Profiling Backpackers in UK & Germany
Insights | Final version

Contents

1
Background & approach

Tourism New Zealand (TNZ) wanted to compile a fact base on 'Backpackers' in UK and Germany to anchor insights-based marcomms decisions

Brief from Tourism New Zealand

- Tourism New Zealand have updated their global segmentation framework for FY17 and in doing so have changed their focus from Youth, Active Considerers of New Zealand that are aged 18-29, to Backpackers, people aged 18-24 and interested in an extended holiday that would include destinations in APAC

- As a result of this newly defined segment of Backpackers there is recognition that Backpackers do not fall into the intent and the criteria of Active Considerers, as Backpackers more often than not travel on a working visa and visit multiple countries during a single journey. They do not necessarily have a preference for visiting New Zealand for a holiday in the same way as ACs do. Given this situation, TNZ now have the need to conduct research to be able to gain insights to inform strategic direction for Backpacker marketing efforts

- The research approach needs to be designed to gain insights via a bi-annual dip. This is an ongoing program of work to provide a fact base and consumer insights to help inform marketing strategy and market activation of the Backpacker segment in the DE and UK markets:

  - Dip 1 – inform TNZ's three year strategic planning, including familiarity, perceptions, barriers/key questions, activities of interest, time of year to travel (seasonality)

  - Dip 2 – inform media planning, and should include publishers, and channel behaviour

Backpackers are a segment that includes a mix of considerers and non-considerers of New Zealand

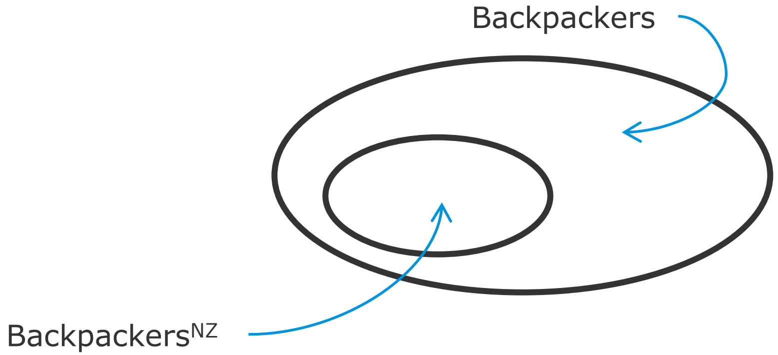
How do we define a "Backpacker"?

TNZ have determined that three key criteria define a Backpacker. We surveyed 400 such people in each of the UK and Germany markets in July 2016:

Backpacker = Aged **18-24** & Interested in taking an **extended holiday** & Would be interested in visiting at least one **APAC destination**

In this report we refer to …

- **Backpackers**
  As above; 18-24 and interested in an extended holiday that would include destinations in APAC (i.e. some would consider New Zealand, some would not).
  Sample sizes: Germany n = 448, UK n = 412
- **Backpackers^{NZ}**
  Backpackers, as above, that would consider New Zealand (i.e. a subset of Backpackers)
  Sample sizes: Germany n = 326, UK n = 295



An ‘extended holiday’ was defined for respondents as follows:

What do we mean by “extended holiday”?

“Next we want to ask you about holidays. A particular kind of holiday in fact.

The kind of holiday we’re interested in talking to you about today are gap-year style holidays, working holidays, or extended holidays where you travel around for at least a few weeks exploring; basically, the sorts of holiday trips where you might …

- *Visit a number of different destinations*
- *Apply for a working visa*
- *Work or volunteer at some point during your trip*
- *Take after finishing university and before starting work / your career*
- *Travel ‘backpacker’ style*

Hopefully that gives you an idea of what we’re interested in talking about and from here on in, we’ll refer to this type of holiday as an extended holiday.

Are you interested in taking an extended holiday, for a period of 2-12 months, sometime in the next three years?”

2
Insights & recommendations

Key messages (1 of 3)

Market size and profile

1	18-24 year olds are a narrow cohort – but within this demographic, interest in a backpacking-style extended holiday is strong
2	New Zealand is a highly desirable destination to visit for such a holiday, but market factors mean we don't get our 'fair share' of visits, given how desirable we are

Brand positioning

3	TNZ's ability to tap into this desirability is limited as the main market factors relate to our distance from market and at best can be influenced by airline product / offers
4	TNZ and the industry can however shape perceptions on other functional, on-the-ground factors – climate, safety, accommodation, transport, etc
5	Maintaining a strong value proposition in the face of these market factors is key, and the value proposition largely hinges on landscapes & scenery at present
6	TNZ needs to work on a more diversified proposition to improve its attractiveness relative to North American and European destinations
7	A localised executional approach is required; Germans are more favourable about New Zealand, while UK Backpackers see us as scenic but relatively boring

Key messages (2 of 3)

Travel party, activities, websites

7 Not unexpectedly, Backpackers^{NZ} are most likely to travel with friends and / or a boyfriend / girlfriend

8 For both markets, the top ten activities are a blend of urban, nature and food experiences further indicating the need for New Zealand to market a diverse offer

9 STA is far down the list of websites Backpackers^{NZ} would use for planning; for online, relationships with TripAdvisor, Trivago, Airbnb and Expedia are the ones to nourish

Work experience

10 Backpackers are keen to have work experiences on their extended holiday and New Zealand is in the top three destinations to have these work experiences

11 Paid work is likely to fund the extended holiday as it happens; those keen on working are generally keen to do so for a good chunk of their total holiday time

12 There are opportunities for New Zealand to leverage interest in conservation volunteering to help mitigate tourist impacts on our conservation estate

Key messages (3 of 3)

Visitor consideration funnel

13 Most Backpackers^{NZ} remain sitting in 'dreaming' – i.e. they haven't researched New Zealand in the last year – which likely reflects the 'too hard' aspects of visiting

14 Even Backpackers^{NZ} that have reached 'booking' have more research to do; 'planning' is less a stage and more an ongoing activity throughout the consumer journey

The New Zealand component

15 Most Backpackers^{NZ} are keen to arrive in the late Northern summer / early autumn, which in turns reflects that most anticipate arriving from Europe

16 Car / camper is the most considered transport for navigating New Zealand – but this likely reflects how New Zealand is known to Backpackers^{NZ} (i.e. a touring destination)

17 Airbnb is popularly considered by Backpackers^{NZ} for the New Zealand leg of their trip, again highlighting a potential partnership opportunity for TNZ

18 The bulk of Backpackers^{NZ} want to spend one to three months in New Zealand and not unexpectedly, Germans on average want to stay longer than those from UK

In summary, there are jobs to do both at the brand and tactical level:

1. Brand job

Target

- Backpackers^{NZ} in dreaming mode

Main task

- Agree and communicate a more diversified value proposition beyond landscapes & scenery

More specifically …

- Look to become the destination that helps Backpackers 'build and develop life experiences'
- Dial up that New Zealand experiences are fun & enjoyable for everyone, especially for UK
- Execute a localised communications plan by market to address the nuances – the ingoing mind-set should be that German Backpackers are more in tune with New Zealand values; UK Backpackers are more 'pop culture' oriented with a strong attachment to the USA

2. Tactical job

Target

- Backpackers^{NZ} in planning / booking mode

Main task

- Get Backpackers^{NZ} over the line – leverage trade partnerships to convert desire into visits

More specifically …

- Work with airlines to develop product / offers that soften or outweigh the impacts of our distance from market
- Develop a partnership with Airbnb to increase New Zealand's visibility with one of Backpackers^{NZ} preferred travel websites
- Promote other modes of internal transports beyond car / camper, e.g. hop-on hop-off bus, to illustrate there are other, less expensive ways of touring New Zealand

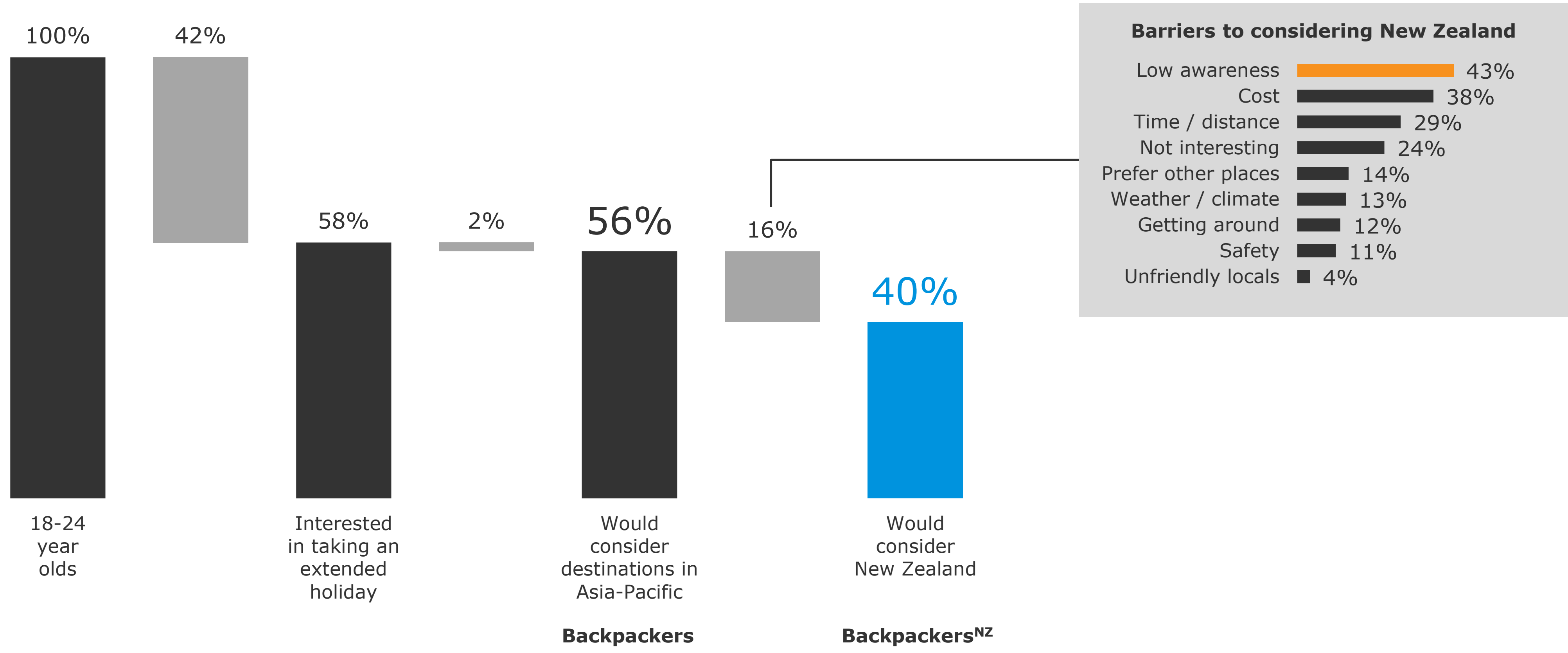
3
Key learnings

3.1
Backpacker profile

Many German Backpackers would consider visiting New Zealand, for the few that wouldn't, New Zealand is simply not on their radar

Incidence of Backpackers, and Backpackers that would consider visiting New Zealand

Germany, % 18-24 year olds

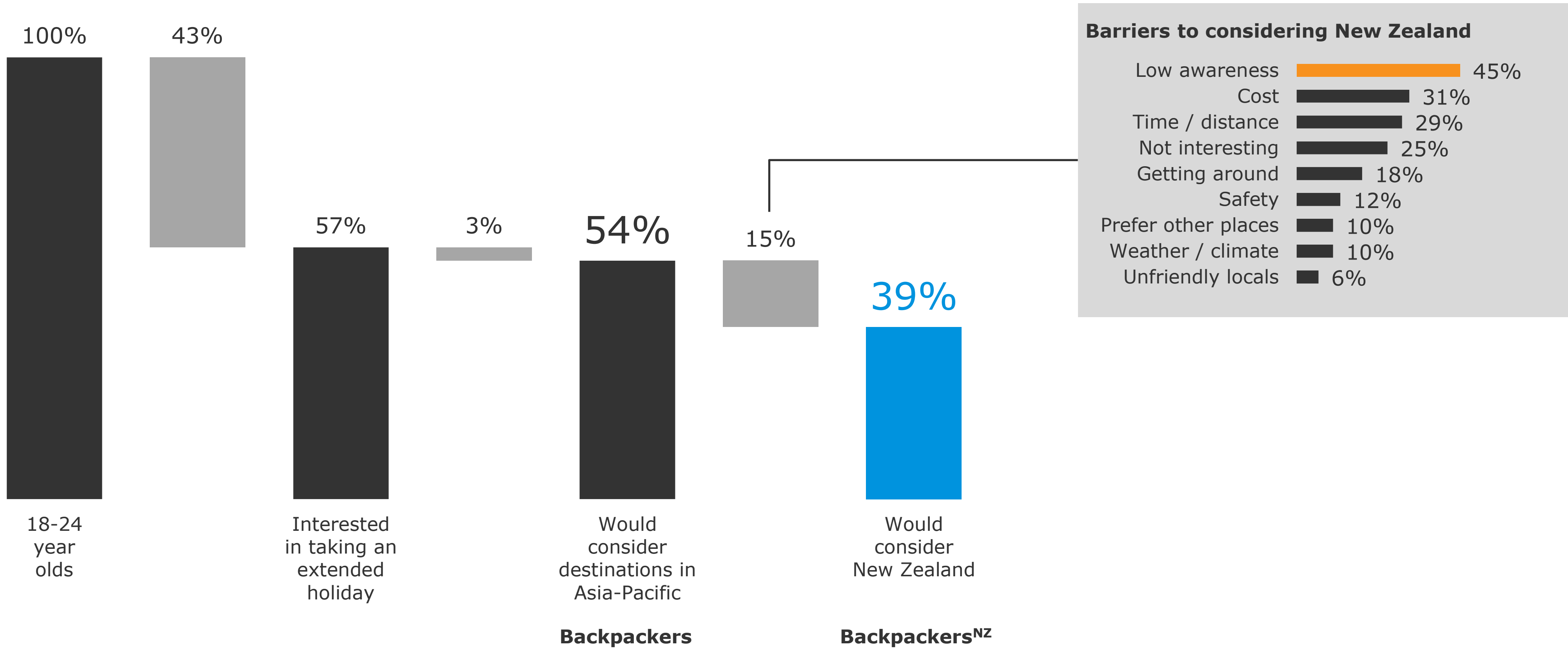


Sample sizes: Germany n = 1,022, UK n = 917

Many UK Backpackers would also consider visiting New Zealand, and likewise for Germany, awareness is the main barrier for non-considerers

Incidence of Backpackers, and Backpackers that would consider visiting New Zealand

