

CHINA MARKET NEWS

From TNZ China Market Development Unit



Kia ora

Welcome to the 2019 December 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 update
2. ADS approved ITOs and tour guides updates
3. Code of Conduct investigations
4. Advice on Code compliance
5. Update on the ADS Open Day in TNZ AKL office
6. Working with Service IQ
7. Driving and passenger safety—driver fatigue and seat belts
8. Reminder from Immigration NZ: visa process timeline
9. Code Reform: ADS Steering Group
10. China Year of Tourism -closing ceremony

Tourism New Zealand's China Market Development Unit (CMDU) is based in Wellington and Auckland. 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:

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Phone:	+64 4 462 8052
Fax:	+64 4 917 5495
Email:	chinamarket@tnz.govt.nz
Website:	www.tourismnewzealand.com

1. Latest China visitor statistics

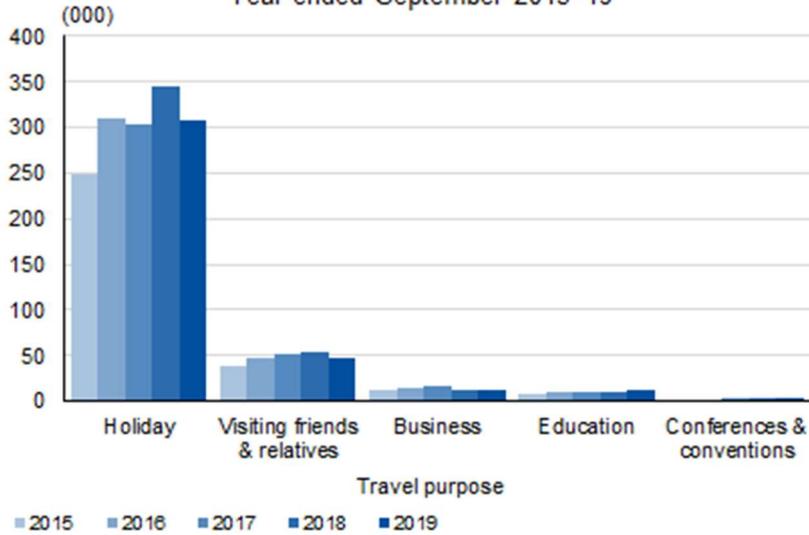
Chart 1-2: Total China visitor arrival and length of stay: year ended September 2019



