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International visitor experience

Tourism Insight Series

August 2017



ISSN 2463-6290 (online)

ISBN 2463-6738 (print)

MB14250 August 2017

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New Zealand Government

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Executive summary

This report provides a snapshot of the experiences of international visitors to New Zealand from the third quarter of 2013 to the first quarter of 2017.

It is based on results from the Ministry of Business, Innovation and Employment's International Visitor Survey, and its purposes are to enhance knowledge of visitor satisfaction, highlight areas for possible future improvements to the experience New Zealand offers international visitors, and provide a base against which to compare any future analysis.

A high proportion of visitors say New Zealand met or exceeded their expectations, and satisfaction was consistently high across different amenities.

Most visitors were highly satisfied with their visit to New Zealand

- › Overall, visitors reported high levels of satisfaction with visiting New Zealand, rating their visit on average 9 out of 10.
- › Visitors were most satisfied with the natural and built environment (9.1 out of 10) and with their sense of safety (also 9.1 out of 10).

Visitor satisfaction was higher among visitors from the US and UK

- › The US and the UK had the highest average overall satisfaction scores (9.4 out of 10), with Japan and South Korea having the lowest (8.8 and 8.7).
- › Other characteristics (such as age and gender) did not seem to influence visitor satisfaction.

Most visitors said their experience in New Zealand met or exceeded their expectations

- › Over 95 per cent of visitors said their trip in New Zealand met or exceeded their expectations.
- › Visitors from the US and UK were more likely than visitors from other countries to say New Zealand exceeded their expectations.
- › More than 98 per cent of visitors said New Zealand's environment met or exceeded their expectations. Environmentally conscious visitors were more likely to say the environment exceeded their expectations.

Visitors were very likely to recommend New Zealand as a holiday destination

- › New Zealand had a positive net promoter score of 78 per cent when it comes to visitors recommending New Zealand.
- › More than 80 per cent of visitors were likely to recommend New Zealand, with visitors from the US and UK being the most likely to say this.

Among visitors who were less satisfied, common themes appeared in their reasons

- › Of those visitors who gave lower satisfaction scores (1-7), high prices was a commonly listed reason.
- › Other reasons cited included no free Wi-Fi or internet, and inconsistent quality of facilities, of public transportation and customer service.

INTRODUCTION

THIS REPORT PROVIDES A SNAPSHOT OF THE EXPERIENCE OF INTERNATIONAL VISITORS TO NEW ZEALAND.

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1. Introduction

1.1 The Government's Tourism Strategy aims to increase the economic contribution made by international tourism

The Government's Tourism Strategy aims to increase the economic contribution made by tourism at a national and a regional level. It complements the tourism industry's Tourism 2025 Growth Framework which aims to 'drive value through outstanding visitor experience'.¹

The Tourism Strategy focuses on three key challenges:

- › attracting the right mix of visitors to give us the biggest return on our marketing investment;
- › ensuring the sector continues to provide high-quality experiences in the face of increasing visitor numbers and a changing visitor mix;
- › supporting regions to be in a position to benefit from increasing visitor numbers.

This report is the third in a series of tourism insight papers published by the Ministry of Business, Innovation and Employment (MBIE) to inform government and industry decisions aimed at increasing the economic contribution made by tourism.²

1.2 New Zealanders continue to support international tourism

Tourism Industry Aotearoa (TIA) and Tourism New Zealand (TNZ) commission twice-yearly 'Mood of the Nation' research aimed at measuring New Zealanders' perceptions of tourism, including the size and value of the industry and the perceived benefits and downsides.³ The latest (March 2017) research reveals:

- › Half of those surveyed said that New Zealand attracts just the right number of international visitors. The proportion of Kiwis who believe that New Zealand attracts too many visitors is increasing.
- › Almost all said that international tourism is good for New Zealand. However, about one-third also believed that international tourism is putting too much pressure on New Zealand. The number of people who hold this view has almost doubled since December 2015 (from 18 per cent to 34 per cent in March 2017).
- › About half of those surveyed said that international tourism creates business, employment, and growth opportunities. Pressure on infrastructure, traffic congestion, road safety, and environmental damage continued to be their key concerns – reassuringly though, perceptions of the latter two have weakened since November 2016.

1.3 Forecasts predict strong growth to continue in international arrival numbers

The number of international visitors to New Zealand has grown rapidly in recent years. During 2016, visitor numbers grew by 12 per cent, with China arrivals up 15 per cent and US arrivals up 20 per cent. This rapid growth, and the changing visitor mix, has increased the need for government and industry to understand the quality of the international visitor experience.

1 The Government's Tourism Strategy: <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-strategy>

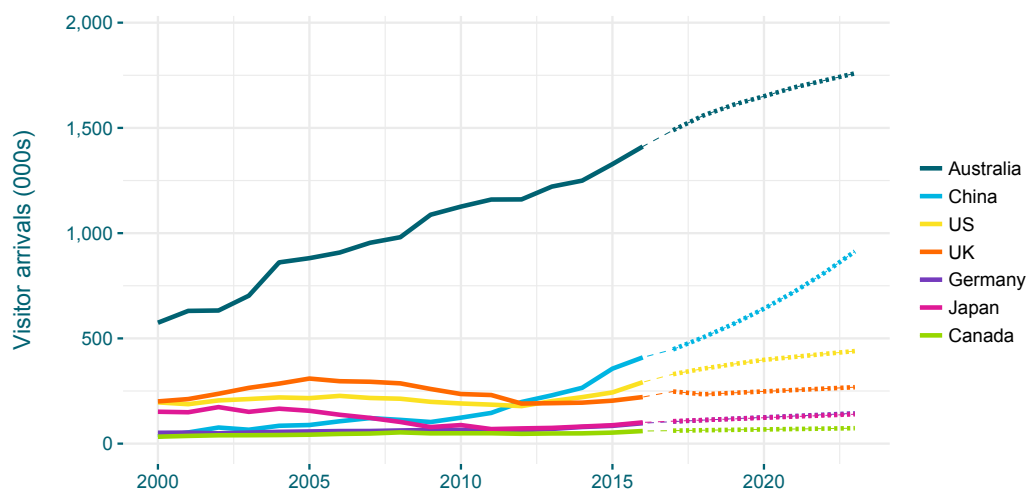
2 The first two papers were Tourism Infrastructure and Regional and Seasonal Dispersal of International Tourists: <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/tourism-insight-series>

3 Mood of the Nation research: <https://tia.org.nz/resources-and-tools/insight/mood-of-the-nation/>

The New Zealand Tourism Forecasts 2017–2023⁴ predict the strong growth in international visitor arrivals will continue over the next seven years at an average of 4.8 per cent per year. That will increase the total number of visitors from 3.5 million in 2016 to 4.9 million in 2023.

This forecast growth is predicted to be driven by strong growth in the Asian markets, along with continued growth in large markets such as Australia, the US and the UK. Although the Chinese market has slowed recently, the forecasts predict strong growth in the medium to long term.

Figure 1: Forecast international visitor numbers by country of origin



Source: MBIE Tourism Forecasts

1.4 Increased arrivals could increase the risk of visitor dissatisfaction

Further increases in visitor numbers could increase pressure on infrastructure and the environment, and could heighten concerns about road safety and traffic congestion, as outlined in MBIE's Tourism Infrastructure report. Feedback from industry shows that there is a real concern that this pressure could negatively impact visitors' experiences.

However, the impacts of tourism growth on visitor experiences are difficult to predict with certainty. New Zealand's current tourism growth is unprecedented in the country's history, so previous experiences can tell us little about the potential impacts. Likewise, links between growth and visitor experience are not well researched internationally.

Several international studies on natural attractions⁵⁶⁷ have linked overcrowding (and related problems such as litter and noise) with a reduced visitor experience, but the relationship isn't clear, with different market segments affected in different ways. Younger people, for example, may be more resilient to overcrowding than older visitors.

