KANTAR

Active Considerer (AC) Monitor

Europe (UK & Germany): July-December 2022

Report

February 2023

NEW ZEALAND TOURISM

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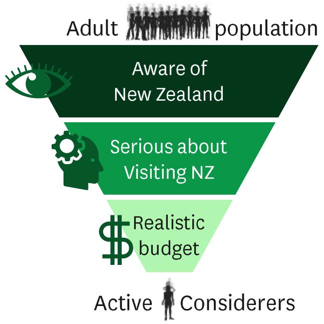
newzealand.com

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

	UK Apr-Jun 22	UK Oct-Dec 22	Germany Apr-Jun 22	Germany Oct-Dec 22
Incidence: Percentage of the population who qualify as Active Considerers (ACs)	12%	15%	11%	12%
Preference KPI:	62%	66%	60%	62%
First: The percentage of ACs who have New Zealand as their number 1 destination choice	39%	37%	32%	37%
Second: The percentage of ACs who have New Zealand as their number 2 destination choice	23%	28%	28%	26%
Dreaming	55%	52%	59%	56%
Planning	13%	20%	12%	9%
Booking	32%	29%	29%	35%

1. Sample sizes: Online population UK Q4 FY22 – Q2 FY23 (6MRA) n = 10783, 7469; Germany Q4 FY22 – Q2 FY23 (6MRA) n = 9526, 8169
2. Sample sizes: ACs UK Q4 FY22 – Q2 FY23 (6MRA) n = 900, 900; Germany Q4 FY22 – Q2 FY23 (6MRA) n = 901, 900, 900

Performance Dashboard

Brand areas to focus on

UK

Strengths
- Covid-19 management
- Indigenous culture
- Clean & unpolluted

Need to dial up
- Landscapes & scenery
- Culturally comfortable
- Range of experiences
- Local culture

Germany

Strengths
- Landscapes & scenery
- Relationship with the land
- Escape the troubles of the world
- Clean & unpolluted

Need to dial up
- Range of experiences
- Range of adventure
- Friendly people

Top 5 competitors

(% selected destination in their top five preferred destinations)

UK

Australia	Canada	Japan	USA (excl. Hawaii)	Italy
44%	35%	28%	25%	25%

Germany

Australia	Canada	USA	Thailand	Caribbean
39%	37%	32%	27%	25%

Top 5 knowledge gaps

UK

1. The length of time required to fly to New Zealand?
2. What the weather is like?
3. How easy it is to travel around?
4. The length of time needed to experience New Zealand properly?
5. What the options are for travelling within New Zealand?

Germany

1. The length of time required to fly to New Zealand?
2. What the weather is like?
3. What practices are in place to keep me safe from Covid? (e.g. masks, hand sanitiser etc.)
4. The length of time needed to experience New Zealand properly?
5. How easy it is to travel around?

1. Sample sizes: ACs UK Q4 FY22 – Q2 FY23 (6MRA) n = 900, 900; Germany Q4 FY22 – Q2 FY23 (6MRA) n = 901, 900

Key insights - UK

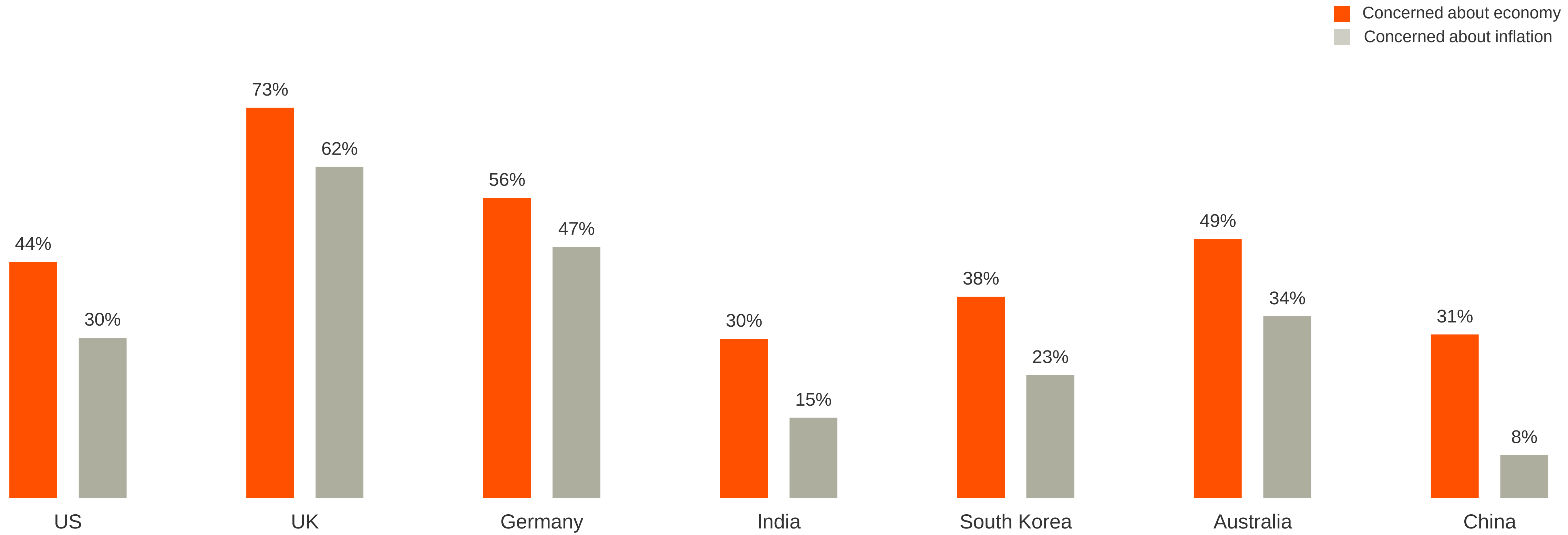
- UK presents a sizable opportunity to drive immediate high-quality visitors, and accelerate on the ground recovery: there are 6.9 million potential ACs, of whom 29% are ready to book and 43% are in TNZ's priority mindsets
- To accelerate conversion of existing ACs, TNZ's focus should be on strengthening their preference for New Zealand and addressing key concerns and barriers to booking
- The 'If You Seek' platform can be leveraged to grow preference by highlighting New Zealand's unique experiences, its indigenous culture and how welcoming it is to visitors of all cultures – these attributes are emerging as stronger drivers of preference compared to two years ago
- While strategic brand messages should continue to emphasise New Zealand's strength in indigenous culture and pristine nature, as these are the top drivers of preference, the focus should be on setting New Zealand apart from competitors by highlighting safety, amazing landscapes, and welcoming and comfortable local culture
- Competitors to focus on are Australia, Canada and Japan; while the Caribbean remains a strong competitor, its preference has weakened
- To accelerate conversion of ACs through the funnel, tactical communications should be surfaced earlier in the AC journey when ACs are in the dreaming and planning phases; focus these messages on addressing growing knowledge gaps about weather, the time needed to experience New Zealand properly, and options for travelling around
- Consideration should be given to above-the-funnel brand marketing to drive appeal and active consideration for New Zealand: although appeal and incidence have showed signs of recovery in the latest quarter, they are lower than pre-pandemic levels of three years ago

Key insights - Germany

- In Germany, the strategic focus is twofold: firstly, there is a substantial opportunity to increase arrivals in both short and mid-term, which can accelerate on-the-ground recovery; secondly, the AC pool has shrunk during the pandemic and thus additional strategic focus needs to be on growing the AC pool
- TNZ is in a strong position to drive immediate arrivals with existing ACs: there are approximately 6.3 million ACs, 35% of whom are ready to book, and their preference for New Zealand has strengthened in the latest quarter
- To accelerate ACs conversion through the funnel, the focus should be on strengthening New Zealand's competitive edge on the key drivers of preference. Thus, strategic brand messaging should concentrate on building perceptions that New Zealand offers a wide range of experiences, both adventure fuelled and relaxing, opportunities to experience local culture, and is a place where visitors are welcomed and embraced
- Key competitors remain Australia, Canada and USA, with Thailand following closely behind having increased in preference
- To convert ACs through the funnel, tactical messages should be surfaced earlier in the AC journey when ACs are in the dreaming and planning phases; focus these messages on addressing key knowledge gaps regarding weather, travel time and ease of travel to and within New Zealand as well as key things to see and do
- The AC pool has shrunk during the pandemic, with the AC incidence dropping from 19% in Q2 FY20 to 12% in the last quarter. Thus, a secondary strategic priority is to identify levers to revive appeal of New Zealand and grow the AC incidence

From Kantar's Global Issues Barometer, we know that concerns about the economy and inflation have been rising and are particularly prevalent for the UK and Germany

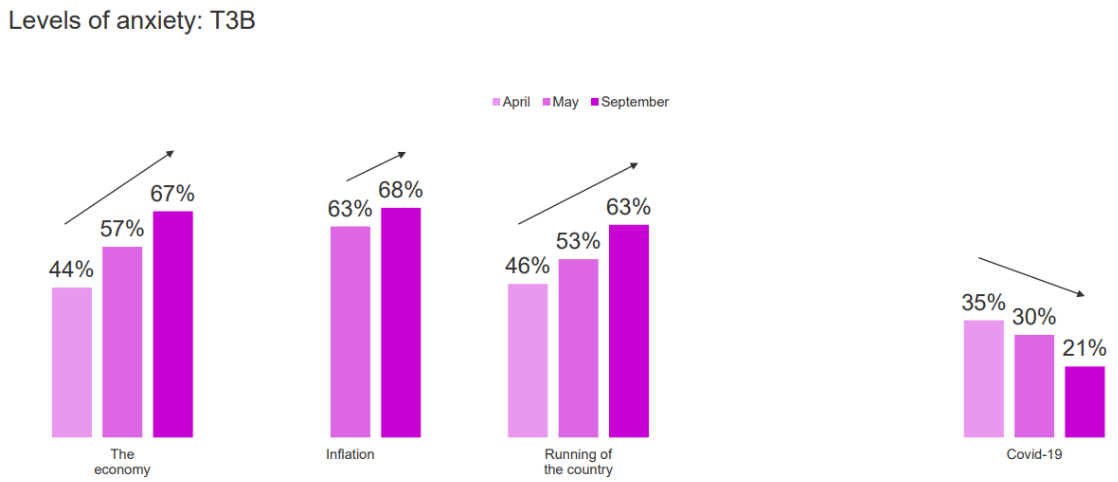
% mentions of Economy & Inflation (Sep 22)



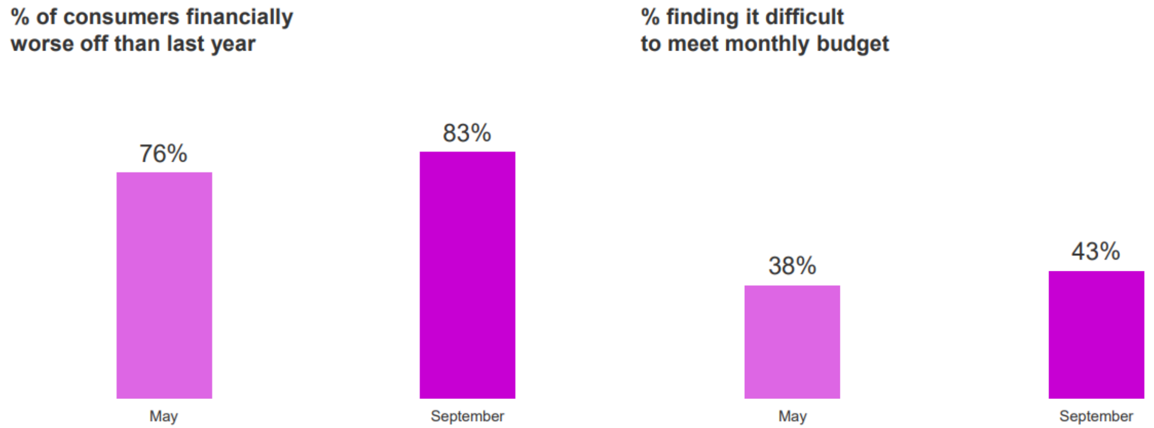
Source: Kantar's Global Issue Barometer; What are the top 3 things you are most concerned about? September 2022

In the UK specifically, anxiety about the economic situation and inflation has built-up throughout the second part of last year and consumers are struggling more financially

Levels of Anxiety are rising[(1)]...



.... Driven by more consumers feeling financially worse off[(2)]



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Source: Inflation Nation UK Special
1. How concerned are you about these things?
2. Compared to last year, how easy is it for you to meet your household budget? How able are you to meet your monthly household budget and pay for all your outgoings currently?

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UNITED KINGDOM

Active Considerer journey funnel – United Kingdom

Active Considerers definition

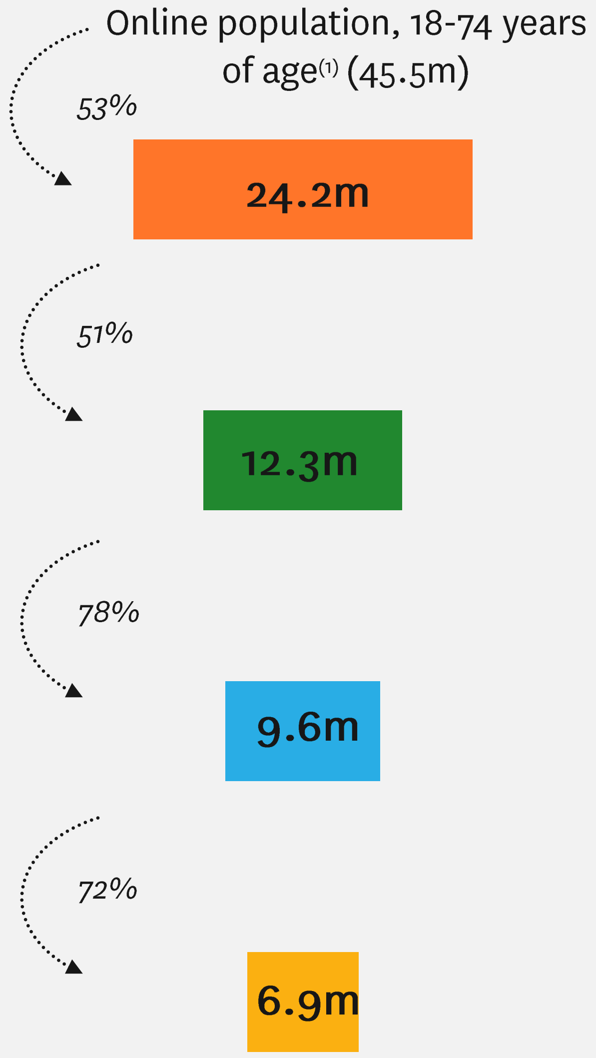
Active Considerers find New Zealand highly appealing as a vacation destination, would seriously consider visiting in the next three years, see New Zealand as a preferred destination for their next vacation and have a realistic budget for their visit (£1,500 GPB per person on a holiday to New Zealand).