**100% PURE
NEW ZEALAND**

Travel purpose of visitors from China

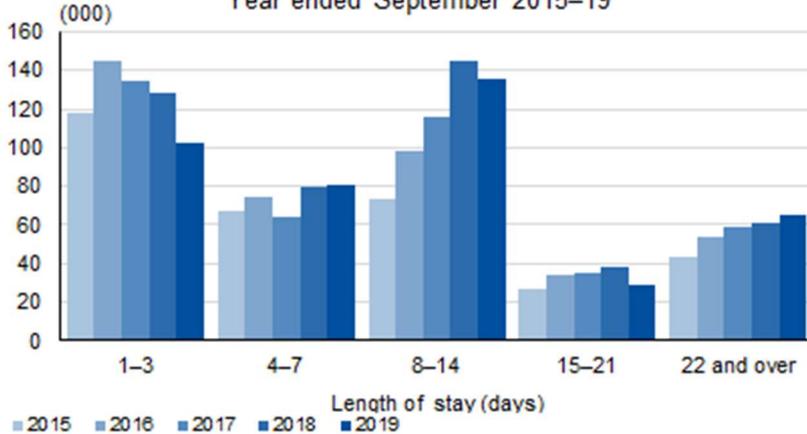
Year ended September 2015–19



Source: Stats NZ

Length of stay of visitors from China

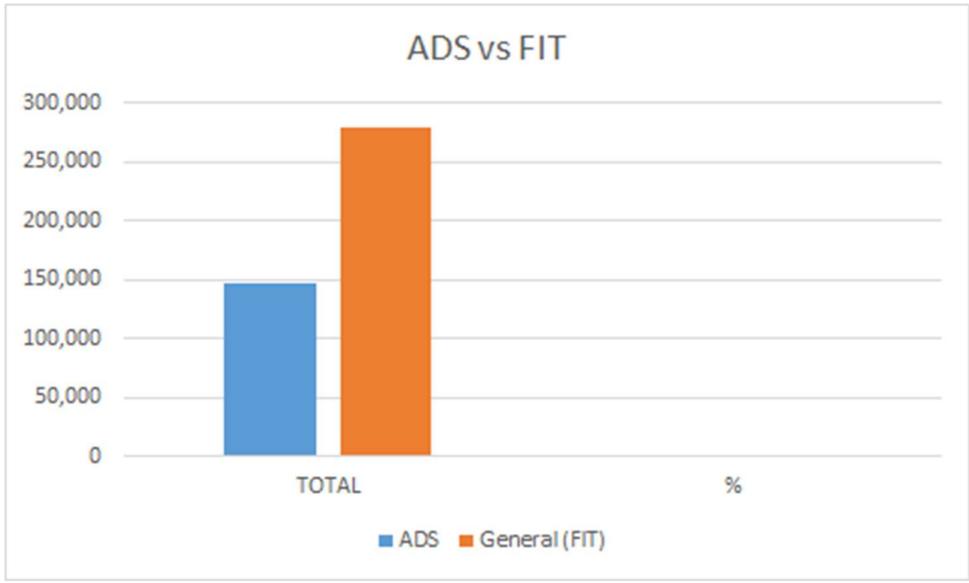
Year ended September 2015–19



Source: Stats NZ

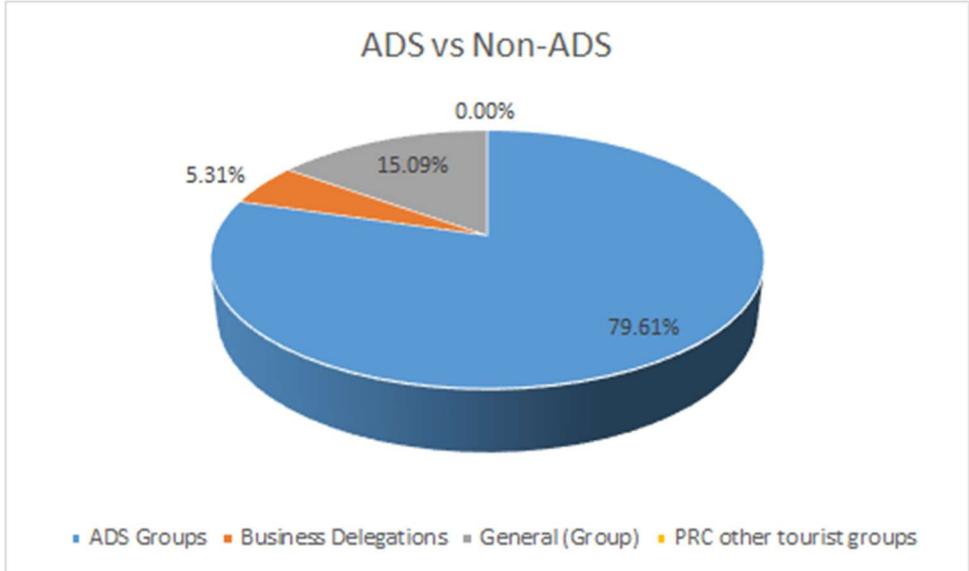
Total visitor arrivals for the year ending September 2019 were 413,037, 8.8% down on the previous year, another signal that growth is slowing. The holiday segment has decreased to 308,406, down 10.8% compared to year end September 2018. Average holiday length of stay is 8.6 days.

Chart 3: visa issued to ADS vs FIT individual from July 2018 to June 2019



The split between ADS groups and FIT individual visa unchanged: 35% vs 65%.

Chart 4 visa granted to ADS groups vs non-ADS: July 2018 - June 2019



Among all group arrivals, ADS groups account for nearly 80% of arrivals. Business delegations, groups with general visas and other tourist groups combined to make 20% of the total mix.

2. ADS tour guides and ITOs updates

There are currently 485 registered ADS accredited tour guides. Tour guide list and contact details can be found [here](#).

There are currently 37 ADS accredited inbound tour operators (ITOs). A full list can be found [here](#).



Congratulations to Prestige Pacific Tours & Travels and Dixon Travel, who were granted ADS approval in November.

3. Code of Conduct investigations

Since our previous newsletter in May, we have encountered 66 tours during our spot checks, and 60 tour files were examined during office audit visits.

We have identified and dealt with 13 confirmed breaches of the Code. As a result, two ITOs were placed on probation due to repetitive breaches on the same section of the Code. A few potential breaches are still under investigation.

These (potential) breaches are under the following categories:

- BCA star grading lapsed on coaches
- No ADS sign
- Use of non ADS tour guide to conduct tours
- Use of non Qualmark endorsed accommodation
- Use of non Qualmark endorsed attractions
- Allowing use of name

4. 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 read, understand and comply 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 non-qualified tour guides, accommodation, attraction, and transportation without exemption approval.

As we are heading into the Christmas and New Year holiday period, please ensure all exemption requests are **sent by Friday 20th December** (covering the tour period between Christmas - 7th January). Tourism New Zealand's offices will close from midday on 24th Dec and re-open on Monday 6th January.

Guide exemptions

Please send exemption requests as early as you can to chinamarket@tnz.govt.nz. TNZ cannot guarantee to approve 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.

The process for guide exemptions has been changed slightly. Service IQ study progress will be taken into consideration. If trainee guides show no progress on any unit completion a couple of months after enrolment; or if they are extremely behind the schedule set out by Service IQ, they are unlikely to have an exemption approved.

We encourage guides to progress through the training course at a steady pace so it does not impact on your exemption requests.

Any enrolled trainee guide who will be away from New Zealand for more than 2 weeks must notify **Service IQ** the dates you will be away for and ask **Service IQ (Elinor.vanGeet@serviceiq.org.nz)** for an extension if needed.

