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	29%	33%
3	How easy it is to travel around	17%	32%
4	What the weather is like	23%	28% ▲
5	Whether I will be able to buy the type of food I like to eat	26%	18%
6	What / where the recommended things to see and do are	33%	19%
7	Unsure how New Zealand is managing Covid-19	21%	20%
8	How welcoming the locals are	11%	28%
9	How safe it is from crime	11%	17%
10	The length of time required to fly to New Zealand	13%	20%

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

---

1. Sample size: Q2 FY23 (6MRA) Experienced Connectors n = 55, Vibrant Adventurers n = 44
2. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

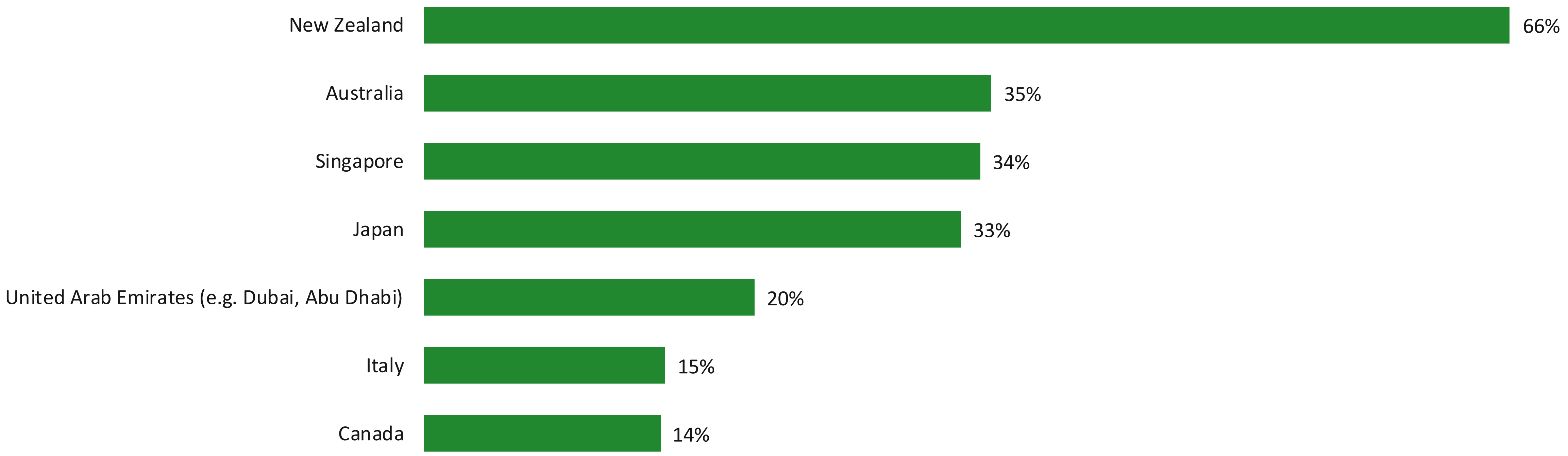
1

Appendix

In terms of recall of destination advertising or promotion, New Zealand generates the greatest levels, followed by Australia and other Asian destinations

Holiday destinations seen advertised or promoted recently (Prompted Awareness)

AC Monitor | Current 6M | Total Active Considerers



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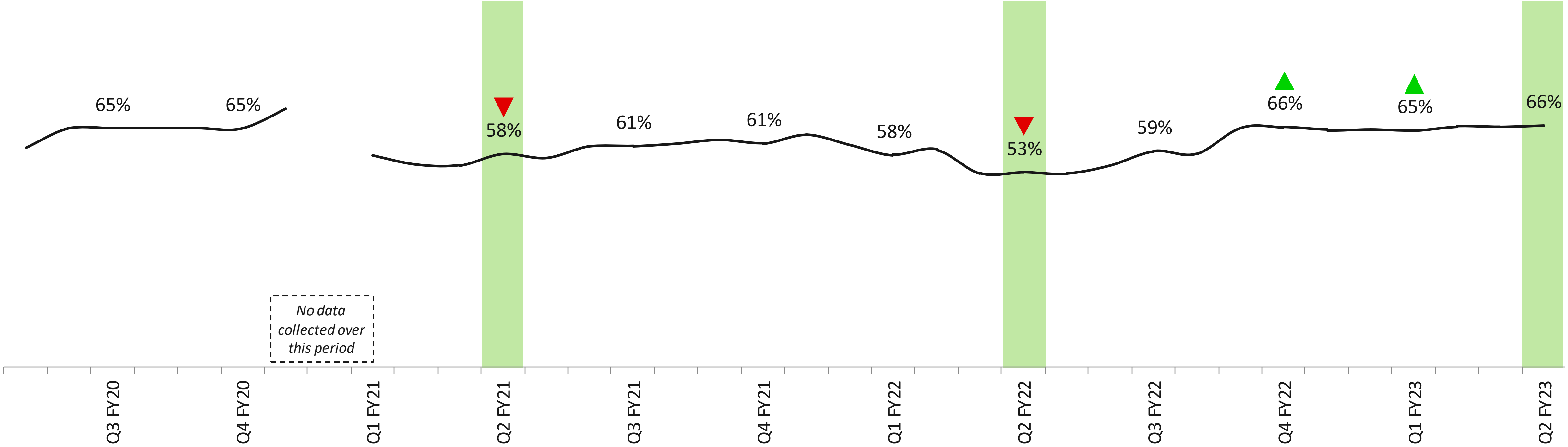
1. 1. Sample sizes: Q2 FY23 n = 902
2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"