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

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

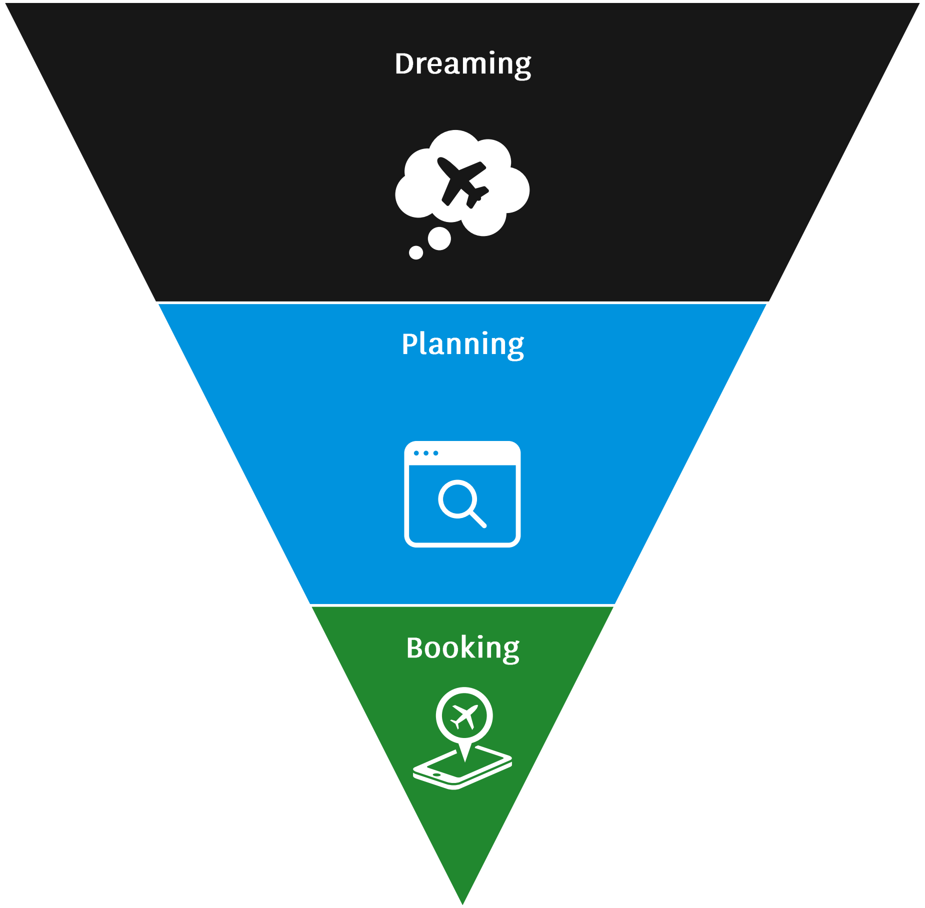
New Zealand is a preferred destination for their next holiday, and...

Willing to spend at least £1,500 GPB per person on a holiday to New Zealand[2]



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 – United Kingdom



Book to come to NZ

	Active Considerers (6.9m)	Size (%)
Dreaming	3.6m	52%
Planning	1.4m	20%
Booking	2.0m	29%

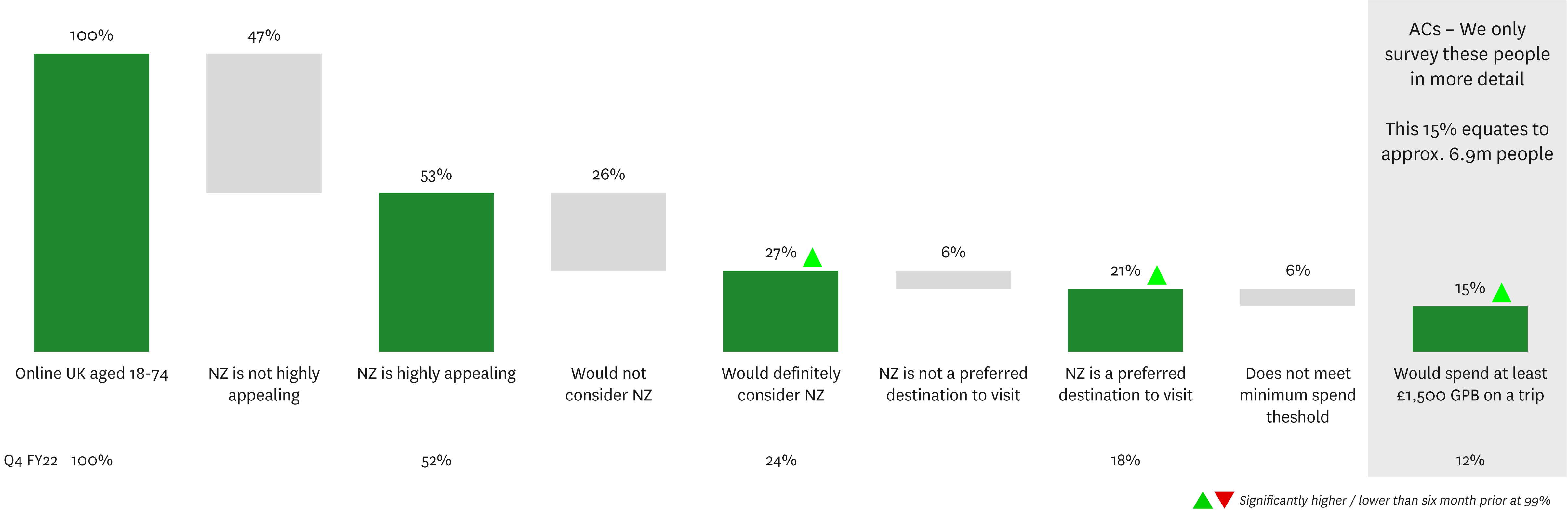
Comments

- ‘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

UK presents a large opportunity to drive arrivals, with approximately 6.9 million of potential ACs

Qualifying criteria for defining ACs

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



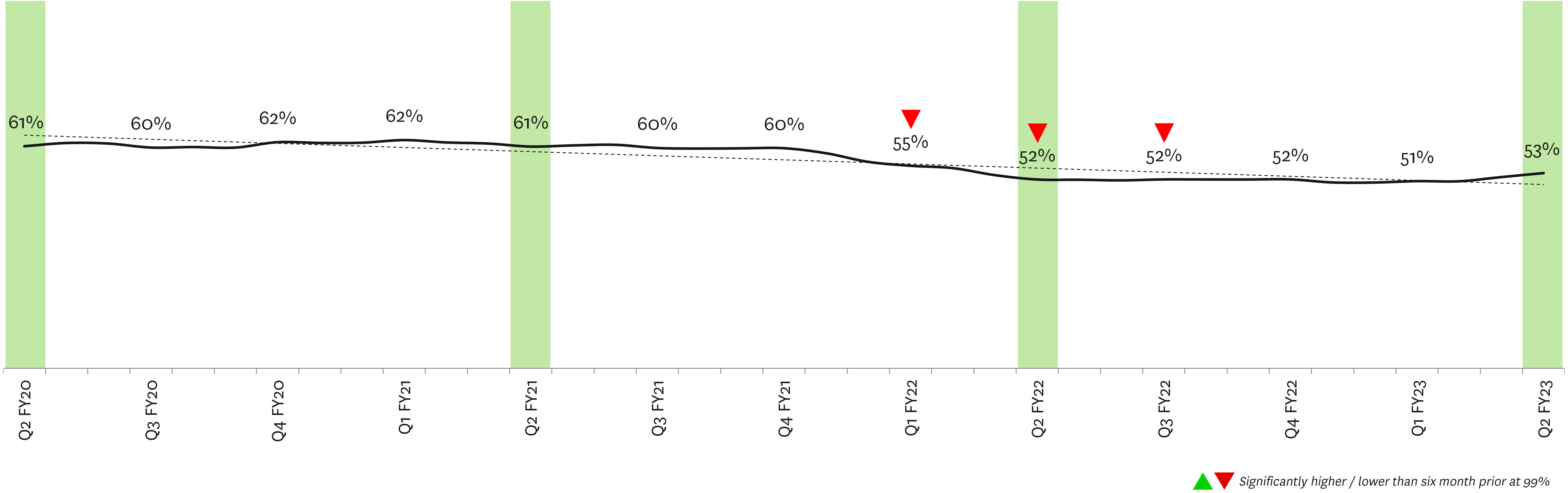
1. The approx. AC pool size is based on the online population estimates as of December 2022 and the AC incidence rate for the current six months
2. Sample size: Q2 FY23 (6MRA) n = 7469; Q4 FY22 (6MRA) n = 10783

Although New Zealand's appeal has remained steady for the last twelve months, it is still not as high as it was pre-pandemic

- 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

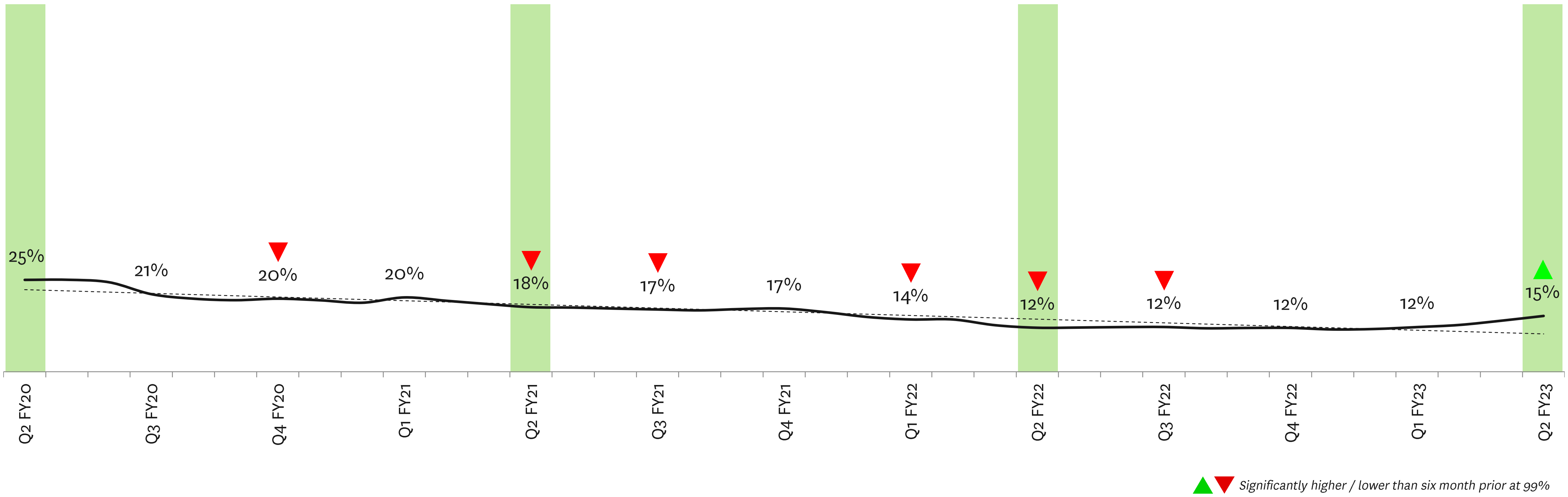


1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 4045, 4671, 4972, 4745, 5551, 7136, 7200, 8045, 10045, 9871, 10783, 10405, 7469
2. Question "Putting aside any thoughts about time and cost, how appealing do you find New Zealand as a holiday destination?"

AC incidence has increased to 15% in the latest quarter after dipping during the pandemic, but there is a considerable way to go before reaching the high levels of three years ago

Incidence of ACs over time

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



1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 4045, 4671, 4972, 4745, 5537, 7120, 7198, 8045, 10045, 9871, 10783, 10405, 7469
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 £1,500 GBP while holidaying in New Zealand

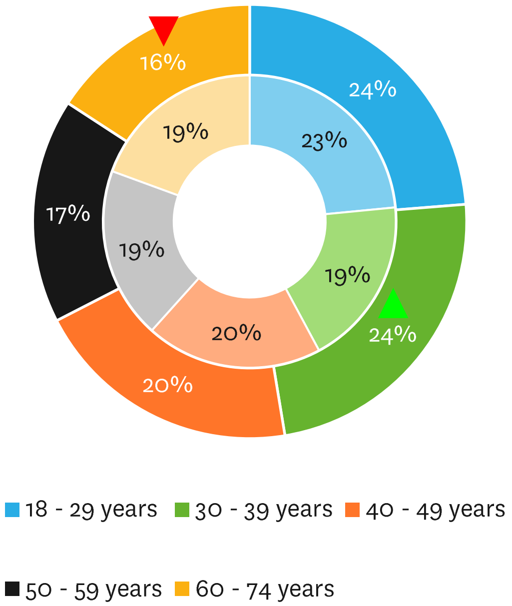
Compared to non-ACs, ACs are more likely to be aged 30-39 years and male; the priority mindsets make up 43% of the AC pool

Profile of Active Considerer

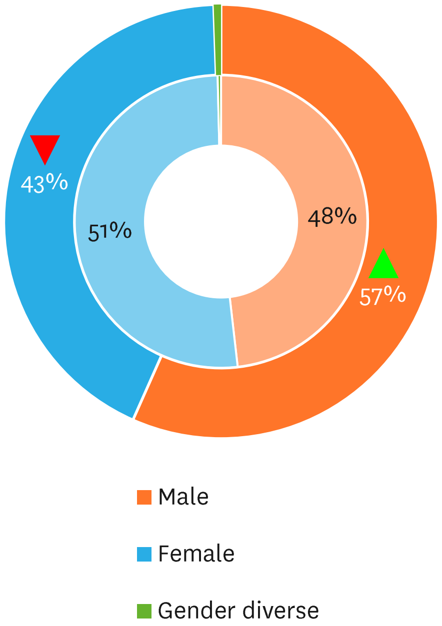
AC Monitor | Current 6M | Active Considerers vs Non-Active Considerers