UK, % 18-24 year olds



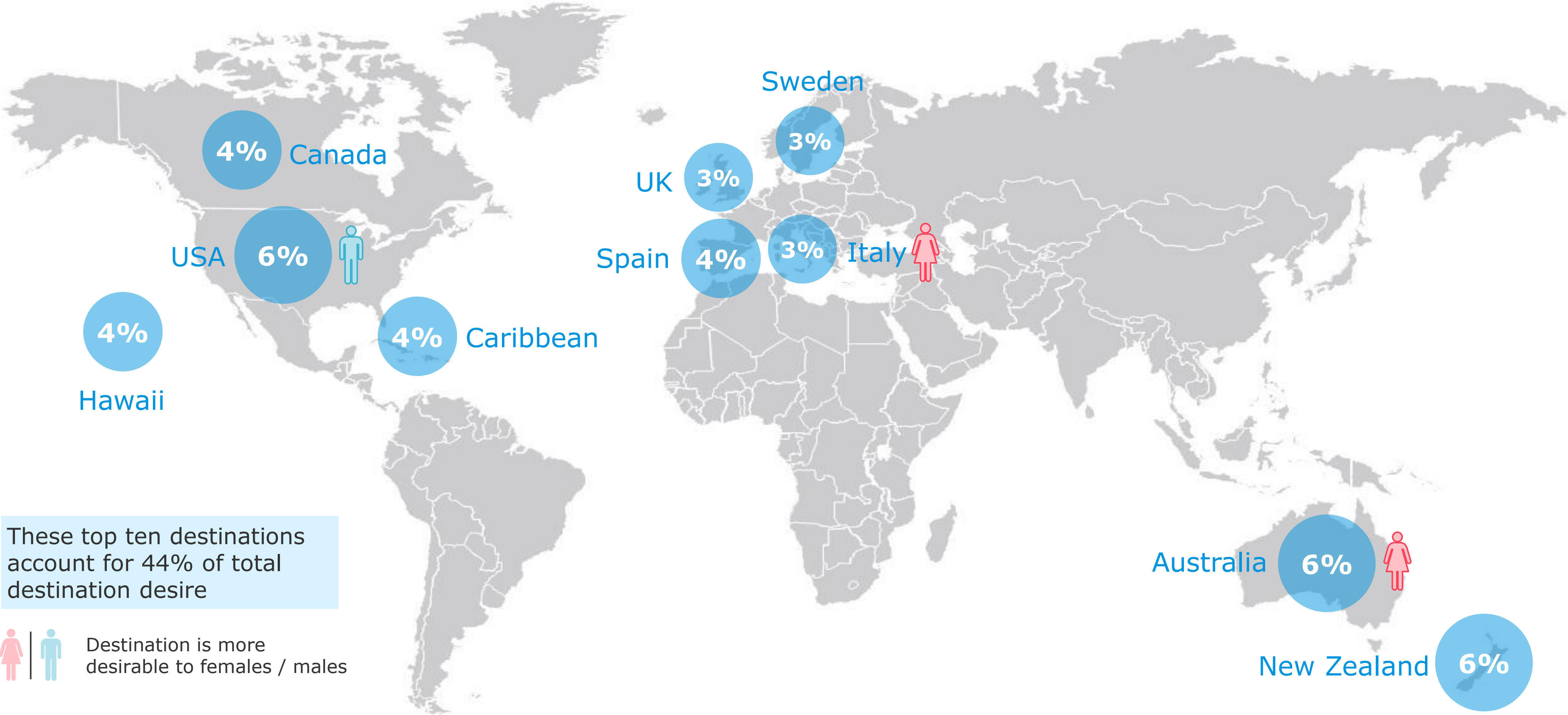
Sample sizes: Germany n = 1,022, UK n = 917

3.2
Destination desirability

New Zealand is among the most desirable of destinations for German Backpackers to include on an extended holiday

Power in the mind of holiday destinations – top ten

Germany, All Backpackers, % share of desire to visit across 58 destinations evaluated (share across all 58 destinations = 100%)



These top ten destinations account for 44% of total destination desire

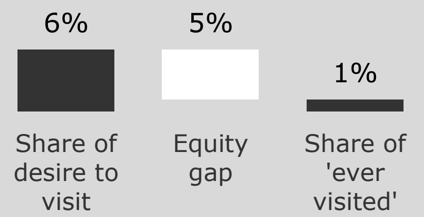
Destination is more desirable to females / males

With strong desirability and low market share, New Zealand's aspirational nature is in part driven by our distance from market

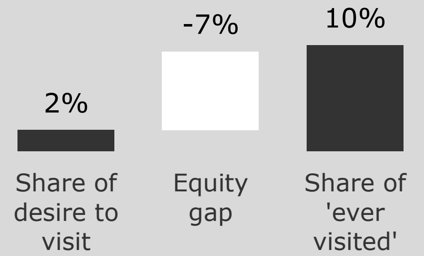
Brand equity gaps for holiday destinations

Backpackers, equity gap = % share of desire to visit (power in the mind), minus % share of 'ever visited for a holiday'
See Appendix for more information

Largest positive equity gap
New Zealand

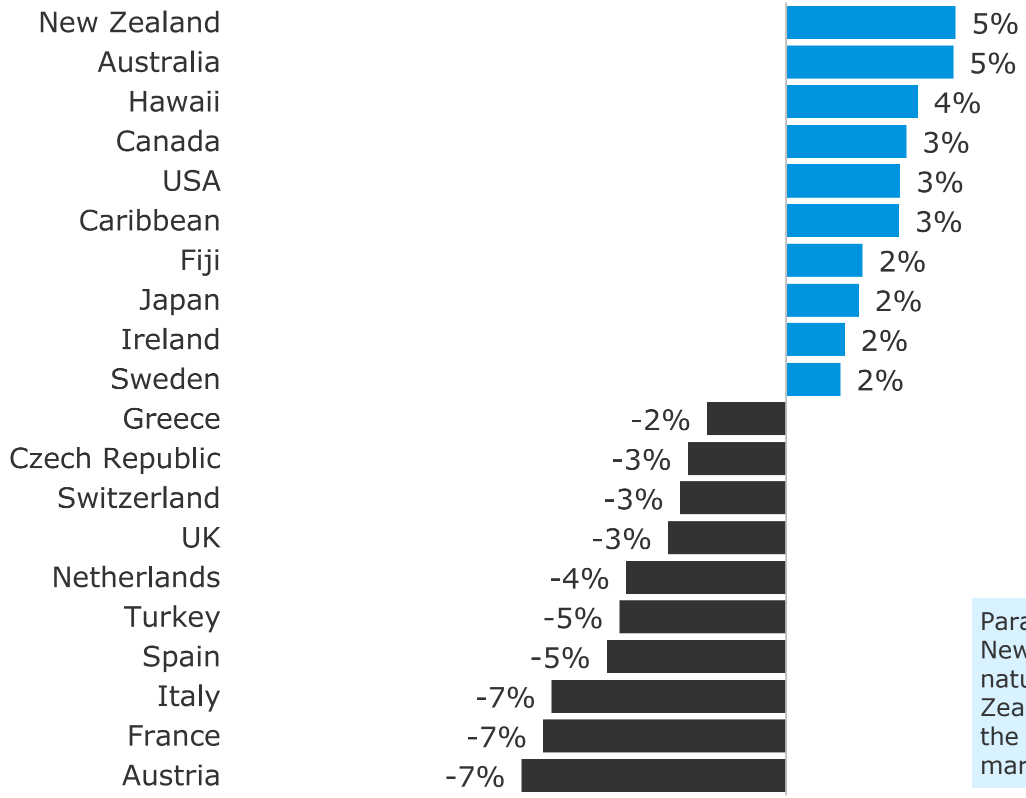


Largest negative equity gap
Austria



Top ten negative equity gaps
Share of ever visited > share of desire

Top ten positive equity gaps
Share of desire > share of ever visited



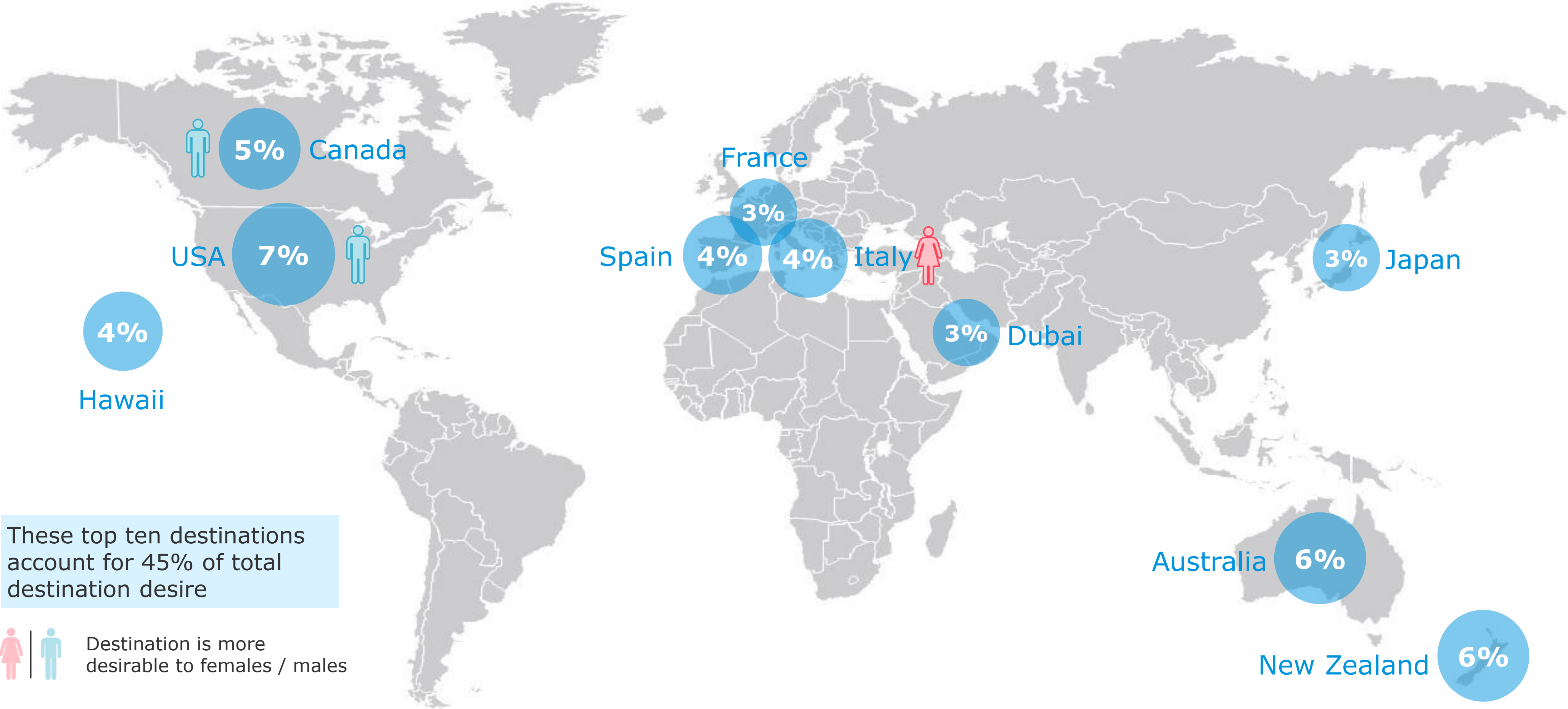
Paradoxically, distance drives New Zealand's aspirational nature, but also limits New Zealand's market share – this is the context in which TNZ is marketing to Backpackers

Note: Not all 58 destinations shown – only those with the largest equity gaps (top ten positive or top ten negative)

New Zealand is also very desirable to UK Backpackers, but ranks behind USA and Australia in this market

Power in the mind of holiday destinations – top ten

Backpackers, % share of desire to visit across 58 destinations evaluated (share across all 58 destinations = 100%)



These top ten destinations account for 45% of total destination desire

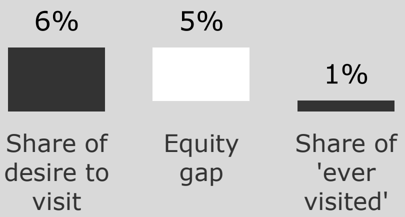
Destination is more desirable to females / males

New Zealand is aspirational to UK Backpackers, while European destinations enjoy high share of visits because of their relative accessibility

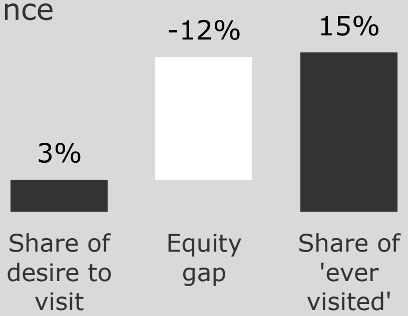
Brand equity gaps for holiday destinations

Backpackers, equity gap = % share of desire to visit (power in the mind), minus % share of 'ever visited for a holiday'
See Appendix for more information

Largest positive equity gap
New Zealand

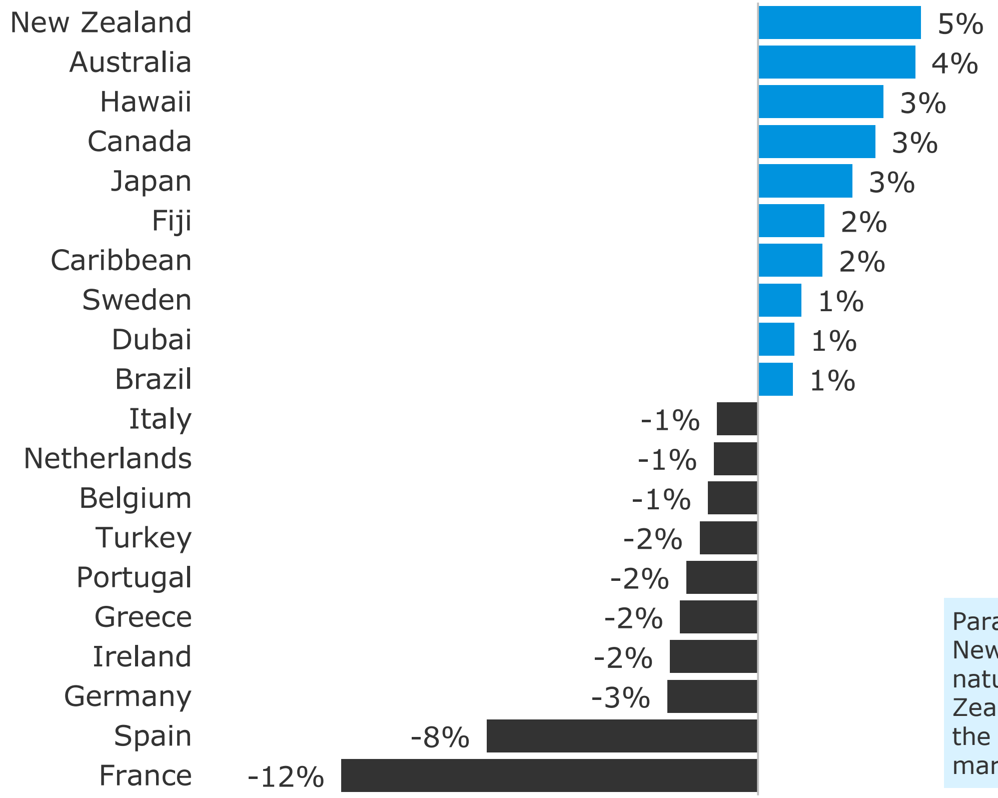


Largest negative equity gap
France



Top ten negative equity gaps
Share of ever visited > share of desire

Top ten positive equity gaps
Share of desire > share of ever visited



Paradoxically, distance drives New Zealand's aspirational nature, but also limits New Zealand's market share – this is the context in which TNZ is marketing to Backpackers

Note: Not all 58 destinations shown – only those with the largest equity gaps (top ten positive or top ten negative). USA is therefore not on this list as it ranks 11th on negative equity gaps.

