

Planning behaviours & channel usage

ACM FY15 bi-annual deep dive



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Introduction: for the second bi-annual global deep dive of FY15, Tourism NZ wanted to explore planning behaviours and channel usage

For the second bi-annual global deep dive of FY15, Tourism NZ wanted to explore planning behaviours and channel usage

Which channels should Tourism NZ be using to optimise its communications with Active Considerers of New Zealand?

How much pre-travel planning to ACs do versus after arrival?

What types of information do ACs seek before and during travel?

What information sources do ACs use to plan international holidays?

What frustrates people when planning international travel?

How does this all vary by segments of interest?

Specifically...

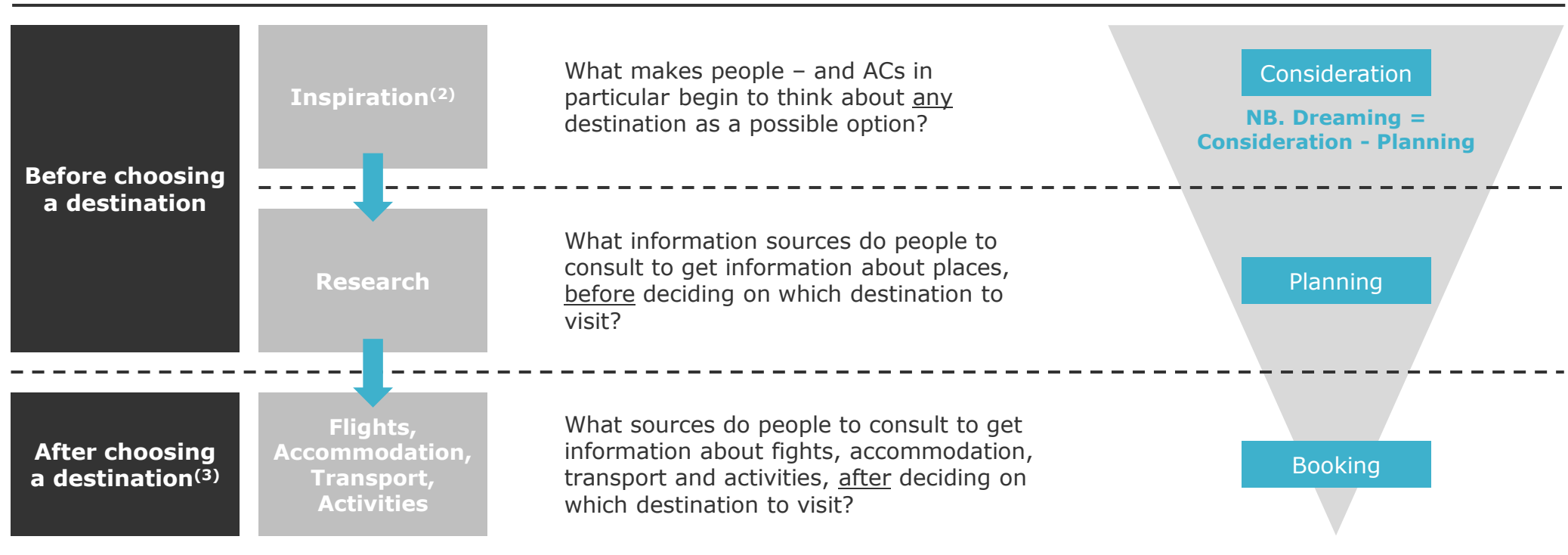
- Which sources are more / less credible than others?
- What is the role of destination websites?
- Do ACs expect to use these same sources when planning a trip to NZ?

We conceptualised the general international holiday planning process as follows:

Conceptual framework for understanding the process⁽¹⁾

What the framework means in practice:

Alignment with the visitor consideration funnel



Notes

1. The linear approach is a pragmatic way of mapping consumers' channel behaviours and preferences – in reality, people can move back and forwards between stages
2. We do not use the term 'dreaming' as in terms of the visitor consideration funnel, 'dreaming' means someone who has not done any research in the past 12 months, i.e. in the context of this conceptual framework 'dreaming' = 'consideration' minus 'planning'
3. To keep the survey pragmatic and simple, we did not ask respondents to distinguish between 'planning' and 'booking' sources specifically. Instead we asked them to think about the sources they use for specific elements after deciding on a holiday destination

Key questions we asked Active Considerers:

Inspiration sources

What information sources have previously encouraged people to start thinking about a place as a possible holiday destination?

Planning styles

What general attitudes and behaviours do ACs hold towards planning international holidays?

Planning sources – before choosing a destination

What information sources do people use to assess their options, before they've made a decision on where to go?

Planning sources – after choosing a destination

What information sources do people use to assess their options, after they've made a decision on where to go – for flights, accommodation, transportation and activities?

Source credibility

How credible do people see the information sources at their disposal for planning international holidays?

newzealand.com usage

What proportion of ACs have ever visited the website newzealand.com before? For visitors, how recently was their last visit?

2

The key insight: rather than using specific sources for specific planning tasks, ACs use a few key sources throughout the planning process

Rather than using specific sources for specific planning tasks, ACs use a few key sources throughout the planning process

Offline channels are most critical for initial inspiration ...

- Word of mouth
- Travel TV shows
- TV advertising
- Magazines
- Destination brochures
- Websites

... where after a few common sources ...

- Destination websites
- Travel review websites
- Travel agencies / OTAs
- Word of mouth
- Guide books

... are typically used throughout the planning process ...



... with specialist sources used for flights and accommodation

- Airline websites
- Hotel aggregators
- Hotel chain websites

ACs tend to use a few sources – some online, some offline – for most parts of the process

List of potential information sources		Research	Flights	Accomm.	Transport	Activities
Online	Website for a specific airline		■			
	Website for a specific hotel chain			■		
	Website for a specific travel agency					
	Official destination website	■	■	■	■	■
	Online travel agency website	■	■	■	■	■
	Travel review website	■	■	■	■	■
	Hotel aggregator website			■		
	Website for a guide book					
	Online travel blog					
	Website for a specific attraction or activity	■			■	■
	Websites for a travel magazine					
	Fan page for a destination on a social media website					
	Fan page for an airline on a social media website					
	Fan page for an accomm. provider on a social media website					
	Photos or status update from friends or family on social media					
Offline	Talk to friends / family / colleagues	■	■	■	■	■
	Talk to a travel agent in person				■	
	Talk to a travel agent over the phone or via email					
	Talk to an airline representative in person					
	Talk to an airline representative over the phone or via email					
	Purchase a guide book	■			■	■
	Read a travel article in a newspaper					
Read a travel article in a magazine						
Watch a TV show or documentary						

0-2 3 4 5 6 Shading refers to the number of markets in which the source is a 'top five source' for that planning component
 Common sources, i.e. high usage in at least three markets across most planning stages



ACs will use specialist websites when researching flights, accommodation and talk to travel agents about ground transportation

List of potential information sources		Research	Flights	Accomm.	Transport	Activities
Online	Website for a specific airline		█			
	Website for a specific hotel chain			█		
	Website for a specific travel agency					
	Official destination website	█	█	█	█	█
	Online travel agency website		█	█	█	
	Travel review website	█	█	█	█	█
	Hotel aggregator website			█		
	Website for a guide book					
	Online travel blog					
	Website for a specific attraction or activity	█			█	█
	Websites for a travel magazine					
	Fan page for a destination on a social media website					
	Fan page for an airline on a social media website					
	Fan page for an accomm. provider on a social media website					
	Photos or status update from friends or family on social media					
Offline	Talk to friends / family / colleagues	█	█	█	█	█
	Talk to a travel agent in person				█	
	Talk to a travel agent over the phone or via email					
	Talk to an airline representative in person					
	Talk to an airline representative over the phone or via email					
	Purchase a guide book	█			█	█
	Read a travel article in a newspaper					
	Read a travel article in a magazine					
	Watch a TV show or documentary					

0-2 3 4 5 6 Shading refers to the number of markets in which the source is a 'top five source' for that planning component
 Common sources, i.e. high usage in at least three markets across most planning stages

Key three high level implications for Tourism NZ:

1

Insights provide support for the role of Tourism New Zealand's PR team to focus on inspiring people to become Active Considerers, as well as reinforcing those dreaming about visiting New Zealand with efforts primarily anchored to offline properties by bringing to life the experience

2

With ACs being largely channel agnostic in their planning, it's critical to ensure that ACs are able to access content suited to any and all stages of the path-to-purchase in the few key channels they prefer to use

3

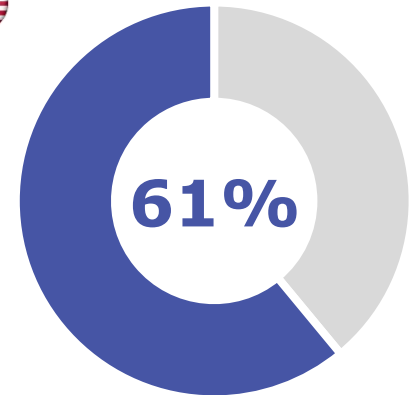
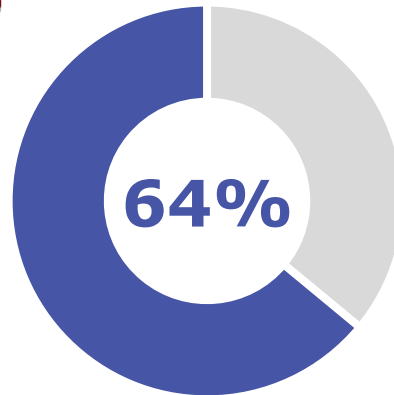
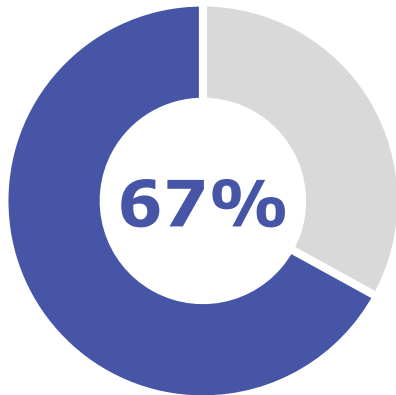
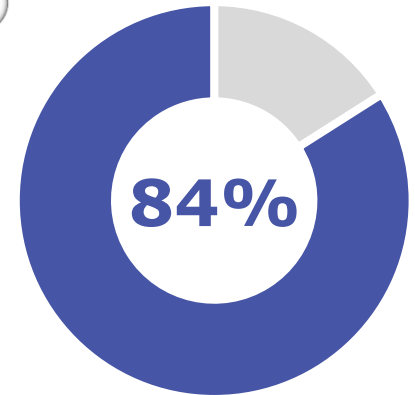
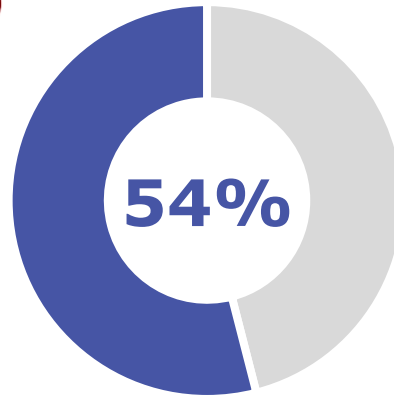
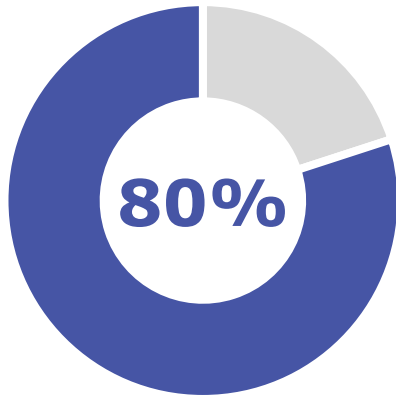
Focus on encouraging airline and hotel operators to refer Tourism NZ's referrals back to newzealand.com to facilitate consumers in their path to purchase, and drive value for the NZ tourism industry

3

ACs' general approach to holiday planning: most prefer flexible travel plans and there is an opportunity for Tourism NZ to own the full 'path to purchase'

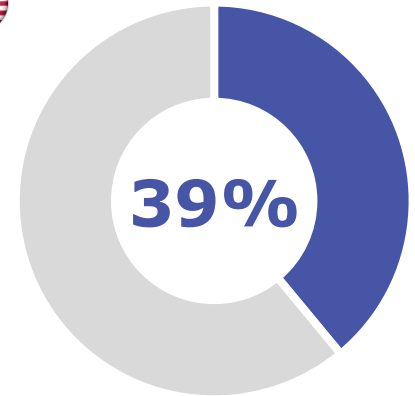
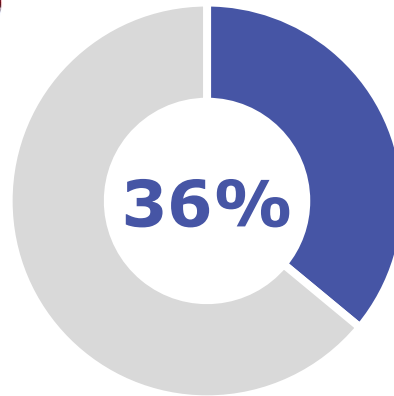
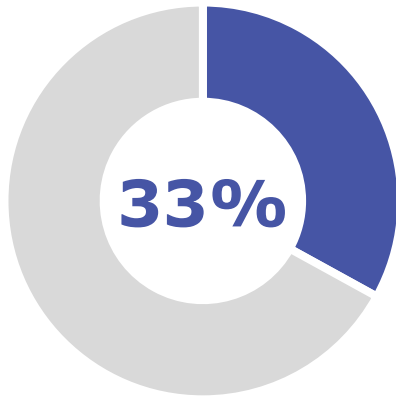
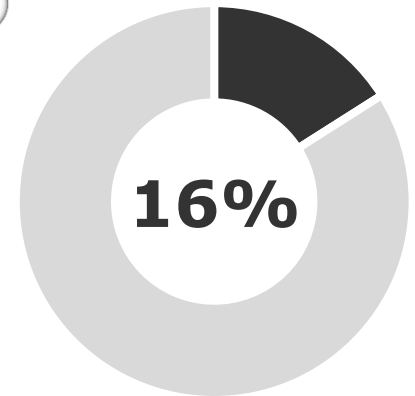
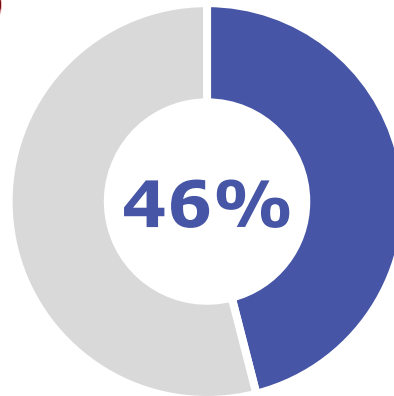
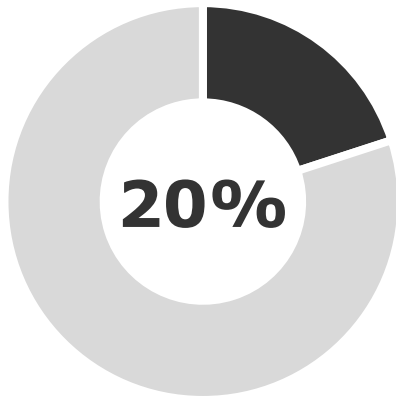
Despite New Zealand being a relatively niche destination, for the bulk of ACs, planning a holiday here will be like planning for any other destination

“Thinking about organising a New Zealand holiday, it would be like organising any other holiday I’d take”



There are however relatively sizeable segments in China as well as in the long-haul markets that anticipate needing to do things a bit differently

“Thinking about organising a New Zealand holiday, I think I would need to do things a bit differently to how I’d usually do them”



The difference in approach boils down to depth of research, the motivations for which are quite different for China versus western markets

 **Adapting**

vs.