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

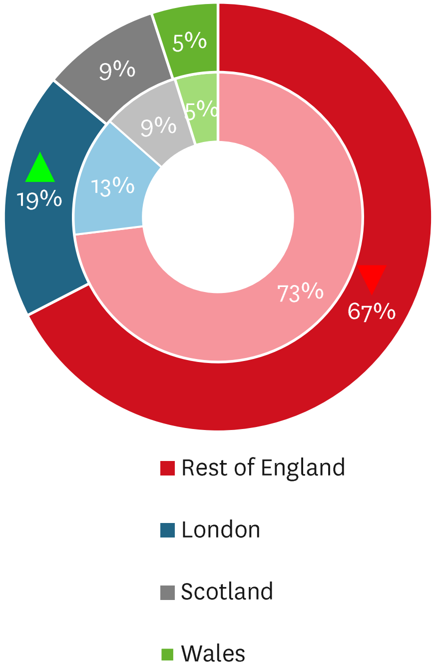
By age segment



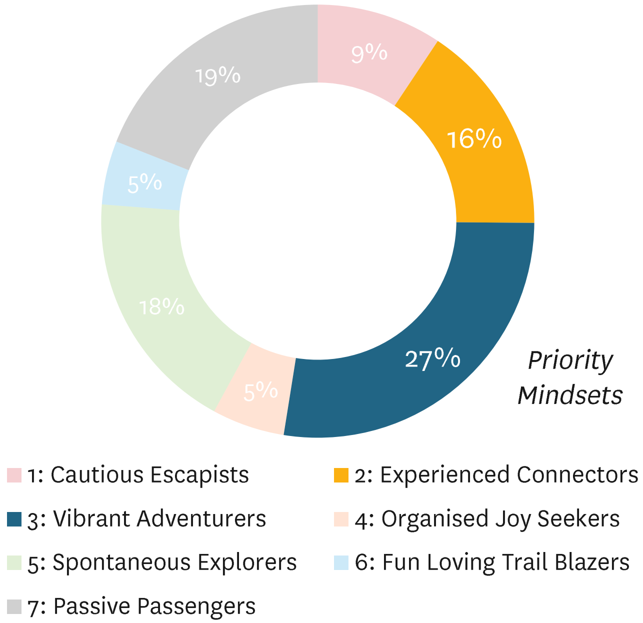
By gender



By region



Mindset Segments

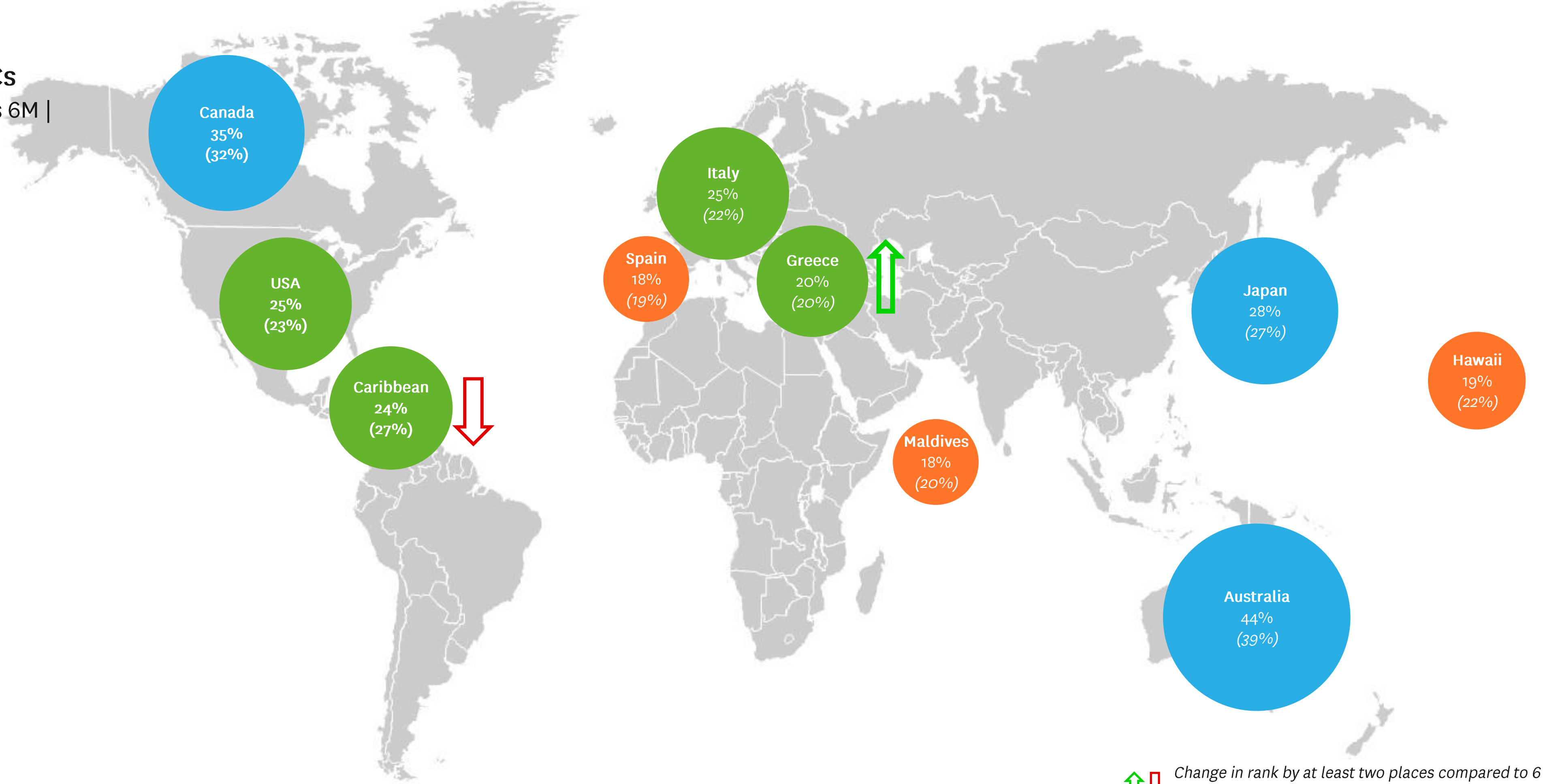


Significantly higher / lower than non-ACs

1. Sample sizes: ACs n = 900 | Non ACs n = 6569

Based on on preference, top competitors to focus on are Australia, Canada and Japan

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

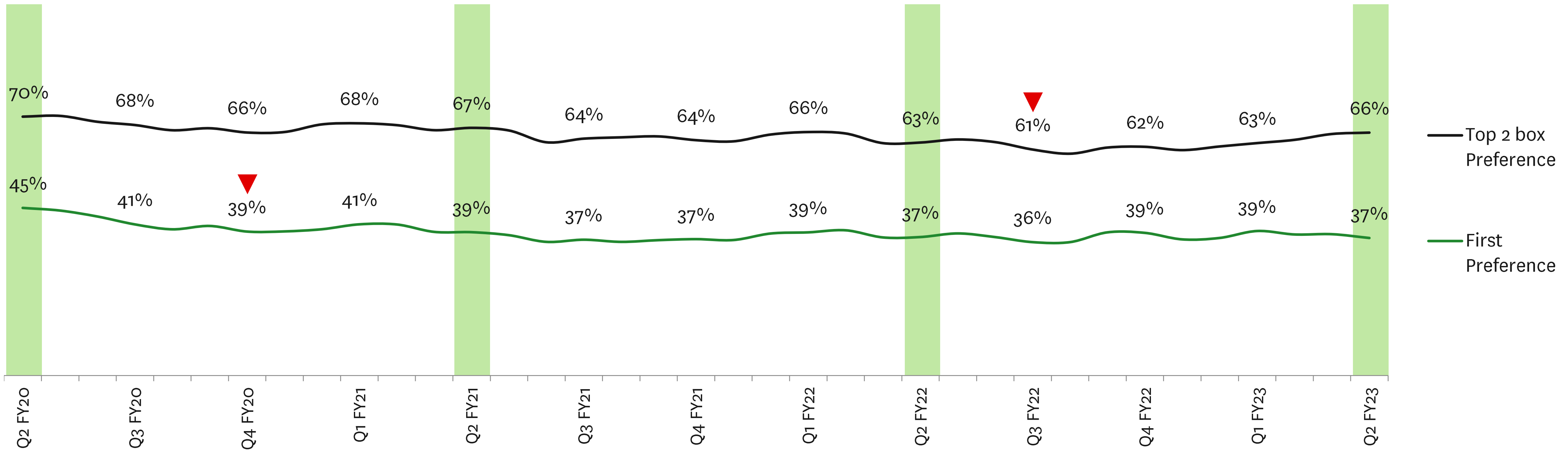
Change in rank by at least two places compared to 6 months ago

1. Sample size: Q1 FY23 – 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?"

Although preference for New Zealand is showing signs of recent growth, first-choice preference is not as high as it was pre-pandemic

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?"

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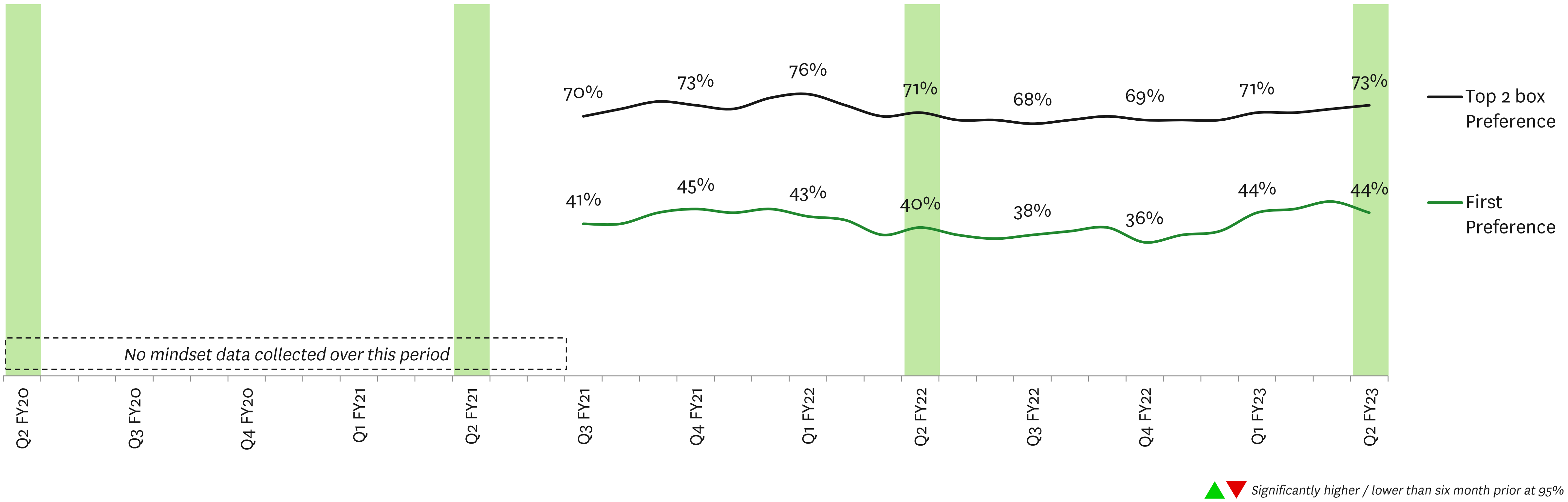
Among Experienced Connectors, preference for New Zealand has been broadly stable over time

Preference KPI

AC Monitor | 6MRA | Experienced Connectors



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1. Sample size: Q3 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?"

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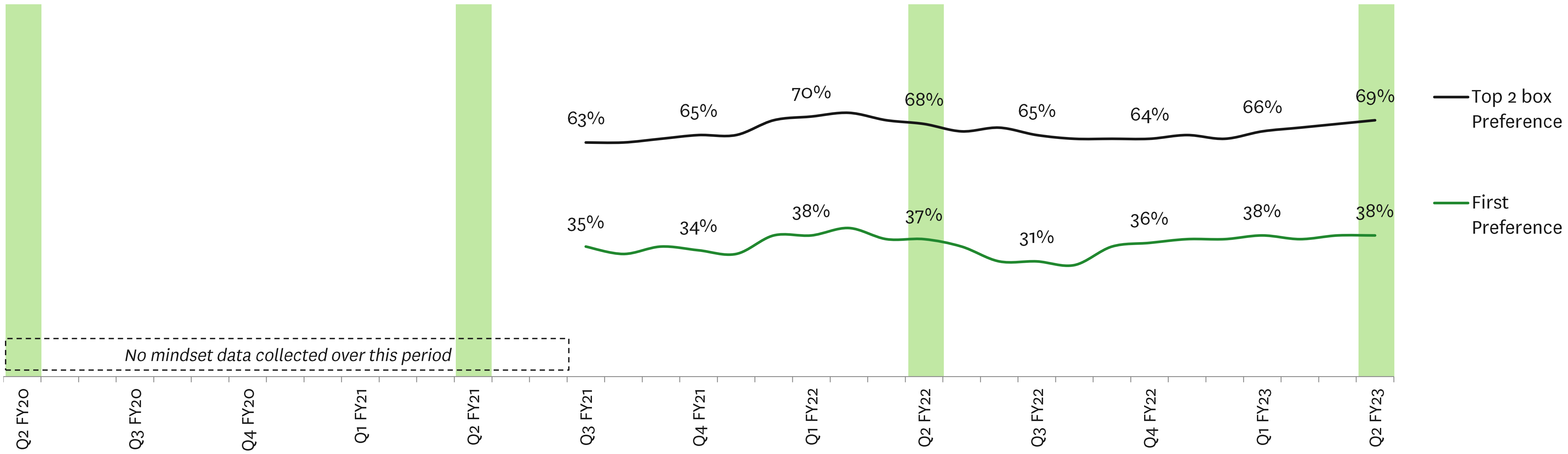
Among Vibrant Adventurers, first-choice preference for New Zealand has recovered from the dip in early 2022 with current levels comparable to those recorded a year earlier