Iceland has experienced a strong increase in visitor numbers over the last few years, similar to New Zealand. Visitor satisfaction remains high: in three surveys, over 90 per cent of visitors on average were satisfied or highly satisfied with the Icelandic experience.

4 New Zealand Tourism Forecasts for 2017-2023 can be found here: <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/international-tourism-forecasts>

5 Blaschke, P (2007) Establishing integrative use limits on the on the Tongariro National Park.

6 Cessford, G. (1998): Visitor satisfactions, impact perceptions and attitude toward management options on the Milford Track.

7 Zehrer, A; Raich, F. (2016): The impact of perceived crowding on visitor satisfaction.

However, Iceland's long term tourism strategy⁸ notes that 'rapid growth in visitor numbers, particularly cruise passengers, has started to cause some friction and congestion at key visitor sites', and the government is looking at ways to 'protect and preserve' the country's natural attractions from overcrowding so they don't '[lose] what makes them special' and hence negatively impact Iceland's brand as a visitor destination. Iceland is considering controls on the number of tourists to ensure that those who do come 'get a positive experience during their stay'.⁹

New Zealand's Tourism 2025 framework recognises that:

some parts of the tourism industry can grow quickly – such as aviation capacity, airports and rental vehicle fleets. However, other areas can be slower to respond – such as publicly-provided infrastructure like water and sewerage or recreational amenities, and long term private infrastructure such as accommodation facilities. For tourism to grow, there must be cohesion in advancing these elements to avoid imbalances across the industry that will ultimately result in compromised visitor experiences and potentially lower levels of public support for tourism.¹⁰

The analysis of individual amenities of a visitor's trip in this report aims to show how these areas may have affected visitor experience in recent years.

1.5 Visitor experience is vital to New Zealand's reputation as a 'premium' destination

New Zealand is often viewed as a 'premium' holiday destination. New Zealand is relatively isolated from many of our main sources of tourism, such as the UK and Europe, and the United States. For visitors from those markets, getting here takes significant travel time, and costs more than closer-to-home destinations. As such, our reputation for offering high quality visitor experiences is critical to ensuring that high-value tourists continue to visit.

Tourists who have been to New Zealand may become potential advocates for New Zealand as a holiday destination to their friends and family. In MBIE's International Visitor Survey, almost 30 per cent of visitors said that their interest in visiting New Zealand had been stimulated by friends, family or colleagues recommending the country, or by them reading something about New Zealand on social media or blogs. Spreading personal experiences of holidays by word of mouth and social media therefore helps to strengthen New Zealand's premium brand and overall reputation.

8 Promote Iceland (2013): Long-term strategy for the Icelandic tourism industry.

9 <http://www.lonelyplanet.com/news/2017/03/20/iceland-tourist-numbers-limit/>

10 <http://www.tourism2025.org.nz/>

1.6 Looking further into the visitor experience could help identify improvement areas and emerging risks

Analysing the visitor experience could give timely indications of how visitors perceive pressures in infrastructure and the environment. For example, if parts of infrastructure are not up to the standard visitors expect, this could have negative effects on their trip. This may then show up when they describe their experience in New Zealand and so analysis could be used as an early indication for emerging risks.

Exploring the visitor experience further can also highlight areas that could be targeted for improvement. Even if visitors rated their visits to New Zealand highly, further analysis could reveal individual amenities that are not meeting visitor satisfaction levels. These amenities could then be identified as areas that could be improved.

1.7 This report is based on the visitor experience module of the International Visitor Survey

The results in this report are based on analysis of data from MBIE's International Visitor Survey (IVS). The IVS provides accurate, quarterly, national information on the characteristics, behaviour and expenditure of international visitors. About 9,000 visitors are surveyed each year.

The survey includes international visitors to New Zealand aged 15 years or older, excluding foreign-fee paying students whose purpose of visit is to attend a recognised educational institute. Information on IVS methodology can be found on MBIE's website.¹¹

The first part of the IVS is filled in by all international visitors and gathers information about their characteristics, behaviour and expenditure.

The second part – the Visitor Experience Module (VEM) – gathers information about visitors' experiences while they are in New Zealand.¹² It is only filled in by visitors who devoted at least part of their trip to a holiday/vacation or visiting friends and/or relatives, and the results are weighted to the International Travel and Migration data published by Statistics New Zealand.

The VEM evolved as part of an update of the IVS in 2013. Unless otherwise stated, data in this report are based on survey results for the entire period from July 2013 to March 2017.¹³

Tourism New Zealand has used data from the VEM to produce an infographic that 'demonstrates the growing value of the tourism industry and what international visitors really think about their time in New Zealand'¹⁴. This report builds on that research, providing a deeper and more detailed insight into visitor experiences.

11 IVS methodology: <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/ivs/about-the-ivs/ivs-methodology/>

12 The VEM starts from question IVS_IST1 onwards in the IVS questionnaire: <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/ivs/about-the-ivs/ivs-questionnaire/>

13 This means the results are based on the maximum amount of data available. Results are very similar from year to year.

14 TNZ infographic on visitor experience: <http://www.tourismnewzealand.com/markets-stats/research/infographics/visitor-experience/>

1.8. Only existing IVS data has been analysed for this report

The following areas have been excluded from analysis in this report:

- › Estimating future quality of the visitor experience (beyond MBIE's official forecasts).
- › Adding questions to the International Visitor Survey (IVS).
- › Exploring information beyond the IVS, including analysing or reviewing other countries' visitor experience data.
- › Conducting interviews with the industry, stakeholders or visitors.
- › Analysing satisfaction based on each region that was visited – the satisfaction scores are the ratings given by a visitor based on their overall experience in New Zealand, not for individual regions. Therefore it is not possible to produce a score that is based purely on a visitor's experience in a single region.
- › Analysing satisfaction by season – satisfaction scores had minimal variation between seasons, with the summer months only having a slightly higher than average satisfaction score and the winter months having slightly lower.

1.9. The report is structured around the main areas that could affect visitor experience

This report is divided into the following sections:

- › Visitor experience by service and amenity type (section 2)
- › Reasons for lower visitor satisfaction (section 3)
- › Visitor characteristics (section 4)
- › Visitor expectations (section 5)
- › Recommending New Zealand as a holiday destination (section 6).

VISITOR EXPERIENCE BY SERVICE AND AMENITY TYPE

INTERNATIONAL VISITORS RATED THEIR EXPERIENCE IN NEW ZEALAND CONSISTENTLY HIGHLY.

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2 Visitor experience by service and amenity type

2.1 Visitors were highly satisfied with all services and amenities of their trip

The Visitor Satisfaction section of the International Visitor Survey asks visitors to rate their satisfaction with different services and amenities on a scale of 1-10 (1 means not at all satisfied and 10 means extremely satisfied).

Specifically, they are asked to rate their overall satisfaction with accommodation (both overall and primary¹⁵), commercial transportation, food and beverage outlets, activities, information centres, Māori activities, customer service, the natural and built environment, as well as their overall trip. They were also asked to rate their sense of safety during their trip¹⁶.

Highlights

- › Visitors were highly satisfied with the natural and built environment, rating it 9.1 out of 10. They were also highly satisfied with their sense of safety (also 9.1 out of 10). Scores for other services and amenities were also high.
- › Hosted accommodation (9.2 out of 10) performed better than any other accommodation type in terms of visitor satisfaction, suggesting visitors like the personal touches that this provides.
- › There was minimal variation in the satisfaction scores for different types of transport and activities.

2.2 The natural and built environment, and sense of safety, received the highest average satisfaction ratings

The average satisfaction rating for New Zealand's natural and built environment was 9.1 out of 10. New Zealand's environment seems to be important to visitors when deciding to come to New Zealand, with 45 per cent stating that New Zealand's 'spectacular landscapes and natural scenery' was a factor in stimulating their interest in visiting, and 20 per cent saying it was the most important factor.