 **FOMO**

For Chinese, needing to plan differently is often borne of both the need and desire to **get to grips with the social, cultural and experiential differences** they expect from a New Zealand holiday

For long-haul markets it's more practical and **about minimising the risk of missing out on key experiences** – given the distance ACs will travel to get here, they want to make the most of the opportunity

"Each country's culture and customs, scenery and attractions are not the same, so need to make some preparations"

"It is so far away so I feel I would need to plan everything more, it would be a trip of a lifetime so everything would need to be right"

Regardless of destination, most Active Considerers prefer to have flexibility built into their travel plans

Thinking about international holidays, which of these describes you best?

Fully planned

I like to know exactly what I'm doing each day before I arrive at my destination

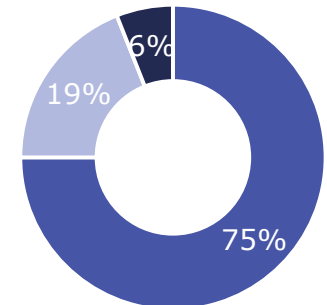
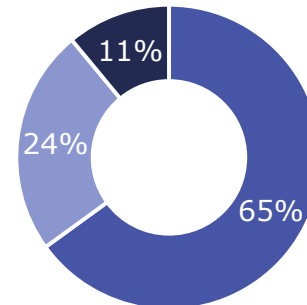
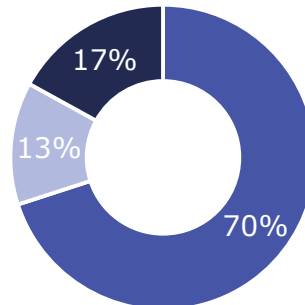
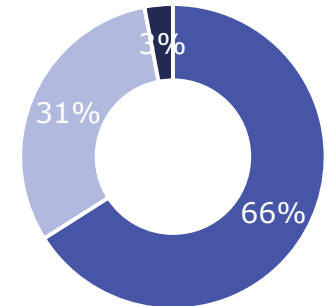
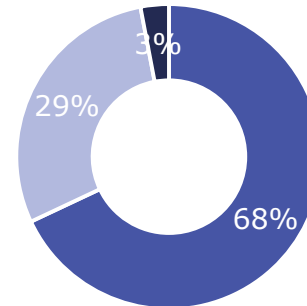
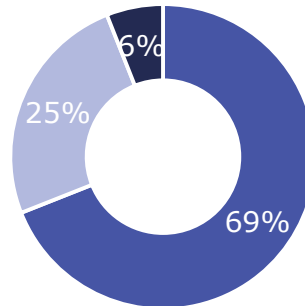
Flexible plan

I like to plan some things advance, but I also like to have some flexibility built in

No plan

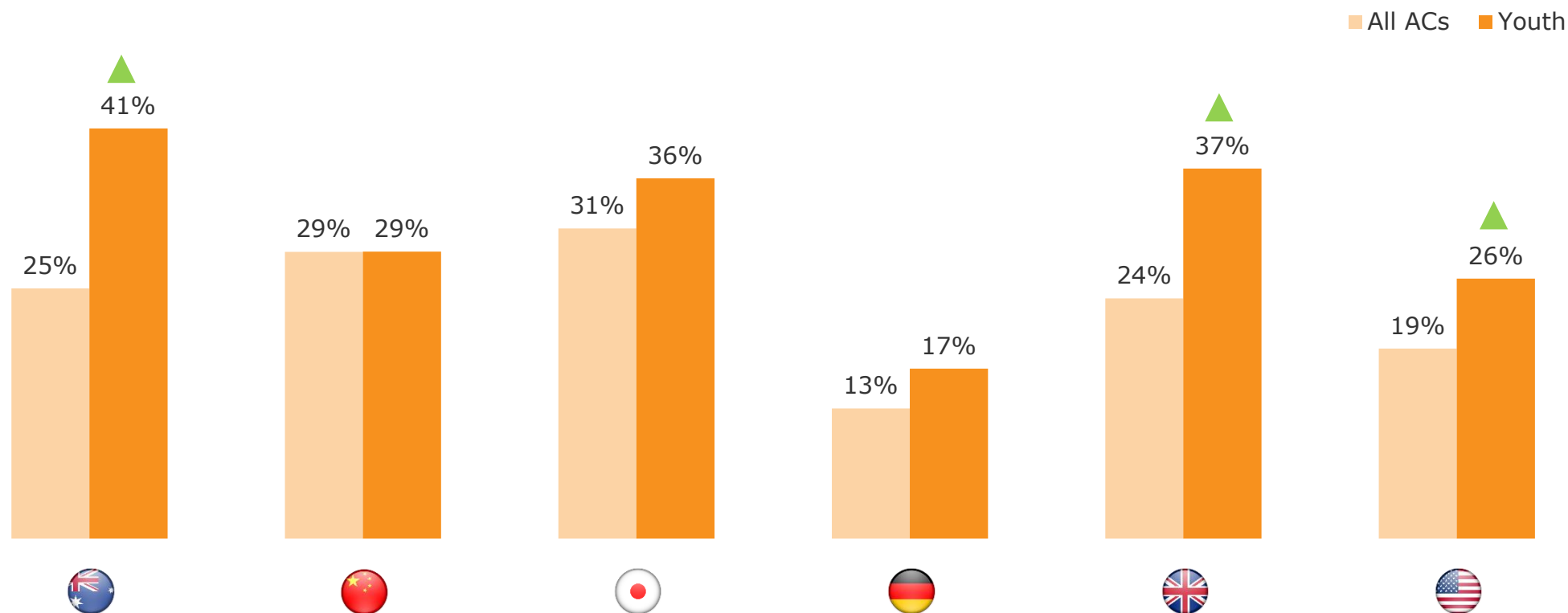
I like to decide on the "what, where and how" after I arrive at my destination

- Asian markets are more likely to want a fully planned holiday
- Germany and UK are more likely to be happy with no plan at all



Youth – who may dream of travelling with true abandon – desire at least as much planning ahead as other ACs (and more so in Australia, UK and USA) given pressures to balance time and budget

“I like to know exactly what I'm doing each day before I arrive at my destination”



▲ ▼ Significantly higher / lower than other ACs at 90% CL

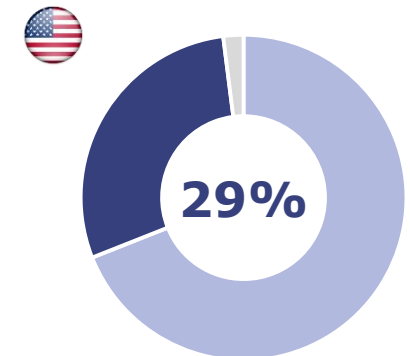
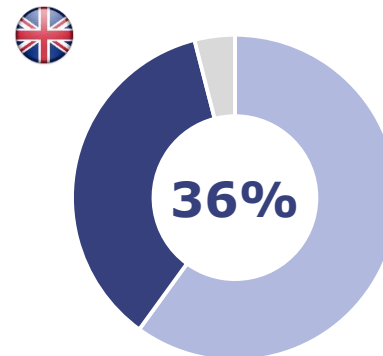
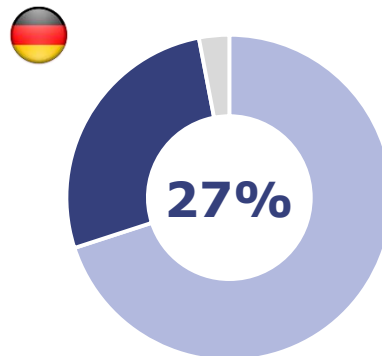
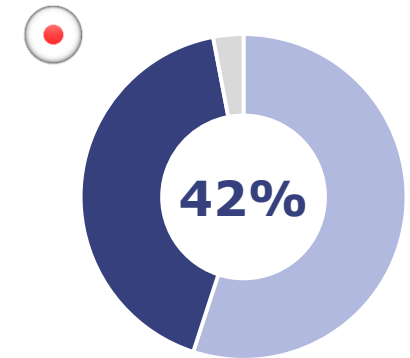
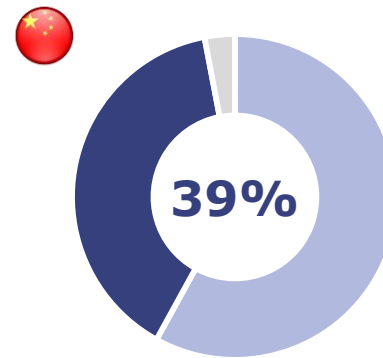
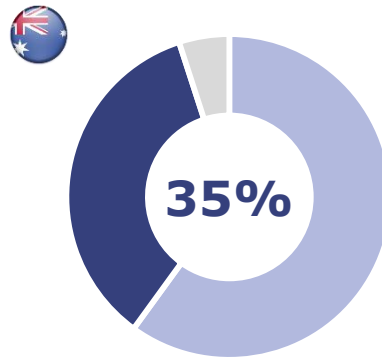
Whilst the vast majority of research is done prior to the destination arrival most ACs continue to research during their holiday, providing an opportunity for Tourism NZ to own the full path to purchase

When it comes to getting information about a destination ...

Research ahead
I like to do a lot of research about the destination before I arrive

Research during
I do some research before I arrive and continue researching throughout my trip

Research as needed
I do little research before I go and only look things up when I need to



Summary – key insights and implications

Insight

Implications

1

There are sizeable segments of in the China, Germany, UK and USA AC markets that anticipates needing to do more in-depth research for a New Zealand trip, compared to other destinations

- Chinese want more information about culture and local experiences and / or differences they might expect to encounter
- Ensure newzealand.com has information for Chinese travellers that inform them about what to expect and look out for once they've arrived in New Zealand – both practically (e.g. cultural norms) and experientially
- In long-haul Western markets, ACs essentially want to make sure they don't miss anything out when planning their once in a lifetime trip, and therefore the planning process is likely to be more in-depth, prior to departure
- Use visitor behaviour and satisfaction insights to compile 'must do' lists that may be useful in helping ACs in all markets to plan and prioritise what experiences to have on a trip to New Zealand

2

Regardless of destination though, most Active Considerers prefer to have flexibility built into their travel plans

- Propositions and itineraries need to account for this; promote journeys that have a structure but that also include suggestions for options and alternatives for to see and do, driving routes, places to stay, number of days required, etc
- Also ensure it clear where things to see and do are, and what their proximity is to other attractions

3

Youth – who may dream of travelling with true abandon – desire at least as much planning ahead as other ACs, given pressures to balance time and budget

- Look into providing tools to help you budget there time and money across the range of experiences they are looking to undertake in New Zealand, either on newzealand.com or in conjunction with / via partners such as STA

4

A significant minority of travellers will actively continue research during their trip, providing an opportunity for Tourism NZ to own the full path to purchase

- Growing usage of the newzealand.com app would support Tourism NZ's ability to track and influence what people do before, during, after their trip to NZ via a single point of contact
- Enabling geo-location tools via the app could stimulate a new source of user-generated content for Tourism NZ to capture and curate for future marketing; it would also provide a robust view on visitor behaviour to complement IVS
- This would also enable operators to use location-based targeting to promote specific messages / offers to visitors
- This likely necessitates a discussion with telco and accommodation providers to ensure that cost and network coverage do not constrain ACs desire to be online / use mobile data during their trip

4

Key information sources: there are a number of specific online and offline sources for Tourism NZ to focus on when communicating with ACs

4.1

Traditional / offline media



Planning behaviours & channel usage

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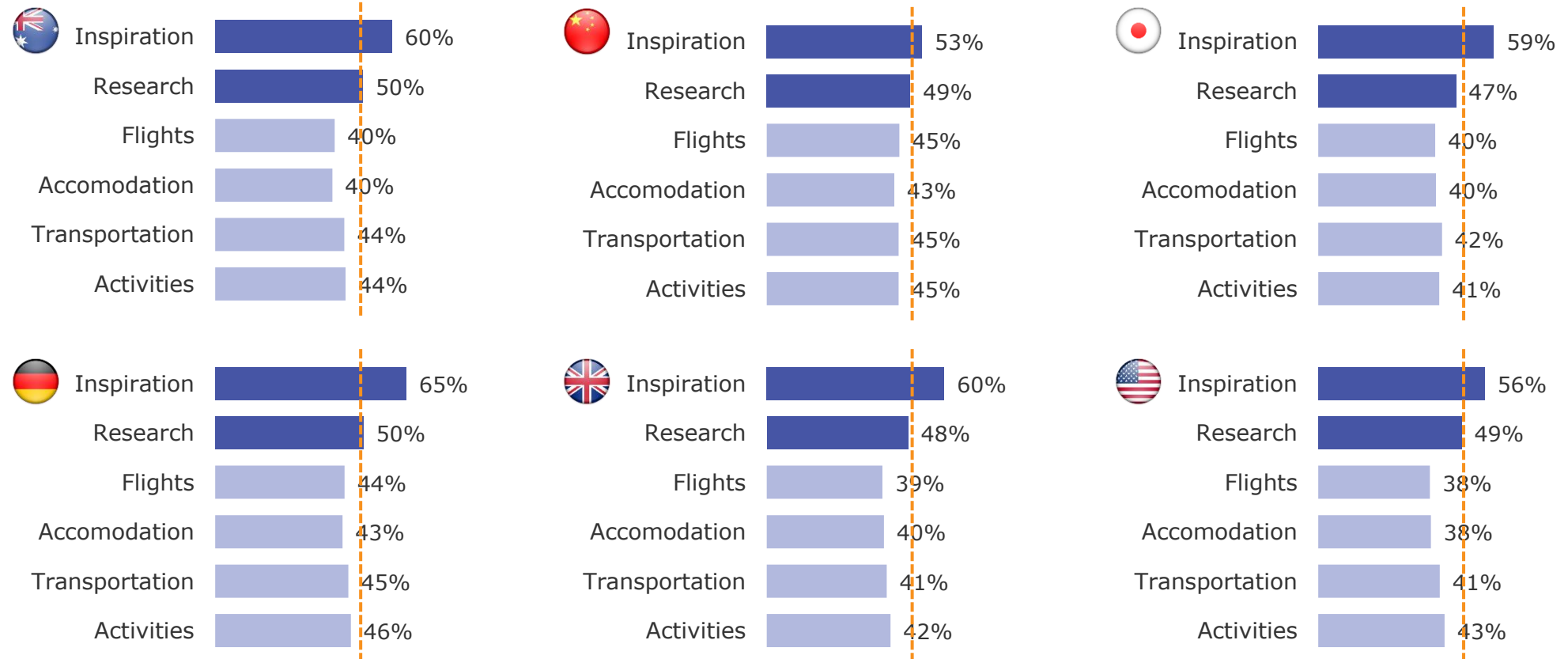
ACM FY15 second bi-annual deep dive



Versus online, offline channels' share of use is greatest before people have chosen a destination, i.e. at inspiration, therefore they are critical to topping up the pool of Active Considerers