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

- 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 reverting to their pre-pandemic state; ‘feeling comfortable visiting, despite cultural differences’ has increased in impact and ‘unique national parks’ and ‘indigenous culture’ are now among the top 15 drivers

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]
Safe destination	1	3	4
Landscapes & scenery	2	2	1
Culturally comfortable	3	6 ↑	10
Covid-19 management	4	*	*
Range of adventure	5	4	3
Unique national parks	6	*	*
Embraces visitors	7	10	*
Range of experiences	8	9	6
Fun & enjoyment	9 ↑	14 ↓	8
Friendly people	10	7	7
Unique experiences	11 ↑	15 ↓	9
Indigenous culture	12	*	*
Clean & unpolluted	13 ↓	5	5
Local culture	14	16	15
Escape normal life	15	13	12

Latest results	2022 rank	2021 rank[1]	2018 rank[1]
Escape troubles	16 ↓	*	*
Quality food & wine	17 ↓	8 ↑	14
Relationship with the land	18 ↑	11	*
History & heritage	19	24	27
Local experiences	20	23	24
Challenging	21 ↓	17 ↓	13
Relax & refresh	22	19	21
Iconic attractions	23	21	18
Wildlife	24	*	*
Interesting cities	25	22	19
All seasons	26	26 ↓	22
Easy to travel around	27 ↓	18	20
Family friendly	28	27	25
Affordable activities	29	30	28
See lots without travelling far	30	31	29
Affordable to fly to	31	32	30

Notes:

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

↑↓ *Moved up / down in rank by four or more places*

Indigenous culture and pristine nature are New Zealand's key strengths that could be leveraged; to grow preference, the emphasis should be on highlighting amazing landscapes, the range of experiences on offer and a welcoming and comfortable local culture

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: Higher ↑ … ↓ Lower

Brand associations	New Zealand	Australia	Canada	Japan	USA	Italy
Safe destination	99	94	107	105	89	108
Landscapes & scenery	99	103	104	95	98	101
Culturally comfortable	86	96	100	103	116	109
Covid-19 management	110	100	87	100	98	101
Range of adventure	105	112	109	65	123	80
Unique National parks	103	102	120	72	142	56
Embraces visitors	97	99	116	94	94	103
Range of experiences	86	96	96	101	120	111
Fun & enjoyment	89	96	94	88	128	116
Friendly people	101	105	106	88	85	114
Unique experiences	96	88	94	133	95	98
Indigenous culture	132	133	61	121	61	62
Clean & unpolluted	133	108	120	89	46	80
Local culture	94	90	81	140	75	127
Escape normal life	96	93	100	108	97	112

Strengths:

- Covid-19 management
- Indigenous culture
- Clean & unpolluted

Need to dial up:

- Landscapes and scenery
- Culturally comfortable
- Range of experiences
- Local culture

1. Only top drivers are reported by rank as reported in Preference Driver Analysis 22
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

To convert potential ACs into arrivals, tactical communications need to address growing knowledge gaps around weather, time needed to experience New Zealand properly and the options for travelling around

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	The length of time required to fly to New Zealand	41%	42%	33%
2	What the weather is like	34% ▲	26%	*
3	How easy it is to travel around	33%	30%	26%
4	The length of time needed to experience New Zealand properly	31% ▲	23%	25%
5	What the options are for travelling within New Zealand	28% ▲	21%	20%
6	How long it takes to travel between the main attractions	27%	24%	23%
7	Not being able to fly direct to New Zealand	25% ▲	20%	16%
8	How welcoming the locals are	25%	23%	22%
9	How safe it is from crime	25%	22%	29%
10	The range of quality food and beverage options	22% ▲	17%	*

Ranks higher now than six months ago

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

1. Sample size: Q1 FY23 – Q2 FY23 (6MRA) n = 450, 450 Q2 FY20 (6MRA) n = 902
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

Tactical activities need to be surfaced 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

	What do ACs want to know more about before choosing New Zealand?	Dreaming	Planning	Booking
1	The length of time required to fly to New Zealand	47% ▲	44%	30% ▼
2	What the weather is like	36%	39%	29%
3	How easy it is to travel around	41% ▲	33%	21% ▼
4	The length of time needed to experience New Zealand properly	33%	32%	29%
5	What the options are for travelling within New Zealand	29%	25%	28%
6	How long it takes to travel between the main attractions	28%	33%	20% ▼
7	Not being able to fly direct to New Zealand	27%	30%	20%
8	How welcoming the locals are	25%	29%	23%
9	How safe it is from crime	27%	31%	17% ▼
10	The range of quality food and beverage options	22%	17%	27%

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

1. Sample size Q2 FY23 (6MRA) Dreaming n = 230, Planning n = 88, Booking n = 132
2. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

While the top concerns are consistent among the priority mindsets, the length of time needed to experience New Zealand properly is a growing knowledge gap among Experienced Connectors

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	The length of time required to fly to New Zealand	59%	43%
2	What the weather is like	40%	27%
3	How easy it is to travel around	38%	28%
4	The length of time needed to experience New Zealand properly	52% ▲	32%
5	What the options are for travelling within New Zealand	36%	26%
6	How long it takes to travel between the main attractions	35%	23%
7	Not being able to fly direct to New Zealand	25%	27%
8	How welcoming the locals are	23%	17%
9	How safe it is from crime	24%	18%
10	The range of quality food and beverage options	9%	21%

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

1. Sample size: Q2 FY23 (6MMR) Experienced Connectors n = 64, Vibrant Adventurers n = 113
2. Question "Putting thoughts aside about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

GERMANY


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

Active Considerer journey funnel – Germany

Active Considerers definition

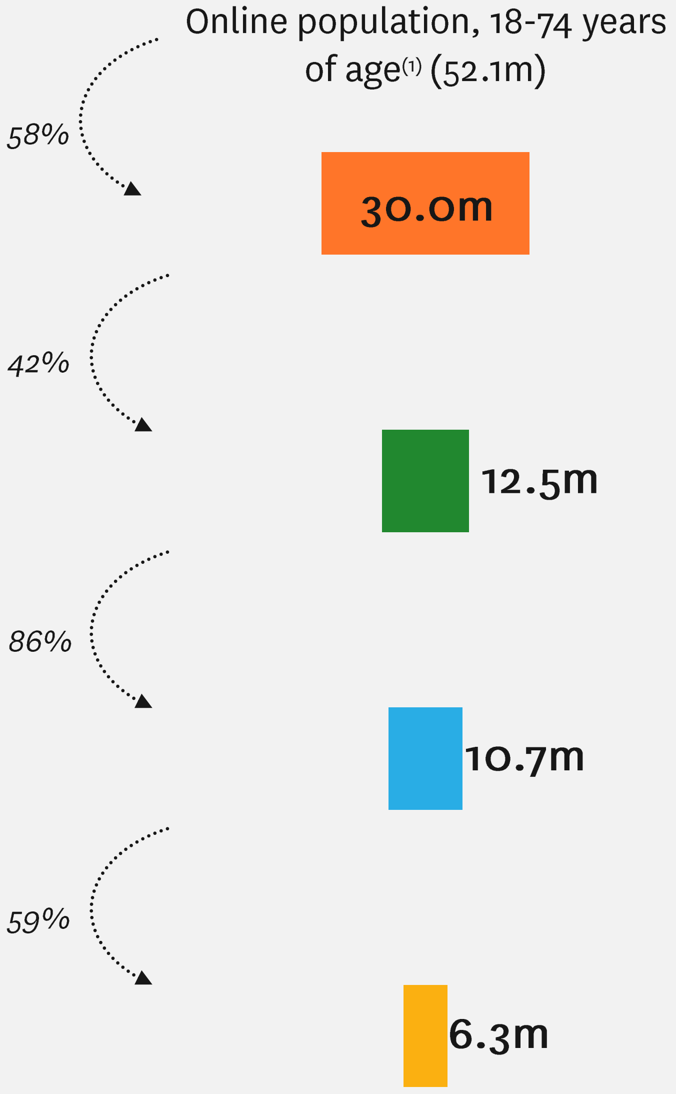
Active Considerers find New Zealand highly appealing as a vacation destination, would seriously consider visiting in the next three years, see New Zealand as a preferred destination for their next vacation and have a realistic budget for their visit (€2000 per person on a holiday to New Zealand)

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

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

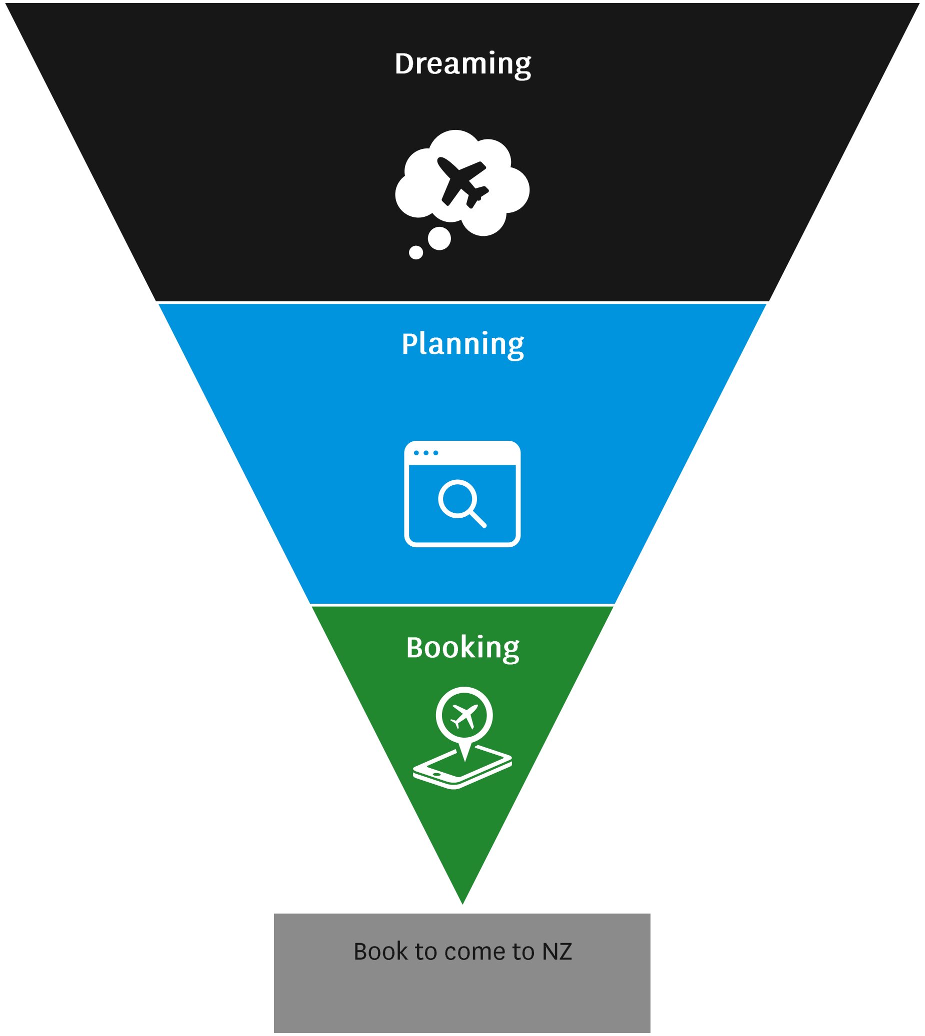
New Zealand is a preferred destination for their next holiday, and...

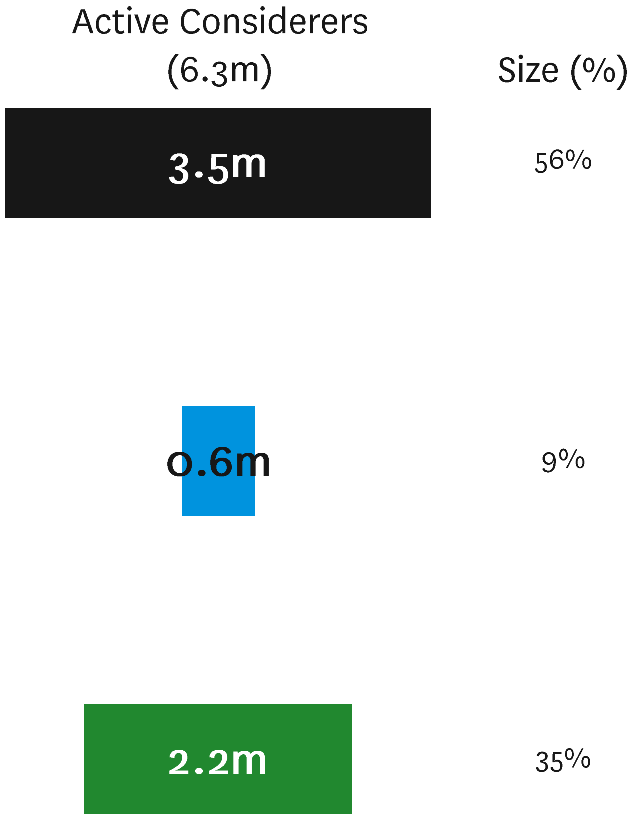
Willing to spend at least €2000 per person on a holiday to New Zealand[2]