Visitors also gave an average rating of 9.1 out of 10 for their sense of safety in New Zealand. This aligns with New Zealand's second place ranking in the 2017 Global Peace Index – a product that ranks countries based on their level of peacefulness, with one of the main themes being 'the level of safety and security in society' of which New Zealand placed 6th.¹⁷

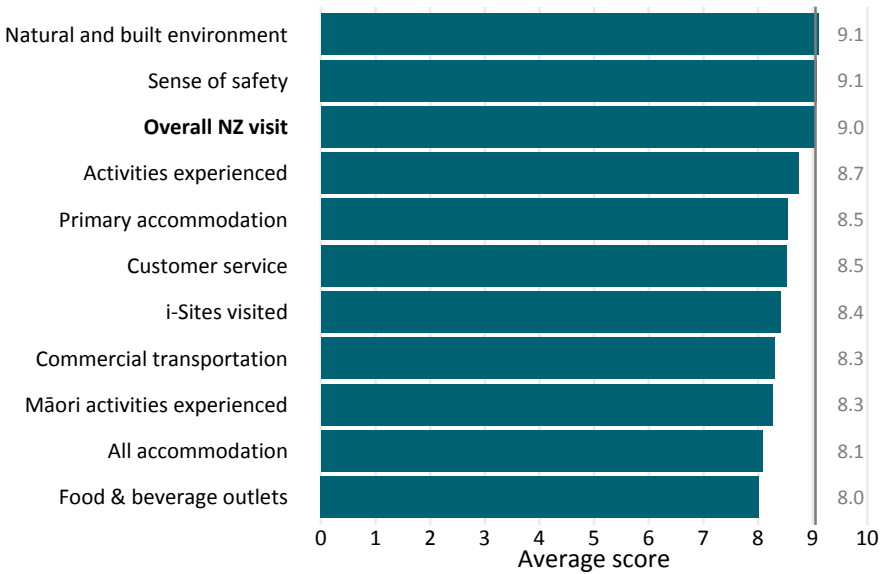
¹⁵ The 'primary accommodation' ratings are based on the type of accommodation a visitor spent the most time in. The 'all accommodation' ratings include all forms of accommodation they experienced.

¹⁶ Ratings for types of primary accommodation, commercial transportation and activities were based on a visitor's satisfaction with the overall amenity or service and not each individual type. Visitors were able to give more than one type of commercial transportation or activity the experienced so each type was given the same score and weighting for each visitor

¹⁷ Full details of Global Peace Index 2017 - <http://visionofhumanity.org/indexes/global-peace-index/>

Likewise, the average rating for visitors’ overall experience in New Zealand was 9 out of 10. This was higher than many services and amenities, including activities (8.7), accommodation (8.1), and food and beverage (8.0). These results suggest that if some visitors were less satisfied with a particular amenity of their trip, it did not have a large impact on overall experience.

Figure 2: Average visitor satisfaction scores for services and amenities



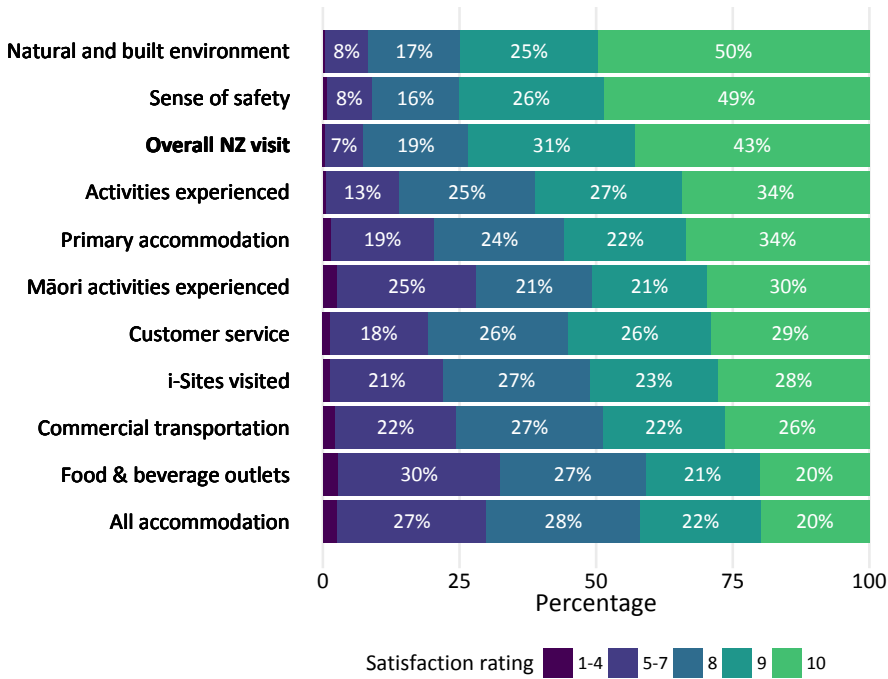
Source: International Visitor Survey

2.3 Very few visitors gave low satisfaction scores for any type of service or amenity

For all services and amenities, more than two-thirds of visitors gave a rating of 8 or higher, and at least 20 per cent gave a rating of 10 out of 10. Half of all visitors gave New Zealand’s natural and built environment 10 out of 10, and almost half (49 per cent) gave that rating for their sense of safety.

Conversely, for all services and amenities, only a tiny fraction of visitors gave scores of 4 or less.

Figure 3: Overall visitor satisfaction scores for services and amenities

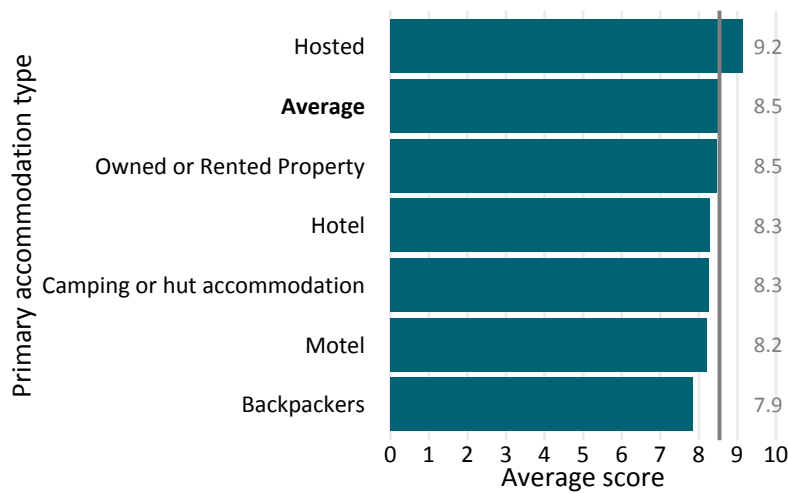


Source: International Visitor Survey

2.4 Visitors were more satisfied with hosted accommodation than other accommodation types

Hosted accommodation had the highest average satisfaction score for a visitor’s primary accommodation. Hosted accommodation scored an average of 9.2 out of 10, more than any other type of accommodation in New Zealand. Backpackers had the lowest average score for any type of accommodation with 7.9 out of 10.

Figure 4: Average visitor satisfaction score for different types of accommodation



Source: International Visitor Survey

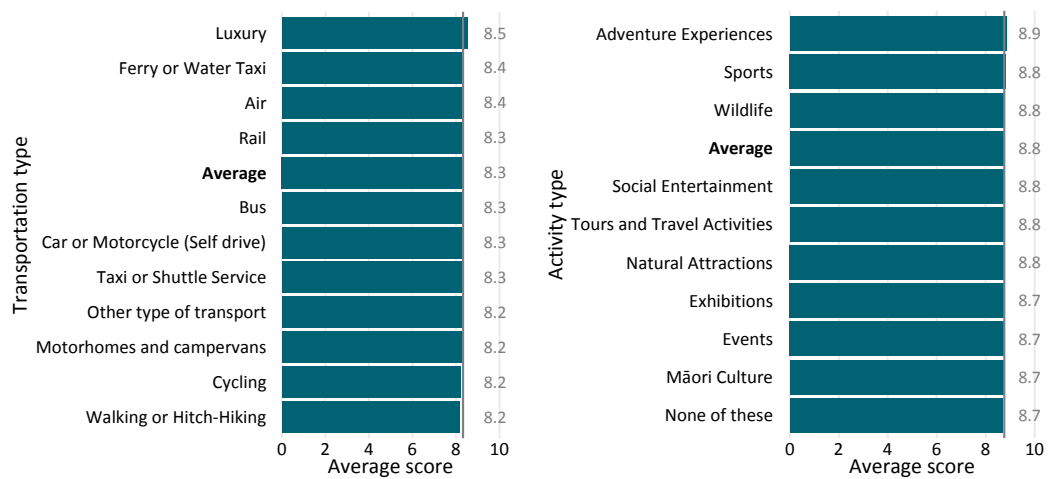
2.5 Satisfaction scores were consistently high across different types of transport and different tourism activities

There was very little difference in the average satisfaction scores of different types of transport and different tourism activities.