Offline sources' share of usage at each stage of the international holiday planning process

--- 50%



Up-weighting offline efforts will be particularly important to motivate ACs stuck in the 'dreaming' stage for New Zealand

Key characteristics of ACs in the 'dreaming' stage of the visitor consideration funnel

Dreaming – People in this stage meet our Active Considerer criteria but have not done any research about taking a New Zealand holiday in the past 12 months

- Inspired to think about destinations by fewer sources overall
- Less likely to research their international holidays in the same depth
- Offline sources have greater share of use throughout the planning process
- More sceptical about the credibility of potential information sources
- More likely to value the role of a travel agent
- Low awareness of newzealand.com
- Less likely to use destination websites
- Less active on social media when on holiday



Three important implications

- Tourism NZ especially needs to solid resources behind offline efforts to communicate with those in the dreaming stage
- Lower category engagement suggests that ACs stuck in dreaming are less well-travelled – however once they visit other destinations, they may feel more comfortable about moving into the planning stage for NZ
- Also suggests that there will always be a certain amount of people stuck in dreaming in each market that will not necessarily convert – making it more important to keep feeding the AC funnel

Traditional / offline media – insights and implications

Insight

5

Offline channels still have a significant role to play in motivating Active Considerers, and shouldn't be minimised in comms planning

6

ACs in the dreaming stage of the New Zealand consideration funnel are less engaged with travel overall – they access fewer information sources and thus opportunities to interact with them are constrained compared to other segments

Implications

- The insights support the purpose and direction of TNZ's IMP efforts to "fill up the funnel" of ACs via concerted PR efforts
 - IMP and Marcomms efforts should be appropriately timed to ensure the Marcomms team are effectively capitalising on the interest built by PR efforts
 - It is also important for IMP and Marcomms to link and stagger their content / messaging – e.g. if IMP is says X, what is the complementary message Y that should subsequently be coming from Marcomms?
 - Ultimately, both teams need to work closely together to clarify the purpose of their initiatives, to ensure that ACs are guided through a path to purchase and that unnecessary duplication of messaging is avoided
-
- ACs in dreaming will be most challenging to motivate because of their own innate tendencies and preferences
 - Each opportunity to interact is more precious, given the fewer interactions people in dreaming will have – each communication needs to have a strong affective component (to support the building of a meaningful emotional connection, which tends to direct future behaviour toward a brand) and be supported by some sort of call to engage / plan / action
 - Suggests a need to further understand the previous travel behaviour of New Zealand dreamers to assess the extent to which building desire for travel in general would be more effective than building desire specifically for New Zealand

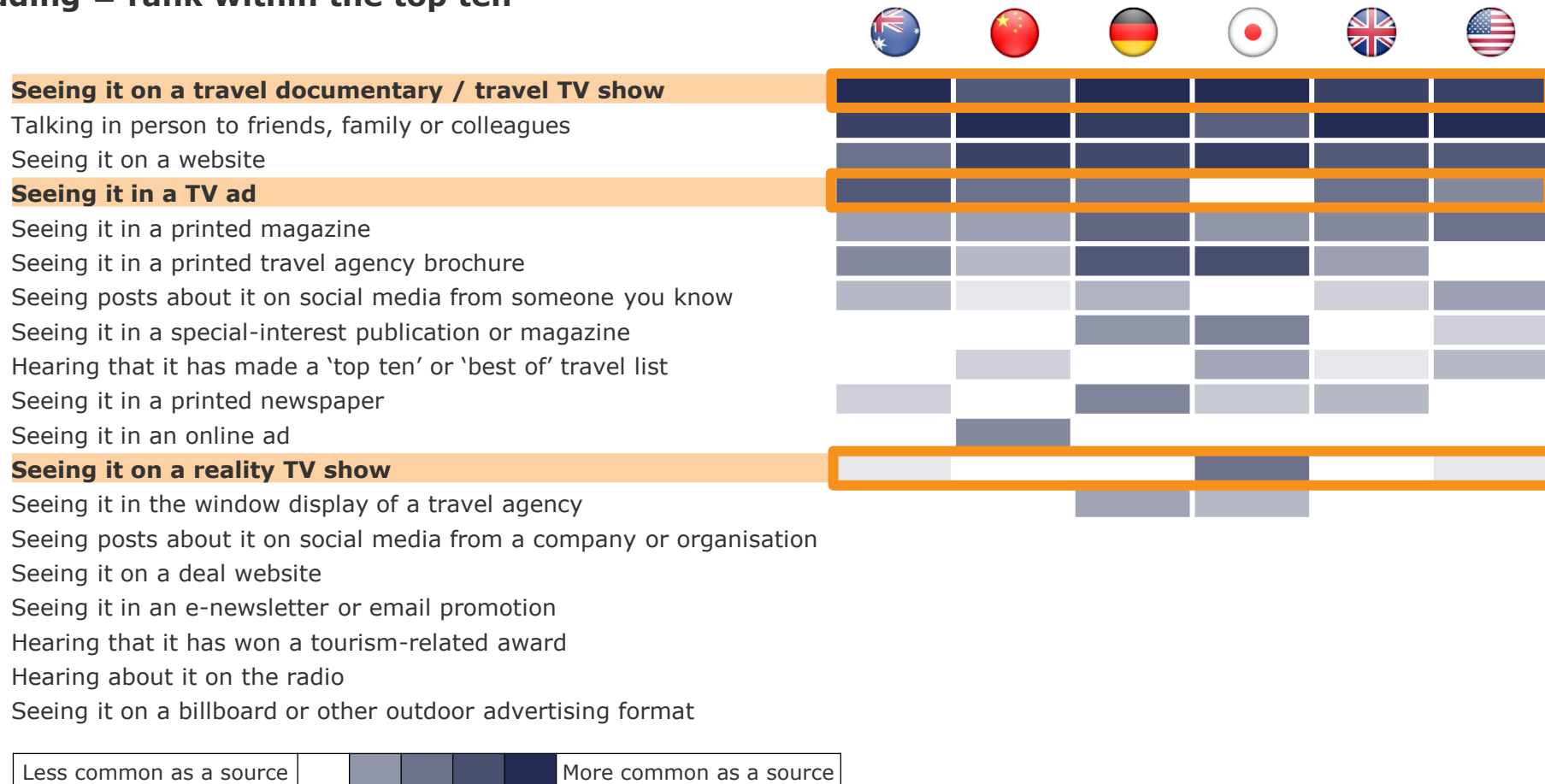
4.2

TV



TV travel shows and TV advertising perform strongly with Active Considerers, when it comes to having inspired them to think about destinations

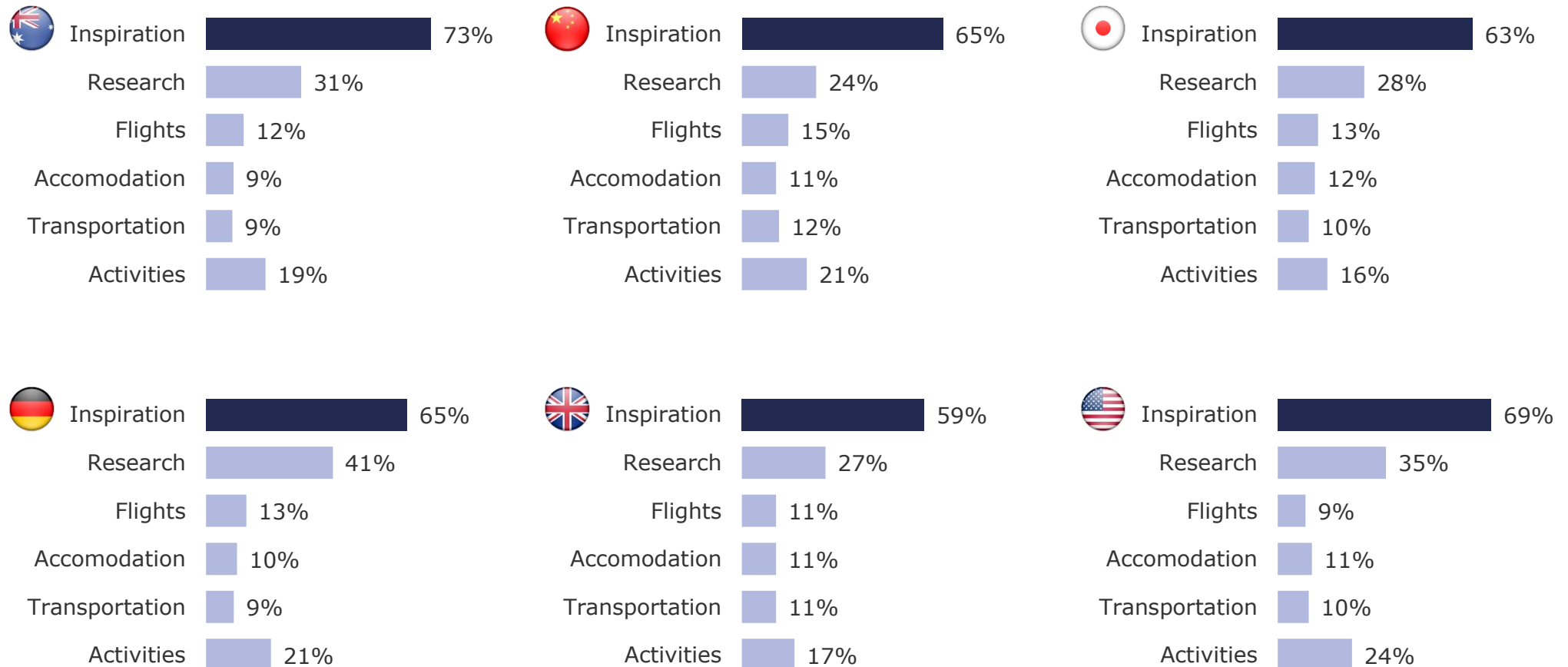
Sources of inspiration for possible holiday destinations Shading = rank within the top ten



Question wording: Thinking about how you get ideas and inspiration about where to go on holiday and before you decide on a destination, which of these have ever encouraged you to start thinking about a place as a possible holiday destination?

TV overall has a far greater impact at the inspiration stage of planning a trip across all markets

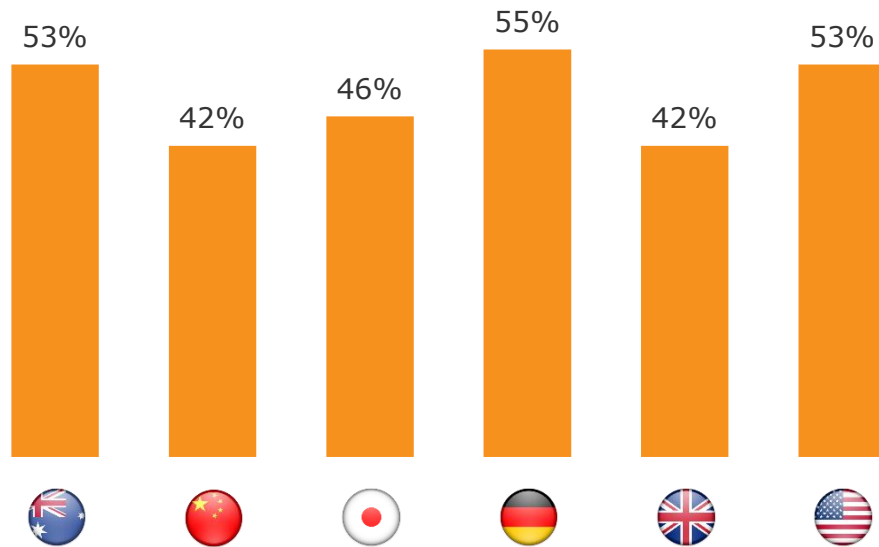
Net usage of TV information sources in the international holiday planning process (% ACs)



TV travel shows / documentaries are useful inspirational sources in all markets

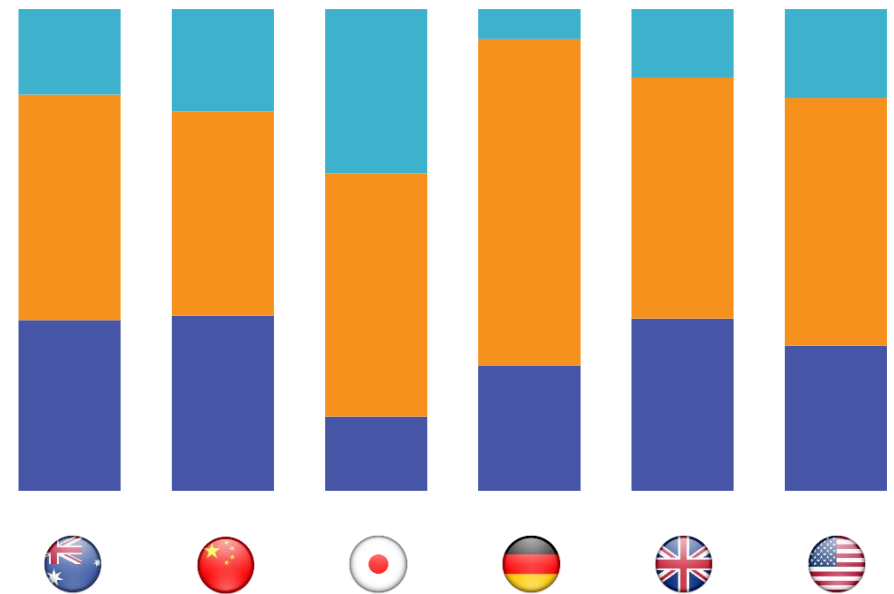
Have ever been inspired by ...