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 if an exemption will be approved or not, please contact us and ask before you confirm bookings with accommodation suppliers.

There are regular changes to Qualmark license holders. ITOs must check suppliers' current status at the time of booking from Qualmark's website: <https://www.qualmark.co.nz/en/find-qualmark-businesses/>

Please be aware that if you book a motel or apartment accommodation for ADS groups, they must be rated 4 star or above.

Attraction exemptions

Please keep in mind that attractions and activities included in ADS itineraries should be Qualmark endorsed. You should ask for exemptions if non-Qualmark businesses are used.

Transportation exemptions

Most ITOs are familiar with the coach and bus requirements for ADS groups. The same requirements also apply to vehicles with 12 seats or less and small vehicles with 7 seats or less. If you need to rent smaller vehicles from rental company, the rental company has to have Qualmark endorsement and rental vehicles must have BCA star grading. If you cannot meet these standards, please ask for exemptions with evidence showing you are unable to find qualified vehicles.

5. Update on Tourism New Zealand's Exchange Day

On 18th November TNZ hosted an Exchange day at our Auckland office. Our team met with seven ITOs and discussed the issues affecting the industry and addressed concerns they have had on Code requirements.

We would like to thank everyone who attended and shared your honest opinions with us. If any other ITOs would like to speak to one of our team, we are only a phone call or email away.

6. Working with Service IQ

In the past few months we have been closely working with Service IQ on a tour guide course review. A survey was sent out to all registered ADS tour guides and trainee guides for their feedback on the course quality. A summary of this feedback was provided to Service IQ, and this is being taken into consideration in the process of platform upgrade, which will provide trainees with a more user-friendly system to use. There may also be future changes to course content to ensure it is relevant to Chinese tour guides. Detailed information will be shared once the upgrade process has completed.

7. Driving and passenger safety—driver fatigue and seat belts

Through the exemption request process we often see that driver/guides are being asked to conduct back to back tours in peak season. Tourism New Zealand is extremely concerned about the health and safety of driver

guides, particularly in terms of driver fatigue. We ask ITOs and transport providers to ensure driver guides are supported to work in compliance with NZTA and Worksafe regulations in relation to working and rest hours.

We would also like to reiterate to all ITOs and guides that it is important to make sure all visitors are wearing seat belts in your vehicles. Restraints should be provided if there are any children under 7 years old. Drivers and guides should remind all passengers on board it is a legal requirement in New Zealand to wear seat belts, and to use restraints for young children when they are available.

8. Reminder from Immigration NZ: visa process timeline

As we're entering peak season, Immigration New Zealand has advised that visa processing time will be longer than usual. For those travelling on non-ADS visas, travellers are advised to apply as early as possible, and not to book travel until visas have been approved.

If possible, please encourage your clients to apply online, as this will reduce processing time.

We welcome feedback from ITOs on any processing delays related to ADS visas – please contact the team if you become aware of any issues.

9. Code Reform—ADS Steering Group

The last round of changes to the ADS Code were completed in 2016. Over the past year, TNZ has been assessing the potential for further changes to the Code, to streamline the process for everyone involved – TNZ itself, ITOs, guides and suppliers.

As we consider next steps, we welcome any expressions of interest from ITOs interested in being involved in the Code reform process.

As with previous reviews, TNZ will be in touch with the Chinese tour sector with information on our proposals and how to provide feedback. Look out for more information in the new year.

10. China Year of Tourism –closing ceremony

China-New Zealand Year of Tourism was successfully concluded with the closing ceremony in Guangzhou on 10 November 2019. New Zealand Minister of Tourism Kelvin Davis joined Chinese Minister of Culture and Tourism Luo Shugang in illuminating the 600-metre high Canton Tower. The light show was designed and coordinated by TNZ as part of a consumer campaign to complement the China Year of Tourism closing ceremony events. The Tower displayed various messages about the New Zealand sky: "Stargazing in New Zealand", "Exploring Aurora in New Zealand" and "Chasing Sunrise in New Zealand", inviting Chinese travellers to enjoy distinctive and unique experiences in New Zealand. As the closing ceremony was held on the eve of Singles Day, the largest offline and online shopping day in the world, TNZ partnered with Alibaba's travel service platform Fliggy to be part of its "2019 Global Lighting up" programme, with the mascots for Fliggy and Tmall travelling to New Zealand to visit the Sky Tower, Hobbiton and Waitomo Glowworm Caves to "light up" New Zealand.

ADS Team change

If you would like to get hold of the team, you can always send your email to chinamarket@tnz.govt.nz; alternatively you can contact Lin Deng – lin.deng@tnz.govt.nz (Wellington based) or Mary Dai – mary.dai@tnz.govt.nz (Auckland based).

Billie Moore – Government Partnerships Manager has been appointed as Acting General Manager of New Zealand and Government Relations from 9th December to late November 2020.

Tourism New Zealand will be recruiting Billie's replacement shortly.

Best wishes everyone from the CMDU team!