For transportation, average satisfaction score ranged between 8.2 (for walking and hitch-hiking, cycling, motorhomes and campervans, and 'other types of transport') and 8.5 (for luxury transport such as helicopters, limousines etc.).

For tourism activities, average satisfaction scores ranged between 8.7 (for events, exhibitions, 'none of these' and Māori culture) and 8.9 (for adventure experiences).

Figure 5: Average visitor satisfaction scores for different types of transportation and tourism activities



Source: International Visitor Survey

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REASONS FOR LOWER VISITOR SATISFACTION

VERY FEW INTERNATIONAL VISITORS GAVE LOWER SATISFACTION SCORES FOR NEW ZEALAND, BUT THOSE THAT DID OVER A THREE YEAR PERIOD WERE ANALYSED. SOME REASONS FOR LOWER SCORES WERE MORE PREVALENT THAN OTHERS.



3 Reasons for lower visitor satisfaction

3.1 Scores of 7 or less were relatively uncommon

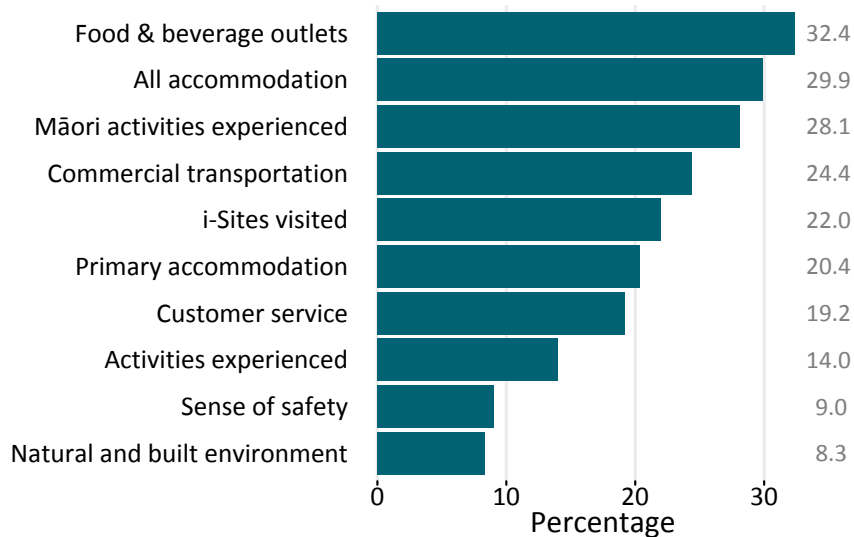
When visitors gave a score of 7 or less for a service or amenity, they were asked to provide reasons. Visitors could select reasons from a multi-choice list, and could also select 'another reason', 'no reason', or 'not sure'.

Those who selected 'another reason' were able to write their own reason for the satisfaction score they had chosen. A sample of quotes and a word cloud of the most frequent words used have been included for all services and amenities except sense of safety and the natural and built environment as fewer than 10 per cent of scores were 7 or less¹⁸.

Low satisfaction scores were relatively uncommon. Among visitors who were asked to give a reason for a 'low' rating, 58 per cent had given a score of 7 out of 10, and 24 per cent had given a score of 6 out of 10. Less than 20 per cent had given a score of 5 or less.

Only 8 per cent scored their experience of New Zealand's natural and built environment at 7 or less, and only 9 per cent rated their sense of safety at 7 or less. Food and beverage outlets (32 per cent) and Māori activities (30 per cent) were more likely to have scores of 7 or less.

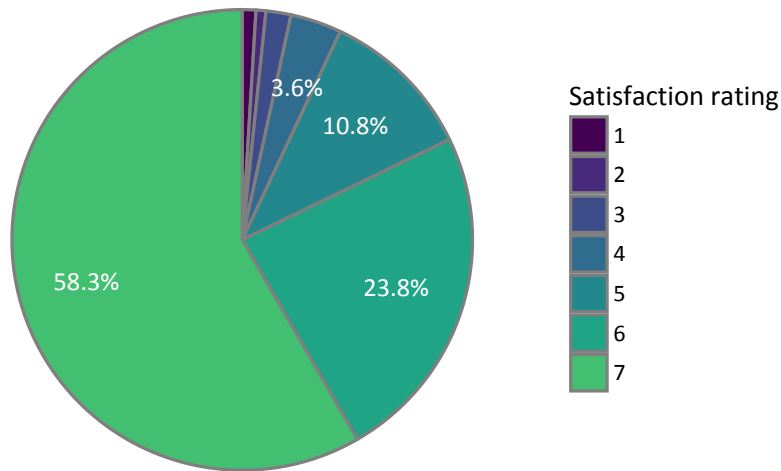
Figure 6: Proportion of visitors giving scores of 1-7 for each type of service or amenity



Source: International Visitor Survey

¹⁸ Visitors were asked to select reasons (from a multi-choice list) if they gave a score of 7 or less for their primary accommodation, and for food and beverage outlets, commercial transportation, activities, Māori activities, customer service, i-Sites, sense of safety, and the natural and built environment. They were not asked to give reasons if they gave a score of 7 or less for 'all accommodation'. Nor were they asked for reasons if they gave a score of 7 or less for their overall New Zealand experience.

Figure 7: Proportion of visitors who gave scores of 1-7 for any service or amenity



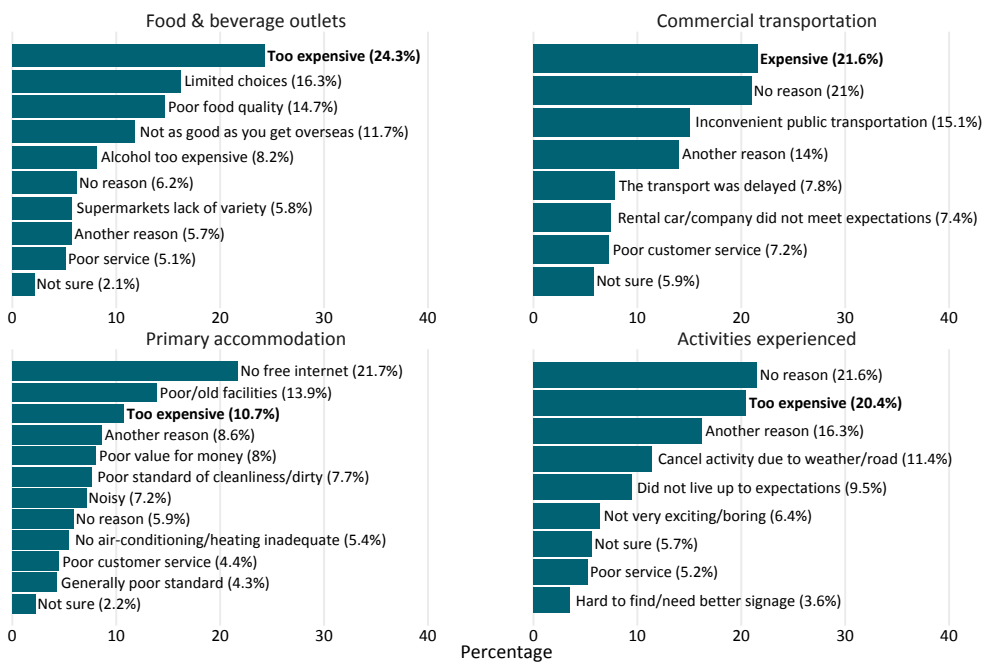
Source: International Visitor Survey

3.2. Some visitors felt that services or amenities were too expensive

Expense was a commonly selected reason for lower satisfaction scores for accommodation, activities, food and beverage outlets, and commercial transportation with an average proportion of 19 per cent across the four services and amenities.

