

CHINA MARKET NEWS

From TNZ China Market Development Unit



Kia ora

Welcome to the May 2019 issue of Tourism New Zealand's China Market News.

This newsletter is sent to all ADS accredited inbound tour operators, tour guides and other businesses and organisations associated with the China market.

The following items are covered in this edition:

1. China visitor statistics
2. ADS approved ITOs and tour guides
3. Code of Conduct investigations
4. Tips for Code compliance
5. Industry forum
6. China-New Zealand Year of Tourism
7. ADS team changes

Tourism New Zealand's China Market Development Unit (CMDU) is based in Wellington. The team is responsible for managing the ADS Code of Conduct, handling complaints relating to the Code and continuing to improve the quality of Chinese visitors' experiences in New Zealand.

Our contact details are:

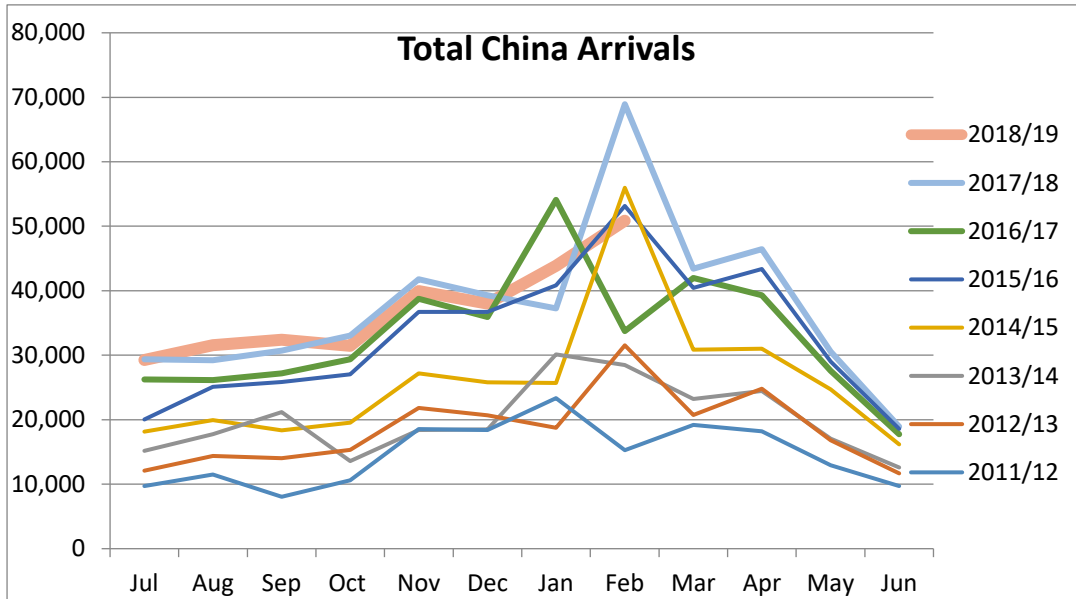
Freephone:	0508 897 652 (within New Zealand)
Phone:	+64 4 462 8052
Fax:	+64 4 917 5495
Email:	chinamarket@tnz.govt.nz
Website:	www.tourismnewzealand.com www.chinatoolkit.co.nz