With cost and distance being the main barriers, airlines play a large role in converting demand, while TNZ can chip away at other barriers, e.g. by informing Backpackers about transport, accommodation and working visas

Factors that hold Backpackers back from visiting New Zealand

Total market view (i.e. Base = Backpackers)

Top ten market factors (Germany)	
1	There are few ways to get here
2	It takes a long time to get to
3	It's not as safe as others
4	Isn't as modern and sophisticated
5	It's expensive to get to
6	The climate isn't as good as others
7	Lacking good value accommodation options
8	Lacking good internal transport networks
9	Working visa is expensive
10	The local people aren't as helpful

Top ten market factors (UK)	
1	There are few ways to get here
2	It takes a long time to get to
3	It's expensive to get to
4	It's not as safe as others
5	The climate isn't as good as others
6	Isn't as modern and sophisticated
7	Lacking good internal transport networks
8	Lacks good value accommodation
9	Working visa process is difficult
10	The local people aren't as helpful

Explaining market factors

- Market factors are aspects that force demand in a particular direction – i.e. supportive market factors are aspects that encourage us to buy something more than we desire to, while preventative market factors are ones that prevent us from buying something we'd really like to buy. Typically pricing and distribution are the top market factors across all industries. A market factor could be supportive for one brand, but preventative for another
- The above market factors are all ones that prevent people from acting on their desire to visit New Zealand, so in essence we can consider these market factors to be barriers
- It should be noted that the context is the competitive set, so we should interpret these barriers in terms of how we compare to other destinations with strong power in the mind. For both Germany and UK, the top three competitors are USA (including Hawaii), Australia and Canada

TNZ can however be more influential on the drivers of destination choice; the top ten drivers are largely similar across both markets though German Backpackers do place greater priority on chilling out

Top ten attributes that influence destination choice

Total market view (i.e. Base = Backpackers)

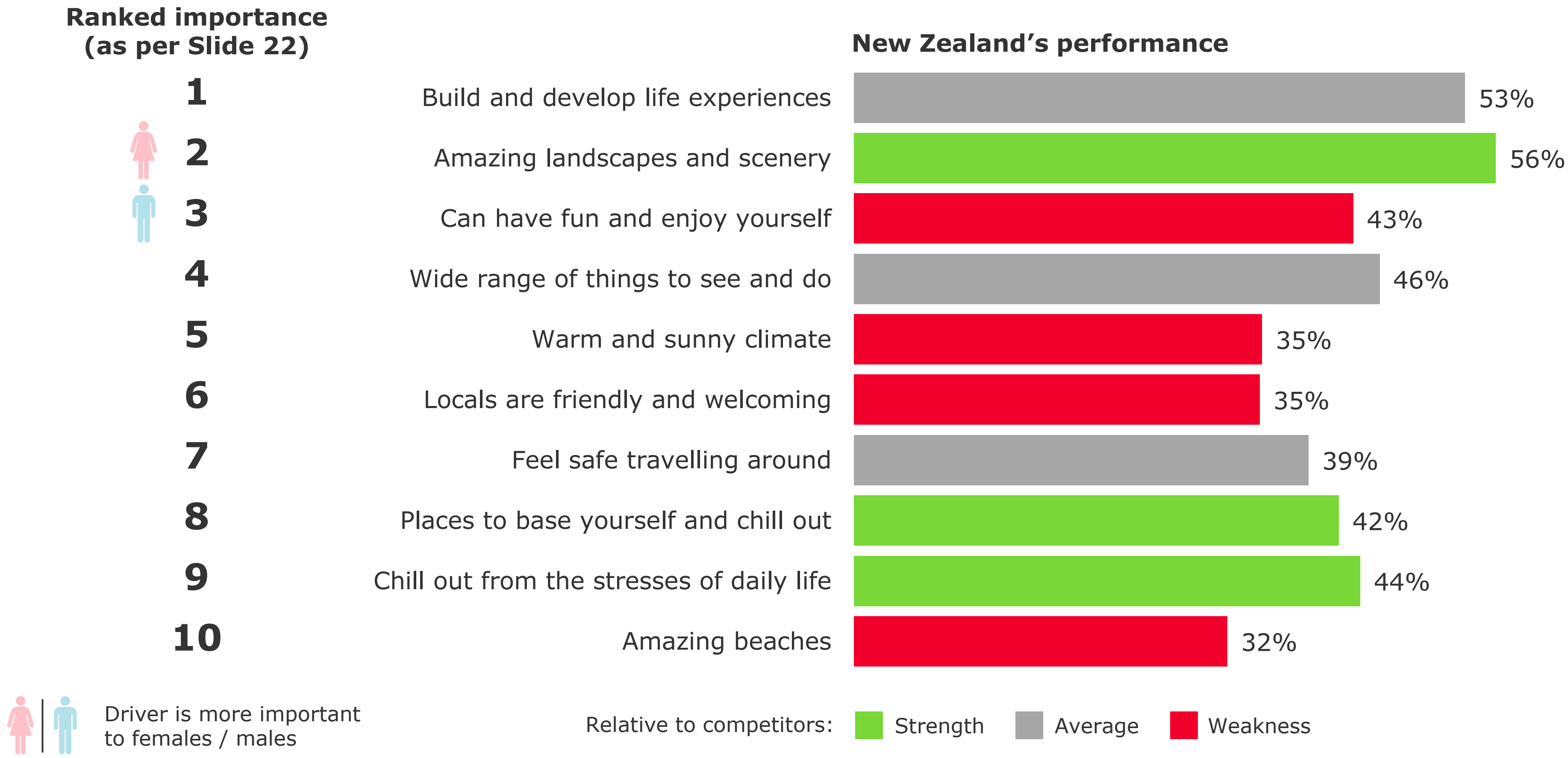
Rank	Attributes that drive destination choice (Germany)	Attributes that drive destination choice (UK)
1	Build and develop life experiences	Can have fun and enjoy yourself
2	Amazing landscapes and scenery	Amazing landscapes and scenery
3	Can have fun and enjoy yourself	Build and develop life experiences
4	Wide range of things to see and do	Feel safe travelling around
5	Warm and sunny climate	I've never been before
6	Locals are friendly and welcoming	Wide range of things to see and do
7	Feel safe travelling around	Locals are friendly and welcoming
8	Places to base yourself and chill out	Iconic attractions and landmarks
9	Chill out from the stresses of daily life	Great local food & beverage experiences
10	Amazing beaches	Warm and sunny climate

- While there is significant overlap, the top ten drivers for UK Backpackers are arguably more urban / mainstream (fun, iconic, food etc)
- See Appendix for view for Backpackers^{NZ}

To support the New Zealand brand in Germany it is key to maintain strengths on landscapes and relaxation, and build stronger perceptions on fun, friendly and beaches

Association of New Zealand with top ten attributes that influence destination choice

% Backpackers^{NZ} that associate New Zealand with attribute

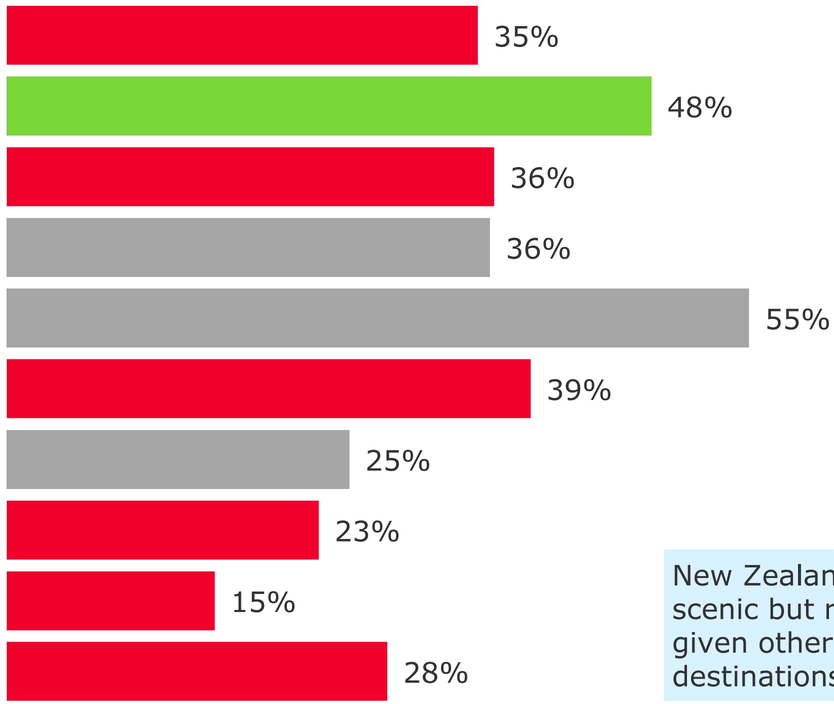


In the UK, New Zealand's strong brand hinges solely on landscapes; it is critical to improve on other important drivers where we can credibly do so, e.g. fun, life experiences, things to see and do

Association of New Zealand with top ten attributes that influence destination choice

% Backpackers^NZ that associate New Zealand with driver

Ranked importance (as per Slide 22)		New Zealand's performance
1	Can have fun and enjoy yourself	35%
2	Amazing landscapes and scenery	48%
3	Build and develop life experiences	36%
4	Feel safe travelling around	36%
5	I've never been before	55%
6	Wide range of things to see and do	39%
7	Locals are friendly and welcoming	25%
8	Iconic attractions and landmarks	23%
9	Great local food & beverage experiences	15%
10	Warm and sunny climate	28%



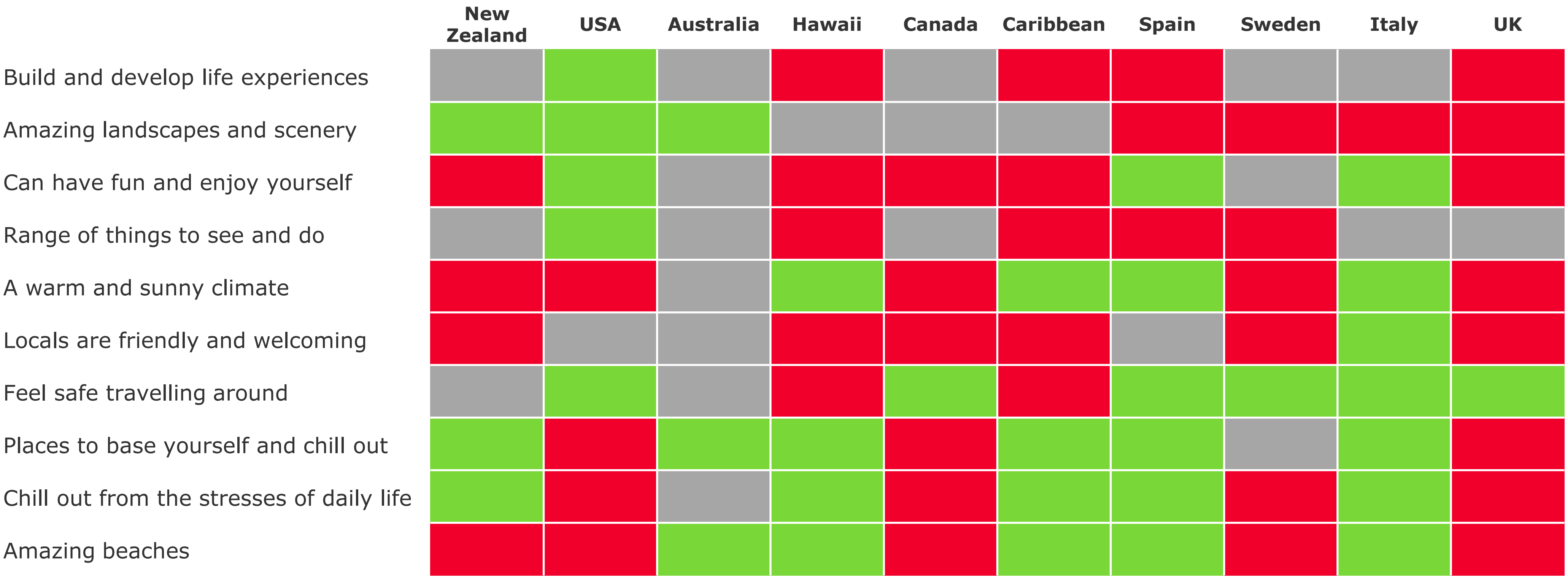
New Zealand is seen as scenic but relatively boring, given other popular destinations such as USA

Driver is more important to females / males

Relative to competitors: Strength Average Weakness

Australia stands out as it has no relative weaknesses on the drivers that matter to German Backpackers when choosing destinations; Hawaii blends the strengths of both New Zealand and Australia

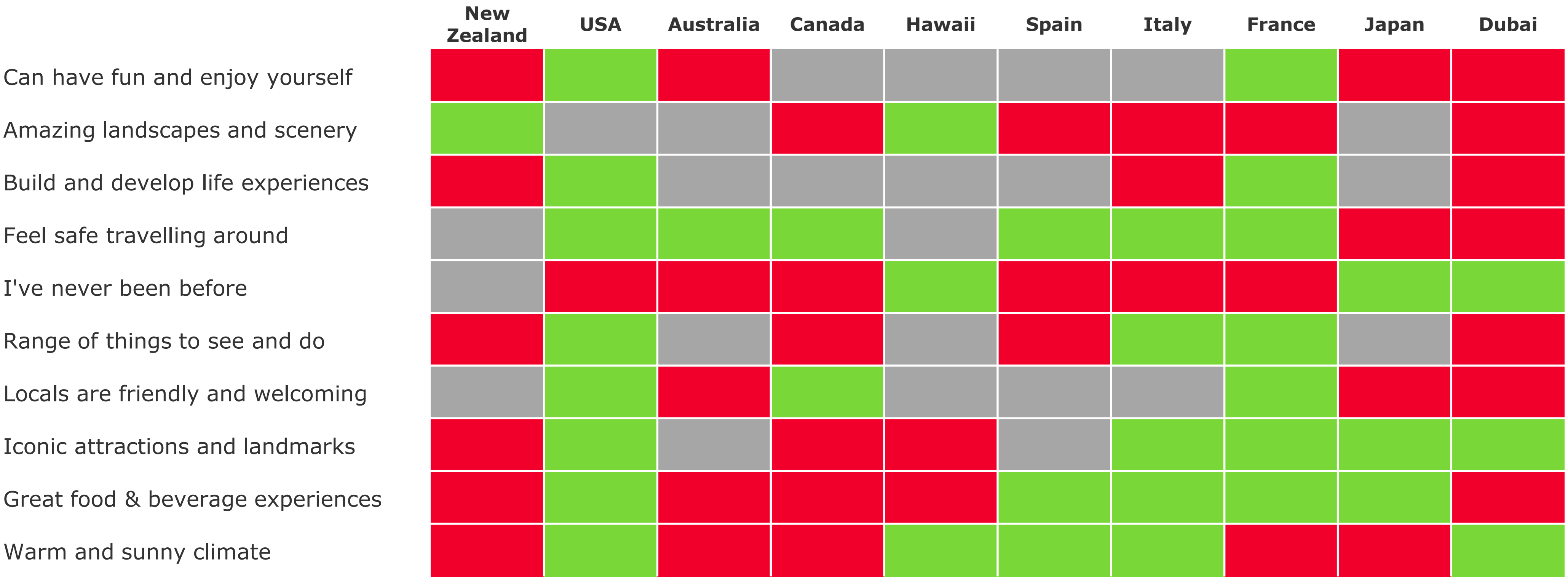
Relative performance of New Zealand and the top competitors on the top ten attributes that influence destination choice



	New Zealand	USA	Australia	Hawaii	Canada	Caribbean	Spain	Sweden	Italy	UK
Number of strengths	*3*	*4*	*3*	*4*	*1*	*4*	*6*	*1*	*7*	*1*
Number of weaknesses	*4*	*4*	*0*	*5*	*5*	*5*	*3*	*6*	*1*	*8*

USA not only has strong power in the mind with UK Backpackers, it is also strong on eight of the top ten drivers of destination choice – i.e. it has a varied value proposition, unlike New Zealand

Relative performance of New Zealand and the top competitors on the top ten attributes that influence destination choice



	New Zealand	USA	Australia	Canada	Hawaii	Spain	Italy	France	Japan	Dubai
Number of strengths	*1*	*8*	*1*	*2*	*3*	*3*	*5*	*7*	*3*	*3*
Number of weaknesses	*6*	*1*	*5*	*6*	*2*	*3*	*3*	*3*	*4*	*7*

Putting it another way, the critical issue for New Zealand is that most of the things it is strong on are way down the list of key decision criteria

New Zealand's top ten relative strengths, and their importance to destination choice

Ranked performance (association with) and importance of each attribute, out of 50 attributes

P = performance I = importance	Rank P	Rank I
Clean & unpolluted environment	1	30
Well known as a backpacking destination	2	41
Can see wildlife in its natural environment	3	31
Amazing landscapes and scenery	4	2
Can practice speaking English	5	11
Range of outdoor & adventure activities	6	26
Places to base yourself and chill out	7	8
Experiences you can't get anywhere else	8	12
I've never been before	9	25
Popular with people like me	10	29