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 - Germany





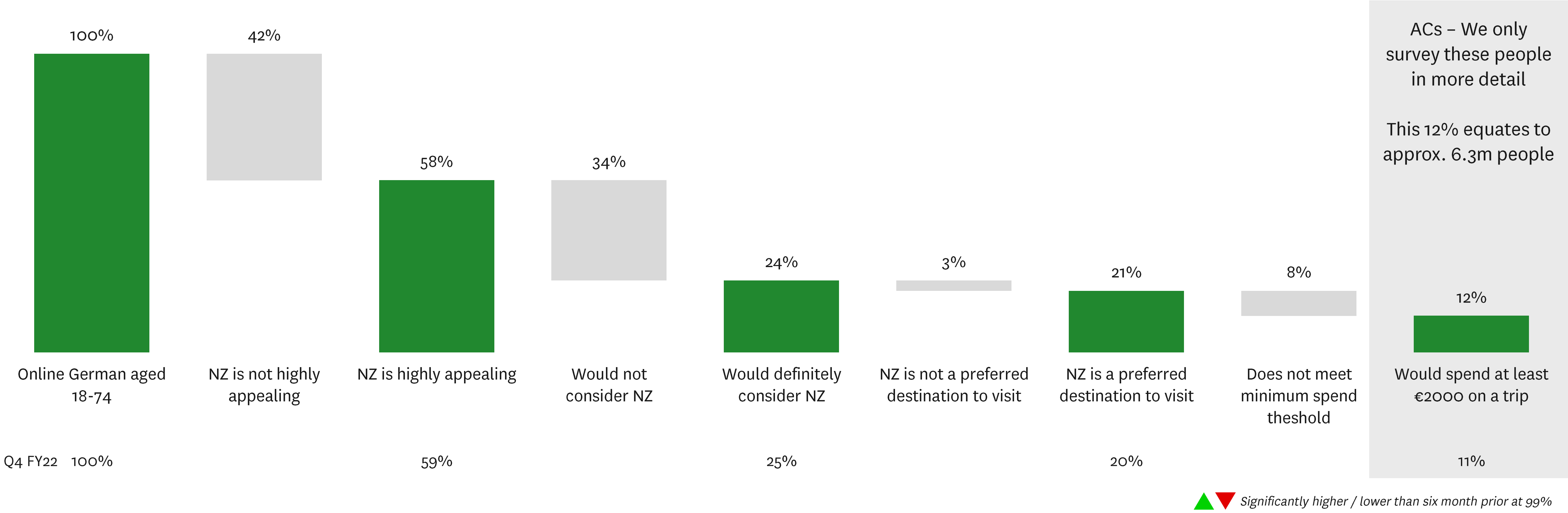
Comments

- '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

Germany presents a sizeable opportunity for TNZ with approximately 6.3 million ACs

Qualifying criteria for defining ACs

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

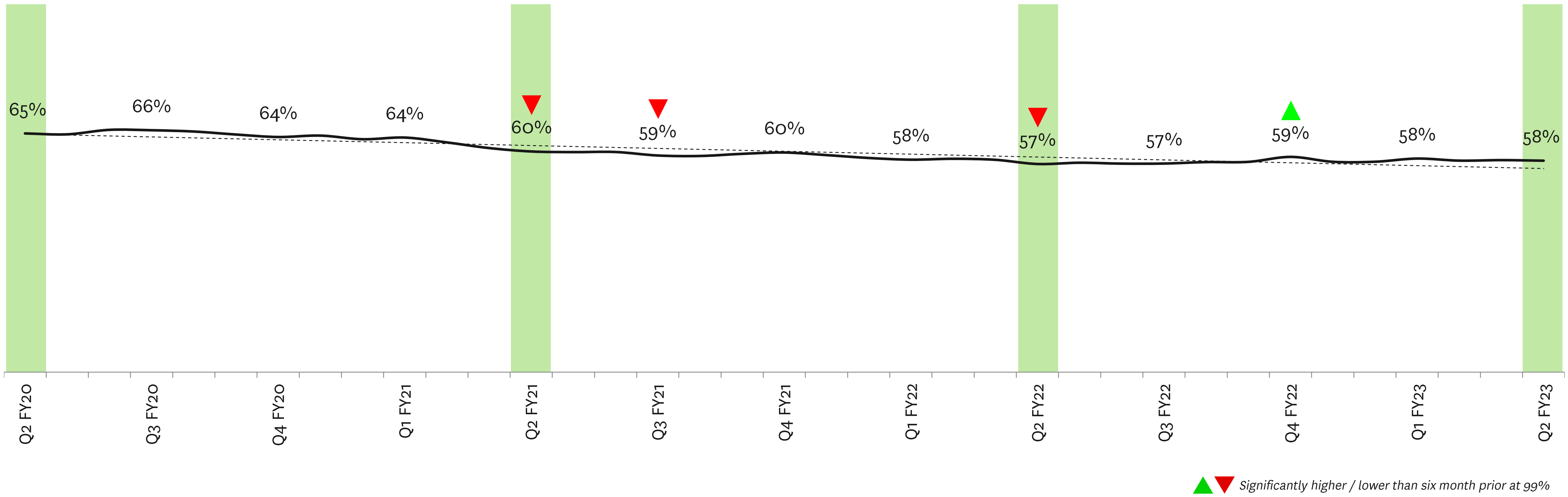


1. The approx. AC pool size is based on the online population estimates as of December 2022 and the AC incidence rate for the current six months
2. Sample size: Q2 FY23 (6MRA) n = 9646; Q4 FY22 (6MRA) n = 9217

New Zealand’s appeal has been relatively stable over the last year, but is significantly below pre-pandemic levels

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



KANTAR

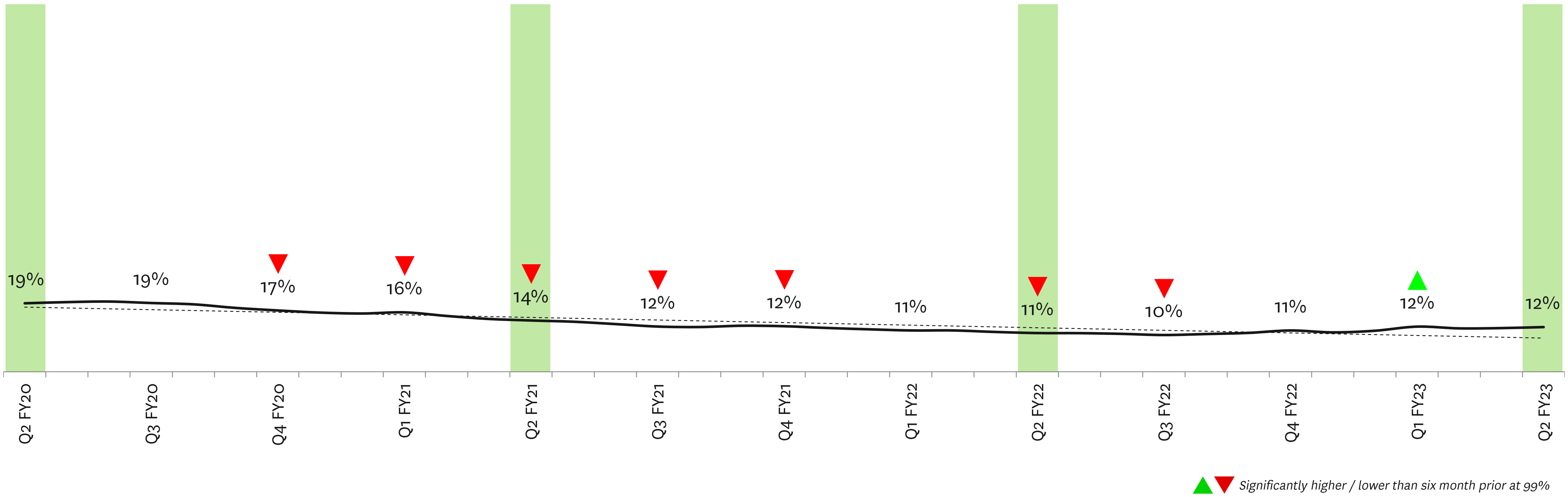
1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 5268, 5115, 5766, 6078, 7237, 9723, 9602, 9343, 10803, 11308, 9646, 9202, 9217
2. Question “Putting aside any thoughts about time and cost, how appealing do you find New Zealand as a holiday destination?”

NEW ZEALAND TOURISM | 100% PURE NEW ZEALAND

The incidence of ACs is showing signs of recovery, but still has a considerable way to go before reaching the high levels of three years ago

Incidence of ACs over time

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



1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 5268, 5115, 5766, 6078, 7166, 9634, 9584, 9343, 10803, 11308, 9646, 9202, 9217
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 € 2000 while holidaying in New Zealand

KANTAR

NEW ZEALAND TOURISM 100% PURE NEW ZEALAND

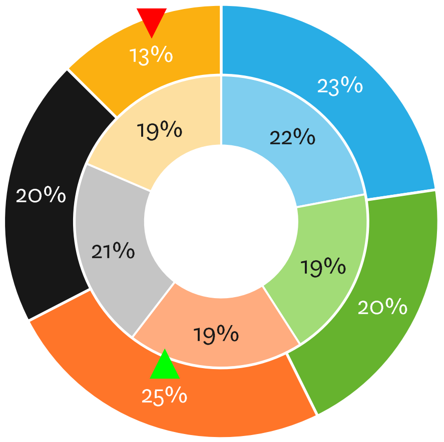
Compared to non-ACs, ACs are more skewed towards those aged 40-49 yrs old and males; the priority mindsets, Experienced Connectors and Vibrant Adventurers, make up 44% of ACs

Profile of Active Considerer

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

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

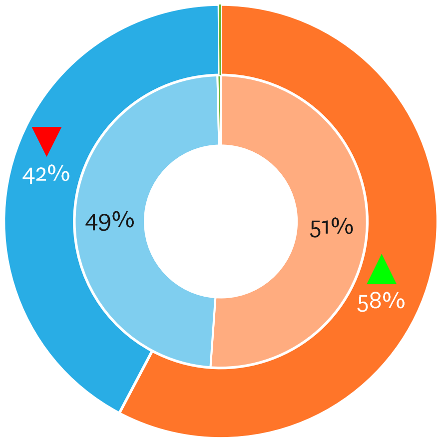
By age segment



■ 18 - 29 years ■ 30 - 39 years ■ 40 - 49 years

■ 50 - 59 years ■ 60 - 74 years

By gender

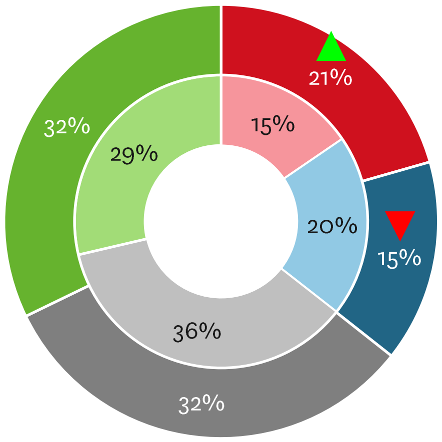


■ Male

■ Female

■ Gender diverse

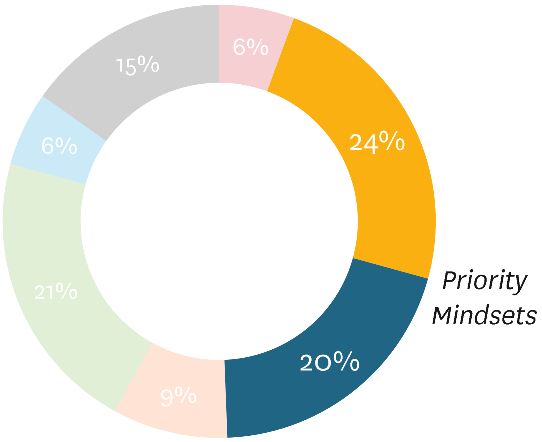
By region



■ North ■ East

■ Central ■ South

Mindset Segments



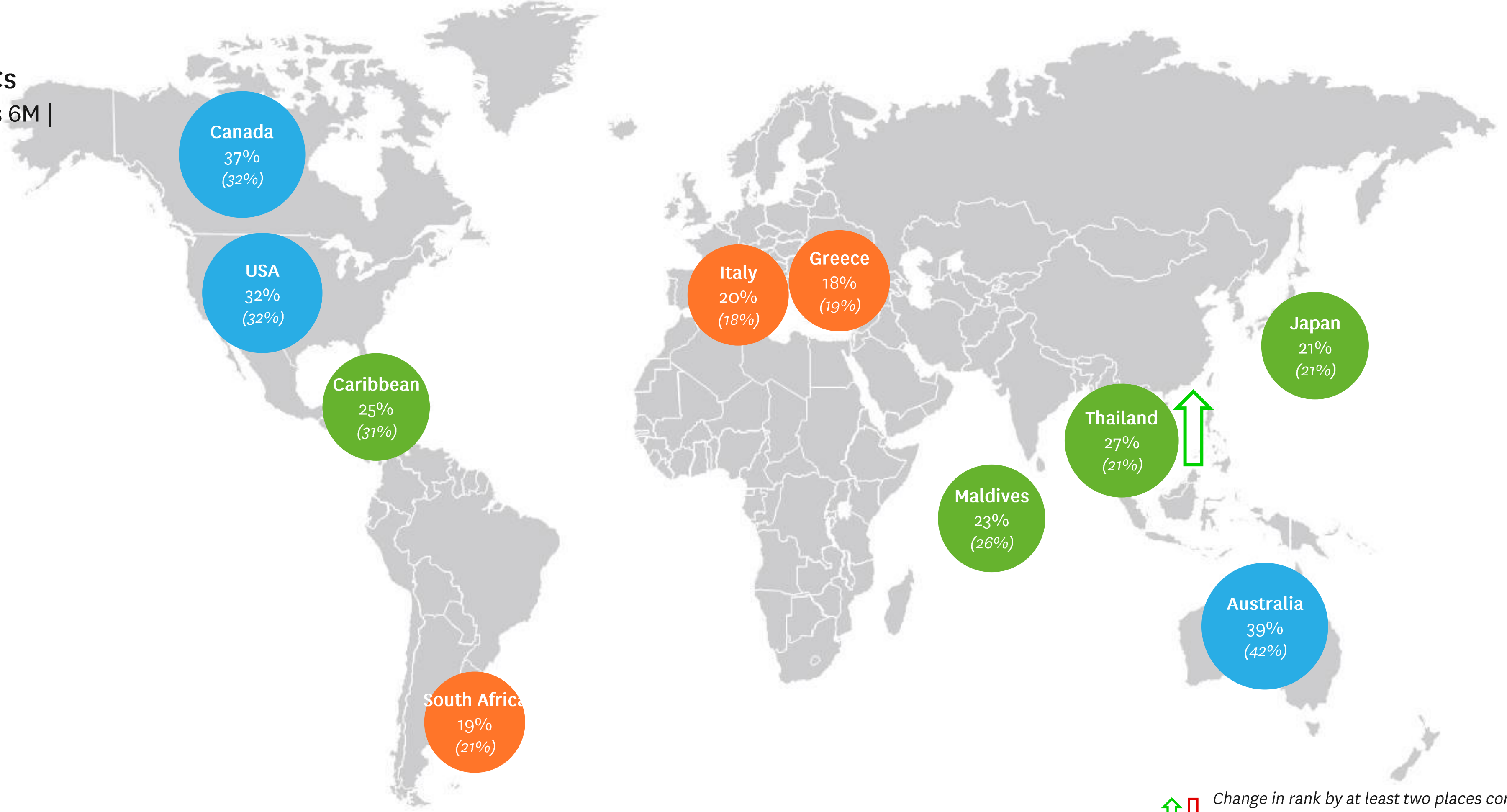
■ 1. Cautious Escapists ■ 2. Experienced Connectors
■ 3. Vibrant Adventurers ■ 4. Organised Joy Seekers
■ 5. Spontaneous Explorers ■ 6. Fun Loving Trail Blazers
■ 7. Passive Passengers