Inconsistent quality was also commonly selected reason for lower satisfaction scores for food and beverage outlets and was frequently seen when visitors choose ‘another reason’ in commercial transportation, accommodation, and customer service.

Figure 8: Visitors’ reasons for giving satisfaction scores of 7 or less – for transport, accommodation, activities, and food & beverage outlets



Source: International Visitor Survey

3.2.1. Food and beverage outlets

Food and beverage outlets had the highest proportion of 1-7 scores and the lowest average score of any type of service or amenity. A total of 32 per cent of visitors rated their satisfaction with food and beverage outlets at 7 or less out of 10.

Of those, 24 per cent selected 'too expensive' as their main reason for giving a lower satisfaction score, suggesting that the price of food and beverages is a source of reduced satisfaction. Other commonly selected reasons included limited choice and poor food quality.

Among visitors who selected 'another reason', some said that the food was too expensive, and others referred to a lack of variety and options available for different dietary requirements (e.g. vegan, vegetarian, gluten free, halal), inconsistent quality, and a lack of 'authentic' New Zealand food. Some examples of comments are provided below:

"Generally good food, although with the exchange rate, it is no longer the bargain it once was."

"Too expensive and too much of the same type of food. I would have liked to try food that focuses on NZ produce but it must be more affordable."

"It was extremely difficult to find vegetarian/vegan food at New Zealand. We had to survive on limited vegetables available. I wouldn't go back to NZ just for the food but it was enjoyable while I was there."

"Overall average, some were incredible and would give them 10/10. Some however were not so good, hence a lower average overall."

"Some bad experiences, but overall, our kiwi experience was great. We did appreciate that even in remote places, affordable and good quality food was available. It was great not to be ripped off because we were not in a big city."

Figure 9: Most frequently used words for food and beverage outlets



3.2.2 Commercial transportation

A total of 24 per cent of visitors rated their satisfaction with commercial transportation at 7 or less out of 10.

The two main reasons for lower satisfaction scores were 'expensive' (22 per cent) and 'no reason' (21 per cent).

Among those who selected 'another reason', expense was also a common theme. Other themes included the transportation not being frequent enough, not going to enough places, and being inaccessible. Some examples of comments are provided below:

"There was no transport to many places. The services were not frequent enough. It would have been very difficult for me to see many places if I did not have use of my friends' car."

"Actually, the transport services are great, but the tickets are really expensive, and to be honest, the public transport system is really not developed."

"During the Cruise, my friend, who is handicapped/in a wheelchair, could not come with me, since she would have been unable to get up to the viewing deck."

Figure 10: Most frequently used words for commercial transportation



3.2.3 Primary accommodation

A total of 20 per cent of visitors rated their satisfaction with their primary accommodation at 7 or less out of 10.

The main reason for lower satisfaction scores was 'no free internet'. However, this is becoming less of an issue. In 2014, this was the main reason given by 22 per cent of those who scored their primary accommodation 7 or less; by March 2017, the proportion had dropped to 10 per cent.

Other commonly selected reasons included expense, and poor/old facilities.

Among those who gave 'another reason' for giving a satisfaction score of 7 or less, expense and lack of Wi-Fi were also common themes. Other issues included inconsistent quality, poor cleanliness, and lack of free campsites for non-self-contained vehicles. Some examples of comments are provided below:

"On the whole most accommodation was good however there were some places so below par and they lowered my average score."

"Due to the time of the year we visited, the rates were sky high and we had difficulty finding accommodation."

"There was no complimentary internet access which added to the cost of my trip. It was also inconvenient for me to make calls to my family and check my email since I did not have a mobile phone plan in NZ."

"The country was unique among the 35 other countries we have been to, and it is well geared to delivering a tourism product. Costs are generally on the high side, but are acceptable."

"It's very hard to find free legal campsites for non-self-contained vehicles."

Figure 11: Most frequently used words for primary accommodation



3.2.4 Activities

A total of 14 per cent of visitors rated their satisfaction with tourism activities at 7 or less out of 10.

The main reason for giving a satisfaction score of 7 or less for activities in New Zealand was 'no reason' (22 per cent). This suggests a large number of visitors who gave a score of seven may not think the score they have given is low.

Another commonly selected reason was that activities were 'too expensive' (20 per cent).

Among those who selected 'another reason', expense was also the main theme. Other themes included crowding, and lack of organisation. Some examples of comments are provided below:

"Weather prevented us from seeing what we were supposed to see on much of the tour of the south island. That couldn't be helped, of course."

"Some of the activities were well organised but did not get enough information of others or were crowded."

"The activities were very good. But most of them were pretty highly priced for their worth. Also the photographs or the videos were very very expensive compared to other countries and we had to give up on our memories."

Figure 12: Most frequently used words for activities



3.3 Some visitors gave no reason for scoring a service or amenity 7 or less

When asked why they rated a service or amenity 7 or less, some visitors selected 'no reason'. Across all services or amenities, 15 per cent selected this option. 'No reason' was either the most popular or second most popular choice for five of the services or amenities covered in the survey. Of visitors who selected this option, almost three-quarters (73 per cent) scored the amenity 7 out of 10. Those visitors may have believed that they were giving a high score and therefore would not have a negative reason for their rating.

Another common choice was 'another reason'. Choosing this option gave visitors the chance to write their own reason for the satisfaction score they had chosen. Of the visitors who chose 'another reason', 62 per cent had given scores of 7 out of 10. Although a large proportion of comments were negative, some were positive. For example:

"Good facilities, with good amenities and great service."

"A combination of the natural beauty, kindness of the locals and ease of travel."

"The portions were well sized, and overall meals were good value for money."

"People were friendly everywhere we went. Things were well organised."

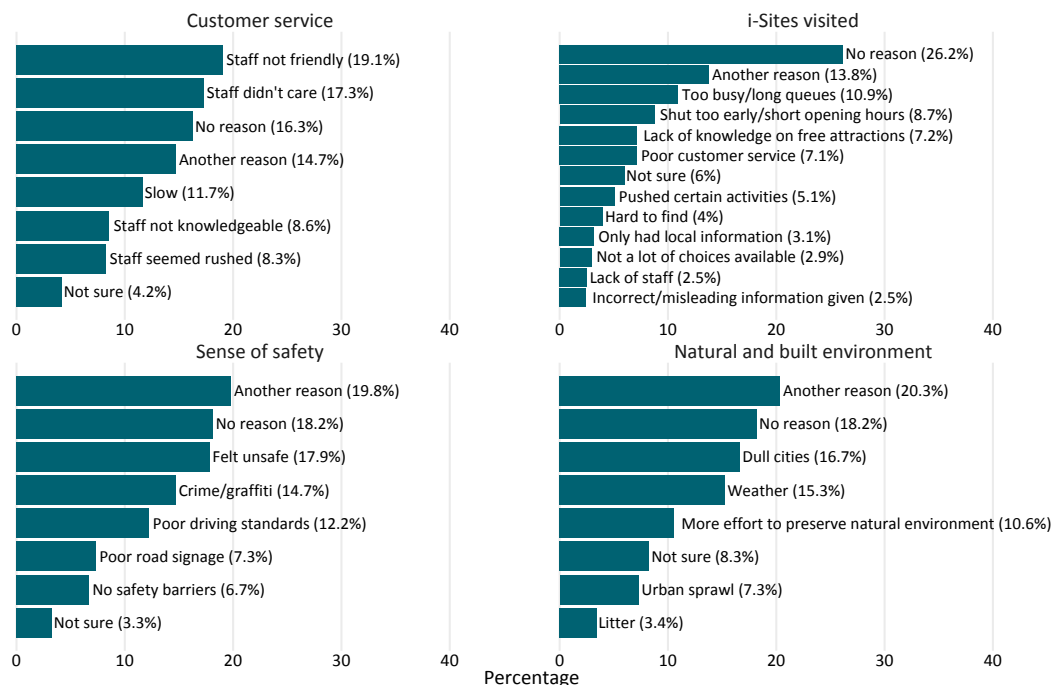
"Tourist information well presented. The friendly and welcoming nature of people we encountered."