P = performance[1] I = importance	Rank P	Rank I
Well known as a backpacking destination	1	47
Ideal for a working holiday	2	39
Amazing landscapes and scenery	3	2
Range of outdoor & adventure activities	4	19
Places to base yourself and chill out	5	23
A clean & unpolluted environment	6	34
Culturally similar to my home culture	7	48
Chill out from the stresses of daily life	8	11

Interpretation
Across all 50 attributes, New Zealand's is most commonly associated with 'clean and unpolluted' (performance) – but this only ranks 30th as a driver of destination choice (importance)

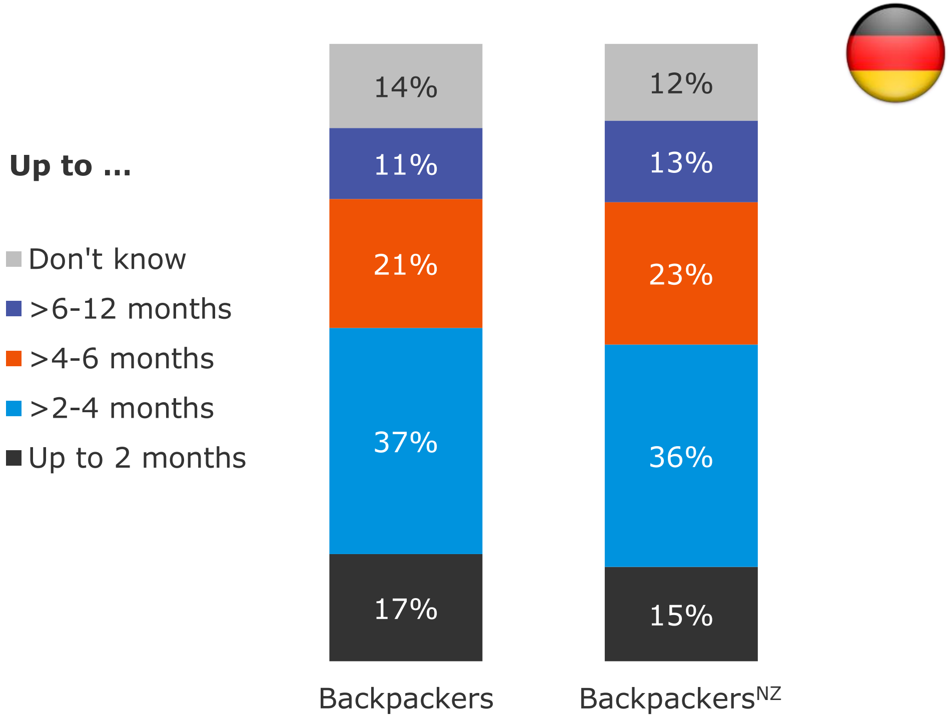
NOTE:
1. Only 8 relative strengths

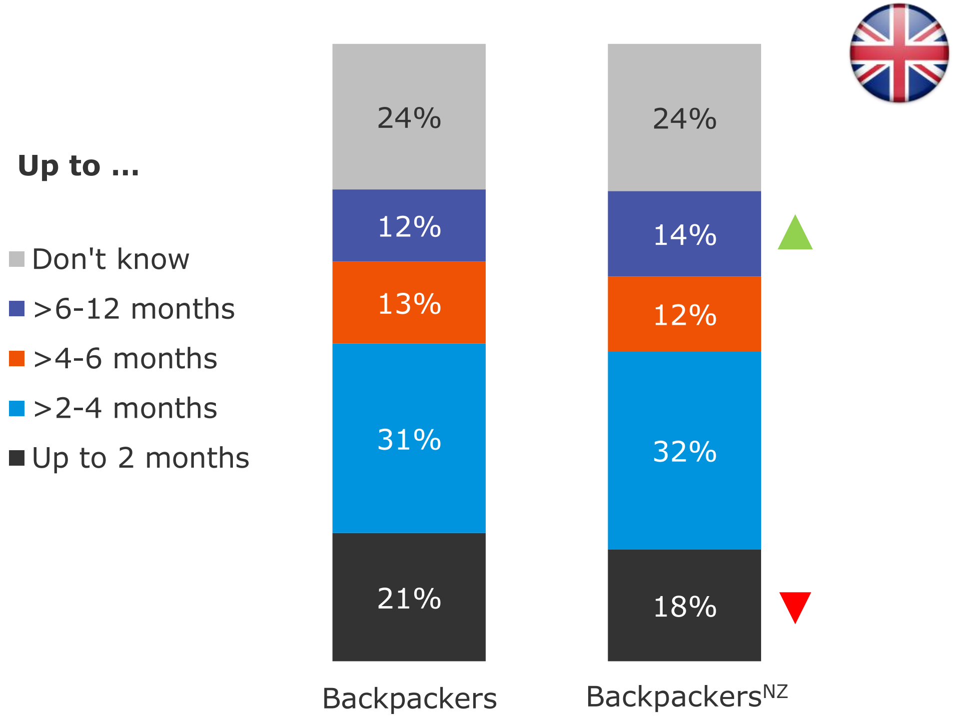
3.3
Extended holiday characteristics

On average, Backpackers are looking to travel for around four and a half months in total; in the UK, slightly more Backpackers^NZ are looking to have a longer total holiday

Total amount of time Backpackers want to travel for, on their extended holiday

% Backpackers





Number of months (Germany)

	Backpackers	Backpackers^NZ
Average	4.6	4.9 ▲
Median	4.0	4.0

Number of months (UK)

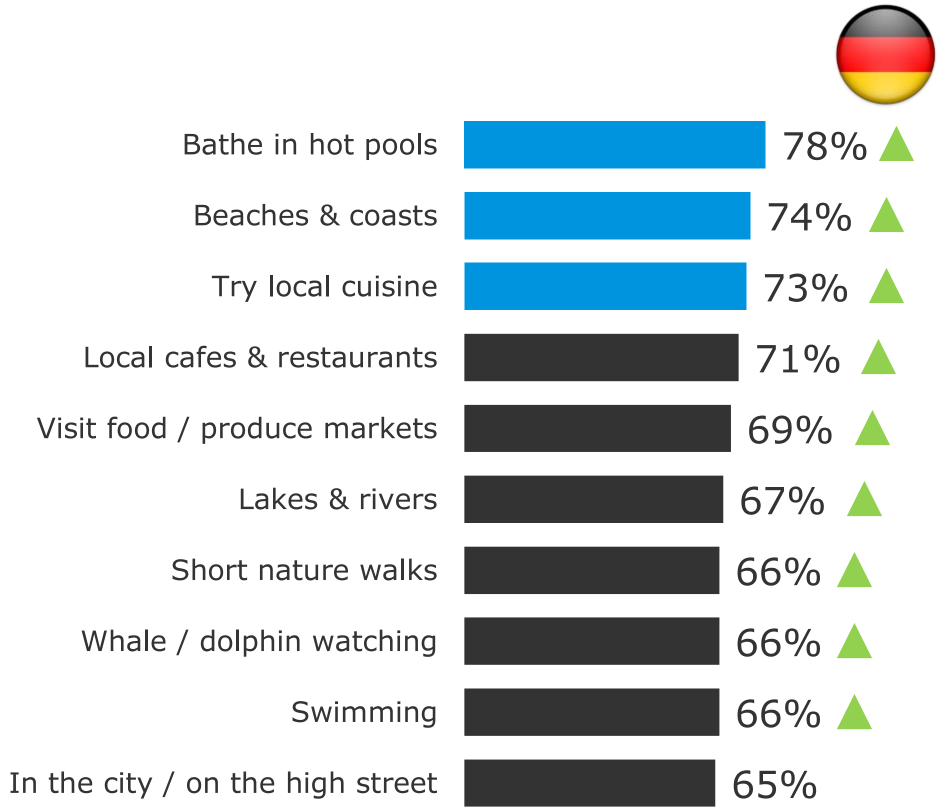
	Backpackers	Backpackers^NZ
Average	4.4	4.6
Median	3.0	3.0

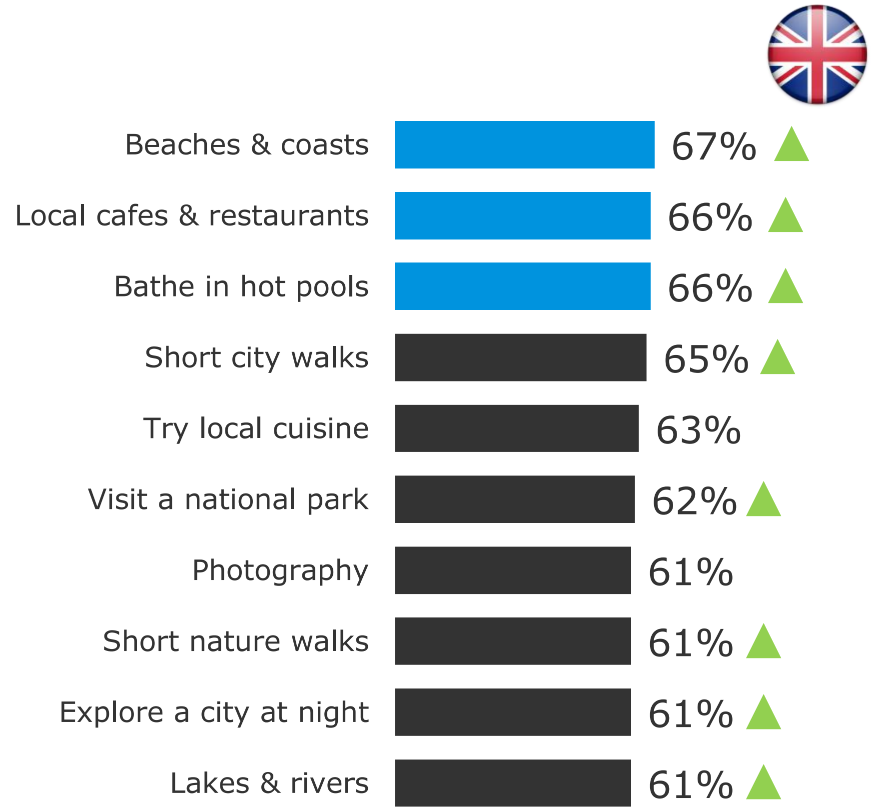
▲▼ Significantly higher / lower than those not interested in New Zealand

Backpackers are generally interested in a number of activities New Zealand can offer

Top ten activities Backpackers^{NZ} are interested in doing on an extended holiday (anywhere)

% Backpackers^{NZ}



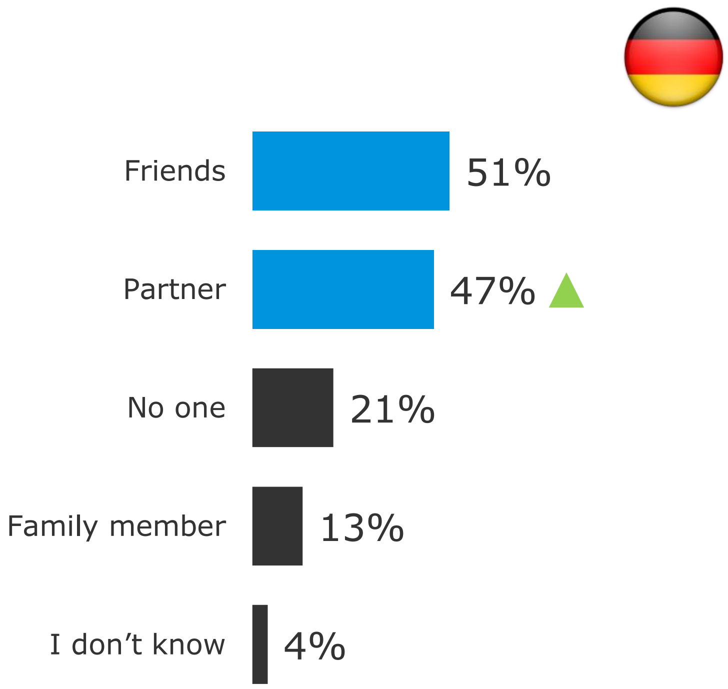


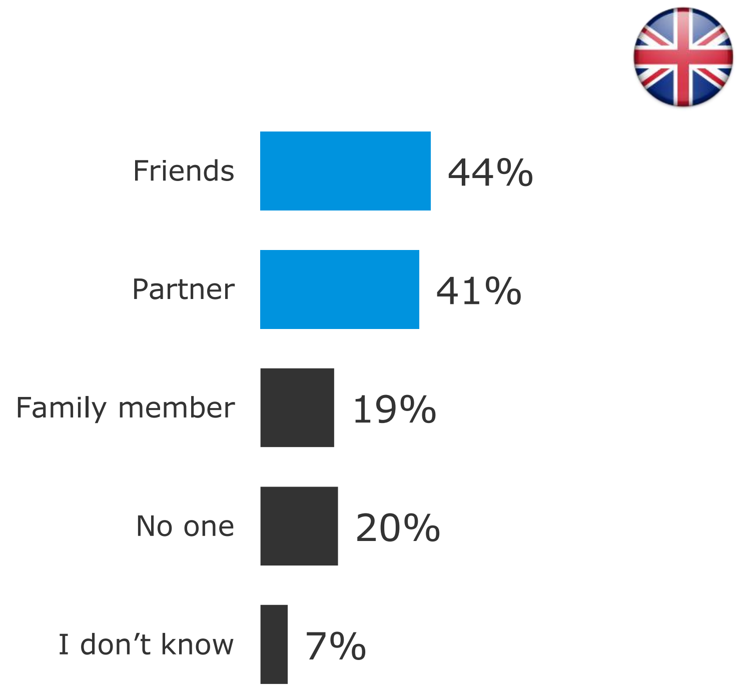
Significantly higher / lower than those not interested in New Zealand

A significant minority of Backpackers^{NZ} say they would travel alone and most would travel with friends and / or their partner

Other people that Backpackers^{NZ} would travel with on their extended holiday

% Backpackers^{NZ}



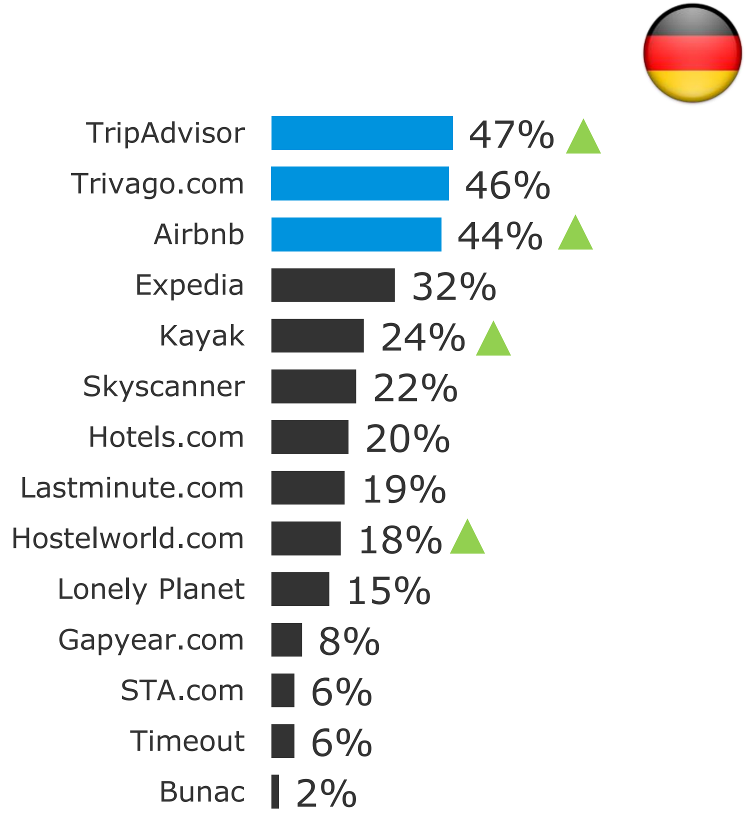


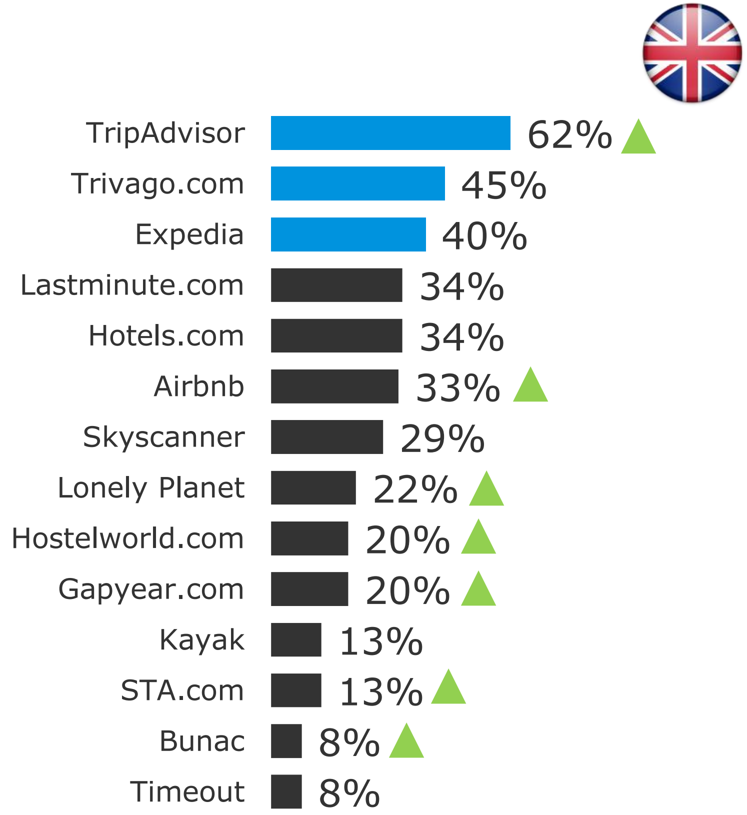
▲▼ Significantly higher / lower than those not interested in New Zealand

