Youth Travellers to New Zealand
Market Segment Profiles
Introduction to the Global Youth Market

- The value of Youth Travel was estimated at to $183 billion at the end of 2012 according to the UNWTO, + 28% since 2007
- Young people account for nearly 20% of all international arrivals globally
- The trend towards design-conscious budget accommodation – from boutique hotels to design hostels – is one of the keys to this sector’s growth (e.g. Flashpacking)
- Technology has become indispensable for all segments of these travelers, as the vast majority now books their travel and accommodations via the Internet
- More travelers choose to carry smartphones and tablets over laptops as they travel.
- The ubiquity of the smartphone means that travelers can stay connected to family easier, not to mention have access to all kinds of information at their fingertips

Source: WYSE Travel Confederation Sept 2013
The following is a profile of Tourism New Zealand’s Youth segments - tier 1 & 2 markets

• Data is sourced from the Q1 FY14 quarterly insights session
Young Adventurers
Australia

New Zealand Arrival Trends

- Young Adventurer arrivals has grown +4.4% YTD
- Young Adventurer arrival volumes for the 18-29 year olds tend to peak slightly older between the 25-29 years
- The majority (two thirds) of YA arrivals to New Zealand are Australian citizens
- They stay for 12 days on average in New Zealand and their average typical expenditure per person is approx NZD$2,000

Travel Behaviour in New Zealand

- Young Adventurers are social travellers - travelling with other people is most common (either with partners, friends or with their family). 31% say they travelled to New Zealand alone
- Most popular regions visited while in New Zealand on holiday include Queenstown, Canterbury and Auckland. The South Island is a key destination for this Youth segment and Ski is a key driver of this.
- Rental cars are the most used form of transport followed by Private car, Airlines and Bus service
- Mid range hotels, Backpackers, Motels and Private Homes are the most popular accommodation choices. Top class hotels also feature

Source: Statistics New Zealand- International Travel and Migration Survey – YE Sep 13
Source: IVS, YE Jun 11-13, Holiday, 2029  n = 461
Activities Participated

• The most popular activities participated in while in New Zealand on holiday include visiting bars and nightclubs, snowboarding & bungy jumping. Also extreme rides, ski, diving and luge. This is an adventurous segment who like excitement based activities.

Advertising Awareness

• Two thirds of Young Adventurers have seen something advertising New Zealand as a holiday destination. Top 3 drivers of awareness are travel deals in-store windows, word of mouth and television advertising.

• Recognition of the 100% Pure New Zealand logo is at 71% and this has risen in September ‘13

Perceptions of New Zealand and Competing Destinations

• Competing International destinations include Canada, UK & Europe and Hawaii & US. Queensland and is a popular domestic destination.

• There has been a steady growth in Preference for New Zealand with the Young Adventurer segment is a positive indicator for future arrivals.

• The most relevant destination associations influencing the choice of their next holiday include a Safe destination, Affordability, Fun, and a chance to relax & rejuvenate.

– New Zealand performs well on a number of highly relevant destination associations including Have fun & enjoy yourself, Can feel comfortable there, Landscapes & scenery, Safe destination and Friendly local people.
Young Adventurers
China

New Zealand Arrival Trends
• The Young Adventurer is showing strong growth + 29.1% increase since January 2013 to last year
• Highest volume in Youth Arrivals are 26-29 years – this is an older segment relative to other Youth markets.
• Young Adventurers are more likely to be Independent than older travellers (33% Independent Holiday). Still a large percentage travel as part of a tour group
• They tend to stay longer than the China average however two thirds of this segment visit for less than 7 days

Travel Behaviour in New Zealand
• Auckland and Rotorua are the two main regions visited. Queenstown and Canterbury are next most popular
• A larger proportion of this segment are dual destination as is characteristic of this market. 61% travel as part of a tour group
• Coach is the main type of transport due to the significant amount of tour group travel
• The majority of this segment stay in hotels. Less than 10% stay in backpackers, while some will stay in Motels or with friends and family

Source: Statistics New Zealand – International Travel and Migration Survey – YE Sep 13
Source: IVS, YE Jun 11-13, Holiday, 2029  n = 461
Activities Participated

- Geothermal attractions, Gardens & Hot pools are key activities, followed by farm tours, cultural experiences and short bush walks