"The i-SITEs were full of any and every information about New Zealand you could ever want."

"Beautiful scenery, lots of national parks or reserves to protect it. Rubbish bins and recycling stations are plentiful and even in high traffic areas the beaches, roads, paths etc. are very clean."

"I am not impressed by natural beauty but rather am more impressed in what is being done to protect and preserve it which I understand is a problem in NZ right now."

Figure 13: Visitors' reasons for giving satisfaction scores of 7 or less for customer service, safety, i-Sites, and the natural and built environment



3.3.1 i-Sites

A total of 22 per cent of visitors rated their satisfaction with i-Sites they had visited at 7 or less out of 10.

When asked why they had given these scores, 26 per cent selected 'no reason', indicating they may not have thought their score was low and so had no specific negative feedback.

Among visitors who selected 'another reason', information (or lack of it) was a common theme. Some felt that i-Sites lacked information about free activities, or felt that staff were trying to sell them something. Others referred to inconsistent service.

"Information on paid services was excellent, but information on free activities was extremely limited in some I-sites."

"I had the feeling they don't want to help me, but wanted to sell something e.g. a bus trip or activity. However I just wanted to get some information on the public transport options around the city."

"Some were extremely helpful; others had staff that did not seem to want to be there and were not particularly helpful."

Figure 14: Most frequently used words for i-SITE's



3.2.2 Customer service

A total of 19 per cent of visitors rated their satisfaction with customer service at 7 or less out of 10.

There was no standout reason for visitors giving these scores. The most frequently selected options were 'staff not friendly' (19 per cent) and 'staff didn't care' (17 per cent), followed by 'no reason' (16 per cent) and 'another reason' (15 per cent).

Of the visitors who selected 'another reason', some referred to poor or inconsistent experiences with customer service. For example:

"I have been visiting NZ every 2 or 3 years for the past 20 years. I always have this experience, i.e. decreasing customer services in many areas. Overall, this is still a great country to visit!"

"Some folks in the service industry were nice, and others weren't. I didn't notice any outstanding service anywhere I went."

"It all depended on where you received the customer service. It was generally high but there were a few times when it wasn't as good as I would have expected."

"Some people were more knowledgeable and helpful than others."

Figure 15: Most frequently used words for customer service



3.3.3 Sense of safety

A total of 9 per cent of visitors rated their sense of safety during their visit to New Zealand at 7 or less out of 10.

The top three reasons selected were 'another reason' (20 per cent), 'no reason' (18 per cent) and 'Felt unsafe' (18 per cent).

Among those who selected 'another reason', common themes were unsafe roads, crimes on the news, and earthquakes.

3.3.4 Natural and built environment

A total of 8 per cent of visitors rated their satisfaction with New Zealand's natural or built environment at 7 or less out of 10. Almost all of these gave scores of 5-7. New Zealand's natural and built environment received the lowest proportion of scores of 1-7 and the highest average score among all amenities.

The main reasons for giving a score of 7 or less were 'another reason' (20 per cent) and 'no reason' (18 per cent). A very small percentage (3 per cent) gave litter as a reason for scoring the environment 7 or less.

Among those who selected 'another reason', many gave positive responses such as describing the natural environment as 'beautiful'. Some referred to a lack of recycling facilities, and to the built environment not seeming to measure up to the natural environment.

3.3.5 Māori activities

A total of 28 per cent of visitors rated their satisfaction with Māori activities at 7 or less out of 10.

For Māori activities, visitors were asked to give a reason for their score, regardless of the score they had given.

The top six reasons given were all positive, and together these made up nearly ninety per cent of answers. The most common answer was 'learnt about new culture' (21 per cent). This was followed by entertaining (15 per cent), informative (15 per cent), well organised (12 per cent), good staff (12 per cent) and good quality/standard (11 per cent).

Of the negative reasons given, the main ones were 'did not live up to expectations' (3 per cent) and 'not very exciting/boring' (2 per cent).

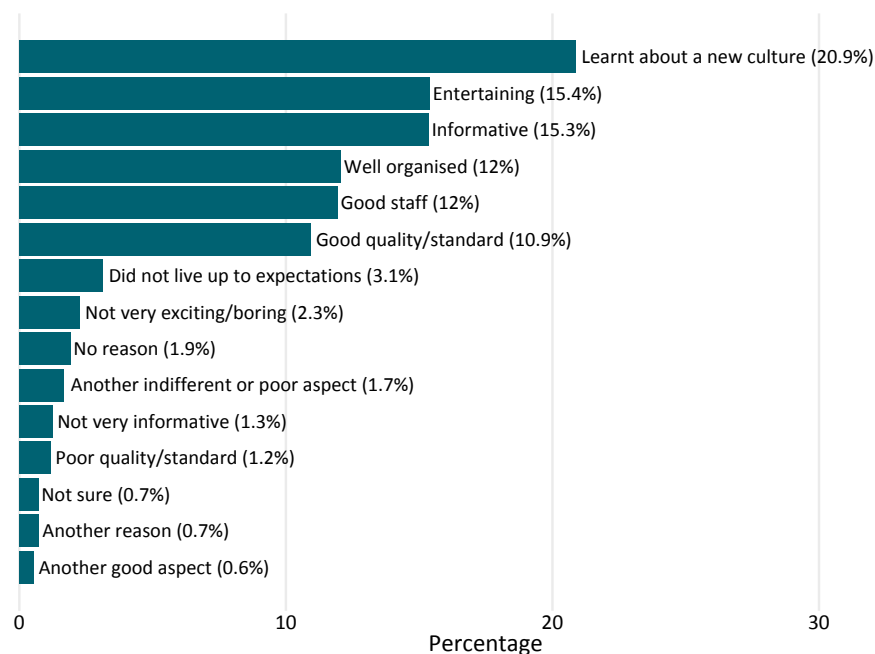
Of the visitors who gave scores of 7 or less out of 10, positive reasons still dominated. Some examples of comments are provided below:

"I didn't know about this culture before the trip and it was an amazing surprise to see the value given by the country to this culture and how it is preserved. The experience we had was very genuine and complete. I enjoyed it very much."

"Tour guide was more interested being on schedule than providing more detail about the site and culture. He was answering questions, but I wish he provided little more information without being asked."

"I really like how Māori places are so important in New Zealand. It is very important to know the Māori name the meaning of the place. That helps us outsiders understand the lands and seas of New Zealand better."

Figure 16: Visitors' reasons for giving the satisfaction scores they did for Māori activities



Source: International Visitor Survey

SECTION
4/6

VISITOR CHARACTERISTICS

25

NEW ZEALAND WELCOMES A DIVERSE RANGE OF INTERNATIONAL VISITORS, WITH RECENT TRENDS SHOWING A CHANGE IN THE MIX OF VISITORS. MOST CHARACTERISTICS DISPLAYED CONSISTENTLY HIGH SCORES.



4. Visitor characteristics

4.1 Country of residence was the only visitor characteristic to show differences in satisfaction scores

In the International Visitor Survey, visitors were asked about their individual characteristics e.g. country of origin, age, purpose of visit etc. This section compares these with their satisfaction scores to see if there is a relationship.

Highlights

- › There were differences in overall satisfaction depending on a visitor's country of residence.
- › The US and the UK had the highest average satisfaction scores (9.4 out of 10), with Japan and South Korea having the lowest (8.8 and 8.7 out of 10 respectively). However the difference between countries was small, showing that visitors from all countries were still very satisfied with their experience in New Zealand.
- › There were also differences in satisfaction score for each individual amenity depending on a visitor's country of residence.
- › Older visitors (65+) had a slightly higher average satisfaction score.
- › Other characteristics (e.g. gender, point of visit etc.) did not seem to influence visitors' satisfaction scores.

