



## **Where to with the Youth Sector?**

- with Marketing Manager Sectors, Chris Atkinson and Insights Manager David Sakey

**Key discussion points: webinar, 26 June 2013**

### **Background**

- Youth Sector – 18-29 yrs
- Absolutely critical market
- 24% of total arrivals
- Stay for a long period of time
- Lower spend/day than other market segments however higher overall spend
- Increased opportunity for repeat visitation vs other segments

### **Youth Market Overview**

- International Youth Arrivals (18-29 yrs) has grown at a CAGR of 3%
- The largest group of 18-29yr old travellers are Holiday tourists (51%) followed by VFR (29%)
- Key Youth Markets Include Australia, UK, USA, China, Germany & Japan\
- The average expenditure for a Youth holiday visitor is \$2,400 slightly below the average (\$2,700) although this spend increases for long staying youth

### **Youth Participation in Adventure Related Activities**

- Youth are more likely to participate in adventure tourism activities. The most likely age group to undertake adventure tourism during their stay in New Zealand are 20 to 29 year olds.
- Youth visitors are an active segment and are more likely to participate in a range of active, outdoor adventure type activities compared to all visitors

## Youth Segments



## Key Youth Target Markets

### Who are we talking to?

- Primary: Australia, UK and Germanic backpackers
- Secondary: young adventurers from the US, Australia and China
- Significant Opportunity to Target Youth Travellers out of Australia
  - 593,000 youth visit Australia for a holiday each year (excluding New Zealanders). 63,000 of these then go on to visit New Zealand.
  - The opportunity is the half a million Australian youth holiday arrivals that do not visit New Zealand

### **Significant Opportunity to Target Youth Travellers out of Australia**

- Determine how we position ourselves and what our value proposition is.
- Work with travel sellers – build relationships and provide material to sell.
- Work with NZ industry - identify and build strong two-way relationships with NZ industry collectives.



## **“Youth” Activity – Review**

### Activity Summary:

- Bespoke campaigns targeting backpackers in Western Markets
- Targeted trade engagement and JV activity with youth orientated trade
- Engaged NZ industry through BYATA
- Attendance at global youth trade shows- WYSTC
- Improved content on newzealand.com, increased IMP and supported content creation through youth channels

### Results summary- stories beat stuff

Primary objective of campaign was to engage youth and improve their perceptions

- The campaign highly engaged a large youth audience
  - over 1.4million views of the youth orientated videos showcasing NZ,
  - time on site over 5 mins (58% higher than average), 9 mins on the youtube page.
- It delivered an additional 61,000 FB likes.
  - Highest of any TNZ activity
  - Joint venture campaigns run in conjunction delivered strong results for travel partners for travel to New Zealand
  - STA UK +14% sales increase year on year, STA Germany +22%, Orbitz USA/Canada +12%

### Epic Experiences

- Aimed to capitalise on pre-travel perception improvement and convert into bookings
- Ran on social media and online platforms across US and Canada, UK, France, Germany, Netherlands and Scandinavia.
- Get Amped for NZ!

## **New Youth Brand Platform**

### Key barriers

- Lack of iconic sights (Machu Picchu, Bondi beach etc).
- NZ is far away, expensive to get to and other destinations seem more exciting.
- Other countries have caught up to NZ in terms of marketing to the youth traveller and many of these seem more exotic to youth travellers because they feel newer i.e. Peru & South East Asia.
- NZ is not on the way to other countries so we need to be a destination visit (not an add on).



- The top five backpacker favourite destinations (Australia, United States, France, Spain, Italy) all have higher top of mind awareness and more money to spend to remind people (driving more word of mouth & recommendations) and are closer.
- People get to Australia and don't end up visiting NZ as they think Australia is more compelling than NZ

### **Youth Activity in Other Markets (Japan)**

- Increased focus on Young Adventurer segment
- Partnership with Air New Zealand
- Market Research with Youth
- New Campaigns due in market