Advertising awareness for New Zealand has reached its highest levels during the past year

Seen New Zealand advertised or promoted recently (Prompted Awareness)

AC Monitor | 6MRA | Total Active Considerers



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

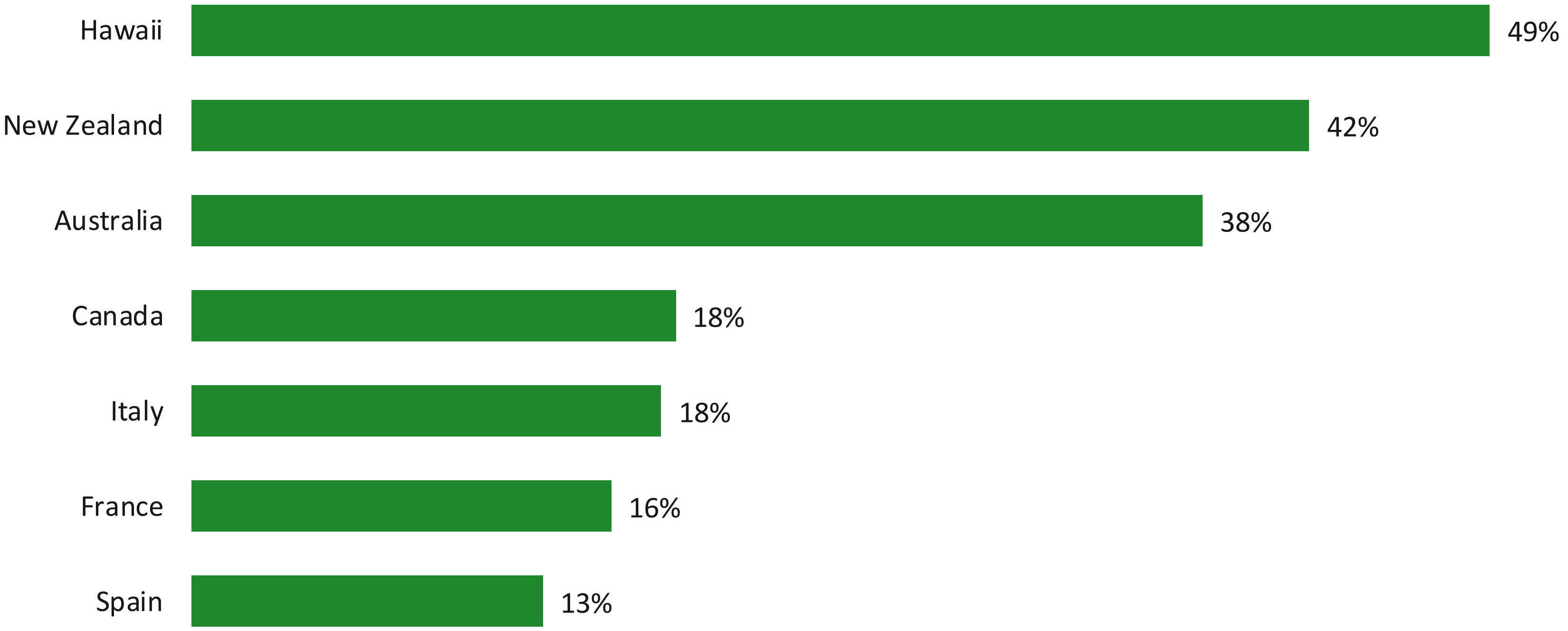
---

1. Sample size: Q3 FY20– Q2 FY23 (6MRA) n = 305, 305, 151, 603, 1166, 1164, 900, 901, 901, 901, 902, 902
2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"