4.2 Visitors from the US and UK were the most satisfied with their experience in New Zealand

Visitors from the US and the UK had an average satisfaction score of 9.4 out of 10 for their overall experience in New Zealand. They were followed by Canada and Australia (9 out of 10).

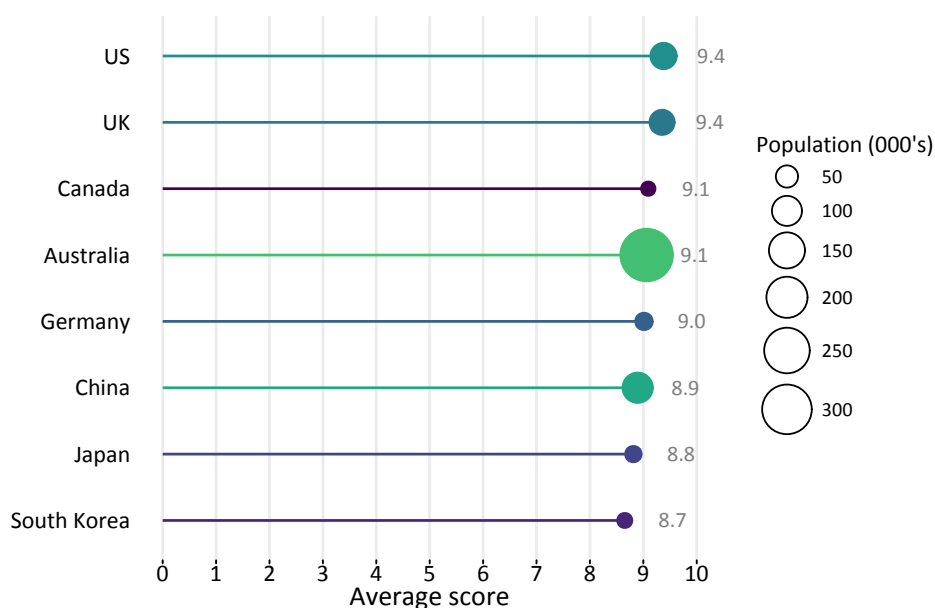
The UK and US are two of the biggest markets for international visitors (comprising 11 per cent and 7 per cent of total arrivals, and 11 per cent and 9 per cent of total spend respectively). Australia is the largest market, comprising 36 per cent of total visitors and 24 per cent of total spend.¹⁹

China is New Zealand's second biggest market for international visitors, comprising 12 per cent of total arrivals and 14 per cent of total spend. Visitors from China gave an average satisfaction score of 8.9, slightly below average. Japan and South Korea also gave lower than average satisfaction scores of 8.8 and 8.7 out of 10 respectively.

Visitors from all countries gave consistently high satisfaction scores, with minimal difference between the highest and lowest scoring countries.

¹⁹ Arrival figures are from the International Travel and Migration statistics year ending March 2017 - <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/international-travel/international-visitor-arrivals-key-data-tables>. Spend figures are from the IVS year ending March 2017 - <http://www.mbie.govt.nz/info-services/sectors-industries/tourism/tourism-research-data/ivs/>.

Figure 17: Average overall satisfaction scores by country of residence



Source: International Visitor Survey

4.3 Visitors from the US and UK also gave high satisfaction scores for individual services and amenities

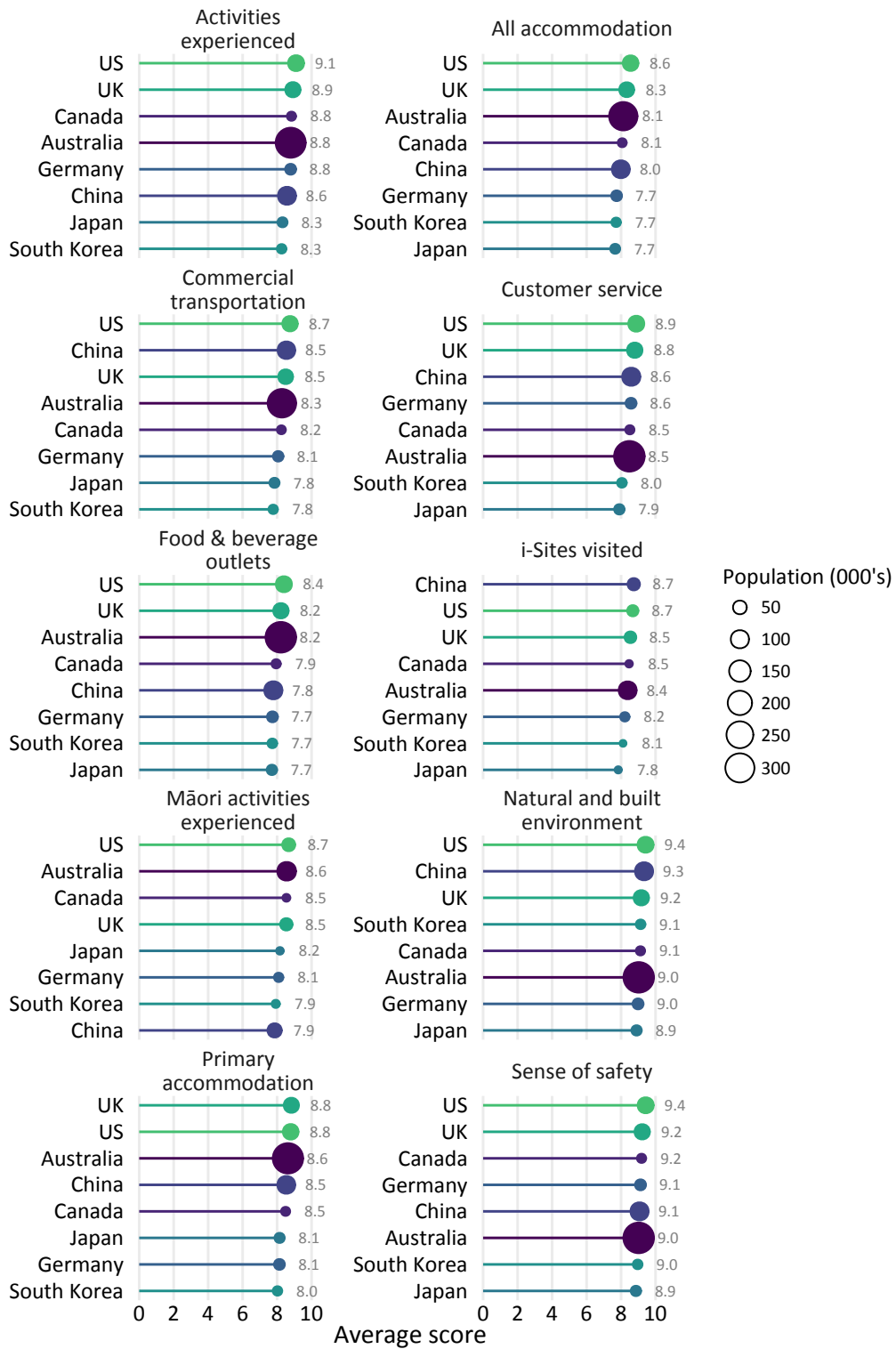
Visitors from all countries gave high satisfaction scores (averaging 7.6 or above) for all individual services and amenities. Visitors from countries that gave above-average scores for their overall experience in New Zealand also typically gave above-average scores for individual services and amenities.

Visitors from the US gave the highest average scores for all services and amenities. Visitors from the UK also gave relatively high average scores for all services and amenities.

Visitors from South Korea and Japan typically gave lower average scores for all services or amenities. Visitors from China gave relatively high scores to some services and amenities, but lower scores to others.

The population size was different for Māori activities and i-SITEs as not every visitor experienced these.