TNZ should look to develop its relationship with TripAdvisor to target Backpackers^{NZ}; STA online serves just a very small proportion of the market

Websites that Backpackers^{NZ} would use to plan an extended holiday

% Backpackers^{NZ}





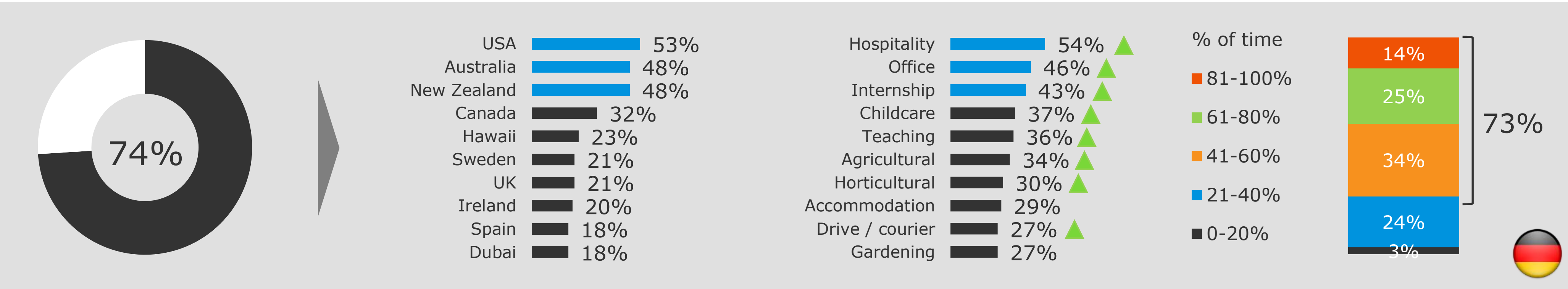
Significantly higher / lower than those not interested in New Zealand

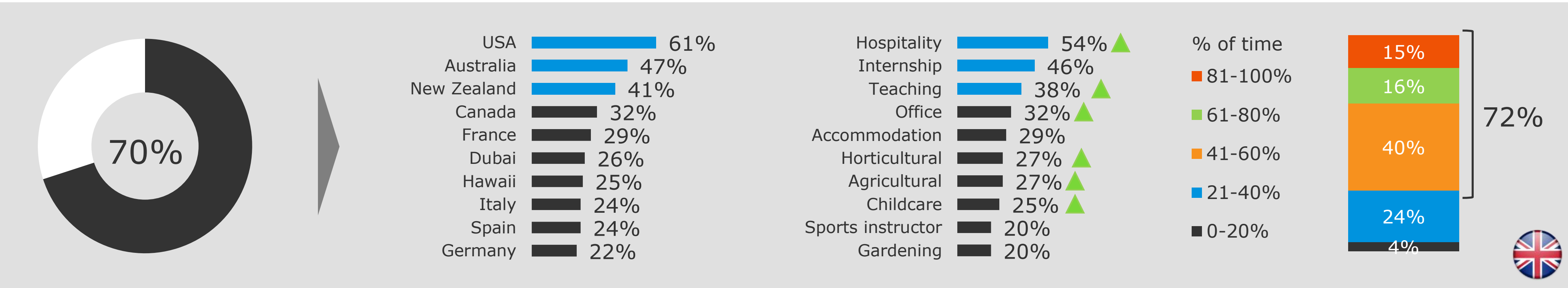
3.4
Working holidays

New Zealand is a popular choice to work in; most (70%+) want to spend at least 40% of their total travel time working, likely funding their trip

What a Backpacker's working holiday might look like | Paid work

Interested in apply for a working visa % Backpackers	**Destinations to apply for a visa for** % Interested in visa	**Types of work (any destination)** % Interested in New Zealand visa	**% of total holiday time spent working** % Interested in New Zealand visa



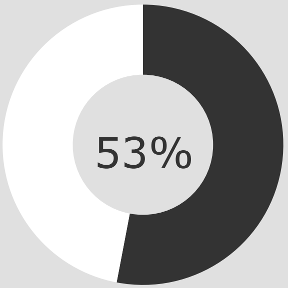


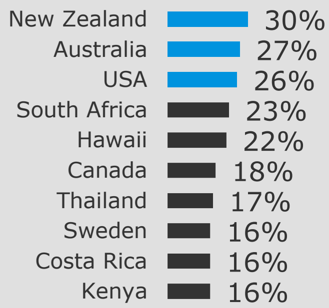
▲ Significantly higher than those not interested in New Zealand for paid work

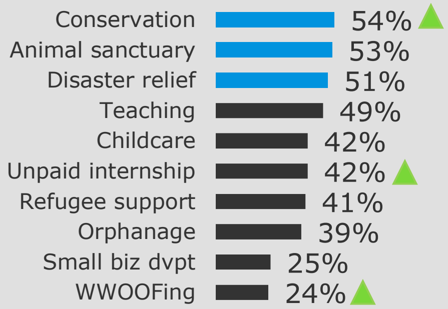
Interest in conservation volunteering is an opportunity for New Zealand to tap into in both markets, but most want to volunteer for short periods

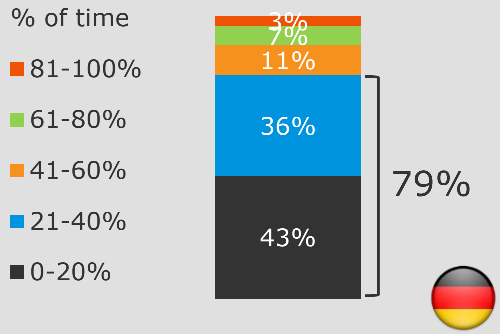
What a Backpacker's working holiday might look like | Volunteering

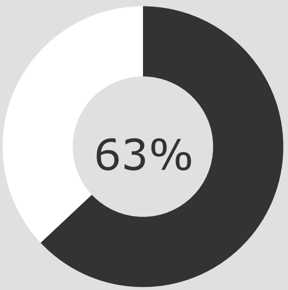
Interested in unpaid or volunteer work % Backpackers	**Destinations of interest to volunteer in** % Interested in volunteering	**Types of volunteering (any destination)** % Interested in NZ volunteering	**% of total holiday time spent volunteering** % Interested in NZ volunteering

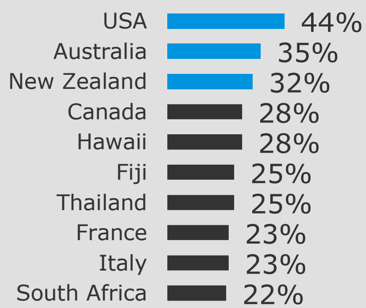


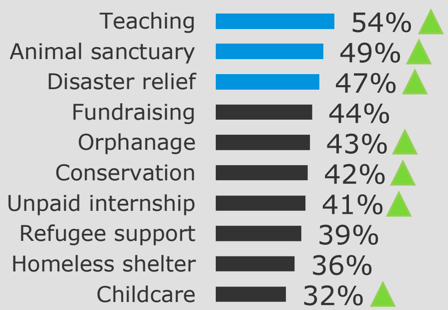


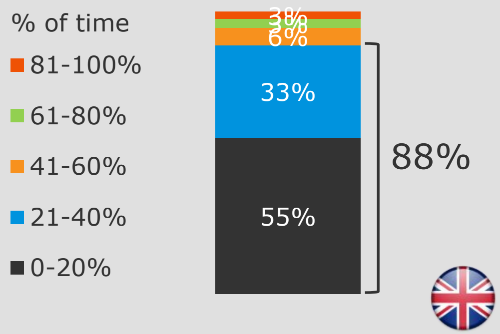












▲ Significantly higher than those not interested in New Zealand for volunteering

3.5
Visitor consideration funnel

TNZ's standard visitor consideration funnel – 'if you haven't researched recently, you're not ready to book' is an assumption we tested

Standard visitor consideration funnel
i.e. what we do in the AC monitor

Key assumption – you can only be ready to book if you have done research about New Zealand in the past 12 months

EVERYONE
Have you done any research about visiting New Zealand in the past 12 months?

	✘	✔
✔	You'd be in **planning**	You'd be in **booking**
✘	You'd be in **dreaming** (booking not asked of non-planners)	You'd be in **dreaming** (booking not asked of non-planners)

IF YES TO RESEARCH
Have you reached a stage where you're now ready to book?

Alternative visitor consideration funnel
i.e. new view in this project

Recognises that people who are ready to book might not have done any research (at all, or for more than a year)

EVERYONE
Have you done any research about visiting New Zealand in the past 12 months?

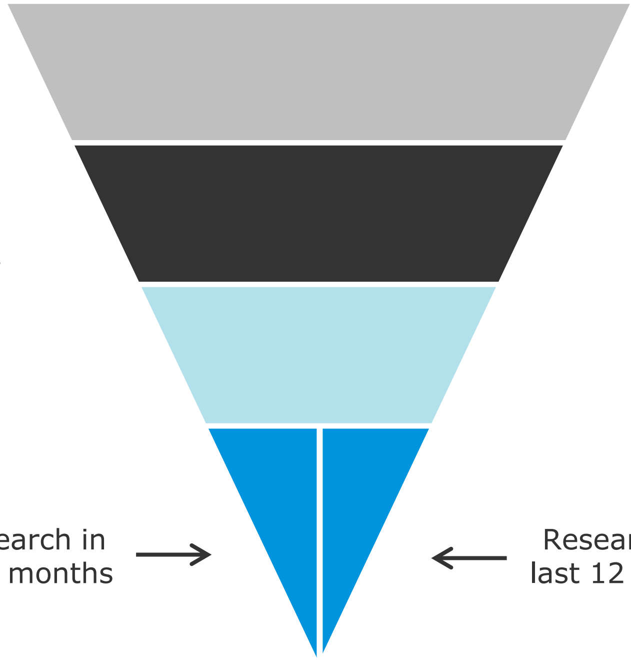
	✘	✔
✔	You'd be in **planning**	You're in **booking**
✘	You'd be in **dreaming**	You're in **booking** (rather than defaulting to dreaming)

EVERYONE
Have you reached a stage where you're now ready to book?

Under the alternative funnel, most German Backpackers^{NZ} sit in ‘dreaming’, while half of those of booking haven’t done research for at least 12 months

Alternative visitor consideration funnel

% Backpackers, % Backpackers^{NZ}



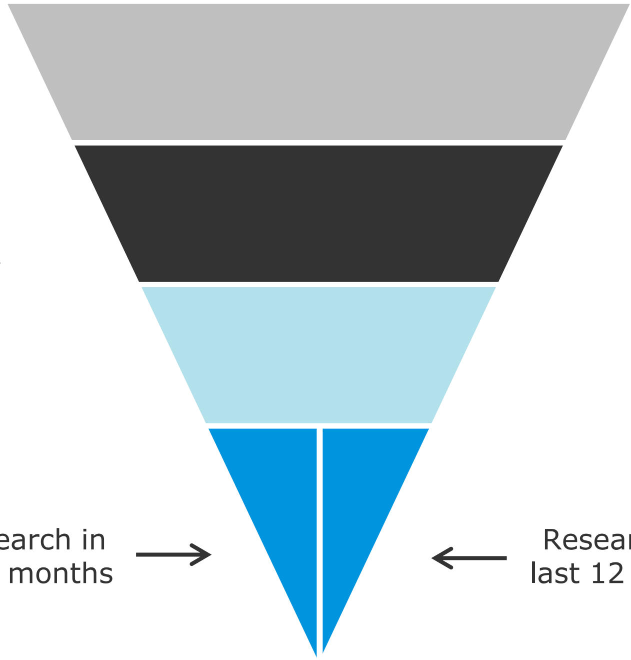
	Backpackers	Backpackers^{NZ} (i.e. re-scaled to considerers only)
Non-considerers Not considering New Zealand	27%	--
Dreaming No research done on NZ in last 12 months	36%	50%
Planning Researched NZ in last 12 months	16%	22%
Booking Ready to book	21%	28%
No research in last 12 months	11%	14%
Researched in last 12 months	10%	14%

If we consider that New Zealand is a specific type of purchase, with a long purchase cycle, it is not so surprising that people sit in ‘booking’ for quite some time after they last did their research – people reach a commitment to coming, but time and cost constraints prevent them from acting on that commitment (as per the market factors outlined on slide 21). That half of ‘booking’ haven’t researched New Zealand in the past 12 months may also be a comment on the foresight of planning that happens in the German market.