Recall of advertising / promotion of New Zealand as a holiday destination is strong, but second to Hawaii

Holiday destinations seen advertised or promoted recently (Prompted Awareness)

AC Monitor | Current 6M | Total Active Considerers

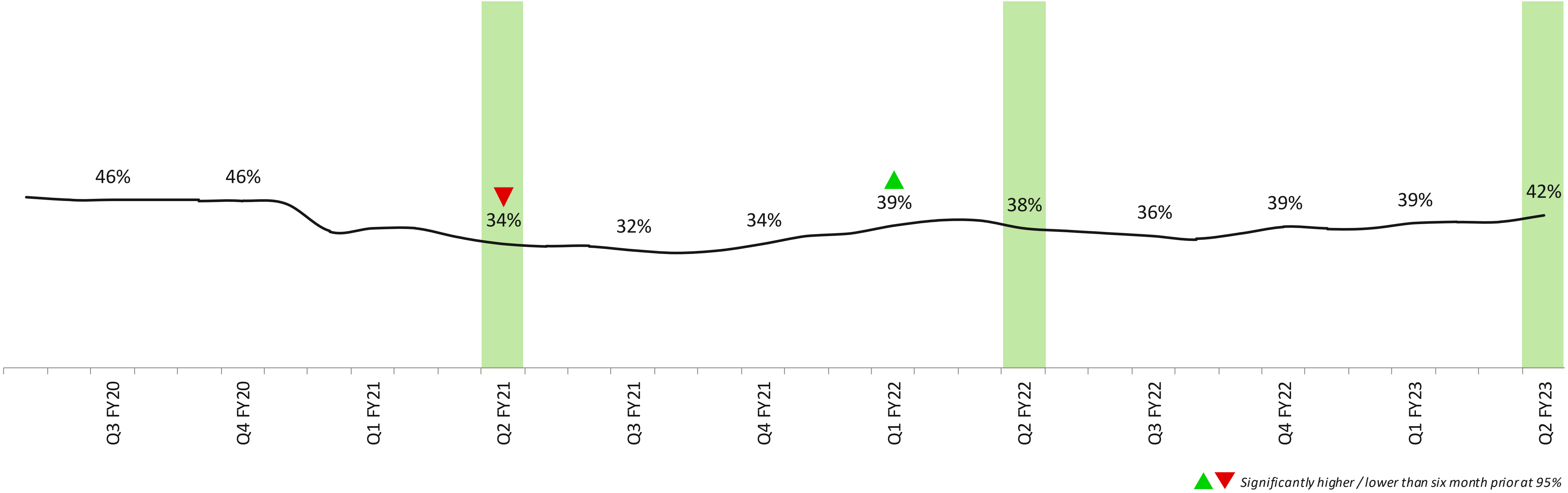


1. 1. Sample sizes: Q2 FY23 n = 900
2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"

Advertising awareness for New Zealand amongst Japanese travellers has steadily recovered from Covid disruption

Seen New Zealand advertised or promoted recently (Prompted Awareness)

AC Monitor | 6MRA | Total Active Considerers



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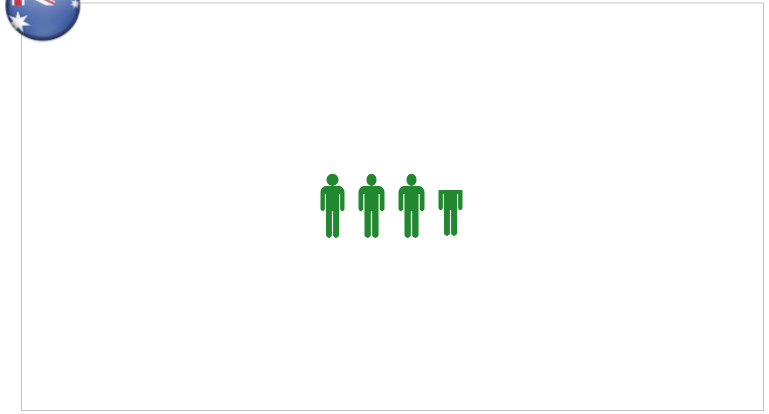
1. Sample size: Q3 FY20– Q2 FY23 (6MRA) n = 300, 300, 302, 753, 1051, 1051, 902, 901, 900, 900, 900, 900
2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"