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

1. Sample sizes: ACs n = 900 | Non ACs n = 8317

Australia, Canada and USA remain New Zealand's top competitors followed by Thailand which is 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

1. Sample size: Q1 FY23 – Q2 FY23 (6MRA) n = 900, 901
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?"

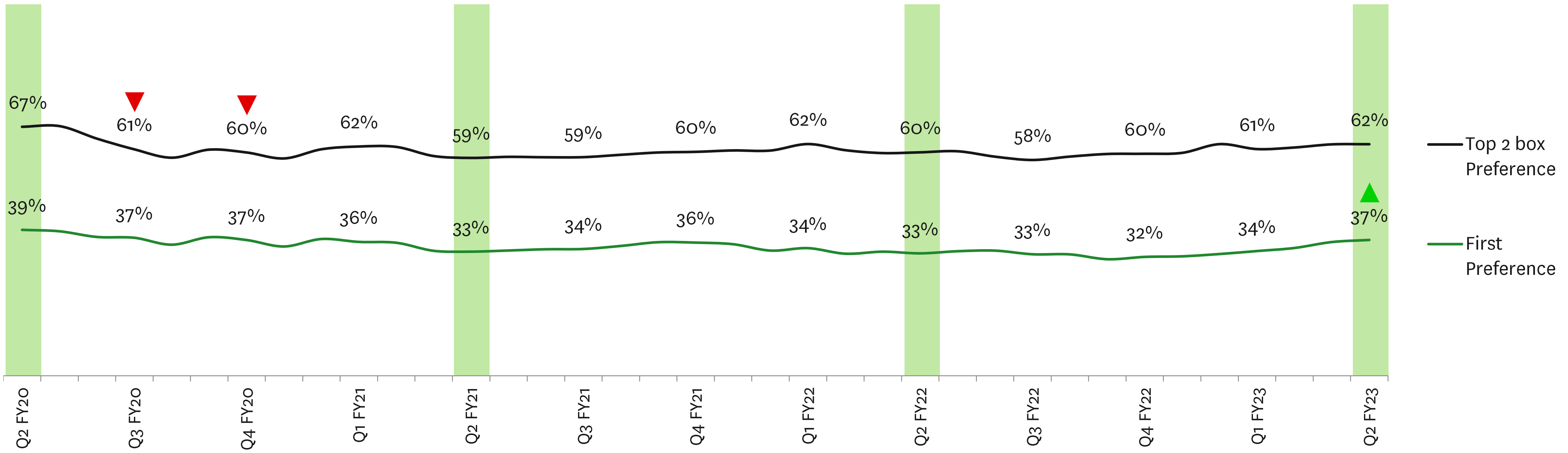
KANTAR

NEW ZEALAND TOURISM 100% PURE NEW ZEALAND

First-choice preference for New Zealand has strengthened in the latest quarter and is now at similar levels to those seen pre-pandemic

Preference KPI

AC Monitor | 6MRA | Total Active Considerers



Significantly higher / lower than six month prior at 95%

KANTAR

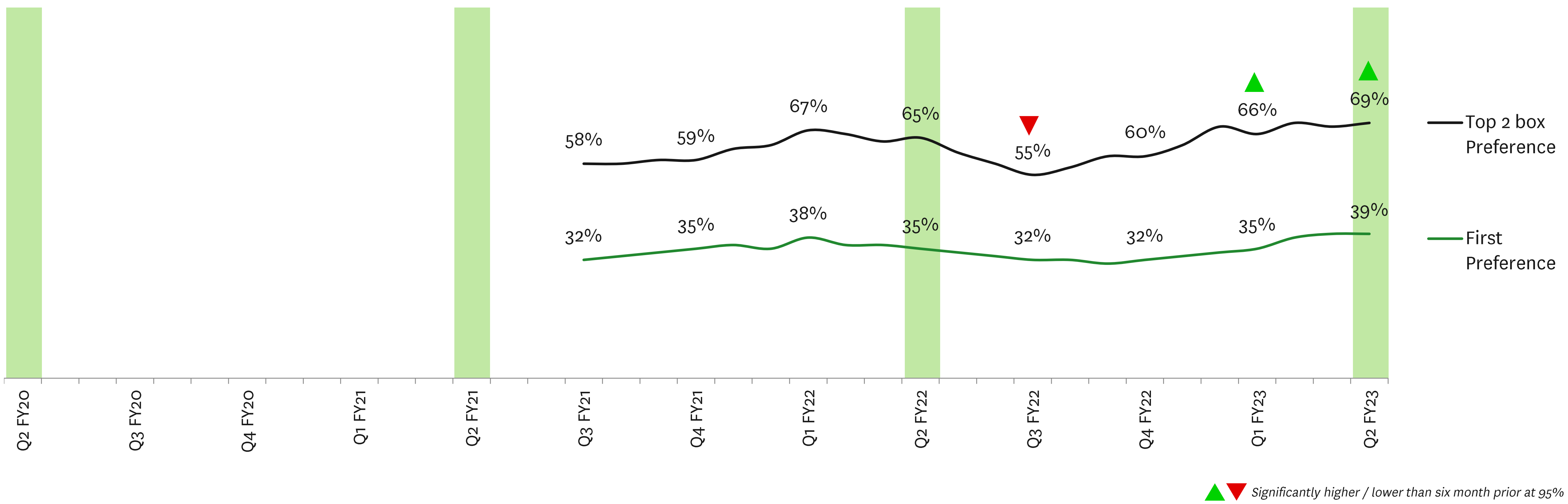
1. Sample size: Q2 FY20 – Q2 FY23 (6MRA) n = 904, 902, 900, 901, 902, 1053, 1052, 900, 900, 900, 900, 900, 900
2. Question "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

NEW ZEALAND TOURISM 100% PURE NEW ZEALAND

Among Experienced Connectors, preference has rebounded from the dip in early 2022 and is currently higher than previous levels

Preference KPI

AC Monitor | 6MRA | Experienced Connectors



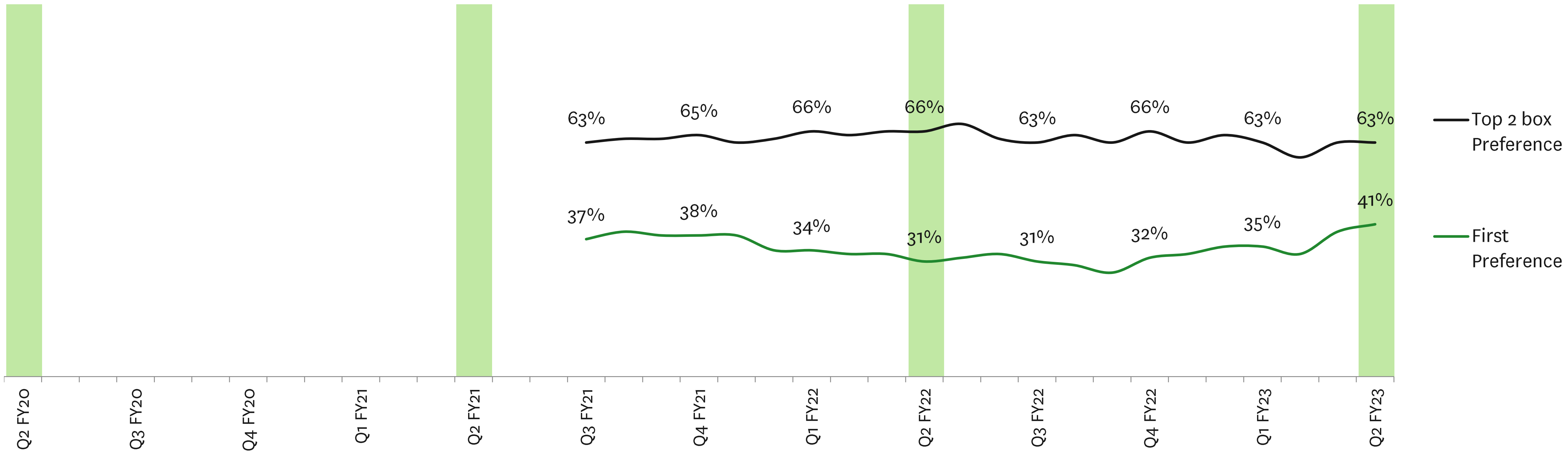
KANTAR

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?"

There are signs of recent growth in first-choice preference among Vibrant Adventurers

Preference KPI

AC Monitor | 6MRA | Vibrant Adventurers



Significantly higher / lower than six month prior at 95%

KANTAR

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?"

NEW ZEALAND TOURISM 100% PURE NEW ZEALAND

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 is an opportunity to leverage 'If You Seek' platform given that a range of experiences, local experiences and embracing visitors are emerging as stronger drivers of preference 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)	2018 rank(1)
Landscapes & scenery	1	1	2
Embraces visitors	2 ⇧	8	*
Range of experiences	3 ⇧	7	9
Unique experiences	4	5	4
Friendly people	5	4 ⇧	8
Safe destination	6	3	6
Range of adventure	7	6	3
Local culture	8	10	11
Relationship with the land	9 ⇧	13	*
Escape troubles	10	*	*
Challenging	11 ⇧	15	14
Local experiences	12 ⇧	17	15
Escape normal life	13	12 ⇩	7
Clean & unpolluted	14	11 ⇩	5
Unique national parks	15	*	*

Latest results	2022 rank	2021 rank(1)	2018 rank(1)
Culturally comfortable	16	14 ⇩	10
All seasons	17	18	17
Indigenous culture	18	*	*
History & heritage	19	22 ⇩	16
Wildlife	20	*	*
Relax & refresh	21	20	21
Fun & enjoyment	22	19	20
Covid-19 management	23	*	*
Quality food & wine	24	26 ⇩	22
Interesting cities	25	24	23
Iconic attractions	26	25	24
Family friendly	27	28	26
Affordable activities	28	30	28
See lots without travelling far	29	29	27
Easy to travel around	30	31	29
Affordable to fly to	31	32	30

KANTAR

1. 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

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

NEW ZEALAND TOURISM

100% PURE NEW ZEALAND

New Zealand's strengths are its pristine landscapes, its connection with the land and being somewhere to escape the troubles of the world; to build competitive strengths, messages need to improve perceptions of New Zealand's range of experiences and its friendly people

Relative brand positioning

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	Canada	USA	Thailand	Caribbean
Landscapes & scenery	105	104	110	105	89	83
Embraces visitors	97	93	93	93	113	114
Range of experiences	90	95	91	128	107	99
Unique experiences	98	97	88	114	104	104
Friendly people	88	91	102	100	112	115
Safe destination	104	100	113	95	85	99
Range of adventure	96	106	108	122	88	80
Local culture	98	103	89	89	121	99
Relationship with the land	106	105	99	79	113	91
Escape troubles	104	87	93	83	107	128
Challenging	106	108	104	97	89	90
Local experiences	100	107	80	78	115	120
Place to escape	91	87	99	96	111	124
Clean & unpolluted	135	104	113	43	78	103
Unique National parks	99	116	123	150	59	50

Strengths:

- Landscapes and scenery
- Relationship with the land
- Escape troubles
- Clean & unpolluted

Need to dial up:

- Range of experiences
- Friendly people
- Range of adventure

Relative weakness | 100 | *Relative strength*

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

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?"

KANTAR

NEW ZEALAND TOURISM

100% PURE NEW ZEALAND

Tactical communications need to be filling in key knowledge gaps related to weather, travel time and ease of travel to and within New Zealand as well as key things to see and do - a useful tool to address these gaps is by promoting various itineraries on newzealand.com

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	The length of time required to fly to New Zealand	36%	36%	34%
2	What the weather is like	28%	26%	*
3	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	25%	26%	*
4	The length of time needed to experience New Zealand properly	25%	24%	23%
5	How easy it is to travel around	22%	20%	17%
6	The level of service you can expect	21% ▲	14%	15%
7	How welcoming the locals are	20%	19%	17%
8	Where I should get information about organising a holiday	20%	16%	16%
9	What the options are for travelling within New Zealand	20%	18%	15%
10	What / where the recommended things to see and do are	20% ▲	14%	17%

Ranks higher now than six months ago

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

KANTAR

1. Sample size: Q1 FY23, Q2 FY23 (6MRA) n = 451, 450 Q2 FY20 (6MRA) n = 906
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

NEW ZEALAND TOURISM 100% PURE NEW ZEALAND

Tactical activity needs to be surfaced earlier in the AC journey as dreamers and planners have greater knowledge gaps than 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	The length of time required to fly to New Zealand	43% ▲	37%	23% ▼
2	What the weather is like	26%	26%	30%
3	What practices are in place to keep me safe from Covid	28% ▲	24%	19% ▼
4	The length of time needed to experience New Zealand properly	30% ▲	16%	17% ▼
5	How easy it is to travel around	24%	14%	21%
6	The level of service you can expect	23%	12%	21%
7	How welcoming the locals are	24%	8% ▼	18%
8	Where I should get information about organising a holiday	20%	14%	22%
9	What the options are for travelling within New Zealand	22%	9%	19%
10	What / where the recommended things to see and do are	24% ▲	14%	14% ▼

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

1. Sample size Q2 FY23 (6MRA) Dreaming n = 260, Planning n = 43, Booking n = 147
2. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

The knowledge needs are similar across the priority mindsets, and therefore the same messages will be impactful to both 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
1	The length of time required to fly to New Zealand	44%	36%
2	What the weather is like	26%	22%
3	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	26%	17%
4	The length of time needed to experience New Zealand properly	30%	31%
5	How easy it is to travel around	25%	17%
6	The level of service you can expect	23% ▲	17%
7	How welcoming the locals are	19%	14%
8	Where I should get information about organising a holiday	17%	21%
9	What the options are for travelling within New Zealand	16%	23% ▲
10	What / where the recommended things to see and do are	19%	20%

