

Chinese tourists and Souvenir Purchases in New Zealand



A Summary Report

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Nature of the Research

- 45 interviews with Chinese tourists – 30 to 60 mins long
- Conducted in hotels and locations frequented by Chinese tourists
- Rotorua and Queenstown in Autumn of 2013.
- Plus interviews with 7 tour guides



Key Findings

- There is widespread recognition by Chinese tourists of the existence of shopping tours
- Shopping tours are perceived as ‘part of a system’ that permits some to travel on overseas holidays that are otherwise too expensive
- Chinese tourists are increasingly better informed through the internet, but need better access to internet at hotels



Chinese Tourist Classifications



- Three classifications
 - Shopping tours –
 - Quality Tours –
 - Independent holiday tourists

- Among those booking tours –
 - » a) Quality tours are seen as having higher status
 - » b) Shopping tours – purchased on the premise of price

About Shopping Tours



- Sold to Chinese tourists at attractively low prices – so low as to not even cover cost of flights and accommodation;
- Tour operators make up difference through commission earned from retailers
- Tour guides paid on commission basis from retailers
- Often dual destination – Australia
- The North Island, in particular Rotorua, is the main site for souvenir shopping.

Tourists Perceptions of Shopping Tours

- The tourists' perceptions
 - Some continually seek to resist the organised shopping
 - Some actively distrust tour guides
 - Some tolerant a degree of shopping because they recognise they have paid a lower price for the tour
 - A few may be gullible

Items being purchased



- Seek to buy souvenirs that are quintessentially representative of NZ in their eyes;
- Chinese tourists are buying a core of products that are related to health
- Milk powder – often at the bequest of friends back home,
- Health food products such as honey, propolis
- Creams such as lanolin, mud packs
- Wine
- Less so are woollen and alpaca items

Chinese Tourist Comments



“We have visited Auckland and Rotorua. Seen volcanos, farms, lakes, and some gardens. I have no plan for shopping. But I have heard of the milk powder. I have not started shopping. I am going to buy something; I mean I have to buy something for family and friends, just something from New Zealand. If they can deliver it directly to China, it would be perfect. But I am afraid to visit the shops which are run by the travel companies. They are cheating us. Some of my group members are taking a list of products according to the requirements of family and friends. There are many different things were listed, such as milk powder, health product”

“What we paid is a quality tour. We paid more than regular groups. So we need not go shopping to complement their cost. Our tour guide never led us to souvenir shops. You know, they (regular groups) only paid 14,000 RMB for a two countries’ trip, which is only enough for airfares, maybe. So they have to go shopping, it is their duty to buy something. Otherwise the tour company could not survive. Many countries welcomed Chinese tourists because they believe that Chinese tourists are stupid, Chinese tourists are willing to pay a large amount of money to buy anything they promoted. But things are changing. Many tourists with more overseas travelling experience would not pay a lot to buy souvenirs; they want to enjoy their holiday. Because of our culture, we have to buy some gifts for relatives. But we want something with New Zealand’s element. A gift should be like that, it is from New Zealand. Maybe we are going to buy something in the airport. According to my previous experience, when we check in, we normally have at least one hour of walking around in the airport. So, maybe I will buy something if I find some interesting things.”

Chinese Tour Guides



- Tour Guides have differing perspectives
 - Feel tensions
 - Feel they have to take tourists to shops but know tourists resist the shopping, dislike being not trusted, feel they have some responsibility to tour operators
 - Do not like
 - having to hassle tourists
 - Feel tourists tolerate them
 - Feel tourists know the quid quo pro for low price is to shop
 - Resist enquiry about them
 - A sizable proportion of guides resisted inquiry
 - Like not having a shopping tour
 - Tour guides very pleased they are on ‘quality tours’

Comments From Tour Guides



“I used to work in the North Island. But I don’t like their practice. I also felt great pressure from the company. So I moved to the South Island. I enjoy my work here because I need not cheat the tourists all the time. All shops in Queenstown clearly mark price. It is different from North Island, especially in Rotorua. I felt guilty when I saw the tourists bought items and paid ten times higher than normal price.”

“I think most of the tourists understand the shopping activities in designated shops. When they booked a tour which is only 14,000 RMB for a 10 days trip, they should know the cost of the trip is much higher than 14,000 RMB. So tourists who love (such a) low price should pay more on shopping. There are “pure sightseeing” tours sold in a lot of tour companies. If tourists don’t like shopping in designated shop, they may pay higher price to book that kind of pure sightseeing tours.”

“TNZ again? They only focus on our tour guides. We have an association. When they cut off all our profits, we would organise a strike. You are kind to ask me first. What you want to know? Brochure? Do you know what the content is in the brochure? They provide local products and probably price. How can I let my tourists even see it?”

General Impressions



- The shopping tours are reflective of an early stage of market development and fade over time as a market matures;
- The policies of the TNZ Premier Kiwi Partnership Programme and those of 1st October Chinese regulations will further encourage movement to 'quality' tours and FIT markets
- Initiations with Chinese Tour Guide Association are effecting more positive attitudes.

Recommendations



- Emphasis on quality can be reinforced by *toi iho* and Qualmark style branding exercises and promotions that need to be supported by Mandarin materials;
- Chinese tourists need free internet access or to know where to access;
- PKP and working with New Zealand Chinese Tour Guides Association important.