Appendix: Market size

= 1 million ACs

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

Australia - 3.5m



China – 38.7m

Germany – 6.3m

Japan – 4.4m

UK – 6.9m

USA – 47.0m

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

Appendix: Market size

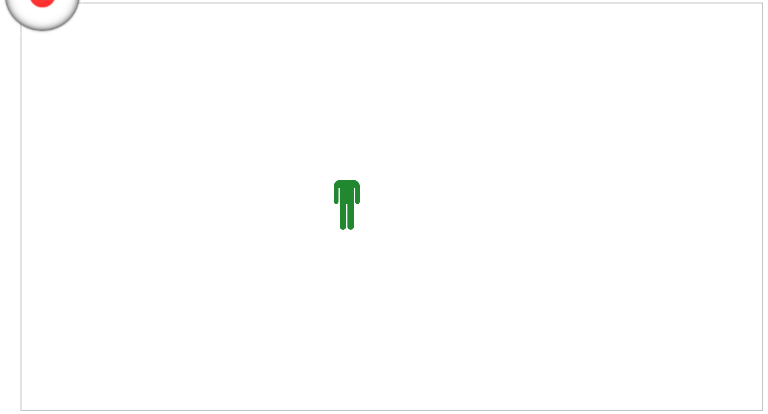
Updated using AC incidence rates for the latest wave in Q2 FY23

= 1 million ACs

Canada – 5.7m

India – 10.6m

Singapore – 0.6m

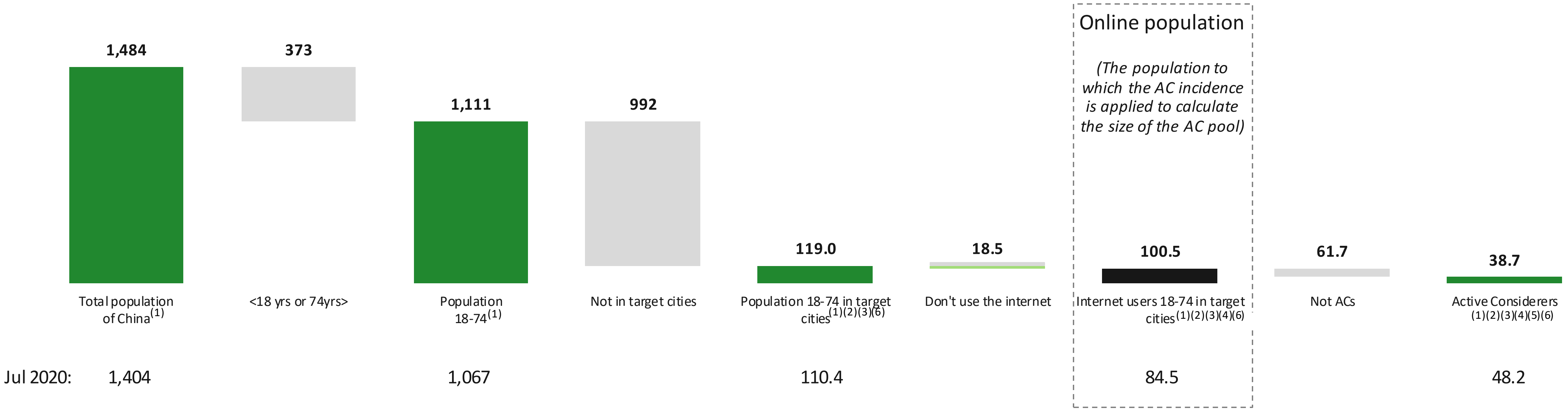


South Korea – 6.9m

Chinese Market Sizing

Dec 22 | Million people

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



Online population

(The population to which the AC incidence is applied to calculate the size of the AC pool)