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

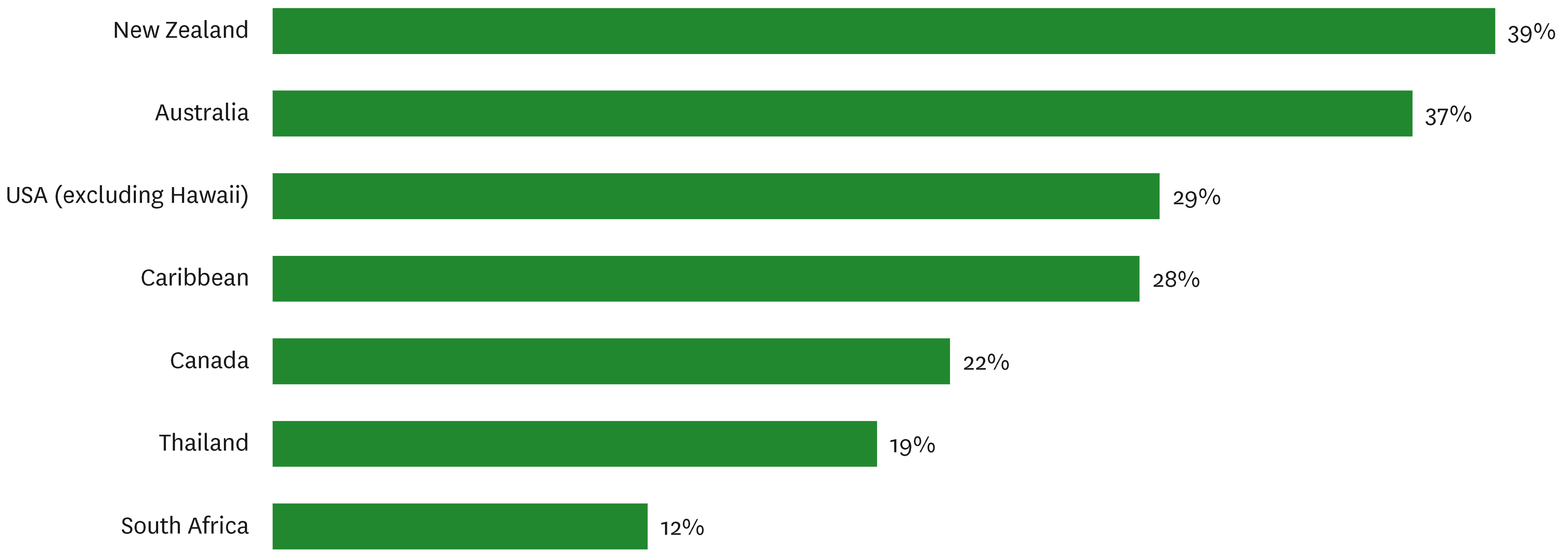
1. Sample size: Q2 FY23 (6MRA) Experienced Connectors n = 122, Vibrant Adventurers n = 82;
2. Question "Putting thoughts about costs aside, what are some of the concerns you have about choosing New Zealand for your next holiday?"

1 Appendix

New Zealand and Australia are the most commonly recognised holiday destinations as having advertised recently

Holiday destinations seen advertised or promoted recently (Prompted Awareness)

AC Monitor | Current 6M | Total Active Considerers

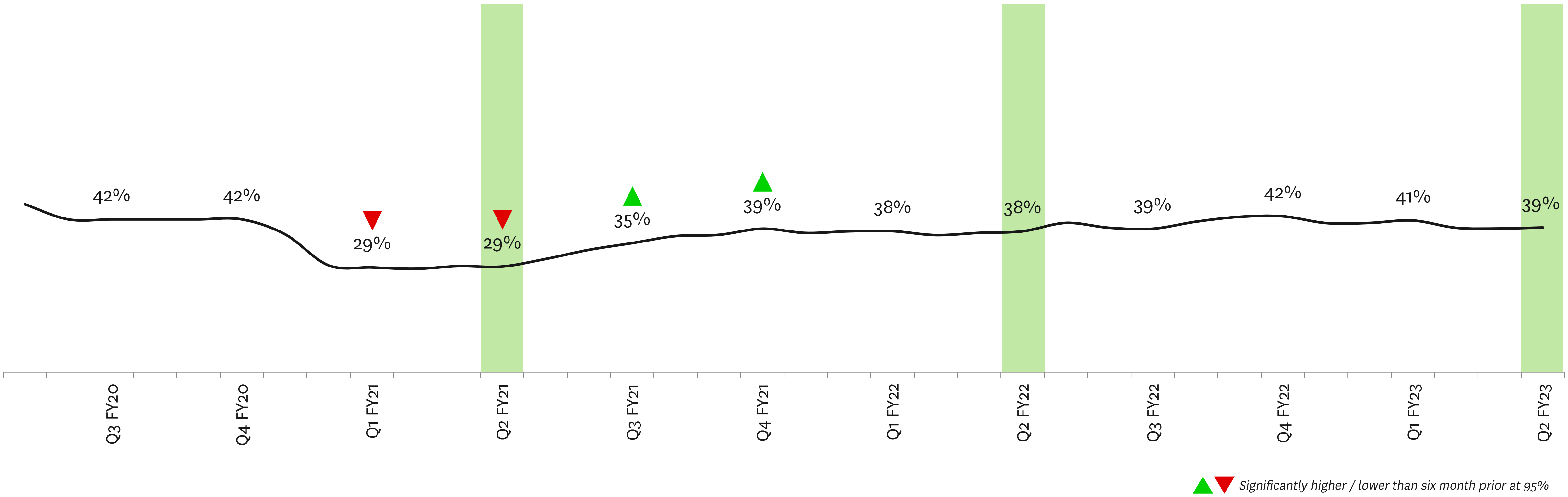


1. 1. Sample sizes: Q2 FY23 n = 900
2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"

Aside from a dip in early FY21, ACs have remained relatively unchanged in their awareness of New Zealand advertising

Seen New Zealand advertised or promoted recently (Prompted Awareness)

AC Monitor | 6MRA | Total Active Considerers



KANTAR

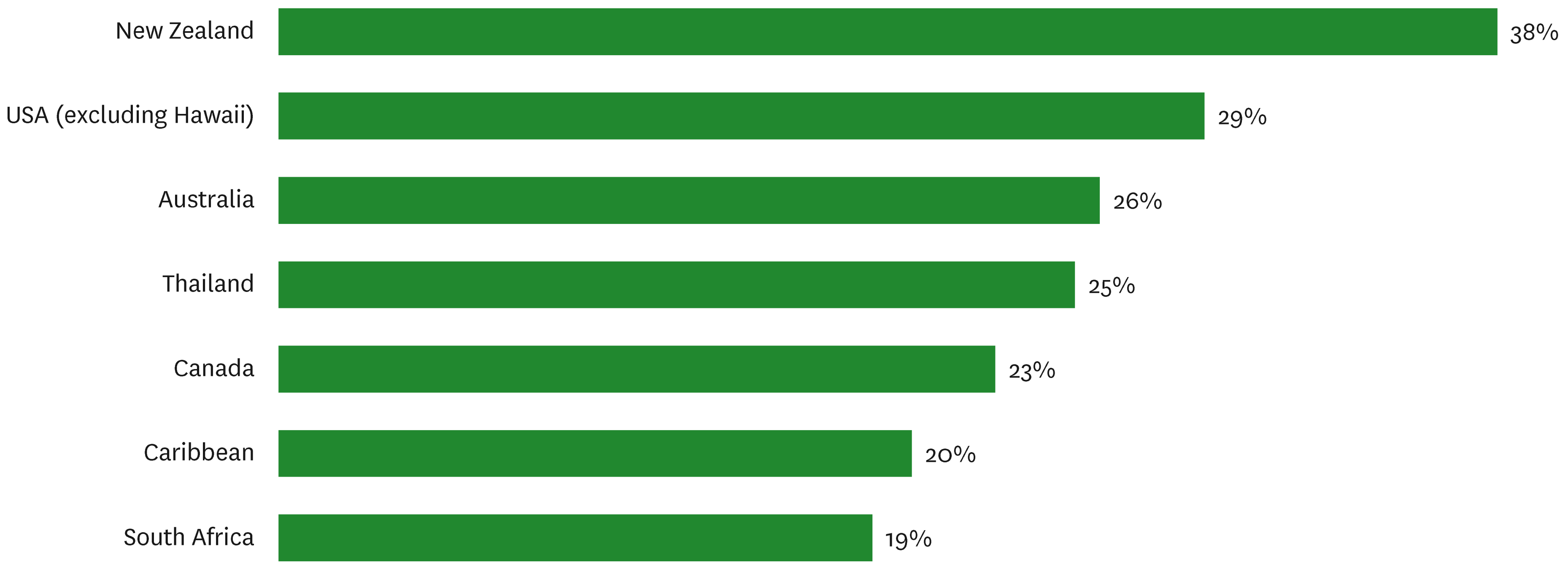
1. Sample size: Q3 FY20– Q2 FY23 (6MRA) n = 301, 301, 301, 751, 1050, 1051, 902, 901, 900, 900, 900, 900
2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"

NEW ZEALAND TOURISM | 100% PURE NEW ZEALAND

New Zealand is the most common holiday destination that ACs can recall recently being advertised or promoted

Holiday destinations seen advertised or promoted recently (Prompted Awareness)

AC Monitor | Current 6M | Total Active Considerers

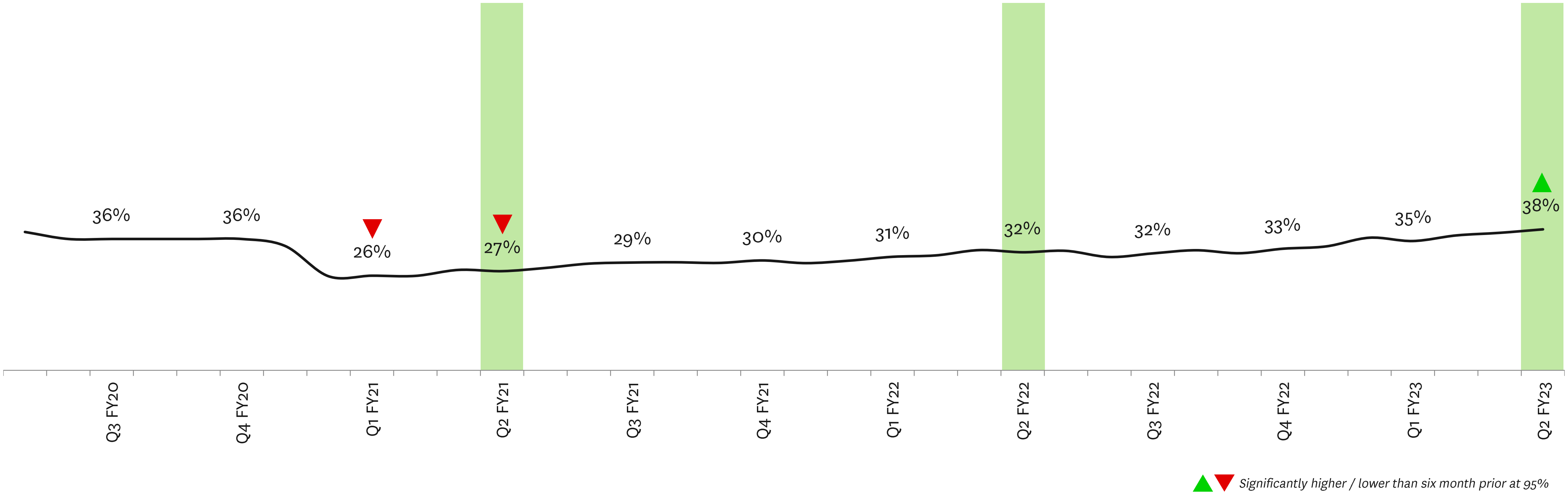


1. 1. Sample sizes: Q2 FY23 n = 900
2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"

Since the peak of the COVID pandemic, German ACs have steadily recalled more New Zealand advertising or promotional activity

Seen New Zealand advertised or promoted recently (Prompted Awareness)

AC Monitor | 6MRA | Total Active Considerers



1. Sample size: Q3 FY20– Q2 FY23 (6MRA) n = 300, 300, 301, 751, 1052, 1052, 900, 901, 901, 901, 901, 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