Seeing it on a travel documentary / travel TV show



Relative share of influence of different TV sources of inspiration

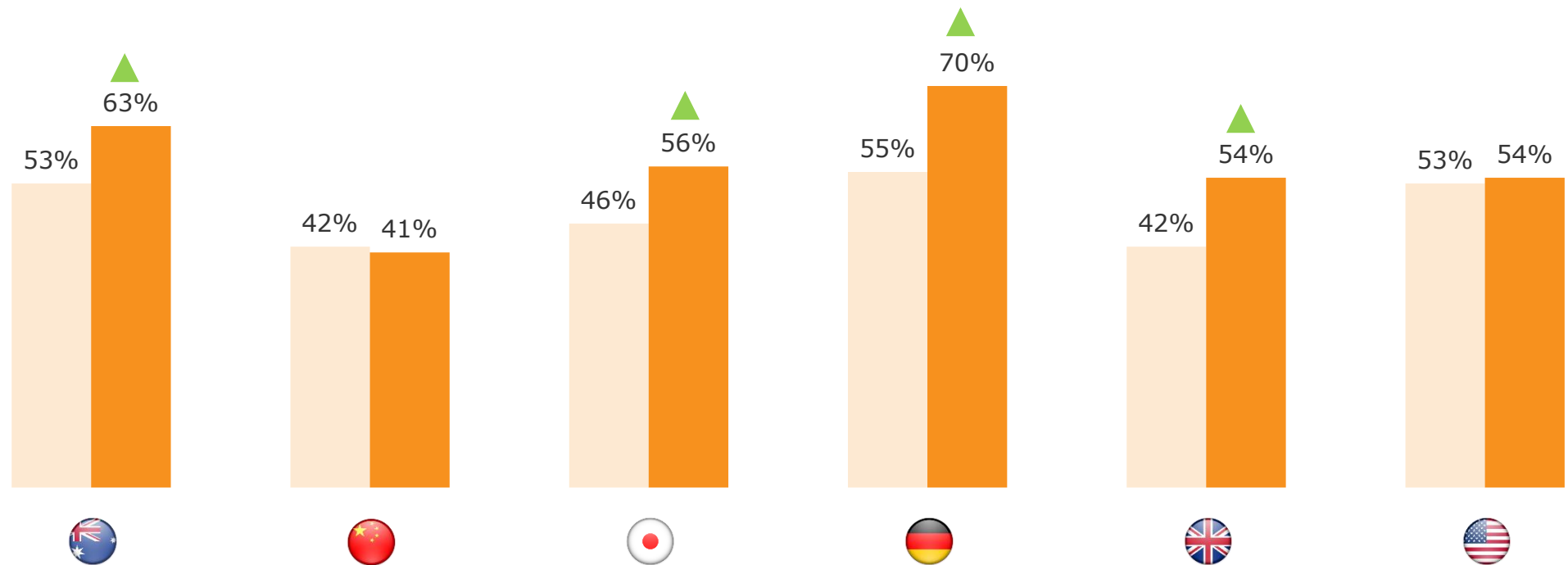
Reality TV
Travel show
TV ad



Travel shows and documentaries are particularly impactful with Active Boomers in the Australia, Japan, Germany and UK markets

Incidence of having being inspired by TV travel shows / documentaries in the past

■ All ACs ■ Active Boomers

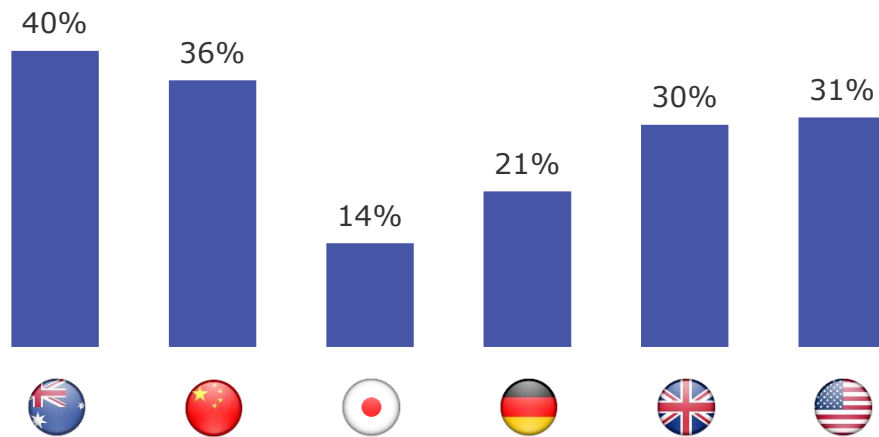


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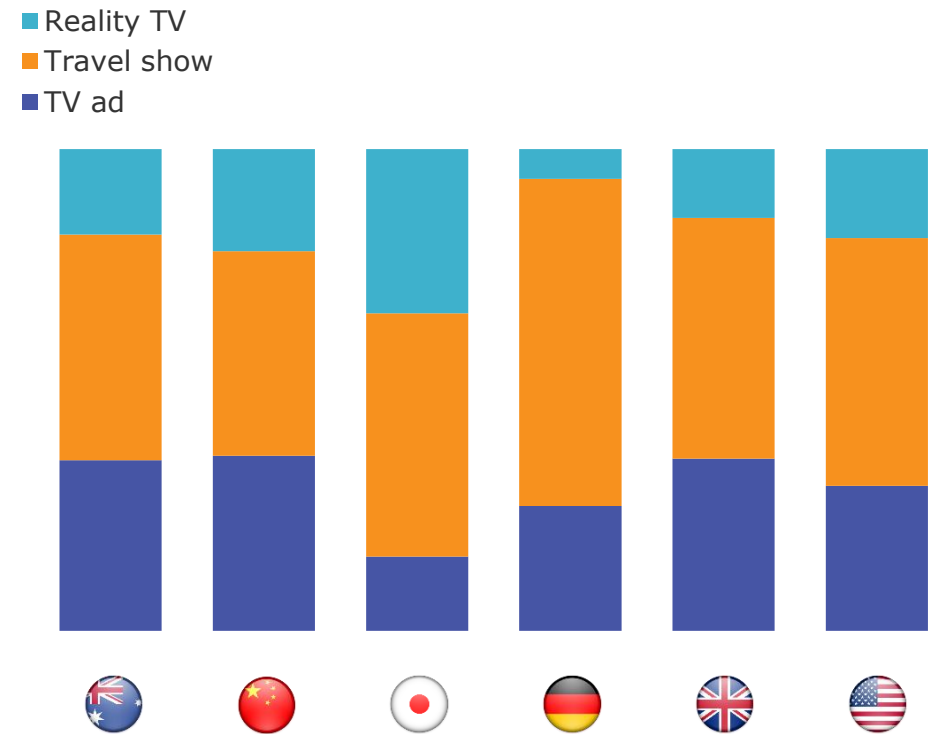
There is merit in continuing to advertise on TV in Australia and given the influence of TV ads in other markets, Tourism NZ's challenge is to find proxy content and channels (e.g. online video) that enable it to compete

Have ever been inspired by ...

Seeing it in a TV ad



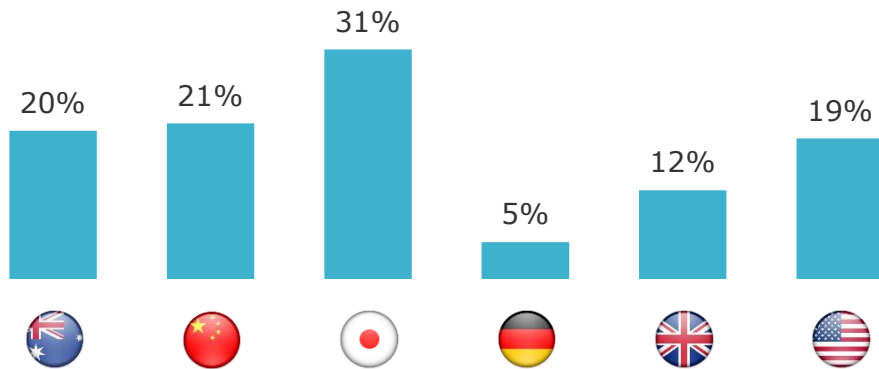
Relative share of influence of different TV sources of inspiration



In European markets, relatively few ACs claim to have been inspired by the settings for a reality TV show, which is in stark contrast to the influence reality TV has had in Japan

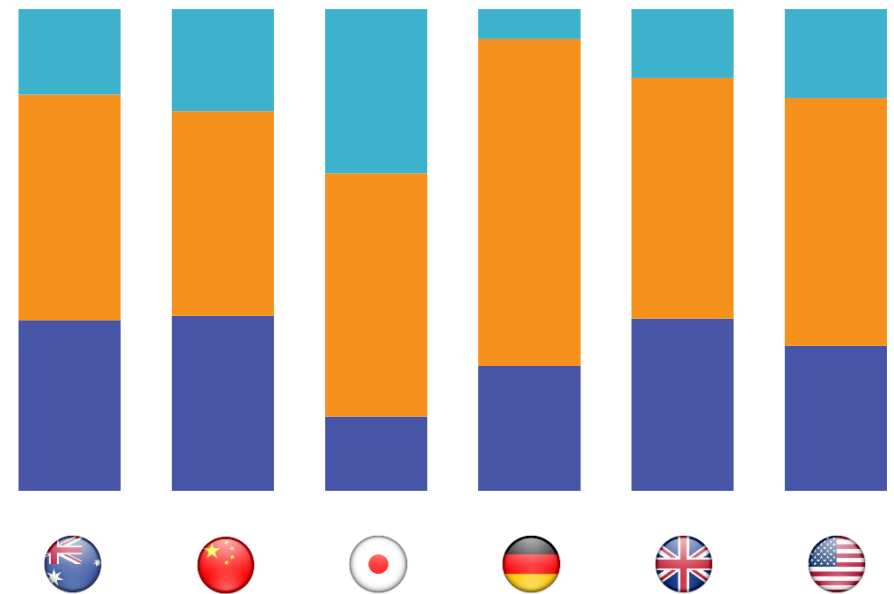
Have ever been inspired by ...

Seeing it on a reality TV show



Relative share of influence of different TV sources of inspiration

Reality TV
Travel show
TV ad



TV – insights and implications

Insight

7

TV advertising still has merit when it comes to inspiring people to consider a potential holiday destination

8

TNZ is potentially overlooking opportunities that exist with TV travel shows given these are more influential than reality TV placement

Implications

- The power of TV advertising by Australia ACs in particular provides justification for TNZ to use / continue using this medium in Australia
 - In other markets where TNZ does not have the scale to compete with destination marketers that have deeper pockets, TNZ's challenge is to find proxy innovative content and channels (e.g. online video) that enable it to compete with these destinations at the inspiration stage of the process
 - This perhaps necessitates a deeper understanding of which contexts support online video to impact the audience – i.e. for any single online video, in what environment is it likely to achieve maximum engagement? Contextual factors include: website (e.g. Facebook, YouTube, TV on demand), time of day (e.g. commute, lunch, evening), device (e.g. mobile, tablet, desktop / laptop)
-
- Identify the range and value of available opportunities for TV travel documentaries and travel shows in all markets as a priority, ahead of reality TV shows
 - Of secondary importance is to determine whether the lack of influence from reality TV is because ACs don't respond to this kind of content **or** whether it has been executed poorly by other destination marketers in the past, e.g. via content analysis of past reality TV show 'product' placement. We know that placement of New Zealand has delivered good results for TNZ previously (e.g. MasterChef, The Bachelor USA, Next Top Model) – have we exhausted the well or do we execute better than others?
 - Also emphasises the importance of choosing the right content (i.e. reality TV show) in which to depict New Zealand

4.3

Word-of-mouth



Planning behaviours & channel usage

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Word of mouth remains substantially important for people when they're planning international holidays given its strong credibility

List of potential information sources		Research	Flights	Accomm.	Transport	Activities
Online	Website for a specific airline		■			
	Website for a specific hotel chain			■		
	Website for a specific travel agency					
	Official destination website	■	■	■	■	■
	Online travel agency website		■	■	■	
	Travel review website	■	■	■	■	■
	Hotel aggregator website			■		
	Website for a guide book					
	Online travel blog					
	Website for a specific attraction or activity	■			■	■
	Websites for a travel magazine					
	Fan page for a destination on a social media website					
	Fan page for an airline on a social media website					
	Fan page for an accomm. provider on a social media website					
	Photos or status update from friends or family on social media					
Offline	Talk to friends / family / colleagues	■	■	■	■	■
	Talk to a travel agent in person				■	
	Talk to a travel agent over the phone or via email					
	Talk to an airline representative in person					
	Talk to an airline representative over the phone or via email					
	Purchase a guide book	■			■	■
	Read a travel article in a newspaper					
	Read a travel article in a magazine					
Watch a TV show or documentary						

0-2 3 4 5 6 Shading refers to the **number of markets** in which the source is a **'top five source'** for that planning component



Word-of-mouth

Insight

9

Positive visitor experiences throughout the path to purchase are critical to converting ACs that haven't visited New Zealand before

Implications

- This insight serves as a good reminder for the industry and related stakeholders (e.g. councils) to monitor and identify areas of under and over performance on visitor satisfaction with aspects such as: accommodation, transport, infrastructure and experiences
- Monitoring satisfaction might necessitate new 'listening' approaches, such as social media monitoring, to better understand the content of conversations people are having with their friends and family about New Zealand and in turn enable pain points and points of leverage to be identified
- New listening approaches would also give TNZ the opportunity to identify and curate positive word-of-mouth so that it can be re-packaged for marketing purposes

4.4

Destination websites



Planning behaviours & channel usage

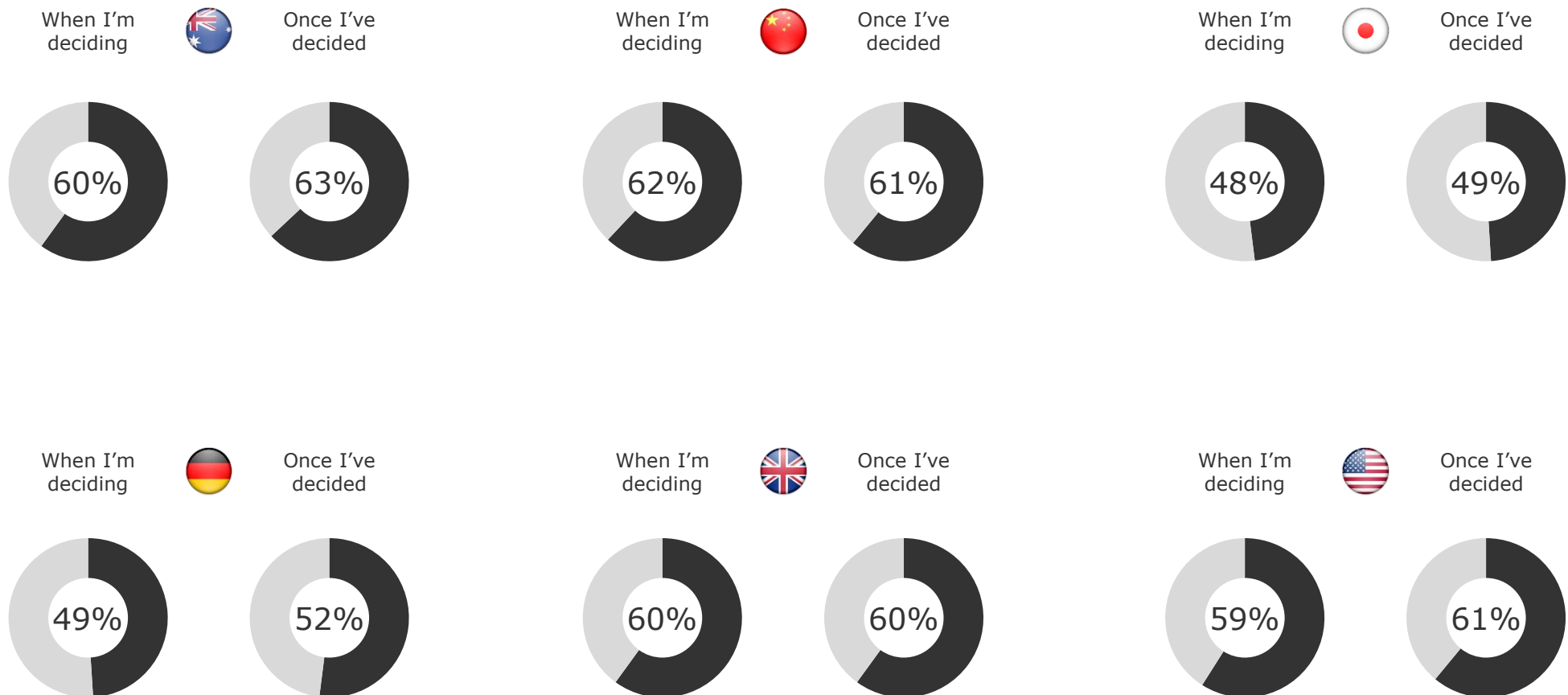
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Destination websites have a clear role to play throughout the path to purchase with ACs claiming to consult these before and after choosing a destination in equal measure

“I always check out the official destination website”



Destination websites are among the top information sources used for research and planning

Official destinations – when and where are they are top five information source?