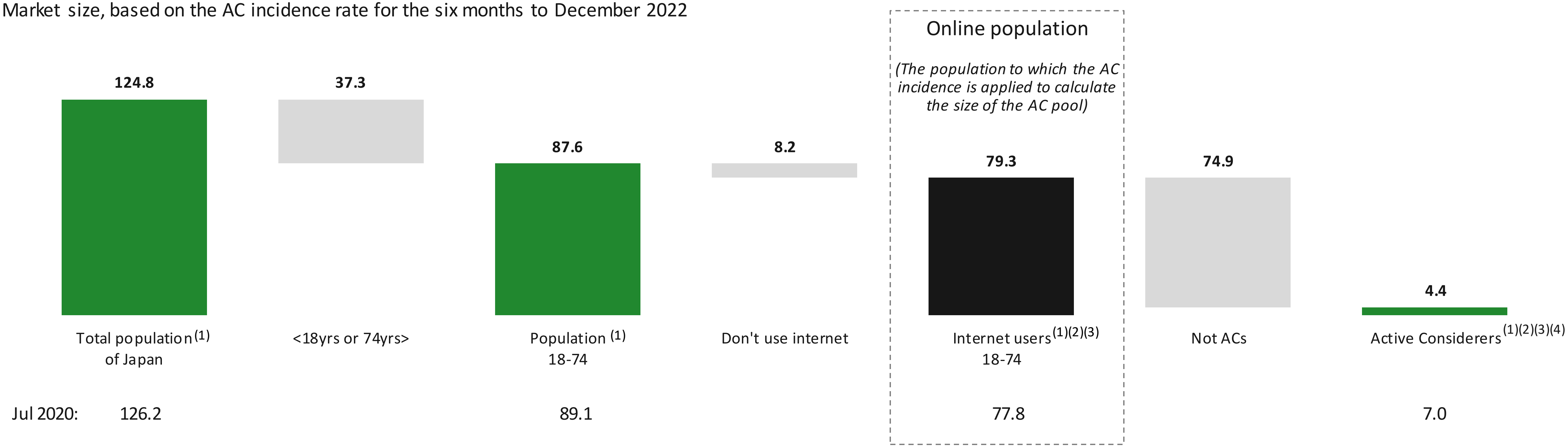
SOURCES/NOTES:

(1) National Bureau of Statistics of China, China Statistical Yearbook 2019, Total population by age and region; Time period: 2019; Coverage: All Chinese individuals, excludes Hong Kong, Macau and Taiwan
(2) Worldometer population clock, China; Time period as at mid January 2023
(3) United Nations, The World's Cities in 2018, Data Booklet; Time period: 1 July 2021; Coverage: Population of Chinese urban agglomerations with 1 million inhabitants or more
(4) Target Cities: Beijing, Changsha, Chengdu, Guangzhou, Hangzhou, Nanjing, Shanghai, Shenyang, Shenzhen, Wuhan, Xi'an, Chongqing and Tianjin
(5) CNNIC, Statistical Report on Internet Development 45th China Internet Network; Time period: June 2022; Coverage: Chinese residents aged 6+; Internet user definition: Have used Internet in the past 6 months
(6) Tourism New Zealand, Active Considerer Monitor China; Time period: Jul-Dec 2022, under the latest AC definition
(7) Kantar Analysis

Japan Market Sizing

Dec 22 | Million people

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



SOURCES/NOTES:

(1) Statistics Bureau of Japan, Population Estimates by Age (Five-Year Groups) and Sex, Time period: Provisional estimates December 1, 2022; Coverage: Total population

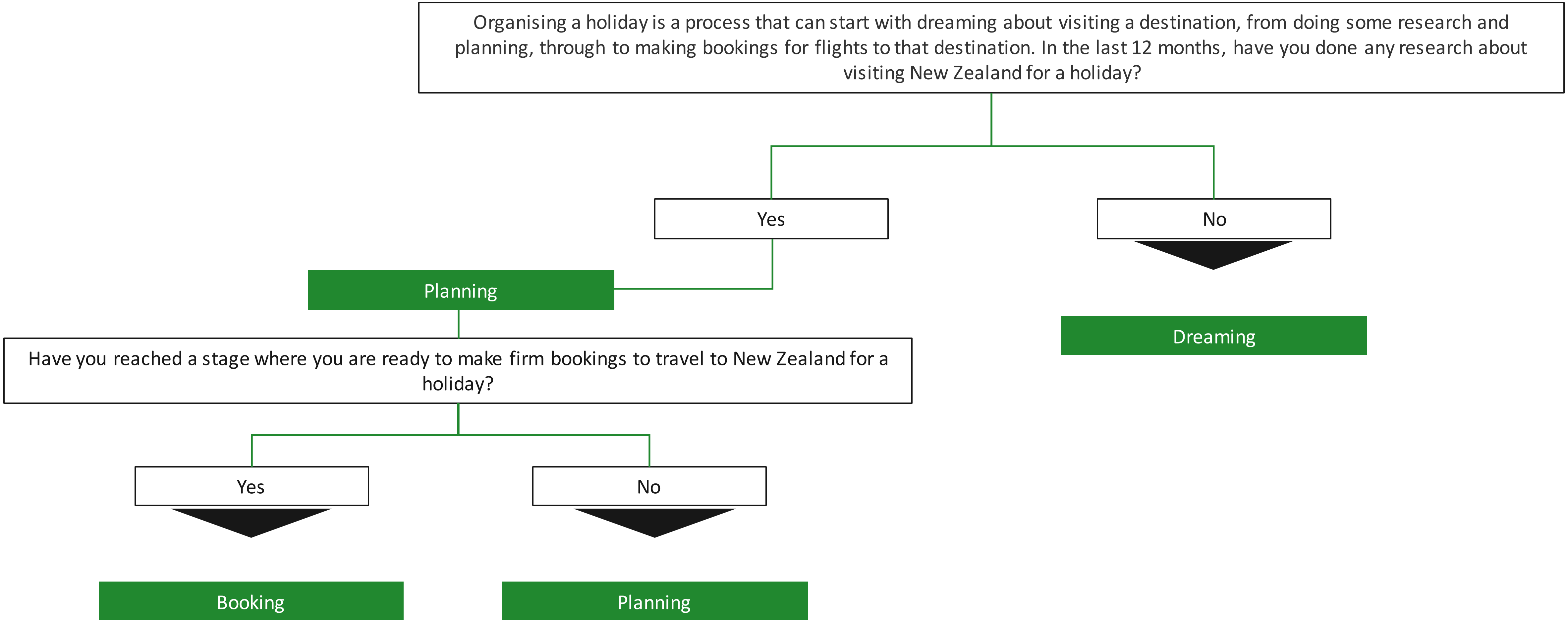
(2) Ministry of Internal Affairs and Communications, Communications Usage Trend Survey in 2020; Time period: September 2020; Coverage: Population aged 6+