1. Latest China visitor statistics

Chart 1: Total China visitor arrivals



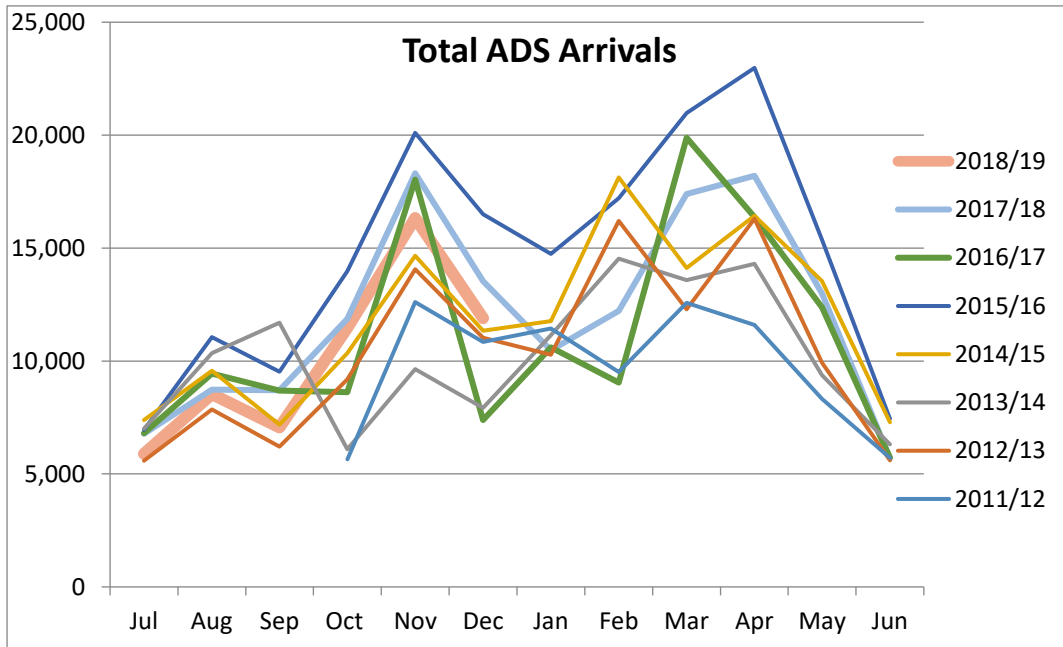
**100% PURE
NEW ZEALAND**



Source: Statistics New Zealand

Total visitor arrivals for the year ending February 2019 were 436,700, an increase of 0.1% per cent on the previous year, showing that growth is moderating. The holiday segment has decreased slightly (330,350, down 0.3%). Average holiday length of stay is up 1.7% to 9.3 days.

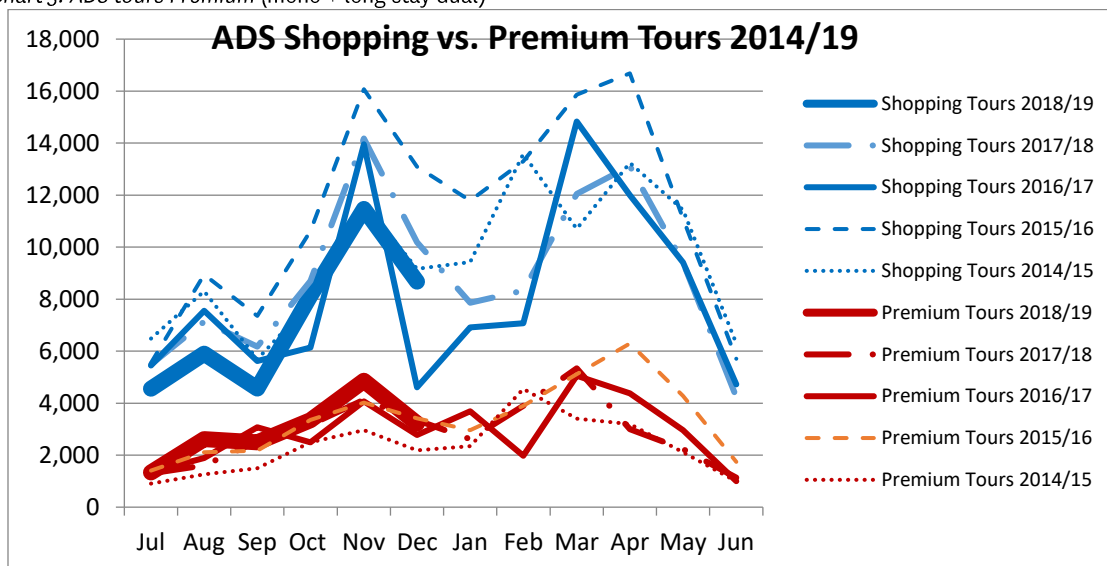
Chart 2: ADS visitor arrivals



Source: Immigration NZ

ADS arrivals are in decline for the year to January 2019 with 136,737 arrivals, down 8.6 per cent on the previous year.