Stage						
Research	2 nd	2 nd	1 st	1 st	2 nd	2 nd
Flights	5 th	3 rd	5 th	5 th	3 rd	5 th
Accommodation		2 nd	4 th	4 th	2 nd	5 th
Transportation	2 nd	1 st	2 nd	1 st	1 st	1 st
Activities	2 nd	1 st	2 nd	1 st	1 st	1 st

Number = rank of official destination websites in this market, for that research stage

- They are a critical first stop at the information scoping stage ('research') in all markets
- While for flights ACs typically head straight to an airline or OTA website, destination websites remain sought after at this stage
- Similarly ACs head to hotel aggregator websites for accommodation, though destination websites also have good potential to drive referral traffic
- Finally, destination websites are critical for learning about how to get around and things to see and do – this highlights the important role newzealand.com has to play in bringing 'everywhere close' to life for the consumer

Reliance on destination websites reflects the high level of trust that travellers put in them in most markets

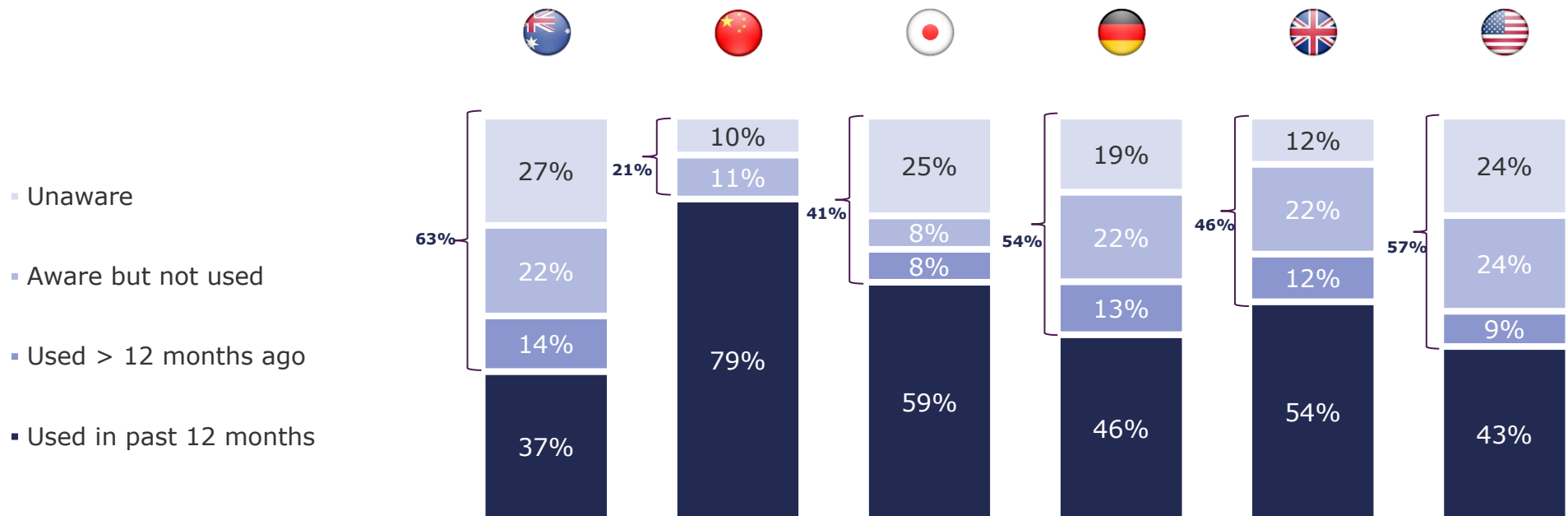
Top five most credible information sources for planning an international holiday

Information source						
Official destination website	2 nd	2 nd	3 rd	1 st	2 nd	4 th
Talk to friends / family / colleagues	1 st	1 st	4 th		1 st	2 nd
Purchase a guide book		3 rd	1 st	3 rd	4 th	1 st
Online travel agency website				5 th		
Website for a guide book	3 rd			4 th	3 rd	
Travel review website	5 th				5 th	5 th
Websites for a travel magazine	4 th		5 th			3 rd
Photos or status update from a friends on social media		4 th				
Talk to a travel agent in person		5 th				
Watch a TV show or documentary			2 nd			
Website for a specific travel agency				2 nd		

Number = rank of official destination websites in this market on perceived trustworthiness

Not all planners end up at newzealand.com during the research stage with opportunities to growth both awareness and usage in most markets

Planners are ACs that have done research about NZ in the past 12 months ... but in Australia for instance, just 37% used newzealand.com in their research meaning the opportunity size is 63%



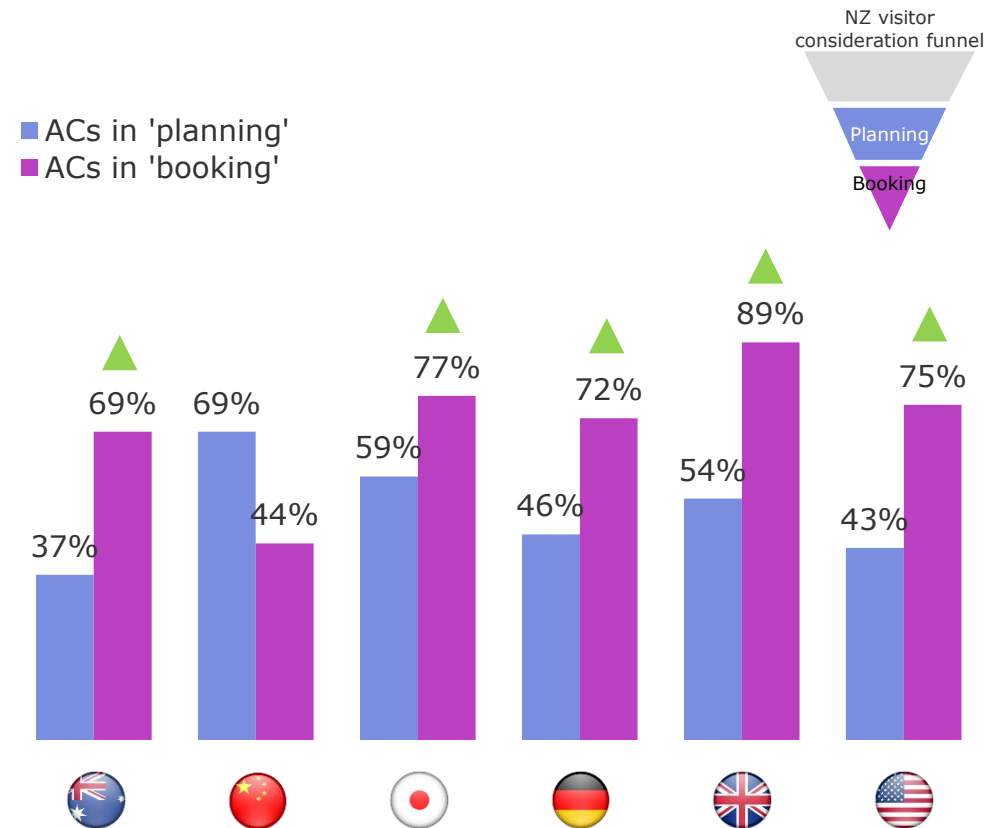
Awareness and visitation of newzealand.com by those in the 'planning' stage of the visitor consideration funnel

There is a strong correlation between usage of newzealand.com and being in the booking stage of the NZ visitor consideration funnel

Visitation of newzealand.com in the past 12 months by stage in the visitor consideration funnel

ACs that are ready to book are **much more likely** to be using newzealand.com suggesting that it is only later in the information seeking that they are encountering the site

It also potentially suggests that exposing planners to newzealand.com earlier could **help with conversion** from planning to booking



▲ ▼ Significantly higher / lower than other ACs at 90% CL

Furthermore, newzealand.com as a 'one stop shop' is able to alleviate certain pain points ACs have when it comes to planning their holidays

Key pain points that newzealand.com could help address by positioning itself as a 'one stop shop'

Lack of a single credible source that unites a range of information

"There is SO MUCH you need to account for and have completely planned and that takes a lot of research and looking around to be sure everything lines up and is within your price range"

Lack of a single source that provides depth of information

"I find it frustrating when the destination's 'official' websites do not contain all the information I need, such as information about public transport, features of the international airport, tips about local customs and any warnings about what to look out for"

Lack of clarity about the location and proximity of key attractions

"What most frustrates me is when it is not quite clear through the website, where exactly is the attraction or place of interest, e.g. lack of address or any description / map"

Trying to prioritise what to see and do given time and money

"I think choosing where to go and what attractions to visit. There are too many to see them all so I get frustrated about picking the best things to see."

Destination websites – insights and implications

Insight

10

Destination websites are consulted throughout the travel planning process – from when ACs are trying to decide which destination to visit, through to planning the specifics of their holiday once they've decided on a destination

11

newzealand.com is potentially under-utilised, particularly among those that claim to have researched New Zealand in the past year

Implications

- Ensure newzealand.com has content accessible for each stage of the consumer journey
- Give consideration to how this content is structured / layered on newzealand.com – the key is strike the balance between providing access to the right information without overwhelming ACs with information that is not yet relevant to their needs
- Consider how to route people into newzealand.com by their mind-set / stage in the journey and then by their (a) entry method (e.g. organic, paid) and (b) number of visits
- Re-visit TNZ purchase behaviour for Google search terms to ensure TNZ is not unreasonably competing with industry compatriots
- Also ensure search terms are returning the right hits, for example, in Google, the search term "New Zealand holiday" does not necessarily return newzealand.com as a result (as at September 2015)
- Look for ways to optimise / improve re-targeting of previous website visitors
- Where appropriate ensure all marcomms touchpoints reference newzealand.com
- Leverage the Facebook fan page and / or Facebook advertising to drive awareness and traffic – the current page as of recently uses the 100% Pure New Zealand brand, but unlike the Australia.com page, it is not immediately obvious what TNZ's customer-facing website is
- Enable in-market users of the newzealand.com app to post from the app to social media, in a way that references the newzealand.com website

4.5

Travel agencies



Planning behaviours & channel usage

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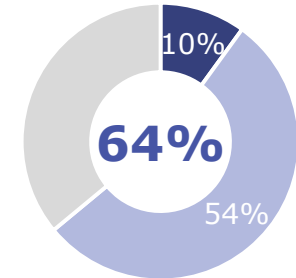
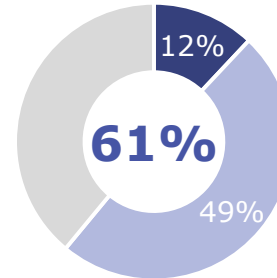
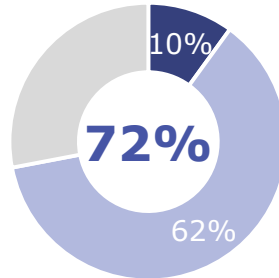
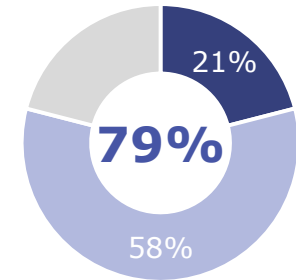
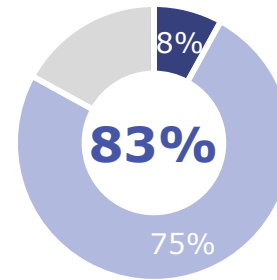
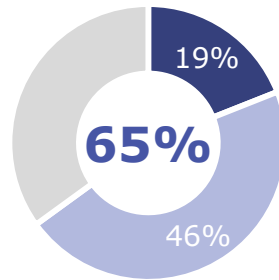
Traditional travel agents still important role in travel planning across all markets, including in Australia

Thinking about the role travel agents – i.e. people that work in travel agencies – play in assisting people with their travel plans ...

Preferred
I prefer to always use a travel agent to help me with my travel plans

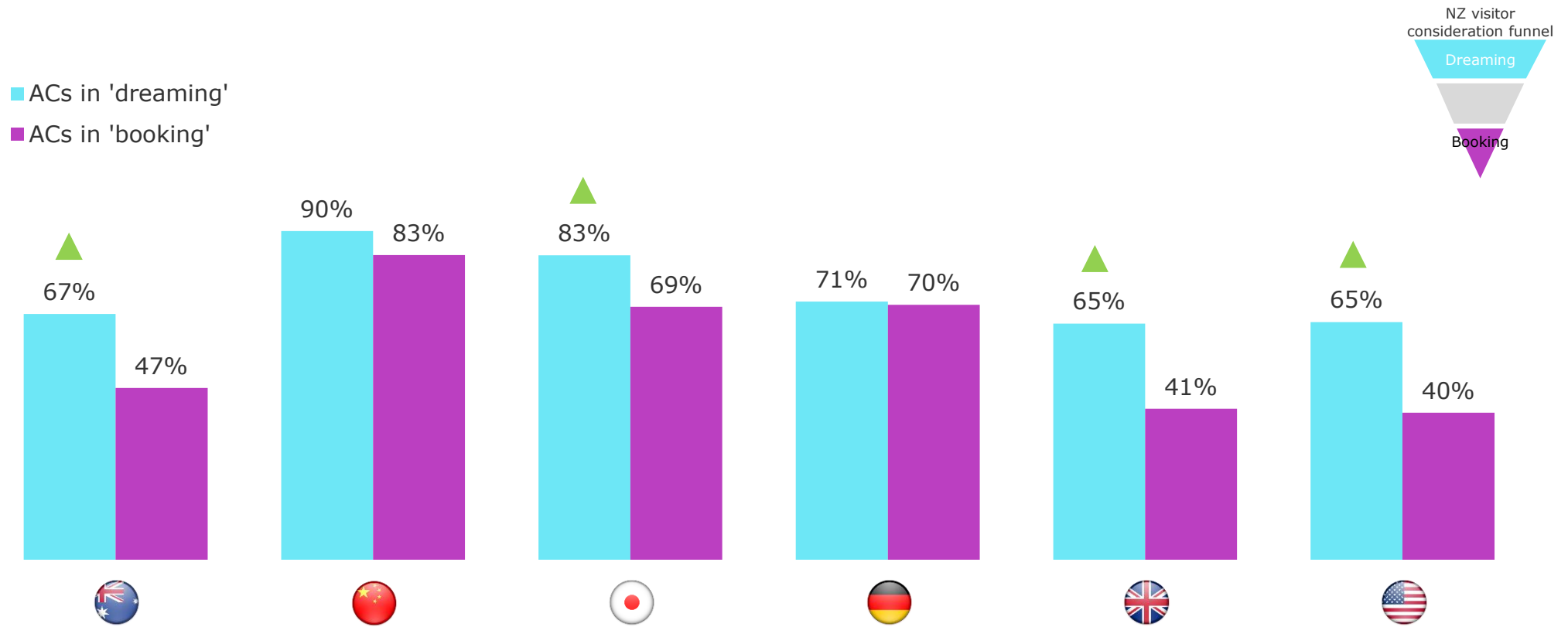
Useful
It's occasionally useful to engage a travel agent to help me with my travel plans

No need
For me, there's no real need to use a travel agent these days



ACs in 'dreaming' particularly value the role of travel agents meaning there is an opportunity for Tourism NZ to leverage them to push people into the 'planning' and 'booking' phases