(3) Tourism New Zealand, Active Considerer Monitor Japan; Time period: Jul-Dec 2022, under the latest AC definition

(4) Kantar Analysis

Appendix: Visitor consideration funnel

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



Organising a holiday is a process that can start with dreaming about visiting a destination, from doing some research and planning, through to making bookings for flights to that destination. In the last 12 months, have you done any research about visiting New Zealand for a holiday?

Yes

No

Planning

Dreaming

Have you reached a stage where you are ready to make firm bookings to travel to New Zealand for a holiday?

Yes

No

Booking

Planning

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

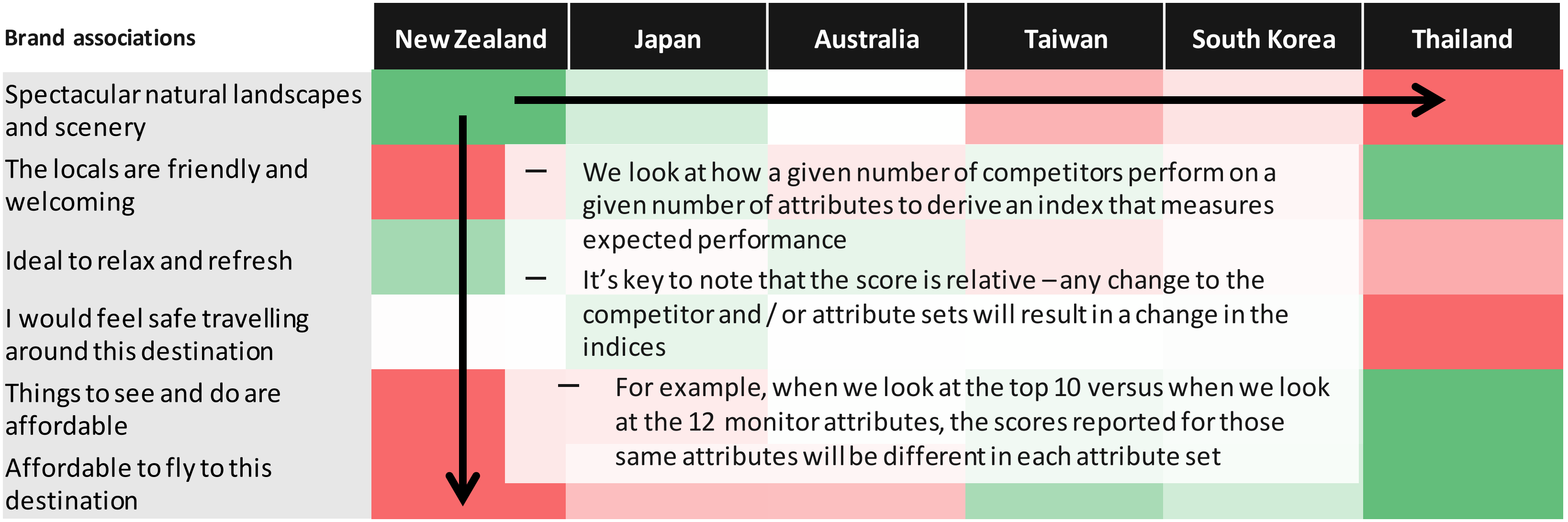
Shorthand	Full wording
Interesting cities	Has interesting cities to visit
Landscapes & scenery	Spectacular natural landscapes and scenery
Local culture	Offers opportunities to experience local culture
Local experiences	Offers opportunities to experience how it is to live like a local
Escape normal life	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’