Under the alternative funnel, most UK Backpackers^{NZ} sit in 'dreaming' while very few are ready to book

Alternative visitor consideration funnel

% Backpackers, % Backpackers^{NZ}

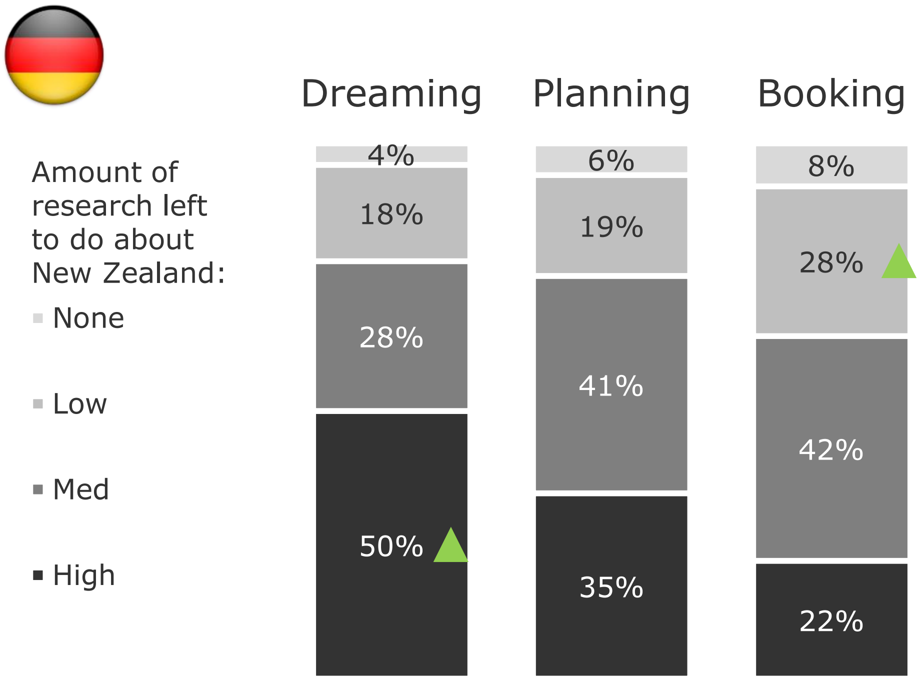


	Backpackers	Backpackers^{NZ} (i.e. re-scaled to considerers only)
Non-considerers Not considering New Zealand	29%	--
Dreaming No research done on NZ in last 12 months	47%	64%
Planning Researched NZ in last 12 months	15%	20%
Booking Ready to book	10%	14%
No research in last 12 months	3%	4%
Researched in last 12 months	7%	10%

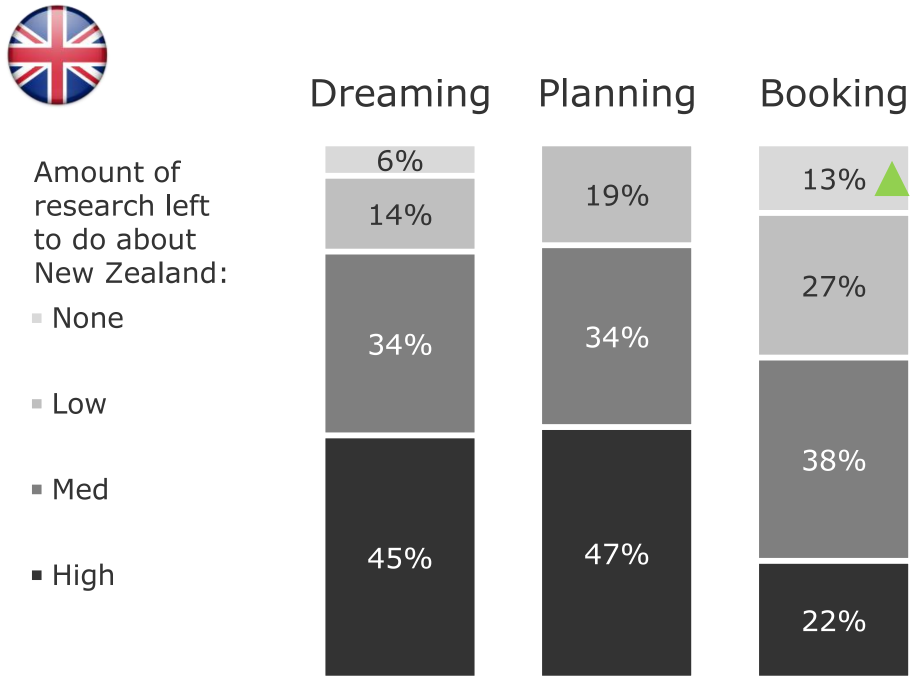
If we consider that New Zealand is a specific type of purchase, with a long purchase cycle, it is not so surprising that people sit in 'booking' for quite some time after they last did their research – people reach a commitment to coming, but time and cost constraints prevent them from acting on that commitment (as per the market factors outlined on slide 21). That fewer in 'booking' haven't researched New Zealand in the past 12 months compared to German Backpackers may also be a comment on the foresight of planning that happens in the German market relative to the UK market.

At all stages of the funnel – even in booking – plenty of Backpackers^{NZ} have at least a moderate amount of research left to do

Future | Research to do about New Zealand
% Backpackers^{NZ}, alternative funnel



Future | Research to do about New Zealand
% Backpackers^{NZ}, alternative funnel



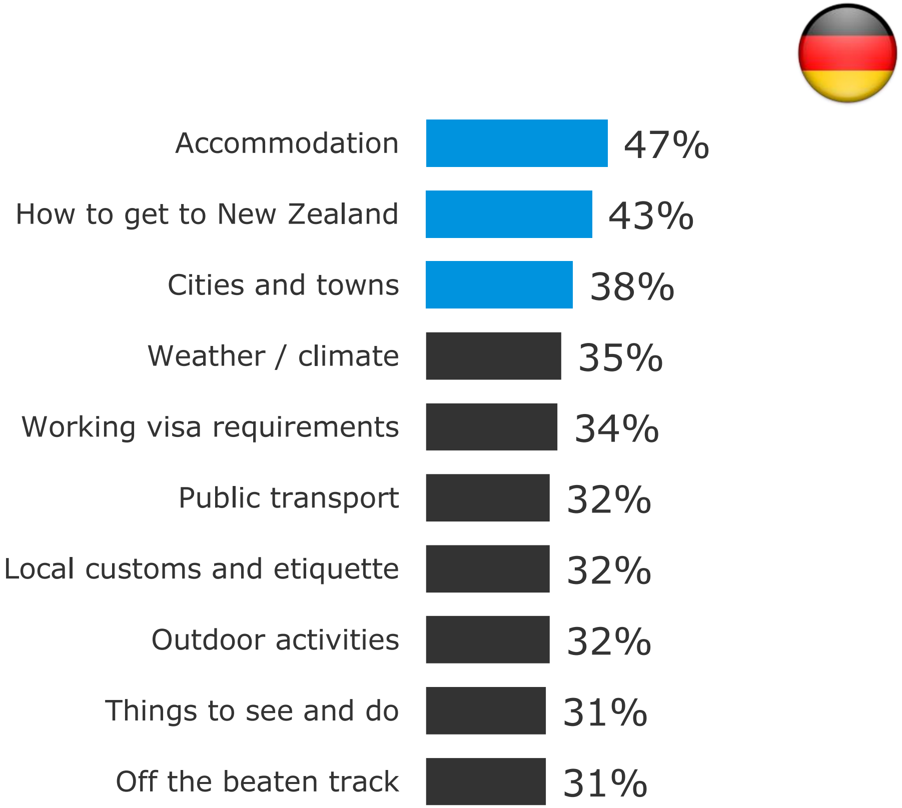
There is an obvious correlation between being "ready to book" and having just a little more research left to do; however it is key to note that the majority of Backpackers^{NZ} that are ready to book still have a least a moderate amount of research left to do – (64% Germany, 60% UK)

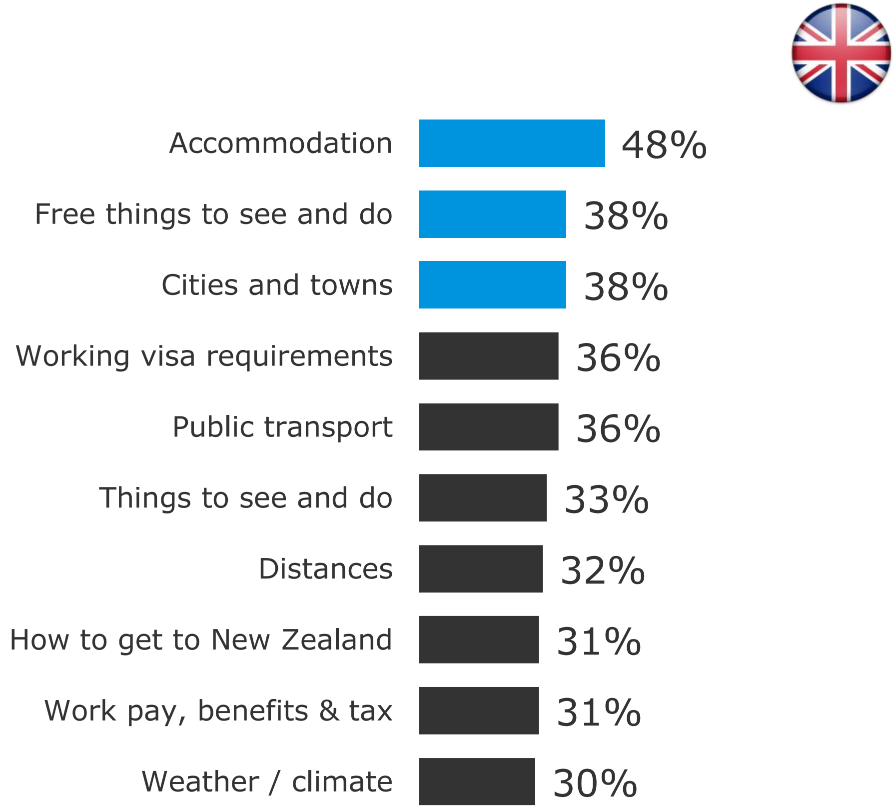
▲ Significantly higher / lower than those in other funnel stages

In both markets, Backpackers^NZ that need to do more research about New Zealand want to know about accommodation and our cities and towns

Top ten types of information about New Zealand that Backpackers^NZ would like to get

% Backpackers^NZ





There is some variation in the knowledge gaps to resolve, across the alternative consideration funnel stages – 'nightlife' for instance moves up the ranks for German Backpackers^{NZ} that are ready to book

Top ten types of information about New Zealand that Backpackers^{NZ} would like to get

Backpackers^{NZ}, by alternative visitor consideration funnel stage

Dreaming		Planning		Booking	
1	Accommodation	**1**	Accommodation	**1**	How to get to New Zealand
2	How to get to New Zealand	**2**	Cities and towns	**2**	Accommodation
3	Cities and towns	**3**	How to get to New Zealand	**3**	Cities and towns
4	Weather / climate	**4**	Working visa requirements	**4**	Weather / climate
5	Public transport	**5**	Maori culture	**5**	Recommended things to see and do
6	Local customs and etiquette	**6**	Outdoor activities	**6**	Working visa requirements
7	Working visa requirements	**7**	Work pay, benefits & tax	**7**	Nightlife
8	Experiences off the beaten track	**8**	Suggested itineraries	**8**	Outdoor activities
9	Outdoor activities	**9**	Local customs and etiquette	**9**	Work pay, benefits & tax
10	Recommended things to see and do	**10**	Public transport	**10**	Local customs and etiquette

Similarly, for UK Backpackers^{NZ} that are ready to book, 'outdoor activities', 'nightlife' and 'shopping' move up the list of things that people would like to find out more about

Top ten market factors that hold Backpackers back from visiting New Zealand

Backpackers^{NZ}, by alternative visitor consideration funnel stage

	Dreaming	Planning	Booking
1	Accommodation	Accommodation	Accommodation
2	Cities and towns	Working visa requirements	Outdoor activities
3	Free things to see and do	Work pay, benefits & tax	Local customs and etiquette
4	Public transport	Free things to see and do	Working visa requirements
5	Recommended things to see and do	Public transport	Cities and towns
6	Distances between places to visit	Distances between places to visit	Public transport
7	How to get to New Zealand	Maori culture	Free things to see and do
8	Working visa requirements	Camping	Nightlife
9	Weather / climate	Cities and towns	Weather / climate
10	Personal safety, e.g. from crime	Outdoor activities	Shopping

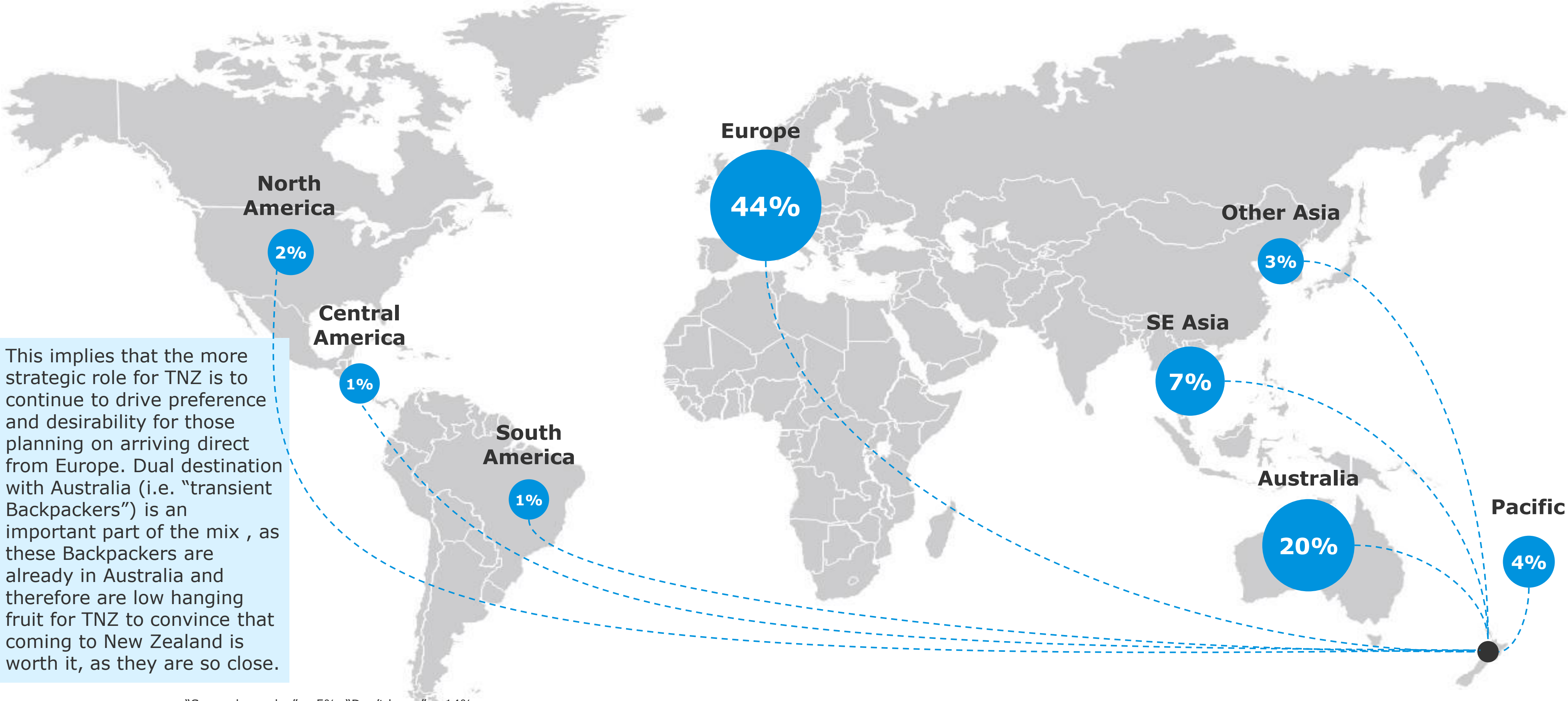
3.6

The New Zealand component of an extended holiday

Most German Backpackers that have an idea of where they would arrive from think they will come from Europe, followed by Australia