Perceived usefulness of travel agents, by stage in the visitor consideration funnel



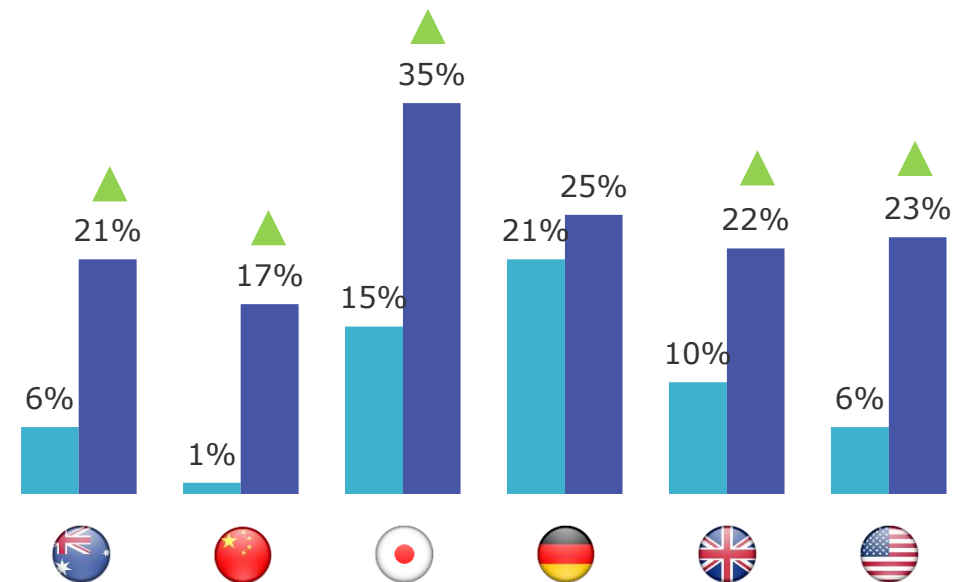
▲ ▼ Significantly higher / lower than other ACs at 90% CL

Among those that prefer to use a travel agent, the tendency is for them to want to 'outsource' booking rather than planning, suggesting convenience is a substantial part of an agency's appeal

Preference for who does the planning and booking among ACs that prefer to use travel agents

- Most ACs that prefer travel agents still like to have control / input, suggesting there is an element of ACs prescribing to travel agents their requirements and / or subsequently using other channels after consulting a travel agent
- This does not mean people will not draw on travel agents for information – people that prefer to use travel agents will still consult them for information before choosing a destination, for flights, accommodation, transport and activities







- I like to have someone else plan my itinerary for me
- I like to have someone else handle all the bookings for me



▲ ▼ Significantly higher / lower than 'plan my itinerary'

When it comes to using travel agents, in-person interactions are generally favoured, especially in Australia but within the online space, OTAs are typically consulted over travel agency websites

Use of OTAs, travel agency websites and communicating with a travel agent (All ACs)

											
Research	OTA	21%	30%	30%	24%	23%	25%	OTA	Online travel agency website		
	Website	17%	17%	25%	11%	14%	11%				
	Person	39%	38%	26%	35%	35%	29%			Website	Website for a specific travel agency (that also has branches you can visit in person)
Flights	OTA	21%	26%	28%	34%	34%	47%	Person	Talk to a travel agent in person, over the phone or via email		
	Website	18%	18%	25%	14%	18%	11%				
	Person	35%	32%	27%	38%	30%	25%				
Accommodation	OTA	22%	28%	29%	35%	29%	37%				
	Website	12%	19%	24%	11%	13%	9%				
	Person	34%	36%	27%	39%	29%	25%				
Transportation	OTA	14%	28%	20%	22%	19%	30%				
	Website	11%	17%	23%	11%	12%	9%				
	Person	36%	32%	27%	40%	27%	28%				
Activities	OTA	17%	30%	21%	15%	17%	19%				
	Website	10%	22%	22%	7%	9%	9%				
	Person	35%	34%	23%	26%	22%	23%				

Less commonly used    More commonly used

Travel agencies – insights and implications

Insight

12

In a digitally driven world, travel agents still have a critical role to play in all markets, when it comes to transitioning ACs through the path to purchase

13

ACs stuck in the 'dreaming' stage for New Zealand particularly find travel agents useful when it comes to planning holidays

14

Aside from the benefits of interpersonal interaction, travel agents appear to be especially valued for their ability to handle all the administrative and operational aspects of making firm bookings for flights, accommodation, transport etc

Implications

- Ensure TNZ gives sufficient weight to initiating and maintaining relationships with the 'traditional trade'
 - Proactively seek travel agent feedback on the types of content / information ACs are looking for, depending on where they appear to be in the visitor consideration funnel, and in what format this is best provided
-
- TNZ to help travel agents identify ACs that are in 'dreaming' for New Zealand and provide content to aid their transition into planning / booking
 - This might also include tactical offers to shortcut the visitor consideration funnel and / or overcome the appeal of competing destinations
-
- Interpersonal interactions are generally preferred over the use of OTAs, suggesting that preference for travel agents isn't driven by being able to book all components with one supplier per se, but rather other benefits such as: personal interaction; being able to email / discuss options; having a preferred agent for all bookings – a personal account manager who knows you well; agents having the tools / databases to search for the best / optimal deals in terms of timing, pricing and integration of components (e.g. accommodation and flights)
 - There are specific sub-segments within the travel agent user market, who still want to retain influence over their travel planning but that are more eager for an expert to handle the booking. Identifying into which sub-segments these people fall is important to ensure they are treated appropriately

4.6

Guide books



Planning behaviours & channel usage

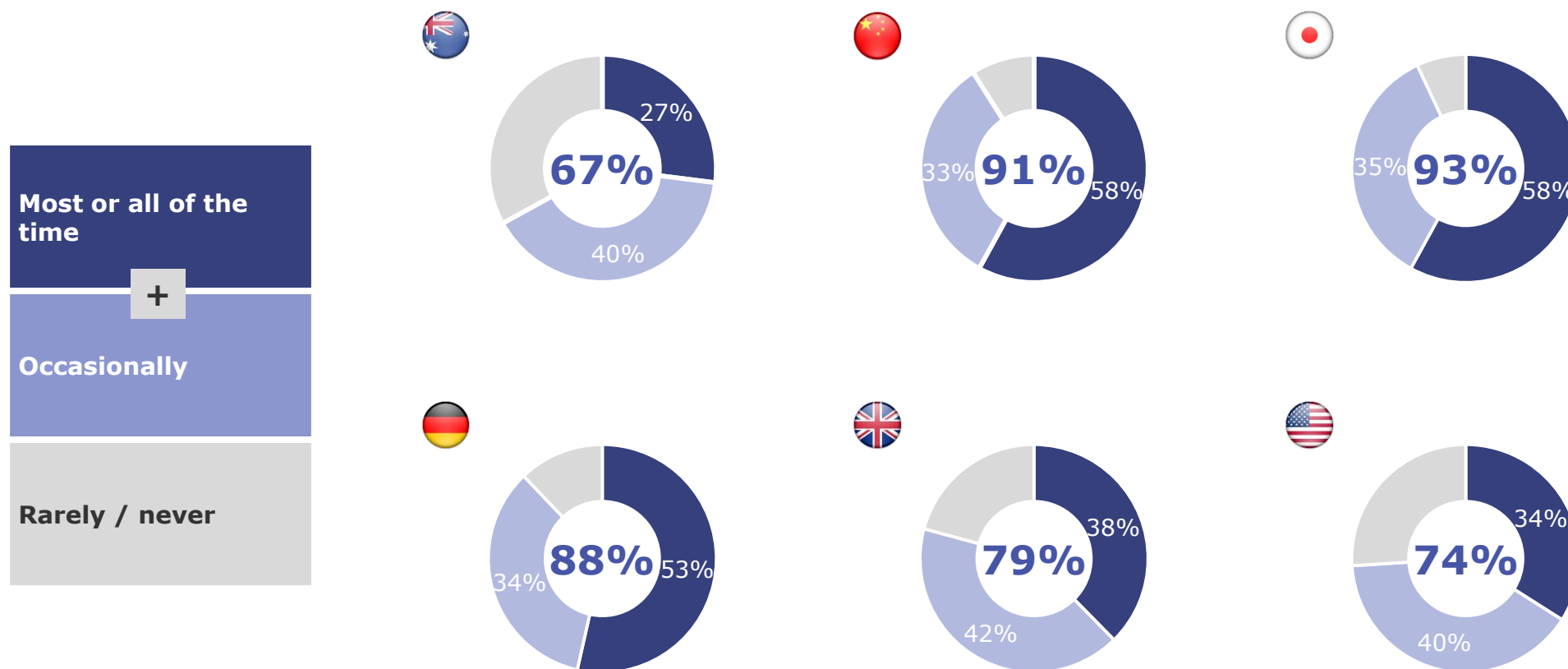
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Guide books are still in common use by travellers in all markets, particularly those that are non-English speaking

“Do you ever take a travel guide book with you when you go on international holidays?”



Guide books are a top five information source for most top tier markets, especially Japan, and they are particularly useful for general research and finding out about transport and activities

Guide books' rank as an information source, by stage

	AU	CH	GE	JP	UK	US
Research		3 rd	4 th	2 nd	5 th	4 th
Flights		5 th		3 rd		
Accommodation				1 st		
Transportation		3 rd	5 th	2 nd		5 th
Activities		2 nd	2 nd	2 nd	5 th	

Number = **rank** of guide books in this market, for that research stage

Usage of a guide book for information, by stage (% ACs)

	AU	CH	GE	JP	UK	US
Research	18%	35%	38%	43%	29%	36%
Flights	9%	25%	19%	26%	10%	11%
Accommodation	7%	26%	19%	30%	16%	18%
Transportation	12%	32%	19%	32%	15%	25%
Activities	17%	36%	38%	34%	28%	33%

Shading = **usage within that market** across the stages; dark yellow indicates high relative usage compared to other stages

Guide books

Insight

15

Planning for New Zealand is like planning for other countries and it's common for people to use guide books to plan their travel, both before departure and during their journey

16

In the absence of foreign language websites and mobi-sites in the necessary language, a guidebook is a safe constant for travellers from China, Japan and Germany

Implications

- It may be difficult for newzealand.com to outshine guide books given their ubiquity – the question for TNZ is therefore how to work with them to grow recognition of TNZ's own content and / or use a guidebook brand's endorsement
- Highlights the importance of needing to make more foreign language content available on newzealand.com website and app
- TNZ should also be encouraging operators to produce foreign language versions of their own websites and mobi-sites to complement use of guide books

4.7

Social media



Planning behaviours & channel usage

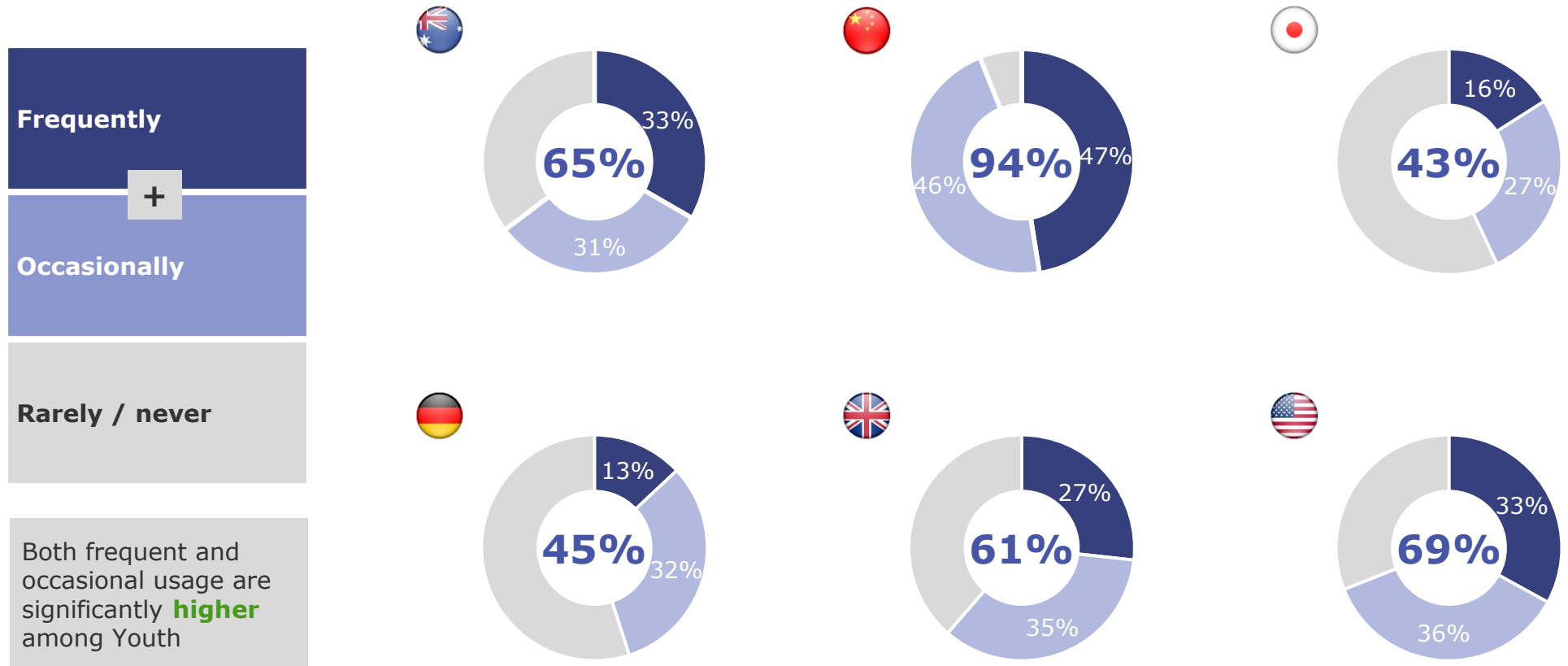
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Chinese travellers are the most prolific 'posters' on social media, followed by those from Australia and USA and posting is unsurprisingly more common with Youth travellers

"When on holiday, I upload posts or photos about my holiday on social media ..." (ACs)

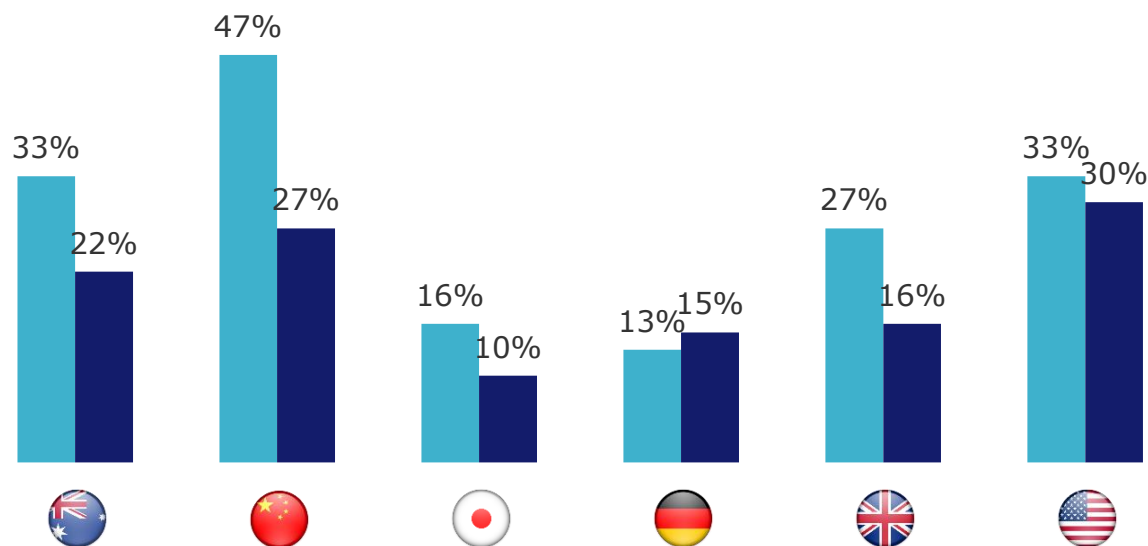


Posting content outweighs content consumption, suggesting a lot of posted content lacks relevancy, though destinations such as Australia are curating and re-packaging relevant user-generated content for their own use