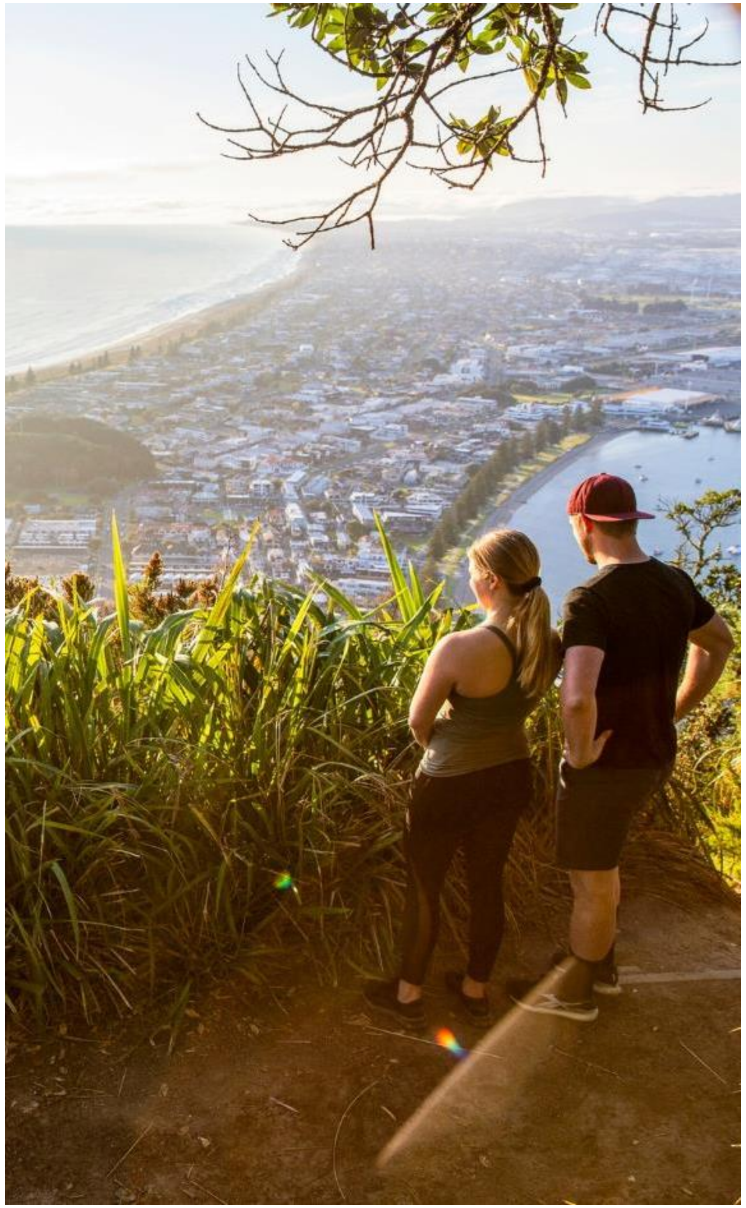
ACs are biased by their predisposition to New Zealand by design. Because we’re already talking to people that really like the idea of visiting New Zealand, New Zealand tends to get rated much more favourably on the brand attributes than competitors do. To better understand relative performance, we need 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