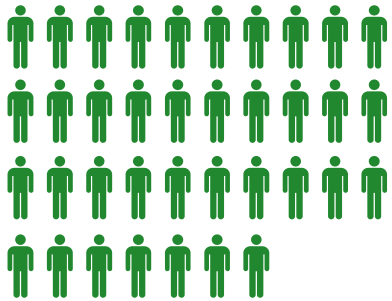
China – 38.7m

Germany – 6.3m

Japan – 4.4m

UK – 6.9m

USA – 47.0m

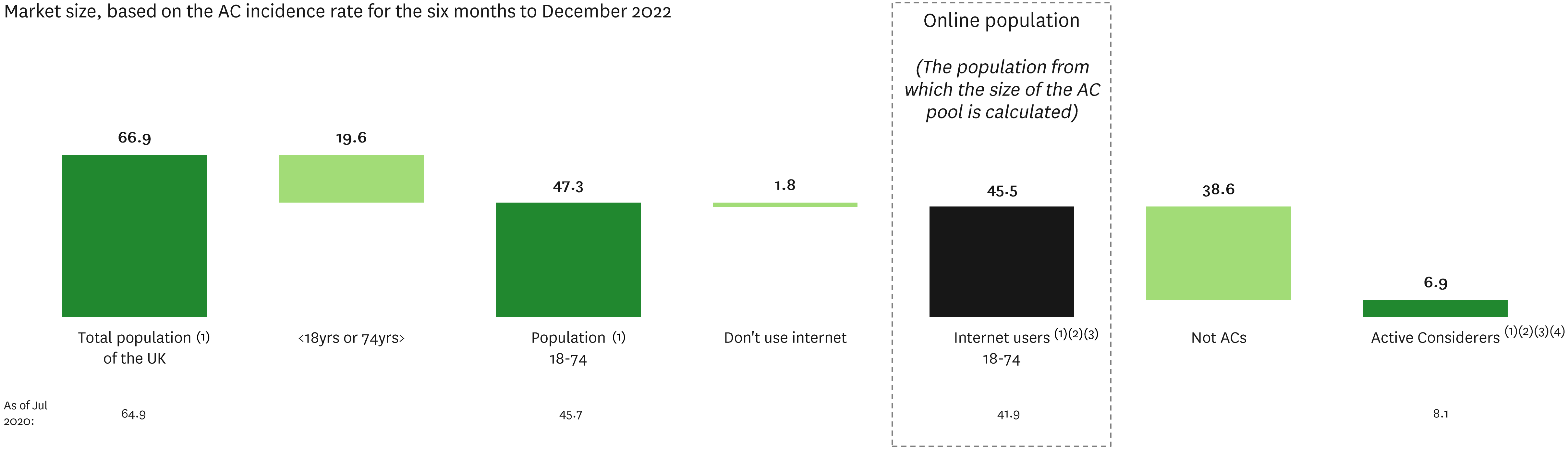


Tier 1 & 2 total = 106.8 million

UK Market Sizing

Dec 22 | Million people

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

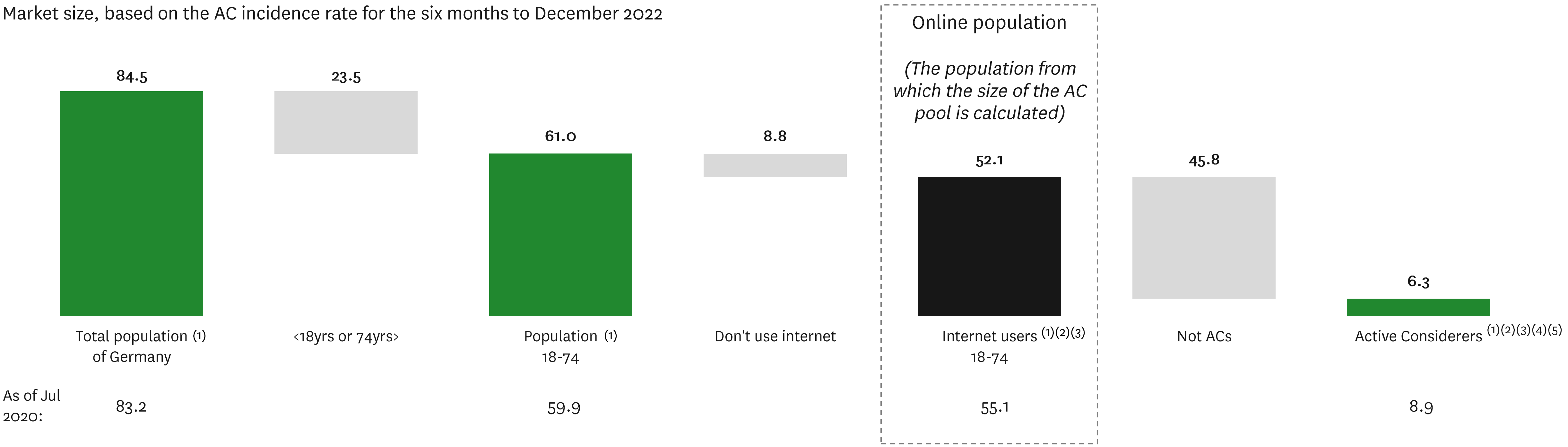


SOURCES/NOTES:
(1) UK Office for National Statistics, MYE2: Persons by single year of age and sex for local authorities in the UK; Time period: June 2021; Coverage: All persons in the United Kingdom
(2) Worldometer population clock, UK; Time period as at mid January 2023
(3) UK Office for National Statistics, Table 1B: Recent and lapsed internet users and internet non-users, UK; Time period: 2020; Coverage: Persons aged 16 years and over; Internet user definition: Adults who have used the internet within the last 3 months
(4) Tourism New Zealand, Active Considerer Monitor Australia; Time period: Jul-Dec 2022, under the latest AC definition
(5) Northern Ireland excluded
(6) Kantar Analysis

Germany Market Sizing

Dec 22 | Million people

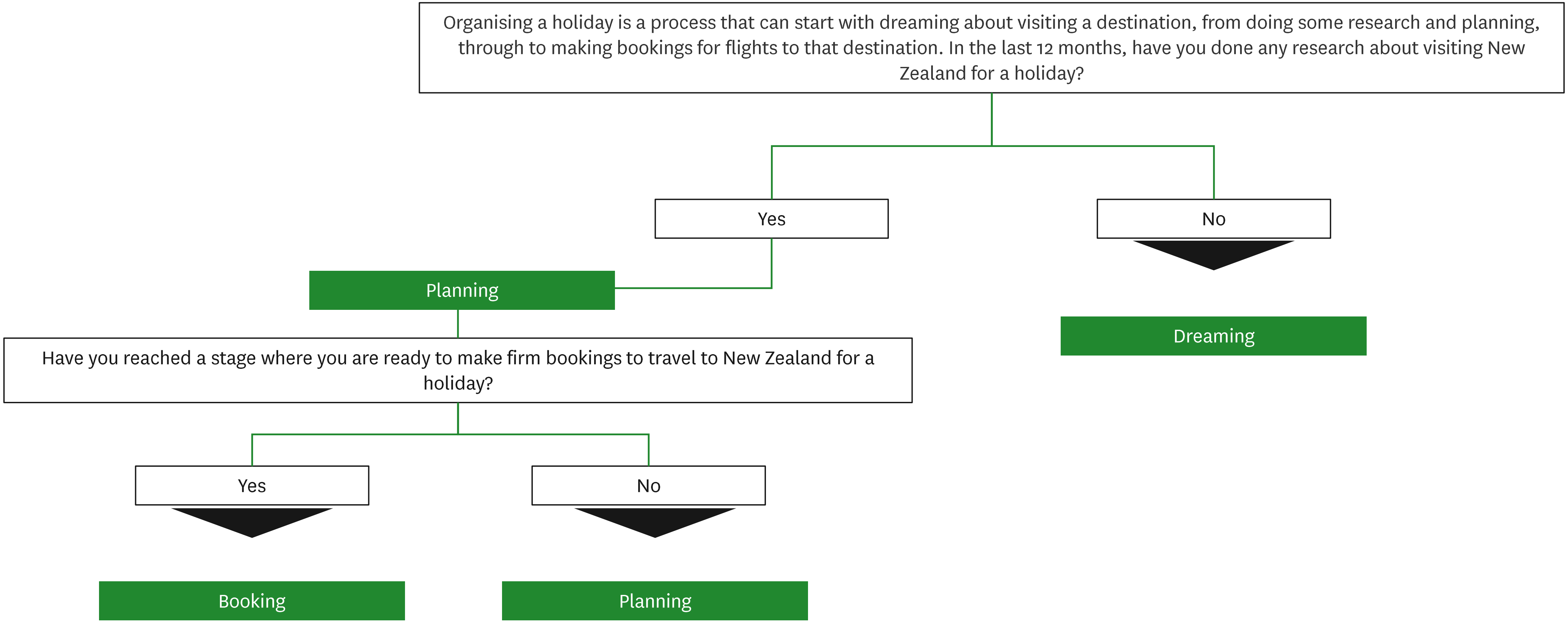
Market size, based on the AC incidence rate for the six months to December 2022



SOURCES/NOTES:
(1) Federal Statistical Office, Population: federal states, date, sex, age years, Time period: 31 December 2021; Coverage: Total population
(2) Worldometer population clock, Germany; Time period as at mid January 2023
(3) Kantar Population Profiler, Internet usage by age; Coverage: Germany; Time period: 2020
(4) Tourism New Zealand, Active Considerer Monitor Germany; 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'

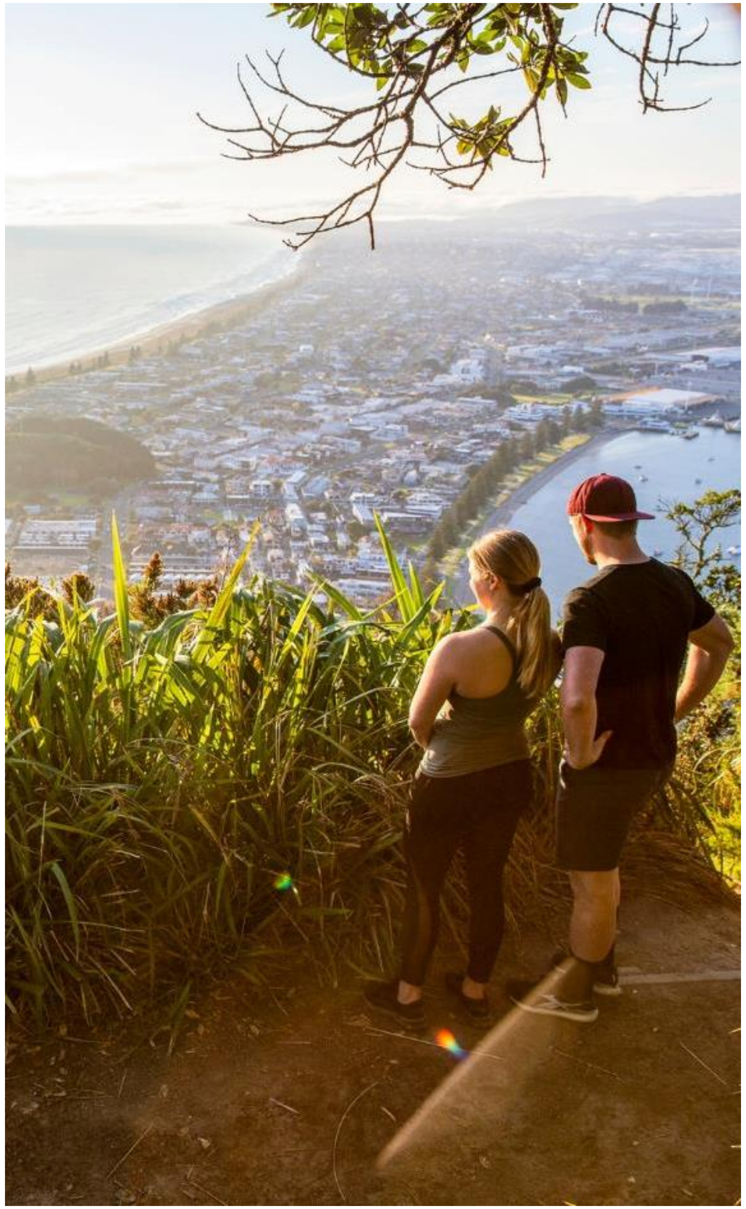
ACs are biased by their predisposition to New Zealand by design. Because we're already talking to people that really like the idea of visiting New Zealand, New Zealand tends to get rated much more favourably on the brand attributes than competitors do. To better understand relative performance, we need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

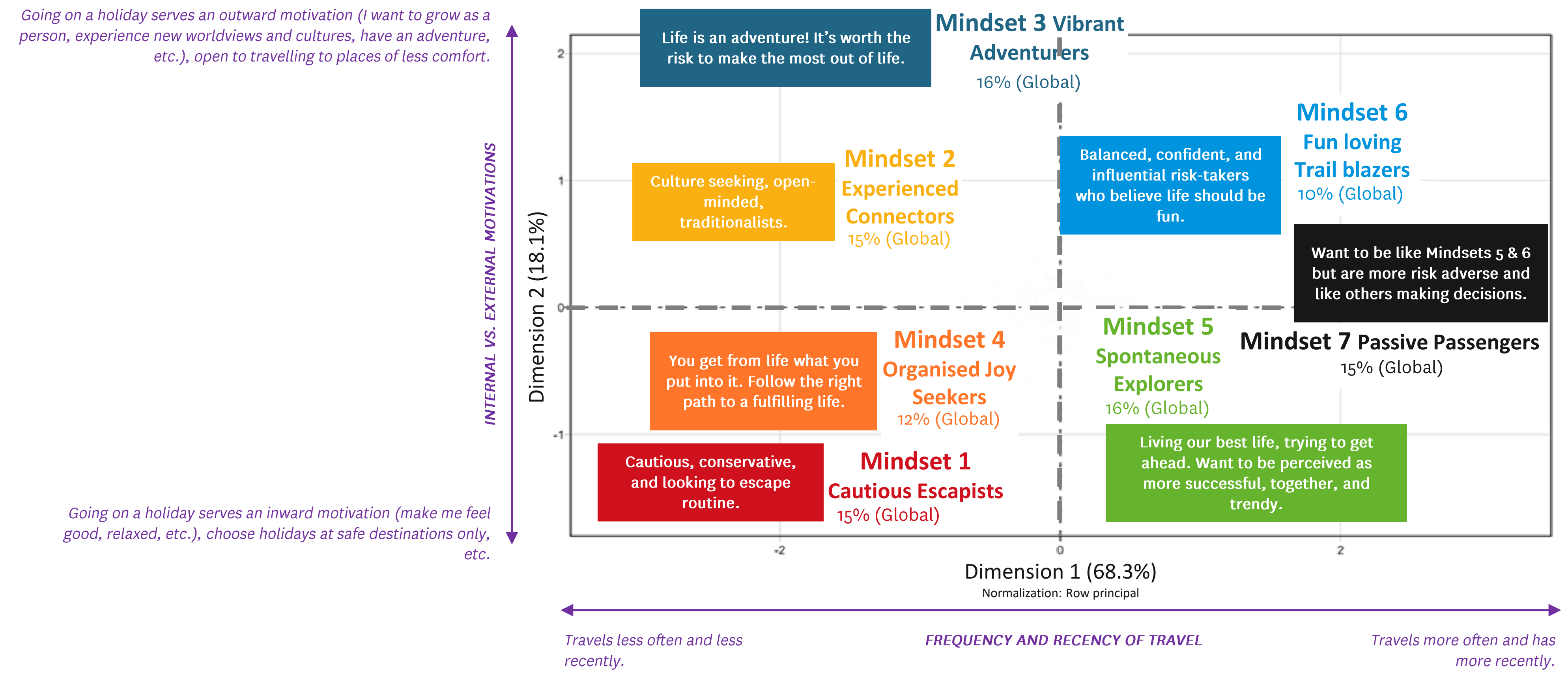
Brand associations	New Zealand	Japan	Australia	Taiwan	South Korea	Thailand
Spectacular natural landscapes and scenery						
The locals are friendly and welcoming						
Ideal to relax and refresh						
I would feel safe travelling around this destination						
Things to see and do are affordable					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

- 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

UK & Germany Priority Mindsets (Mindset 2 and Mindset 3)

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.