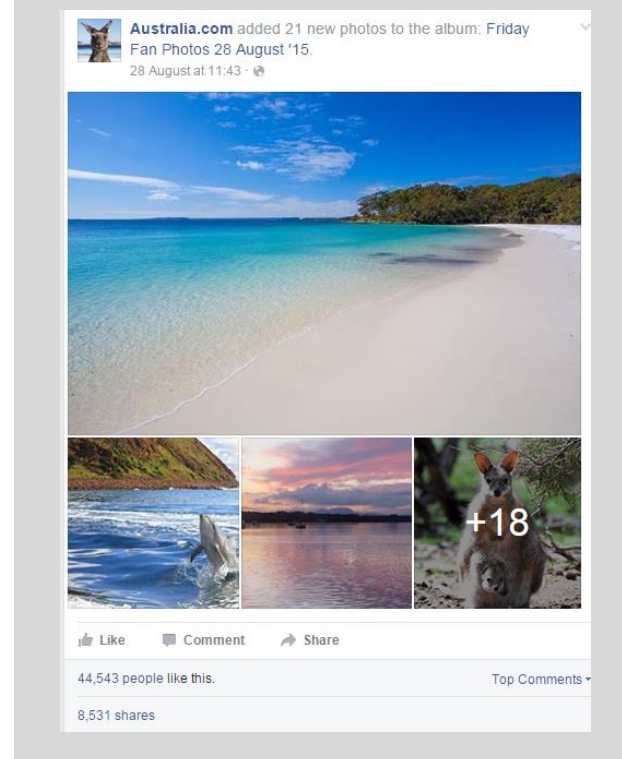
Generation vs. consumption of user-generated content in the context of international travel

People typically use social media to boast about their holiday experiences, but only a fraction of this content is inspirational or relevant

- Frequently post when I am on holiday
- Have been inspired because of social media

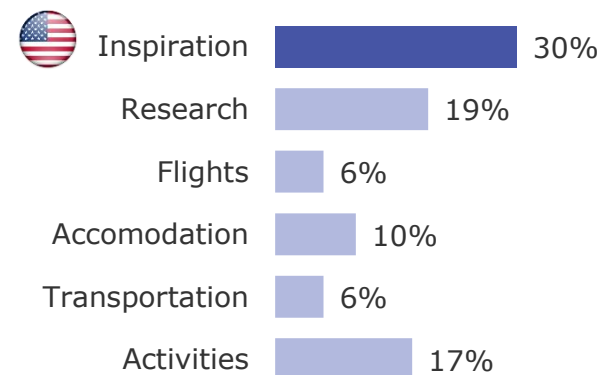
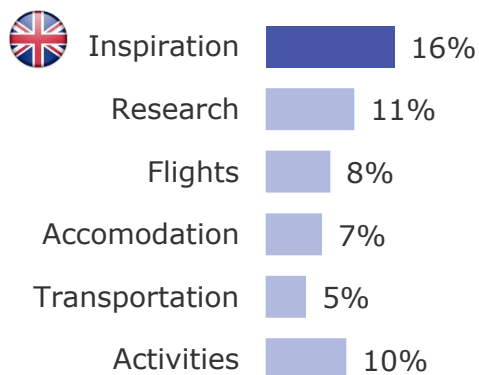
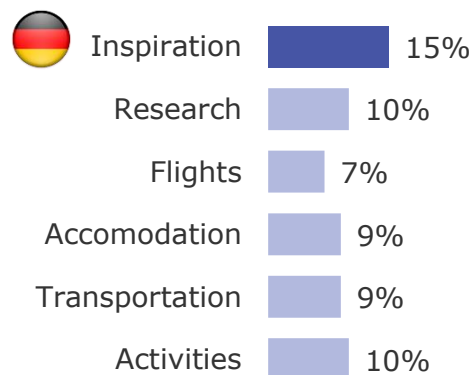
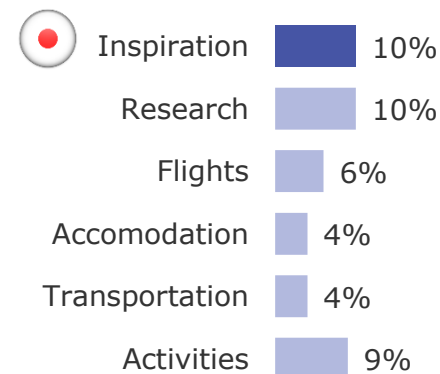
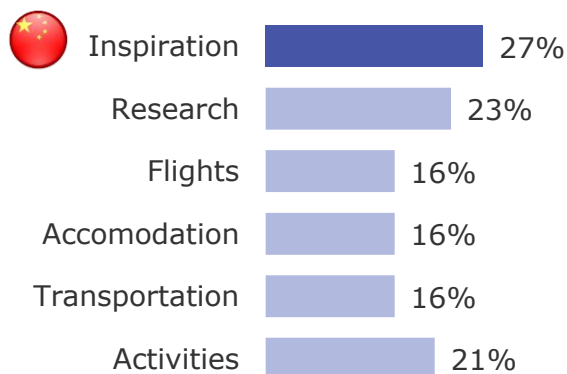
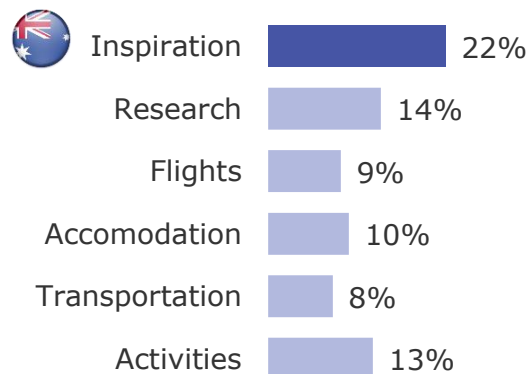


Australia.com is doing this effectively by curating 'best of' fan photos and re-sharing this back to its followers:



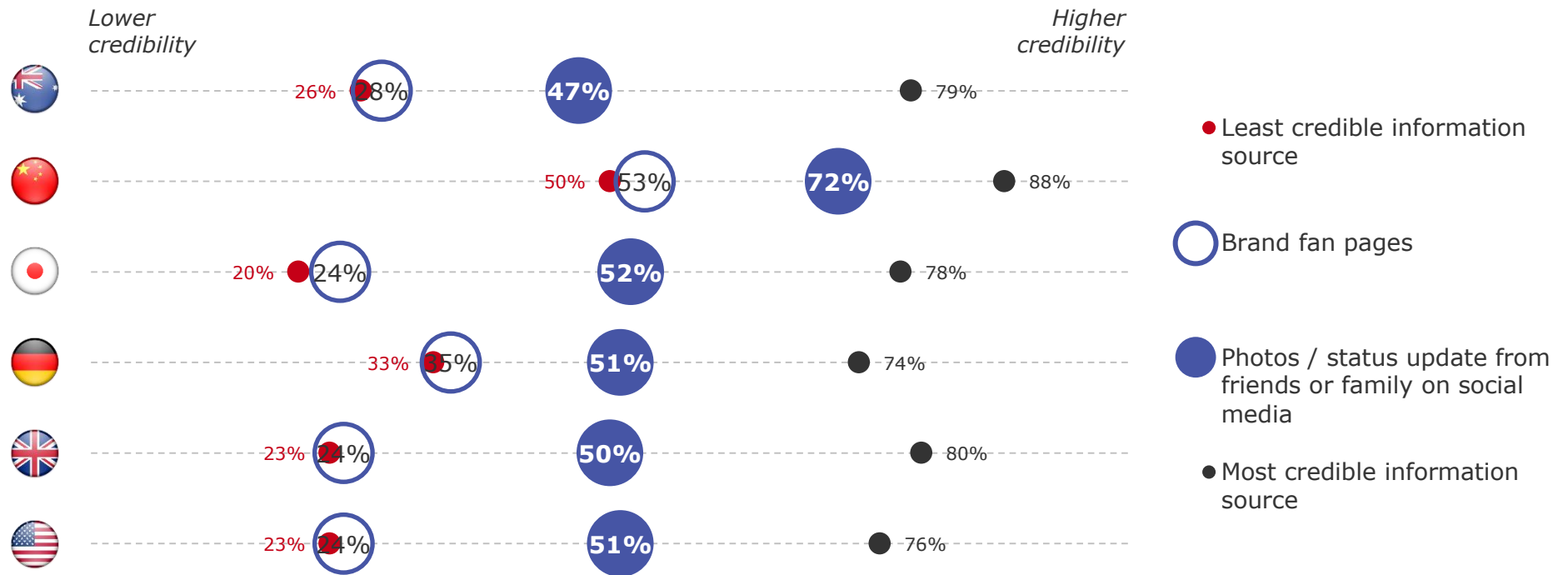
Of all the stages, **user-generated** social content's role is most influential at the inspiration stage, especially in the Australia, China and USA markets – i.e. this is stage at which this content is most commonly consumed

Usage of 'photos or status update from a friend or family member on social media' as an information source during the travel planning process



User-generated social media content is important for brands in the social space, as it is perceived to have greater credibility than brand generated content – an insight which again is leveraged well by Australia.com

Credibility of user-generated social media sources relative to all other sources

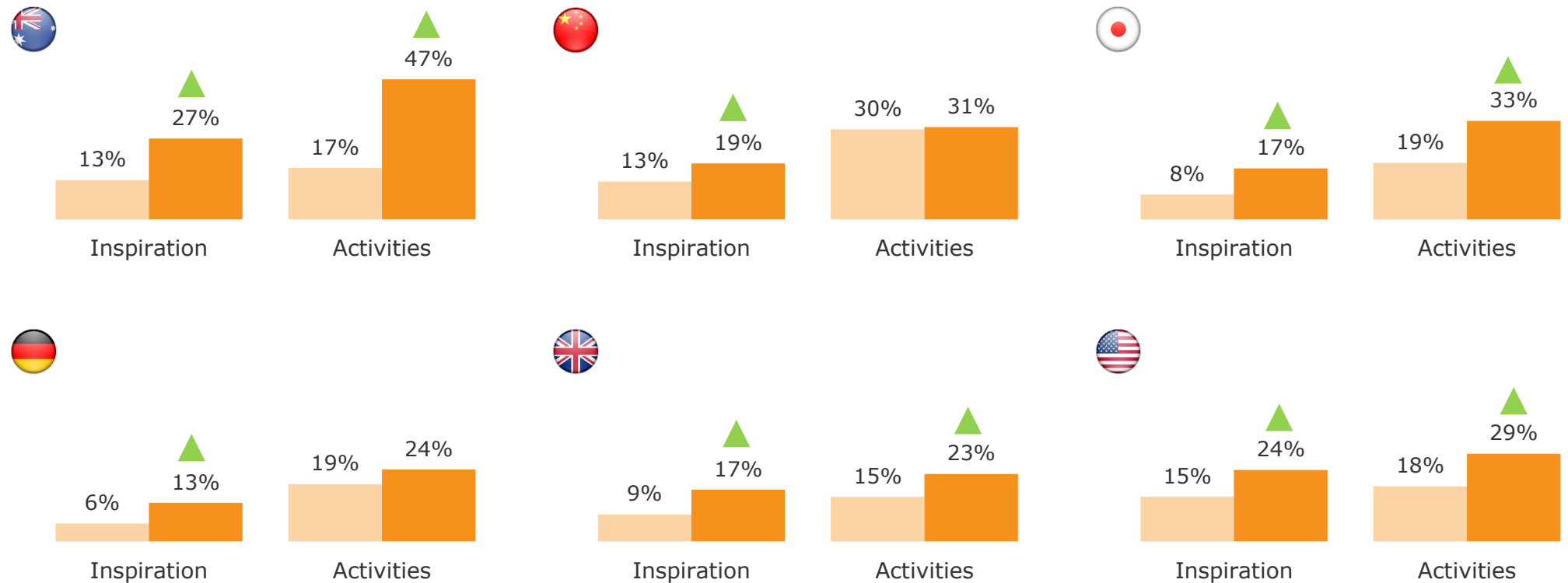


- Fan pages on social media for accommodation providers, airlines and destination websites are on average among the least credible information sources – this doesn't mean necessarily they won't be used, but that other sources will be consulted to verify all the information people gather about a destination
- Australia.com – as a brand fan page – is curating user-generated content to re-package for its own strategies and tactics, e.g. Restaurant Australia

Brand generated content (e.g. via Facebook, WeChat, Weibo) does however have greater potential with the Youth segment, mainly at the inspire and activity research stages

Net usage of social media information sources in the international holiday planning process

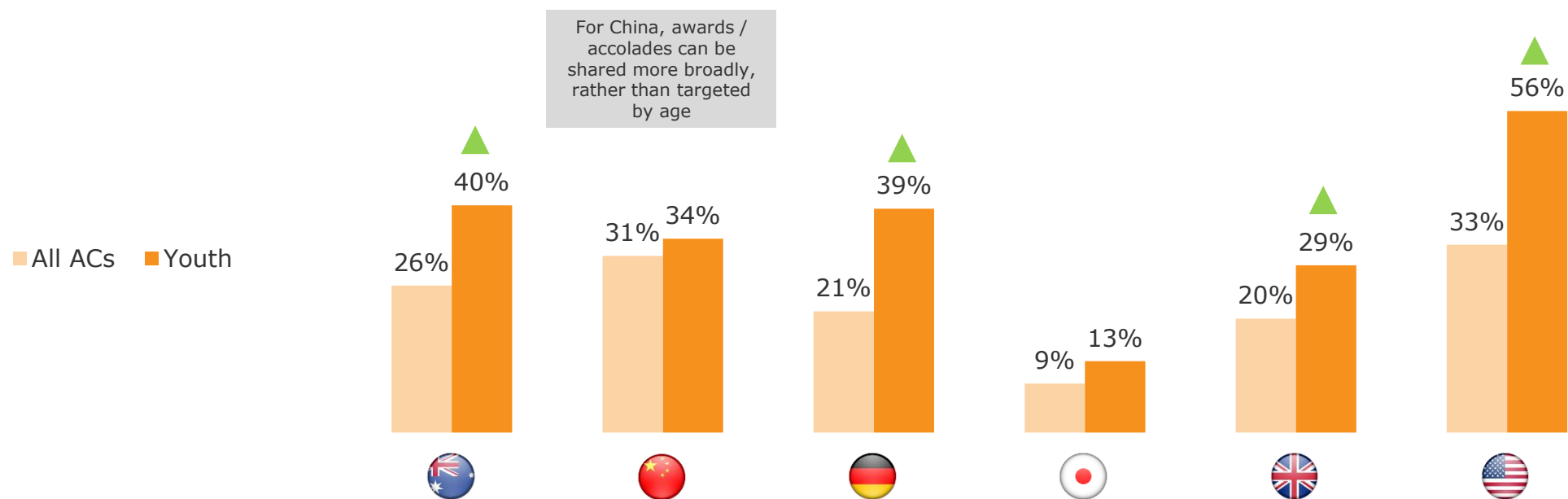
■ All ACs
■ Youth



▲ ▼ Significantly higher / lower than other ACs at 90% CL

In most markets, Youth are *more* responsive to content about awards and accolades – ‘top ten’ or ‘best of’ lists in particular – which could provide fodder for content on / from brands’ social media pages