Advertising Awareness

- Unprompted communications awareness related to a New Zealand holiday has grown steadily over in the recent months driven by word of mouth, magazine articles and travel shown on tv.
- Recognition of the 100% Pure New Zealand logo has also grown (74% of YAs).
- Tourism New Zealand’s 100% Pure New Zealand campaign has been in market recently and will have contributed to this awareness

Perceptions of New Zealand and Competing Destinations

- Hawaii and Australia are key competitors for NZ in this Young Adventurer segment. Preference for NZ is strong and up indicatively on the previous month
- Most relevant destination associations influencing their choice of next holiday destination include clean & unpolluted environment, have fun & enjoy yourself, relax & rejuvenate, landscapes & scenery and affordable
- New Zealand performs strong on destination associations Landscapes & scenery Have fun & enjoy yourself, Clean & unpolluted, Relax & rejuvenate and Safe destination which are all relevant to this audience
Backpackers

UK

New Zealand Arrival Trends

• Youth holiday arrivals from the UK has had marginal growth ytd (+ 1.7% since January on the same time last year). Average length of stay in New Zealand is 41 days.

• Youth arrival volumes for the 18-29 year olds tend to peak around 22-26 year olds.

• Around 10% of youth arrivals arrive on a Working Holiday visa while the majority (86%) are on holiday visitor visas.

Travel Behaviour in New Zealand

• 87% of UK youth visitors are dual destination and will visit Australia, Thailand and other Asian destinations on the same trip. USA is also popular indicating many are on round the world trips.

• 44% of Youth travelled alone to New Zealand. Over half are travelling either with friends, a partner or family.

• Top 5 most popular regions visited while in New Zealand on holiday include Auckland, Canterbury, Queenstown, Wellington and West Coast.

• Mode of transport commonly includes scheduled bus services, Interisland ferry, backpacker buses, airlines and private or rental cars.

• Backpackers/Hostels are the most common accommodation types for this audience.

Source: Statistics New Zealand - International Travel and Migration Survey - YE Sep 13
Source: IVS, YE Jun 11-13, Holiday, 2029  n = 461
Backpackers

UK

Activities Participated

• Bungy jumping, Sky diving, visiting bars & night clubs, glacier walks, luge and rafting are common tourist activities for a segment that likes adventure and excitement.

Advertising Awareness

• Marketing communications awareness related to a New Zealand holiday is generally flat over time and since March, logo recognition (100% Pure New Zealand) has been steadily increasing.

Perceptions of New Zealand and Competing Destinations

• Among Backpackers, Australia is NZ’s most significant competitor.
• Preference for New Zealand is trending indicatively upward over the long term reflecting improved desire to visit with this segment.
• Having fun and enjoying yourself is a key destination attribute which is relevant to this market for their next destination choice.
• Brand attributes which New Zealand performs well on and are important to this audience include Sense of excitement, Can feel comfortable there, Friendly local people and Safe destination.
Young Adventurers
Japan

New Zealand Arrival Trends
• Young Adventurers holiday arrivals from Japan has grown ytd (+4.6% % since January on the same time last year)
• The Young Adventurer segment appear split by age evenly
• The majority of holiday visitors arrive on a holiday visa (94%)
• Predominantly mono destination travellers (82%) – which reflects a desire to see the destination fully, do the country comprehensively rather than cramming in more countries on the one trip. Average length of stay in New Zealand is around 17 days

Travel Behaviour in New Zealand
• 53% state they travel alone (although many may meet travellers on the road), 18% travel with Friends and 17% with a Partner or Spouse
• Key regions include Auckland, Christchurch, Queenstown, Mackenzie and Rotorua
• Transport they favour include Airlines, Scheduled Bus/Coach and Car
• Hotels is the preferred accommodation quite far ahead of Backpackers

Source: Statistics New Zealand– International Travel and Migration Survey – YE Sep 13
Source: IVS, YE Jun 11-13, Holiday, 2029
n = 461
Young Adventurers

Japan

Activities Participated

- The more popular activities participated in while in New Zealand on holiday include Bungy jumping, visiting Bars and nightclubs, Sky Diving, Beaches and swimming, cycling and horse trekking

Advertising Awareness

- New Zealand Communications awareness has risen in recent months with 58% of this segment stating they have seen something related to a New Zealand holiday recently
- Recognition of the 100% Pure NZ logo tends to follow a similar pattern trending upwards