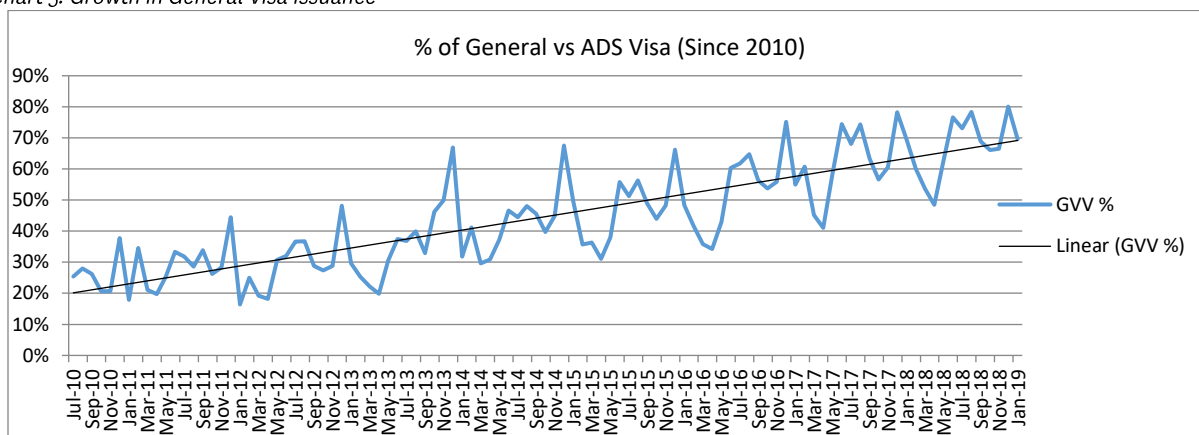
Chart 3: ADS tours Premium (mono + long stay dual)



Source: Immigration NZ

There has been a strong move in the past few years to higher value ADS tours. For the year ending January 2019 the number of Chinese visitors travelling on low value (shopping)¹ ADS tours declined 10.1 per cent to 96,815. The number of Chinese visitors travelling on high value² ADS tours declined 4.5% per cent to 39,922. 29 per cent of ADS visitors are now taking higher value ‘premium dual’ or ‘mono’ ADS tours.

Chart 5: Growth in General Visa issuance



Source: Immigration NZ

There continues to be a strong shift away from ADS group tours to FIT travel. For the year ended March 2019 the split was 66.9 per cent on General visas and 33.1 per cent on ADS visas.

¹ Low value represents ADS visitors spending 4 days or shorter in NZ North Island only and visiting both Australia and NZ.

² High Value represents ADS visitors spending 5 days or longer in NZ or South Island only and less than 5 days, or mono NZ.

This is just a small snapshot of the statistics the China Market Development Unit collects on a regular basis. If you have any questions about statistics for the Chinese market, get in touch with us and we may be able to provide you with more specific material.

2. ADS tour guides and ITOs

There are currently 463 registered ADS accredited tour guides. Contact details for those tour guides who have demonstrated that they meet all of Tourism New Zealand's tour guide requirements can be found on our [corporate website](#).

There are currently 35 ADS accredited inbound tour operators (ITOs). A full list can be found [here](#).

3. Code of Conduct investigations

During the course of our routine administration of the ADS Code of Conduct since the last newsletter published to present—01 October 2018 to 31 May 2019, we have identified and dealt with 12 potential breaches of the Code. 5 breaches have so far been upheld and the following actions were taken.