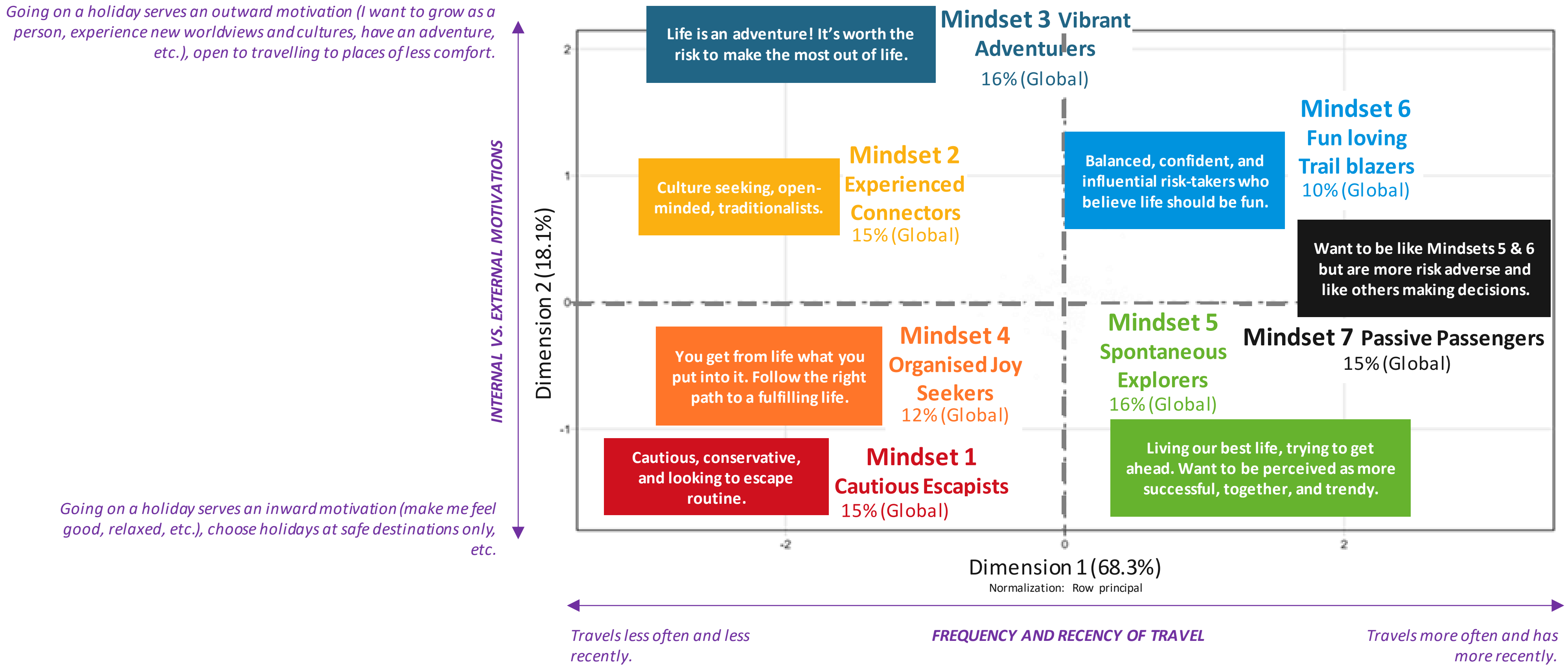


- We look at how a given number of competitors perform on a given number of attributes to derive an index that measures expected performance
- It’s key to note that the score is relative – any change to the competitor and / or attribute sets will result in a change in the indices
  - For example, when 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



Going on a holiday serves an outward motivation (I want to grow as a person, experience new worldviews and cultures, have an adventure, etc.), open to travelling to places of less comfort.

Going on a holiday serves an inward motivation (make me feel good, relaxed, etc.), choose holidays at safe destinations only, etc.

INTERNAL VS. EXTERNAL MOTIVATIONS

Life is an adventure! It's worth the risk to make the most out of life.

Mindset 3 Vibrant Adventurers
16% (Global)

Mindset 6
Fun loving Trail blazers
10% (Global)

Balanced, confident, and influential risk-takers who believe life should be fun.

Culture seeking, open-minded, traditionalists.

Mindset 2
Experienced Connectors
15% (Global)

Want to be like Mindsets 5 & 6 but are more risk adverse and like others making decisions.

You get from life what you put into it. Follow the right path to a fulfilling life.

Mindset 4
Organised Joy Seekers
12% (Global)

Mindset 5
Spontaneous Explorers
16% (Global)

Mindset 7 Passive Passengers
15% (Global)

Cautious, conservative, and looking to escape routine.

Mindset 1
Cautious Escapists
15% (Global)

Living our best life, trying to get ahead. Want to be perceived as more successful, together, and trendy.

Travels less often and less recently.

FREQUENCY AND RECENCY OF TRAVEL

Travels more often and has more recently.

Mindset Introduction

Side by side

	China and Japan Priority Mindsets				China Priority Mindset	
Mindset 1 Cautious Escapists	Mindset 2 Experienced Connectors	Mindset 3 Vibrant Adventurers	Mindset 4 Organised Joy Seekers	Mindset 5 Spontaneous Explorers	Mindset 6 Fun Loving Trail Blazers	Mindset 7 Passive Passengers
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.	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.	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.	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.	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.	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.	These idealistic dreamers want to be like Parrots and Penguins but are more risk-adverse 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.