Perceptions of New Zealand and Competing Destinations

- Among Young Adventurers, Hawaii and Australia are NZ’s most significant competitors
- Preference for New Zealand has recently begun trending upward reflecting increased appeal for New Zealand
- There has been a steady growth in Preference for New Zealand with the Young Adventurer segment is a positive indicator for future arrivals.
- Most relevant destination associations influencing their choice of next holiday destination include Refreshment, a Safe destination, Clean & unpolluted environment, Have fun & enjoy yourself, a Sense of Excitement and Beautiful landscapes and scenery
Young Adventurers
USA

New Zealand Arrival Trends
• The US Young Adventurer segment has grown +8.8% YTD (Jan-Sept)
• Youth arrival volumes for the 18-29 year olds tend to peak slightly older between the 25-30 years
• 94% of Youth visit New Zealand on a holiday visitor visa. Average length of stay is 18 days

Travel Behaviour in New Zealand
• Peak arrivals times to New Zealand for this segment are between December to February. Their arrivals tend to be slightly more spread across the year compared to the total US market. Young Adventurers are independent travellers (94%) while three quarters will visit another country on the same trip (most commonly Australia)
• Most commonly they will travel in pairs (31%), alone (30%) or with friends (19%). Rental cars are the most used form of transport followed by Airlines and scheduled bus services
• Most visited regions in New Zealand include Auckland, Queenstown, Canterbury, West Coast, Wellington, Rotorua
• This segment will stay in both Hotels and Backpackers often depending on their length of stay and desire for comfort

Source: Statistics New Zealand – International Travel and Migration Survey – YE Sep 13
Source: IVS, YE Jun 11-13, Holiday, 2029  n = 461
Young Adventurers
USA

Activities Participated
• Activities this audience are more likely to participate in while on vacation in New Zealand include socialising (visiting bars & night clubs), bungy jumping, glacier walks, sky diving, tramping/hiking, rafting, kayaking, hot pools and luge. A really active segment

Advertising Awareness
• Unprompted awareness of communications related to a holiday in New Zealand has been on the rise since March driven by word of mouth, travel deals on tv and in store windows. This audience is also more likely to have seen ‘Hobbit’ related communications (43%)
• Recognition of the 100% Pure New Zealand logo has also risen since March in line with the above trend

Perceptions of New Zealand and Competing Destinations
• Europe (Italy) and Australia are New Zealand’s most significant competitors for this segment
• Preference for a New Zealand holiday has improved substantially over the past year
• Most relevant destination associations influencing their choice of next holiday destination include a destination to relax & rejuvenate, beautiful landscapes & scenery, friendly people and affordability
  – New Zealand performs strongly on delivering a sense of excitement and unique experiences
Backpackers
Germany

New Zealand Arrival Trends

- Youth holiday arrivals from Germany is showing the fastest growth for any age segment (+ 7.1% since January on the same time last year)
- 31% of Youth arrivals come to NZ on a Working visa. The most popular age for working holiday visas is 18-20
- The majority of German Youth travellers will visit other countries on their trip, Australia being the most common other destination visited

Travel Behaviour in New Zealand

- A sizeable proportion (39%) will travel alone, although half of Backpackers will visit with a partner or with friends
- Key regions include Auckland, Canterbury, West Coast, Wellington and Queenstown although this segment travels widely
- Transport they favour include Inter-Islander Ferry, Scheduled Bus, Private & Rental Cars and Campervans
- Backpackers/Hostels, Campervans, Free-Camping and Doc camping sites are popular accommodation choices
Backpackers
Germany

Activities Participated

• The most popular activities participated in while in New Zealand on holiday include visiting bars and nightclubs, sky diving, bungy jumping, cinema, luge, glacier walk, visiting film locations and trekking

Advertising Awareness

• Both unprompted marketing communications awareness and recognition of the 100% Pure NZ logo have been steadily increasing over the past 12 months

• Key drivers of awareness include Word of mouth (41%), Travel deals in-store windows (38%), Travel shows on TV (31%), Facebook posts from friend (29%)

Perceptions of New Zealand and Competing Destinations

• USA and Australia are NZ’s most significant competitors, also the Caribbean, Canada, South Africa and Thailand feature strongly

• Preference for New Zealand has recently demonstrating incremental growth over time

• Landscapes and Scenery, Sense of excitement, Unique experiences and Safe destination are key attributes that are most relevant when looking for and choosing their next destination