- 1 ITOs were required to undertake corrective action
- 1 ITOs were placed on probation
- 3 tour guides were given demerit points

4. Tips and advice on Code compliance

The ADS Code of Conduct includes many responsibilities for ADS accredited ITOs and tour guides - across both the management of tours, and the management of tour businesses. We encourage all ITOs and tour guides to read the Code carefully and check all your obligations. TNZ is encountering cases where ITOs and tour guides are unaware of Code requirements. When applying for ADS accreditation, you are committing to reading, understanding and complying with the Code across your organisation.

If you have any questions about the Code, its requirements, and how the Unit processes complaints and potential breaches, please feel free to email or call the Unit – we are very happy to provide advice.

Seeking exemptions

From time to time ITOs will need to seek exemptions from the Code, and we endeavour to provide guidance on exemption requests as quickly as possible. However, we appreciate being advised of exemption requests as early as possible. ITOs are responsible for any breach of the Code of Conduct resulting from using tour guides, accommodation, and transportation without exemption approval.

Please make sure all exemption requests are sent to chinamarket@tnz.govt.nz.

Guide exemptions:

Please send exemption requests as early as you can to chinamarket@tnz.govt.nz. TNZ cannot guarantee to complete guide exemption requests on the same day as they are received, depending on the complexity of the request. Any request received after 3pm might not be processed until the next working day.

Accommodation exemptions:

Accommodation exemption requests should be sent to chinamarket@tnz.govt.nz 2-3 months prior to the group's arrival date. This allows ITOs to have enough time to find alternative accommodation and avoid cancellation penalties if exemptions are not approved.

If you are not sure about your plans, you can ask for pre-approval before you confirm bookings with accommodation suppliers. You can check up-to-date Qualmark status at the time of booking from the Qualmark website: <https://www.qualmark.co.nz/en/find-qualmark-businesses/>

Transportation exemptions:

Please be aware that all vehicles used for ADS tours (regardless of the size) have to be BCA rated. In the circumstance that you need to rent a vehicle (such as a 12-seater minivan) from a rental car company, that rental car company must be Qualmark endorsed and the rental vehicle must be BCA star graded. You need to seek an exemption if there are no BCA star graded vehicles available or the coach and/or the rental car companies are not Qualmark endorsed.

5. Industry forum

Tourism New Zealand will host the annual ADS China Market Update Forum on **05 June 2019** at the Heritage Hotel in Auckland from 10am-1pm. There will be updates from Tourism New Zealand, Immigration New Zealand, MBIE, Department of Conservation, Qualmark, and IRD. Seats are limited. Please RSVP to chinamarket@tnz.govt.nz to reserve your spot.

6. China-New Zealand Year of Tourism



The China New Zealand Year of Tourism was officially launched at a ceremony at Te Papa in Wellington on 30 March. The ceremony was hosted by Tourism Minister Kelvin Davis, with special guest China's Minister of Culture and Tourism Luo Shugang.

At the official opening, Minister Davis spoke about the importance of the China-New Zealand relationship. "The 2019 China-New Zealand Year of Tourism – a milestone in the China-New Zealand relationship – is an important opportunity for our countries to strengthen cultural, economic and people-to-people ties through tourism," said Kelvin Davis.

More information about the 2019 China-New Zealand Year of Tourism, including activities being undertaken by a range of government and industry partners, can be found at www.cnzyot.govt.nz.

7. ADS Team Changes

Many operators and guides will have worked closely with China Market Development Specialist Elly Guo over the years. Elly has decided to take on a new opportunity outside Tourism New Zealand, and as a result she will now be working with the China Market Development Unit on a part time basis.

Lin Deng continues to work from the TNZ office in Wellington. Mary Dai is also working casual hours remotely in Auckland.

Due to these changes, please ensure you use the team contact address chinamarket@tnz.govt.nz if you have any urgent enquiries related to the ADS Code.

TNZ's Government Partnerships Manager Billie Moore now manages the team from Wellington. You can contact Billie at billie.moore@tnz.govt.nz.

Best wishes everyone from the CMDU team!