From where Backpackers^{NZ} think they would arrive in New Zealand

% Backpackers^{NZ}



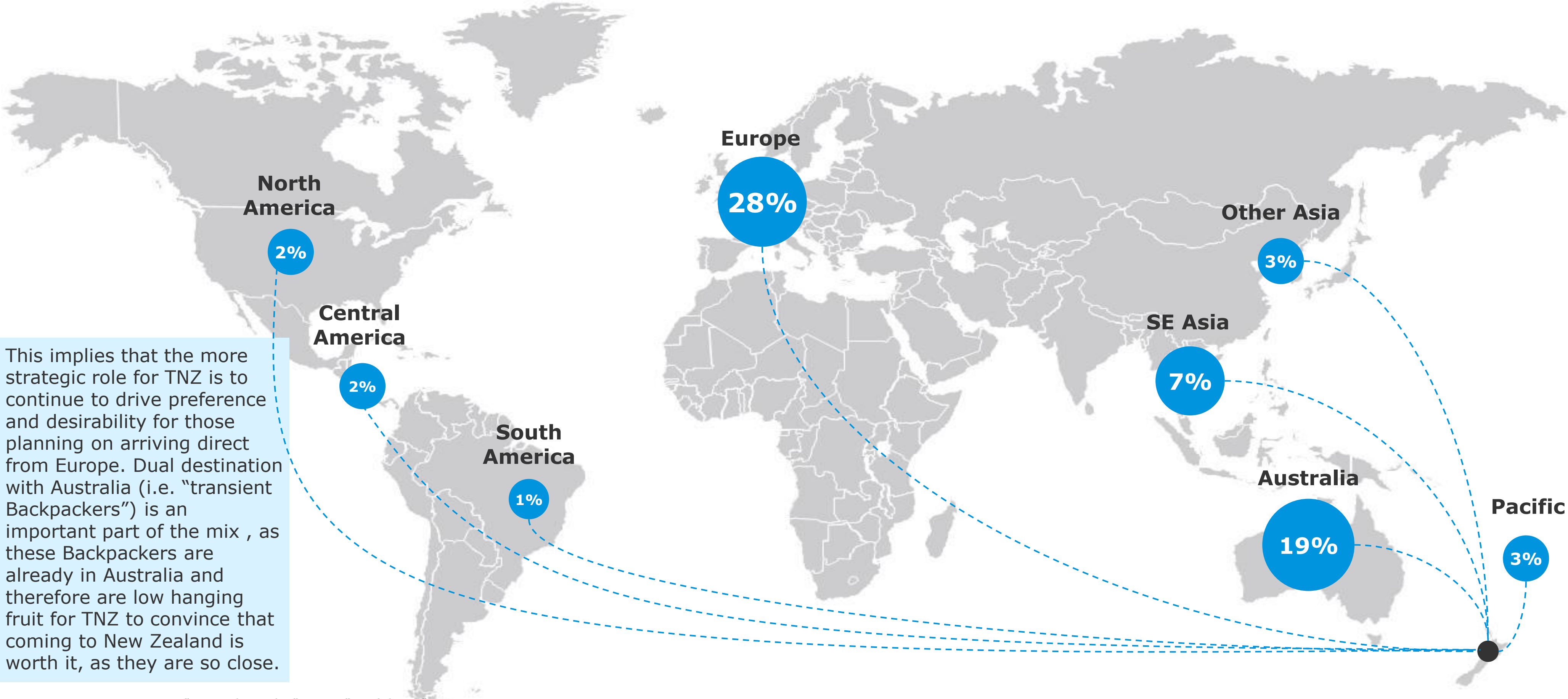
This implies that the more strategic role for TNZ is to continue to drive preference and desirability for those planning on arriving direct from Europe. Dual destination with Australia (i.e. "transient Backpackers") is an important part of the mix , as these Backpackers are already in Australia and therefore are low hanging fruit for TNZ to convince that coming to New Zealand is worth it, as they are so close.

"Somewhere else" = 5%, "Don't know" = 14%

UK Backpackers are more unsure of where they'll arrive in New Zealand from but Europe and Australia are likely to be the main source of arrivals

From where Backpackers^{NZ} think they would arrive in New Zealand

% Backpackers^{NZ}



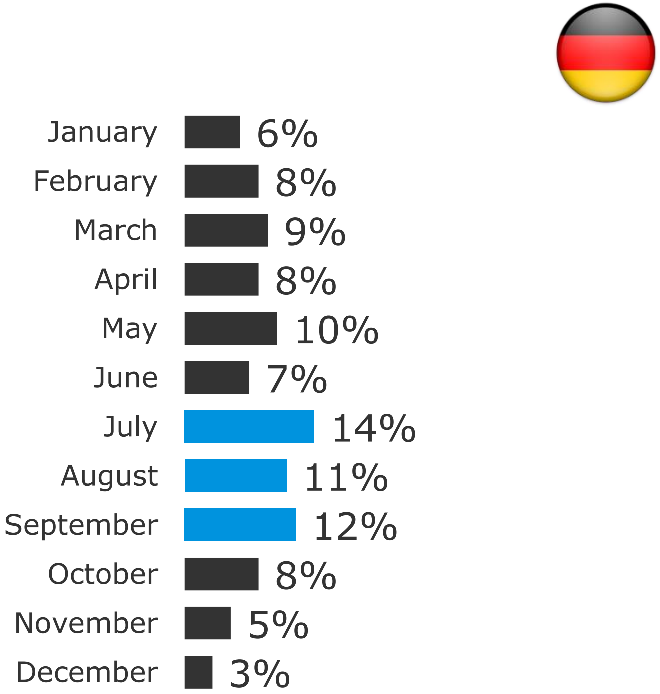
This implies that the more strategic role for TNZ is to continue to drive preference and desirability for those planning on arriving direct from Europe. Dual destination with Australia (i.e. "transient Backpackers") is an important part of the mix , as these Backpackers are already in Australia and therefore are low hanging fruit for TNZ to convince that coming to New Zealand is worth it, as they are so close.

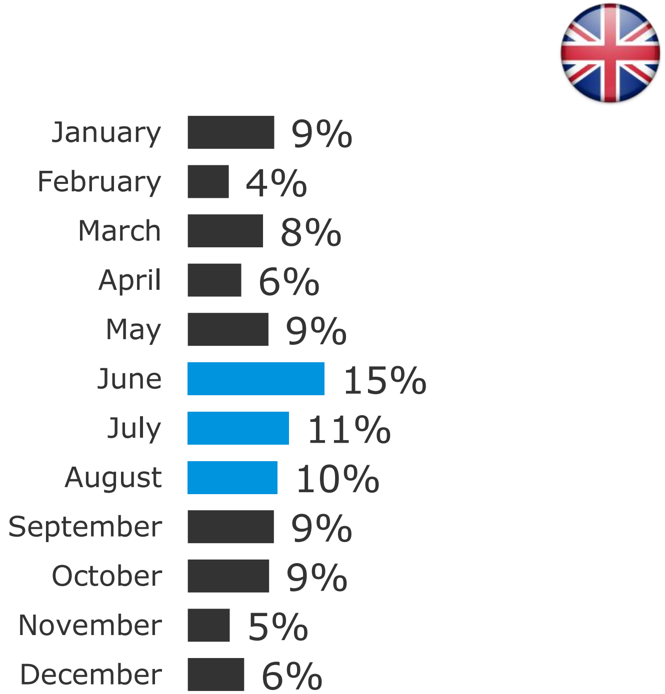
"Somewhere else" = 2%, "Don't know" = 33%

Most Backpackers are keen to arrive in the late Northern summer / early autumn, which likely reflects that most anticipate arriving from Europe

Time of year Backpackers^{NZ} think they would arrive in New Zealand

% Backpackers^{NZ}



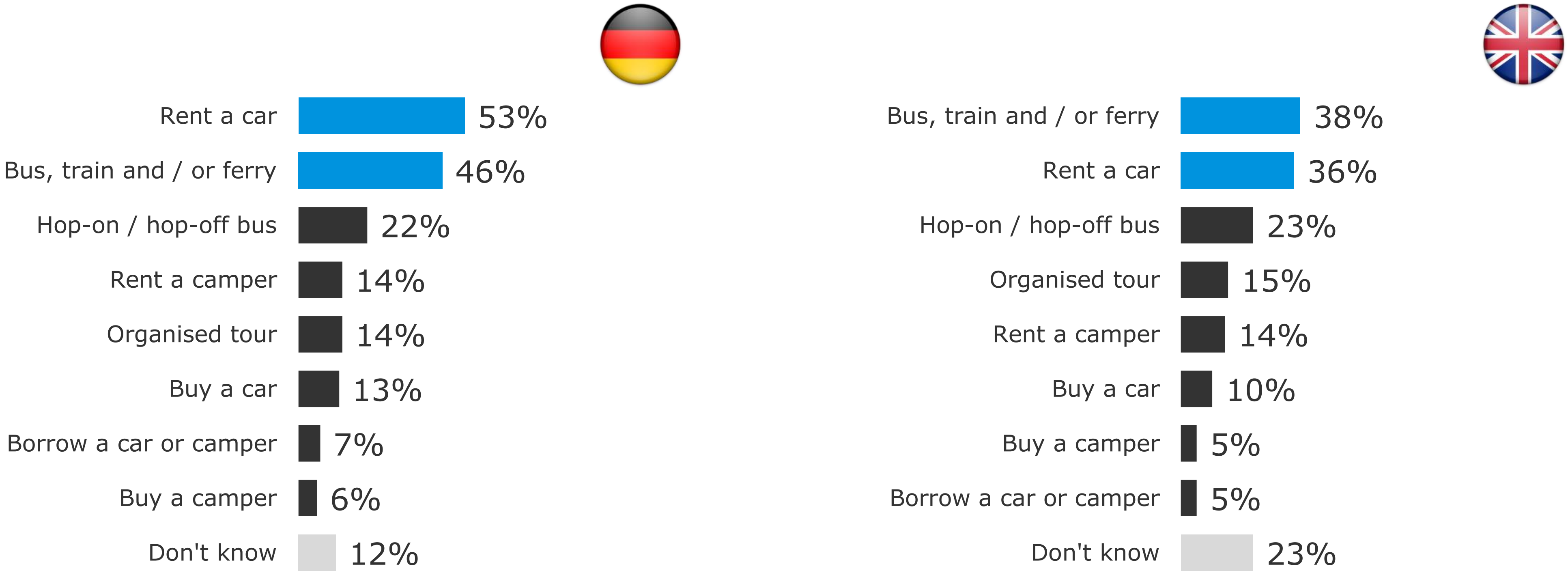


Reminder – this is what Backpackers^{NZ} currently think, but it may not occur in reality once seasons and other destinations to visit on an extended holiday have been included

Demand to use public transport is strong in both Backpacker markets therefore it's key to ensure relevant information is available online

Ways that Backpackers^{NZ} think they would use to get around New Zealand

% Backpackers^{NZ}

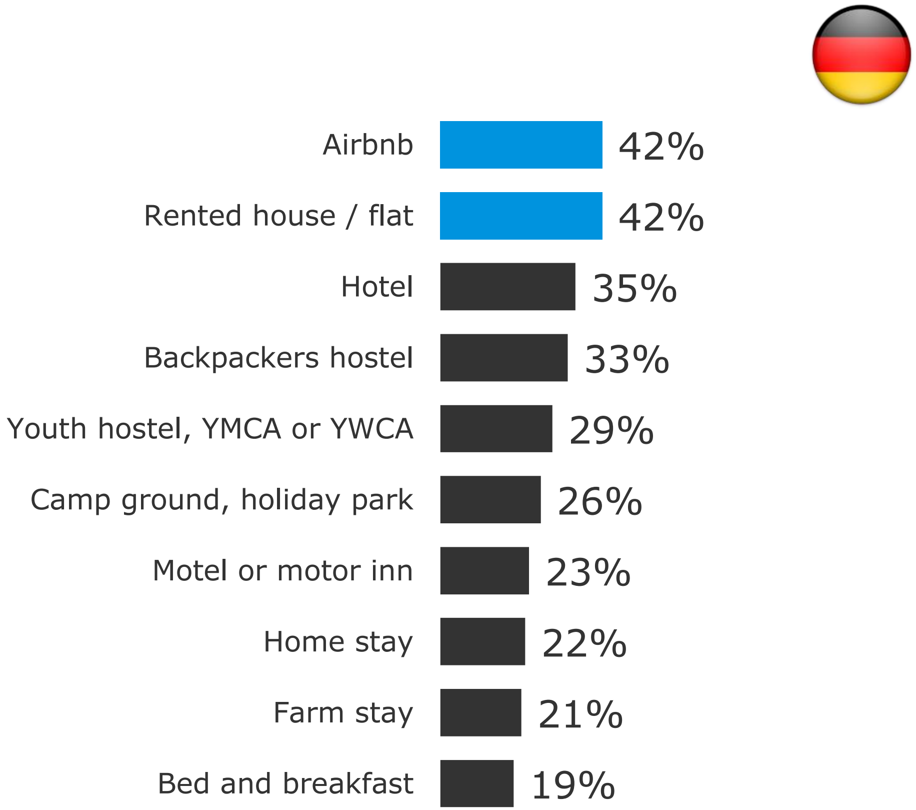


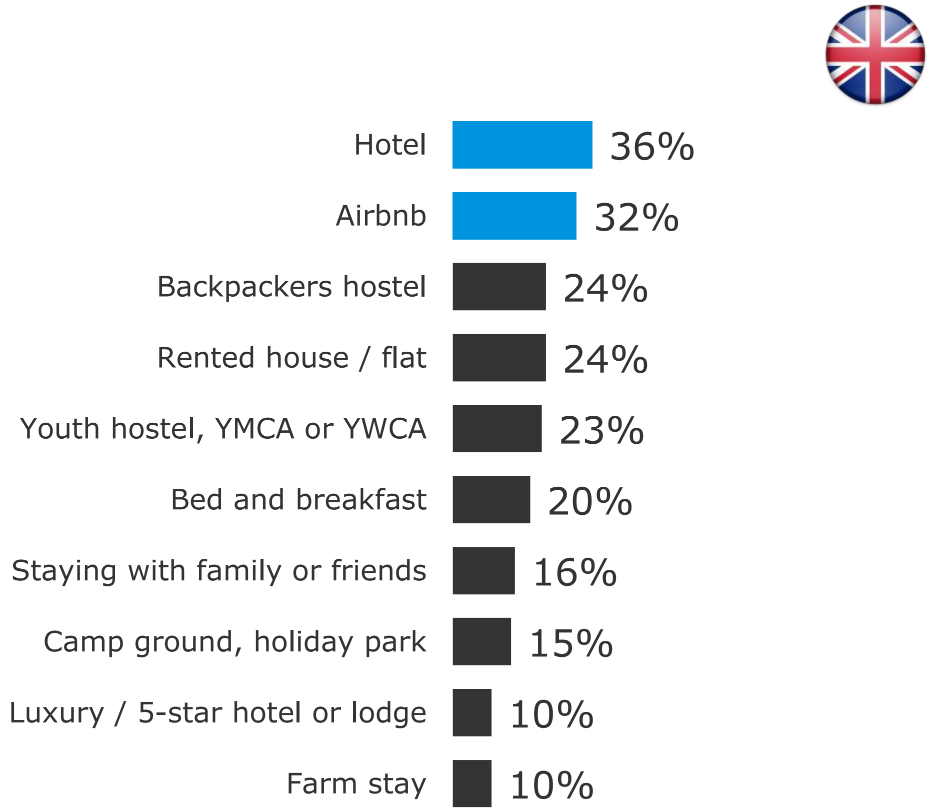
Over 90% in each market think they would rent, buy or borrow a car or camper, and this likely reflects how New Zealand has been marketed to the world as a touring destination. But with strong consideration for public transport, TNZ has an opportunity to market these presumably more cost-effective alternatives

Airbnb is a top choice for German and UK Backpackers^{NZ} when considering accommodation when in New Zealand