Awards & accolades acting as inspiration for a holiday destination



Specific awards / accolades

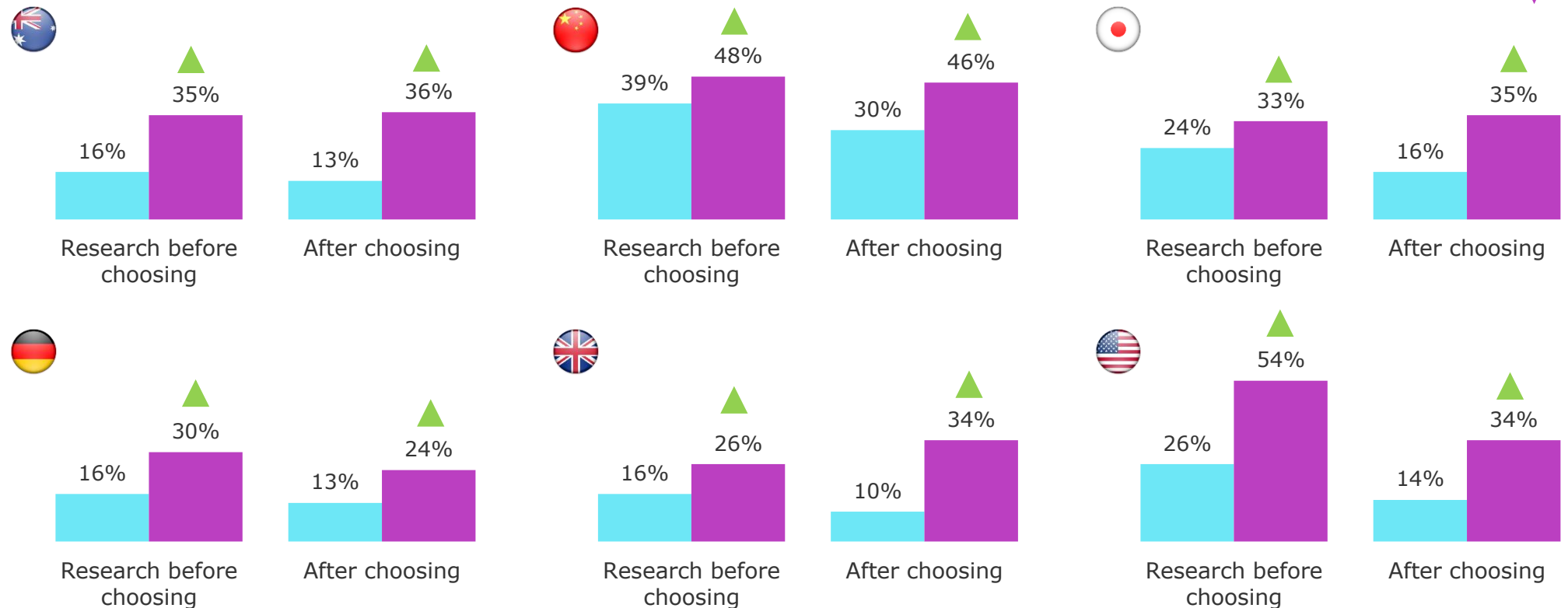


▲ ▼ Significantly higher / lower than other ACs at 90% CL

Finally, with relatively high usage of social media in travel planning, this channel provides an opportunity to both inform and convert those in the **'booking'** stage

Net usage of social media information sources in the international holiday planning process

■ Usage by those in 'dreaming'
 ■ Usage by those 'booking'



'After choosing' is the net usage of any social media source averaged across flights, accommodation, transportation, activities

▲ ▼ Significantly higher / lower than ACs in 'Dreaming'

Social media

Insight

17

In the travel space, social media's main function is to allow people to boast to others about their holiday experiences, but it has the potential to be useful for inspiring ACs to think about destinations

18

Brand-generated social media content has less potency than user-generated content, and needs to be well targeted for optimum effect – e.g. at younger Active Considerers who are more open to this as an information source

19

Awards and accolades are a form of content that have particular resonance with youth when it comes to inspiring them about holiday destinations – and youth are of course more likely to be active on social media

20

People ready to book are particularly open to the influence of social media

Implications

- User-generated content on social media provides a steady flow of relatively credible content for TNZ to curate for use in other channels and communications, including via its own Facebook page – currently Australia.com is doing this particularly well on Facebook, putting the call out for and curating content that aligns with its marketing strategies, e.g. Restaurant Australia
- Ensure 'top ten' and 'best of' lists from credible publishers are shared by Tourism NZ on its social media channels
- Look to engage the feedback of previous visitors via social media to develop user-generated 'top ten' and 'best of' lists, to re-distribute via those social media channels
- Operators can increasingly look to use these channels to promote offers, or even transact with customers within social media channels

4.8

Airline & hotel websites



Planning behaviours & channel usage

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ACs will consult specialist websites – airlines, hotel aggregators and hotel chains – when researching flights and accommodation

List of potential information sources		Research	Flights	Accomm.	Transport	Activities	
Online	Website for a specific airline		6				
	Website for a specific hotel chain			4			
	Website for a specific travel agency						
	Official destination website	6	6	6	6	6	
	Online travel agency website		4	4	4		
	Travel review website	4	4	4	4	4	
	Hotel aggregator website			6			
	Website for a guide book						
	Online travel blog						
	Website for a specific attraction or activity	4			4	4	
	Websites for a travel magazine						
	Fan page for a destination on a social media website						
	Fan page for an airline on a social media website						
	Fan page for an accomm. provider on a social media website						
	Photos or status update from friends or family on social media						
	Offline	Talk to friends / family / colleagues	6	6	6	6	6
		Talk to a travel agent in person				4	
Talk to a travel agent over the phone or via email							
Talk to an airline representative in person							
Talk to an airline representative over the phone or via email							
Purchase a guide book		6			4	4	
Read a travel article in a newspaper							
Read a travel article in a magazine							
Watch a TV show or documentary							

0-2 3 4 5 6 Shading refers to the **number of markets** in which the source is a **'top five source'** for that planning component



However ACs can find hotel websites to over-promise, under-deliver and Tourism NZ is well placed to alleviate some of these frustrations and concerns, via Qualmark and by maintaining a quality operator database

Accommodation-related frustrations in the planning process

"Not living up to its presentation on websites"

"Accommodation - online can sometimes not be what it shows (images) and describes. Prefer to select high end hotel for first 2 nights and then get local travel assistance"

"Trusting that the accommodation is as good as the pictures and description"

"Being certain that the information I read or pictures I see about a destination or accommodation are actually true"

"The truth about where the hotel is exactly located i.e. "a few steps from the town" = nearly 1 km !.. the location of the beach "next through the hotel's door" = 500 metre and more !..."

"Organising accommodation and trusting the photos and distance to the landmark you want to stay close to"

"Ensuring accommodation and transport distances line up -- don't have to travel too far on a single day (driving) and making sure the location is within striking distance of activities to minimize too many changes in accommodation."

"Booking a hotel in advance. Somehow things always get lost in translation and you end up with the wrong room or, occasionally, no room at all. It's frustrating when you organise these things a few months in advance, you turn up, and the receptionist can't find your booking even though you confirmed it months ago."

"Providers on apartment rental sites, like Homeaway or Air BnB who do not answer emails or inquiries"

"When the travel operator describes the hotel's location and shows pictures which turn out to be very far from the truth!"

"Lying bastards locals ripping you off to get to / from airport and hotel, aided by the lying bastards hotel staff"

"Booking hotels, as you have no idea what they are like and star ratings are not trustworthy"

"the hidden costs and fee and total lack of information needed by people living with a disability who require appropriate accommodation- i.e. ground floor, no steps, shower facilities, height of beds, accessible transport - wheelchairs etc."

Airline & hotel websites

Insight

21

For researching flights and accommodation, ACs typically tend towards specialist websites, i.e. airlines and hotel aggregators

Implications

- Supports TNZ's website referral strategy
- Discuss with referring operators opportunities for them to refer back to newzealand.com, e.g. if someone refers on to Air New Zealand, can they be given the option to redirect back to newzealand.com after completing whatever task they were using Air New Zealand for?
- Discuss with operators how they can leverage TNZ's knowledge of how a person behaves when they're on newzealand.com, so that the operator in turn can ensure they serve the most appropriate content for when that person refers off to the operator website
- Look to make the planning and booking process as seamless as possible to minimise the pain points ACs encounter in their planning

5

Appendix



Planning behaviours & channel usage

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ACM FY15 second bi-annual deep dive



Inspiration: Top five sources of inspiration for possible holiday destinations

Top five sources of inspiration for possible holiday destinations

Thinking about how you get **ideas and inspiration** about where to go on holiday and before you decide on a destination....

Which of these have **ever encouraged** you to start thinking about a place as a **possible holiday destination**?

Inspiration source

	AU	CH	GE	JP	UK	USA
Talking in person to friends / family	2 nd	1 st	2 nd	4 th	1 st	1 st
Travel documentary / travel TV show	1 st	3 rd	1 st	1 st	2 nd	2 nd
Seeing it on a website	4 th	2 nd	3 rd	2 nd	3 rd	3 rd
TV advertising	3 rd	4 th			4 th	5 th
Printed magazine			5 th		5 th	4 th
Printed travel agency brochure	5 th		4 th	3 rd		
Reality TV show				5 th		
See an online ad		5 th				
<i>Median no. sources</i>						







Respondents selected from a list of 19 potential inspiration sources

Research: Top five sources of information before deciding on a destination

Top five sources of information before deciding on a destination

Once you've started thinking about a destination and **before you make a decision on where to go**, which of the following sources do you go to get more information about that destination?

Information source

	 AU	 CH	 GE	 JP	 UK	 USA
Official destination website	2	2	1	1	2	2
Purchase a guide book		3	4	2	5	4
Talk to friends / family / colleagues	1	1	2		1	1
Travel review website	3	5			3	3
Website for a specific activity	4				4	5
Talk to a travel agent in person	5		5			
Watch a TV show or documentary			3	5		
Online travel agency website				4		
Website for a guide book				3		
Websites for a travel magazine		4				

Median no. sources







Respondents selected from a list of 25 potential information sources

Flights: Top five sources of information for flights, after deciding on a destination

Top five sources of information for flights, after deciding on a destination

The next questions are about how you get information about a destination after you've decided on somewhere to visit.

Which of the following do you use to get information about **flights**?







Information source	AU 	CH 	GE 	JP 	UK 	USA 
Website for a specific airline	1	1	1	1	1	1
Official destination website	5	3	5	5	3	5
Online travel agency website		4	2	2	2	2
Talk to friends / family / colleagues	4	2	4		5	4
Travel review website					4	3
Talk to a travel agent in person	3		3			
Purchase a guide book		5		3		
Flight aggregator website	2	Not asked in these markets			Not asked in these markets	
Website for a specific travel agency				4		
<i>Median no. sources</i>						

Respondents selected from a list of 25 potential information sources

Accommodation: Top five sources of information for accommodation, after deciding on a destination

Top five sources of information for accommodation, after deciding on a destination

Which of the following do you use to get information about **accommodation**?

Information source	 AU	 CH	 GE	 JP	 UK	 USA
Hotel aggregator website	1	1	1	3	3	1
Official destination website		2	4	4	2	5
Online travel agency website		5	2	2	5	4
Talk to friends / family / colleagues	3	4	5		4	
Travel review website	2				1	2
Website for a specific hotel chain	4	3				3
Talk to a travel agent in person	5		3			
Purchase a guide book				1		
Website for a specific travel agency				5		







Median no. sources

Respondents selected from a list of 25 potential information sources

Transportation: Top five sources of information for transportation, after deciding on a destination

Top five sources of information for transportation, after deciding on a destination

Which of the following do you use to get information about **transportation and how to get around?**

Information source	AU 	CH 	GE 	JP 	UK 	USA 
Official destination website	2	1	2	1	1	1
Online travel agency website		4	4	5		4
Talk to friends / family / colleagues	1	2	3		3	3
Purchase a guide book		3	5	2		5
Travel review website	4				2	2
Website for a specific activity	5	5			5	
Talk to a travel agent in person	3		1		4	
Website for a specific travel agency				4		
Website for a guide book				3		







Median no. sources

Respondents selected from a list of 25 potential information sources

Activities: Top five sources of information for transportation, after deciding on a destination

Top five sources of information for activities, after deciding on a destination

Which of the following do you use to get information about **things to see and do?**

Information source	 AU	 CH	 GE	 JP	 UK	 USA
Official destination website	1	1	1	1	1	1
Website for a specific activity	3	4	4		3	3
Talk to friends / family / colleagues	2	5	3		4	4
Purchase a guide book		2	2	2	5	
Travel review website	4	3			2	2
Website for a guide book				3		5
Talk to a travel agent in person	5		5			
Online travel agency website				5		
Website for a specific travel agency				4		

Median no. sources

Respondents selected from a list of 25 potential information sources

When it comes to common travel planning pain points, many arise at the industry operator level – for some of these, like with accommodation, Qualmark has a supporting role to play here in NZ

Coordinating individual components

- “Finding flights that coordinate so many hours are not wasted waiting for connections, or extra costs are incurred for accommodation, when travelling from one region to another”

Flights

- “What bothers me most is that the further you want go away, the sooner you should book their flights as prices change with long-haul flights a day and if you wait too long, you pay a lot more quickly. This takes a flexibility when scheduling.”

Bias / weak credibility

- “Most agencies or other such things that suggest things are paid to talk about things so instead of going off of experience, they go on whatever gets the most money”

Getting access to the best deals

- “Getting the best options in peak season”
- “Getting all the information you need to get the best value for your money. Even with the internet, it's still too much of a maze when it comes to travel”
- “When good deals are gone so fast. Not everyone has a credit card with a high limit, so you can book spontaneously”

Accommodation

- “Not living up to its presentation on websites”
- “Inaccurate information from operators”
- “Slow responses from operators”
- “The truth about where the hotel is exactly located i.e. “a few steps from the town” = nearly 1 km !.. the location of the beach “next through the hotel's door” = 500 metre and more !..”

Poor quality websites

- “When websites don't work properly and you have to phone and it takes ages”
- “Links to operator websites that are not actually in business”
- “Poor websites that often delete their filters and preferences, so you have to enter everything all over again”
- “Limited selection of websites to book of attractions”

Other practicalities

- Organising visas
- Language barriers / lack of sources available in my language
- Hidden costs and surcharges
- “Consolidating all the added costs like travel insurance into one package, without having to go through travel agents”
- “Getting up-to-date information, e.g. if specific attractions are going to be closed for a period of time”
- “Group itineraries are too inflexible, or subject to change”
- Getting agreement across the travel party, e.g. with husband / wife