Types of accommodation Backpackers^{NZ} are likely to use in New Zealand

% Backpackers^{NZ}

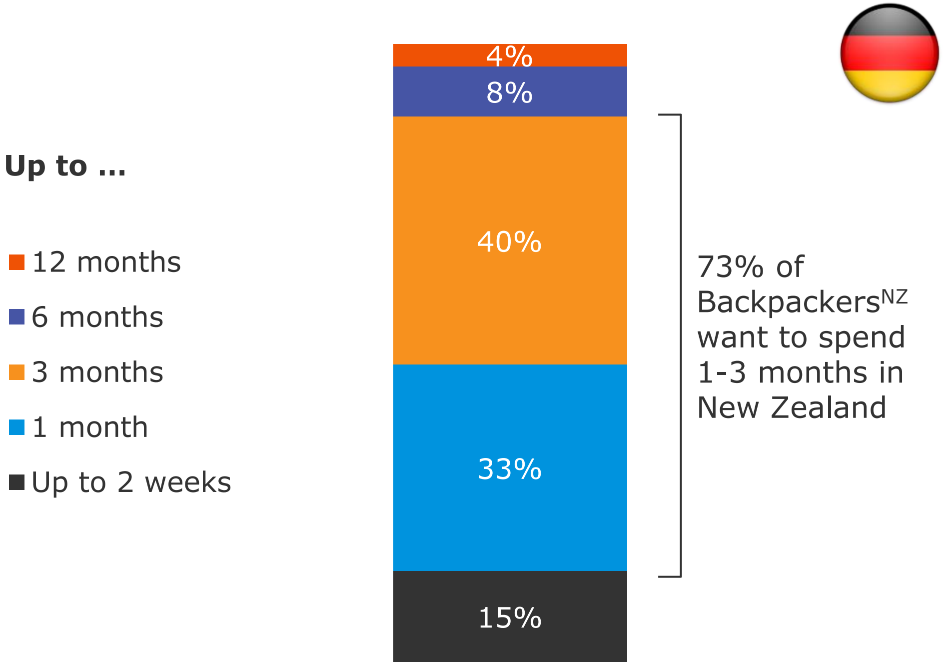


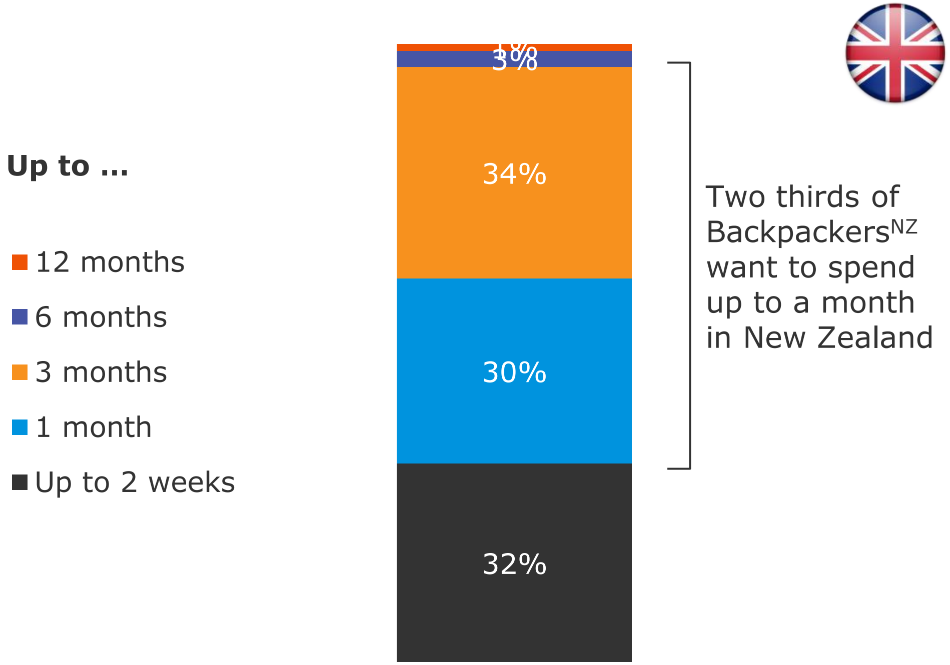


Not unexpectedly, German Backpackers^{NZ} want to spend more time in New Zealand than UK ones

Amount of time Backpackers^{NZ} want to stay in New Zealand

% Backpackers^{NZ}





Number of days	Germany	Number of days	UK
Average	50 days	Average	31 days
Median	33 days	Median	22 days

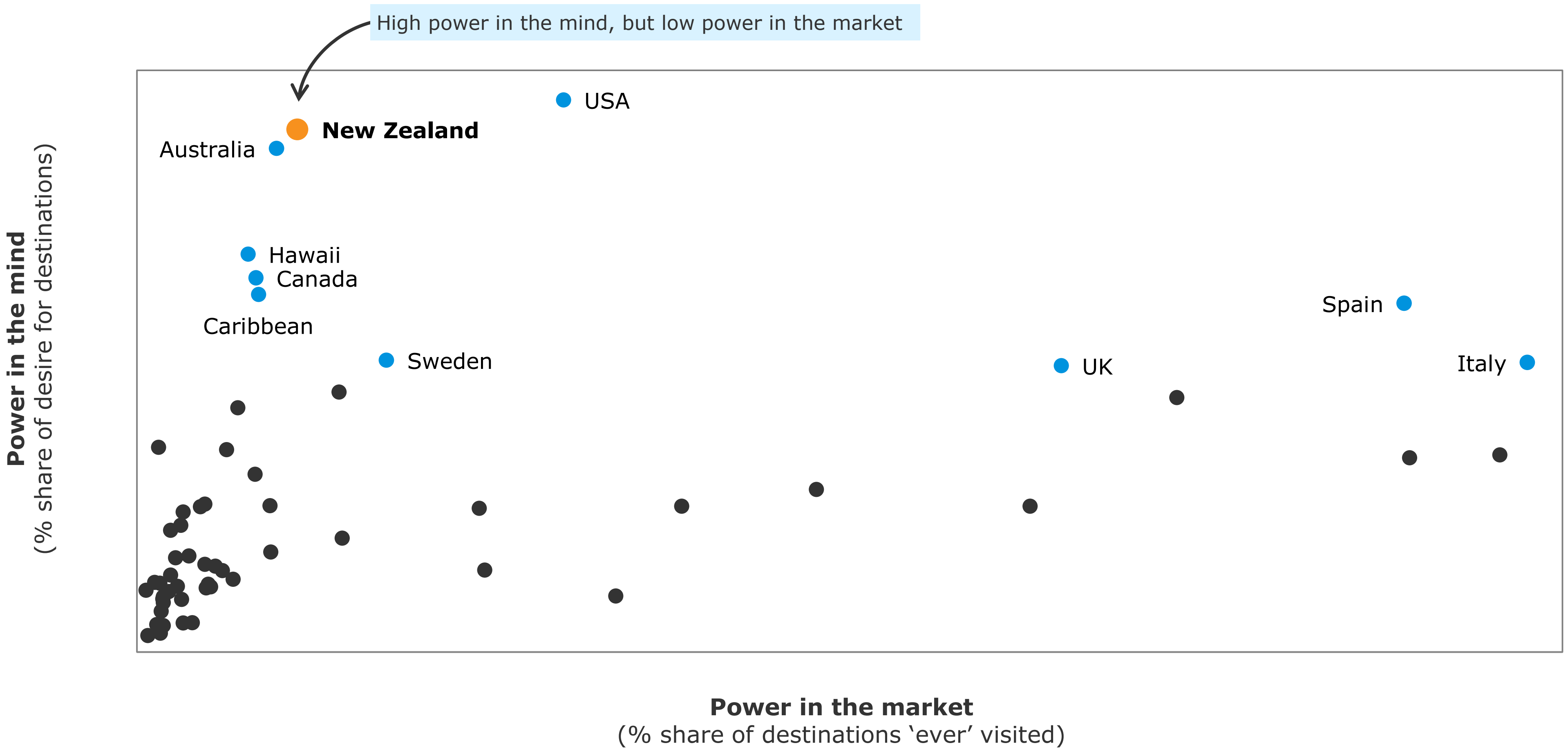
4
Appendix

4.1
Power in the mind vs. power in the market

Desire for New Zealand far outweighs its share of visits; more accessible Europe destinations get more than there fair share, given their desirability

Power in the mind vs. market share for New Zealand and competitors – Germany

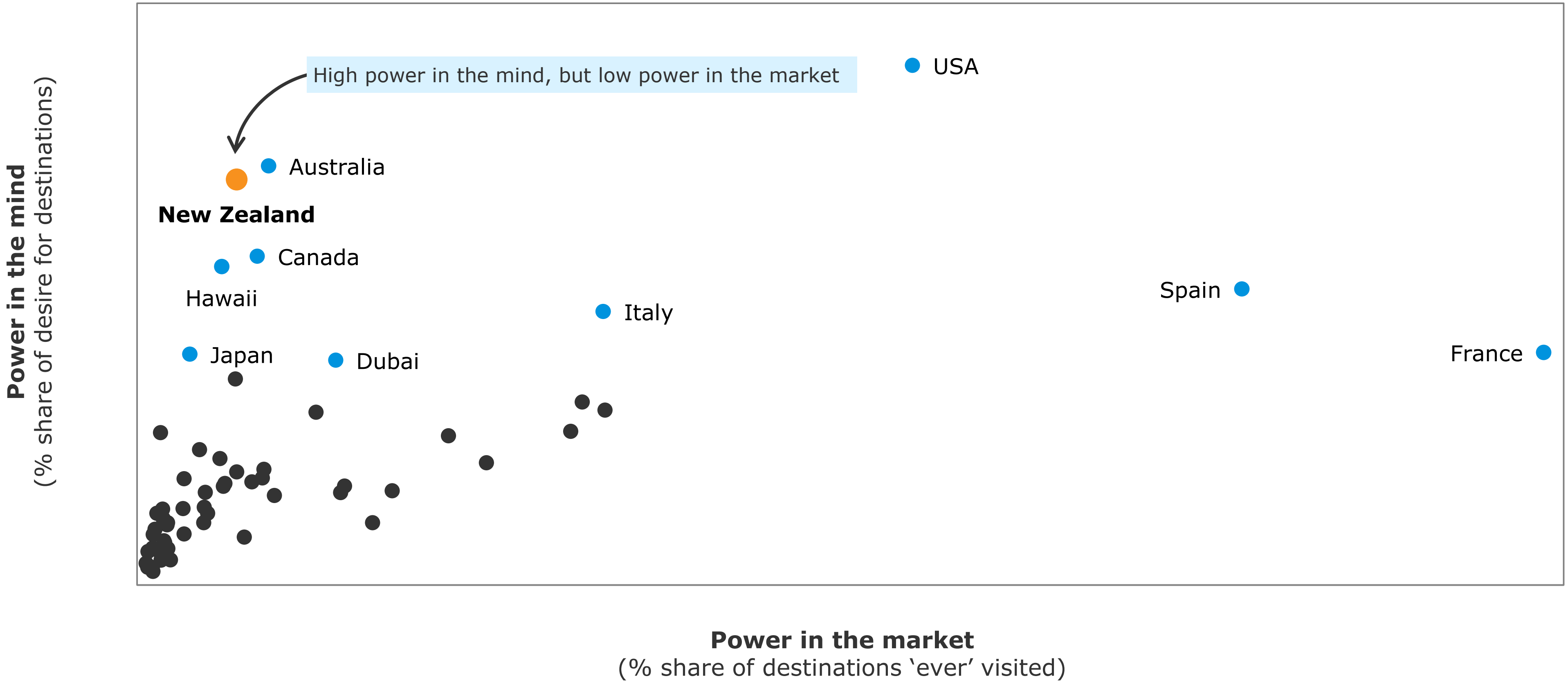
% share of desire across all destinations that all Backpackers want to visit during an extended holiday
% market share of 18-24 year olds travelling for holiday purposes



Desire for New Zealand far outweighs its share of visits; more accessible Europe destinations get more than there fair share, given their desirability

Power in the mind vs. market share for New Zealand and top destinations – UK

% share of desire across all destinations that all Backpackers want to visit during an extended holiday
% market share of 18-24 year olds travelling for holiday purposes



4.2

Attributes that drive destination choice for Backpackers^{NZ}

Compared to Backpackers, Backpackers^NZ in Germany prioritise basing themselves, practicing English and unique experiences when choosing an extended holiday destination

Top ten attributes that influence destination choice

Base = Backpackers^NZ

Higher / lower rank (by at least two places) compared to Backpackers ↑↓

Germany

	Attributes that drive destination choice	
1	I can build and develop my life experiences	
2	Amazing landscapes and scenery	
3	You can have fun and enjoy yourself	
4	A wide range of things to see and do	
5	The locals are friendly and welcoming	
6	You can base yourself and chill out	↑
7	I can feel safe travelling around	
8	A warm and sunny climate	↓
9	I can practice speaking English	↑
10	Experiences you can't get anywhere else	↑

UK

	Attributes that drive destination choice	
1	You can have fun and enjoy yourself	
2	Amazing landscapes and scenery	
3	I can feel safe travelling around	
4	I can build and develop my life experiences	
5	A wide range of things to see and do	
6	I've never been before	
7	The locals are friendly and welcoming	
8	Iconic attractions and landmarks	
9	I can chill out from the stresses of daily life	↑
10	Great local food & beverage experiences	

Compared to Backpackers…

- 'Chill out' and 'amazing beaches' both drop out of the top ten for Backpackers^NZ
- 'Practice English' and 'unique experiences' move into the top ten

Compared to Backpackers…

- 'Climate' has dropped out of the top ten – this isn't surprising as New Zealand isn't known for it's climate, therefore it makes sense it isn't a top ten drivers for Backpackers^NZ
- 'Chill out' makes it into the top ten for Backpackers^NZ

4.3
Market factors, by alternative consideration funnel stages

While time and distance are the main barriers for 'dreaming' and 'planning', people ready to book are most constrained by their perception that New Zealand's internal transport networks are lacking

Top ten market factors that hold Backpackers back from visiting New Zealand

Backpackers^{NZ}, by alternative visitor consideration funnel stage

Dreaming	Planning	Booking
1 There are few ways to get here	**1** There are few ways to get here	**1** There are few ways to get here
2 It takes a long time to get to	**2** It's not as safe as others	**2** It takes a long time to get to
3 It's not as safe as others	**3** It takes a long time to get to	**3** It's expensive to get to
4 Isn't as modern and sophisticated	**4** Isn't as modern and sophisticated	**4** Lacking good value accommodation
5 The climate isn't as good as others	**5** The climate isn't as good as others	**5** It's not as safe as others
6 It's expensive to get to	**6** It's expensive to get to	**6** Lacking good internal transport
7 Lacking good value accommodation	**7** Lacking good internal transport	**7** Isn't as modern and sophisticated
8 Lacking good internal transport	**8** Lacking good value accommodation	**8** Working visa is expensive
9 Working visa isn't long enough	**9** Working visa is expensive	**9** Working visa process is difficult
10 The local people aren't as helpful	**10** The local people aren't as helpful	**10** The local people aren't as helpful

Observations

- The **expense of getting to New Zealand** moves right up the list of barriers for those in 'booking'
- The **length of a working visa** drops off the list for those in 'booking' – in fact, it is a positive market factor for those in the 'booking' stage (i.e. it is an aspect that works in New Zealand's favour). This suggests that the act of researching corrects the perception held in the 'dreaming' phase that the working visa length isn't long enough. At the same time though, **expense of a working visa** climbs up the list

For UK Backpackers^{NZ}, weak perceptions of New Zealand's internal transport networks is a significant barrier for those that are ready to book their travel here

Top ten market factors that hold Backpackers back from visiting New Zealand

Backpackers^{NZ}, by alternative visitor consideration funnel stage

	Dreaming		Planning		Booking (only nine)
1	There are few ways to get here	1	There are few ways to get here	1	Lacking good internal transport
2	It takes a long time to get to	2	It's expensive to get to	2	It's not as safe as others
3	It's expensive to get to	3	It takes a long time to get to	3	There are few ways to get here
4	It's not as safe as others	4	The climate isn't as good as others	4	The local people aren't as helpful
5	The climate isn't as good as others	5	It's not as safe as others	5	The climate isn't as good as others
6	Isn't as modern and sophisticated	6	Lacking good internal transport	6	It takes a long time to get to
7	Lacking good internal transport	7	Working visa process is difficult	7	It's expensive to get to
8	Lacking good value accommodation	8	Isn't as modern and sophisticated	8	Lacking good value accommodation
9	Working visa process is difficult	9	The local people aren't as helpful	9	Working visa process is difficult
10	Working visa is expensive	10	Lacking good value accommodation		

Observations

- Perceptions of New Zealand's **internal transport networks** are poor across the board, but ramp up significantly as a barrier for those in 'booking' – it's critical to ensure **transport messages are part of conversion** communications. In addition, **safety and helpfulness of locals** are also more of an issue for those in 'booking'
- Two barriers drop off the list for those in 'booking', and actually work in New Zealand's favour – perceptions of the **working visa costs** and New Zealand's **modernity and sophistication** are supportive market factors for those in 'booking', signalling that the researching overcomes the negative perceptions people in 'dreaming' have about these aspects. **Time and expense** of getting to New Zealand also move down the list of preventative market factors for those in 'booking'