Figure 18: Average satisfaction score for each service or amenity, by country of residence



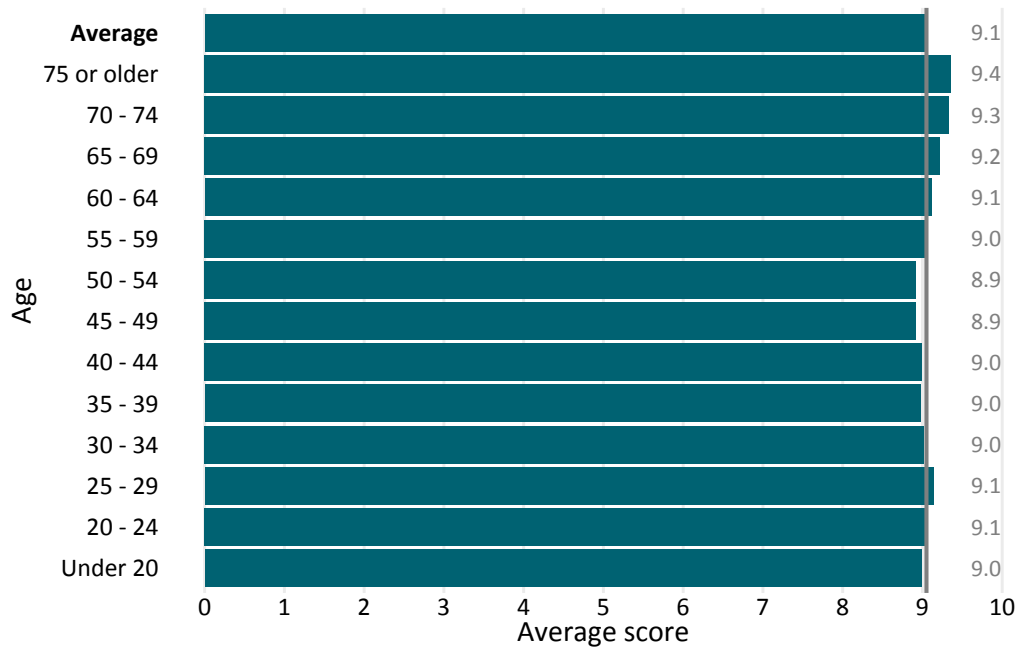
Source: International Visitor Survey

4.4 Other visitor characteristics have a minimal relationship with overall experience in New Zealand

Other characteristics such as gender, purpose of visit, and type of traveller, had little or no relationship with overall visitor satisfaction in New Zealand.

There was a slight difference with ages of visitors. Older visitors (65+) seemed to score slightly higher than average satisfaction score, with middle aged visitors scoring slightly lower than average.

Figure 19: Average overall satisfaction scores by age of visitor



Source: International Visitor Survey

VISITOR EXPECTATIONS

NEW ZEALAND'S REPUTATION AS A 'PREMIUM' DESTINATION MEANS INTERNATIONAL VISITORS MAY ARRIVE WITH HIGH EXPECTATIONS. THESE EXPECTATIONS APPEAR TO HAVE BEEN MET OR EXCEEDED FOR MOST VISITORS TO NEW ZEALAND.

SECTION

5/6



5. Visitor expectations

5.1 New Zealand and its environment usually met or exceeded visitor expectations

In the International Visitor Survey, visitors are asked to rate how their trip to New Zealand compared with their prior expectations.

Visitors were also asked to rate how New Zealand's environment compared with their expectations, and how it compared with the rest of the world. New Zealand's environment is one of the main reasons people visit New Zealand. Half of all visitors state that New Zealand's 'spectacular landscapes and natural scenery' and/or 'its environmentally friendly image' was one of the factors that first stimulated their interest in New Zealand, with 23 per cent stating one of these two as the most important factor.

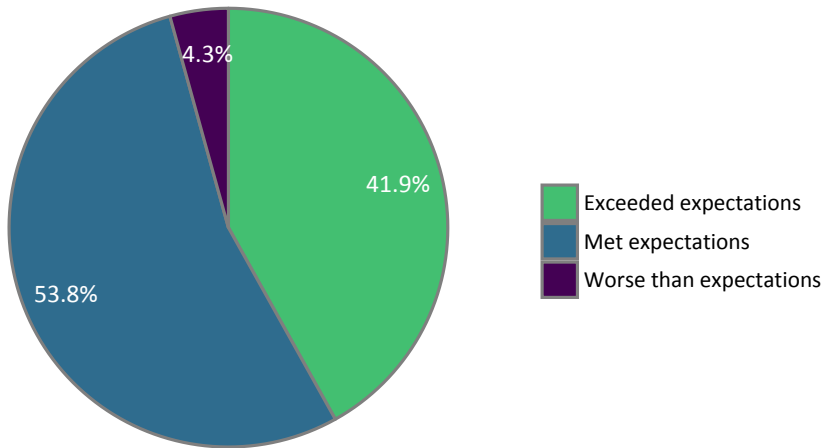
Highlights

- › Overall, 96 per cent of visitors say that their visit to New Zealand met or exceeded their expectations.
- › Visitors from the UK and US were more likely than visitors from other countries to say that their visit exceeded expectations.
- › First time visitors were more likely than repeat visitors to say that their visit exceeded expectations.
- › Visitors from Australia were less likely than visitors from other countries to say that their visit exceeded expectations however, three quarters of Australian visitors had been to New Zealand before.
- › Overall, 98 per cent of visitors said New Zealand's environment met or exceeded their expectations.
- › Visitors concerned with the environment (think about the environment in their lifestyle) were more likely to say the environment in New Zealand exceeded their expectations.
- › New Zealand environmental management practises scored highly when compared with the rest of the world.

5.2 Almost all visitors said New Zealand met or exceeded their expectations

More than 95 per cent of visitors said that New Zealand met or exceeded their prior expectations. Only 4 per cent of visitors said their visit was worse than they expected.

Figure 20: Visitors' experiences of New Zealand compared with prior expectations



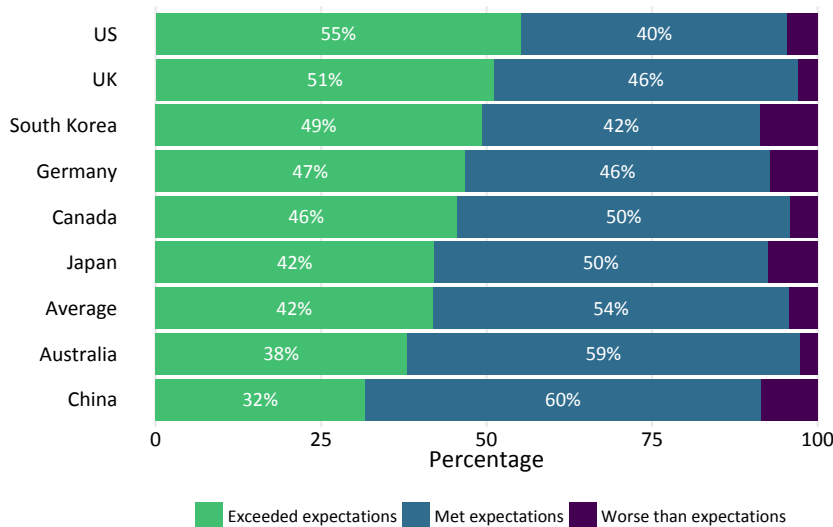
Source: International Visitor Survey

UK and US visitor were more likely to say their visit exceeded expectations

Visitors from the US were most likely to say that their trip exceeded their expectations (55 per cent), closely followed by visitors from the UK (51 per cent). Visitors from South Korea were also more likely to say this than visitors from most other countries, even though on average they had the lowest satisfaction scores.

Visitors from China (60 per cent) and Australia (59 per cent), New Zealand's two biggest markets, were most likely to say their trip met their expectations, but less likely to say that the trip exceeded expectations.

Figure 21: Visitors' experiences of New Zealand compared with prior expectations, by country of residence



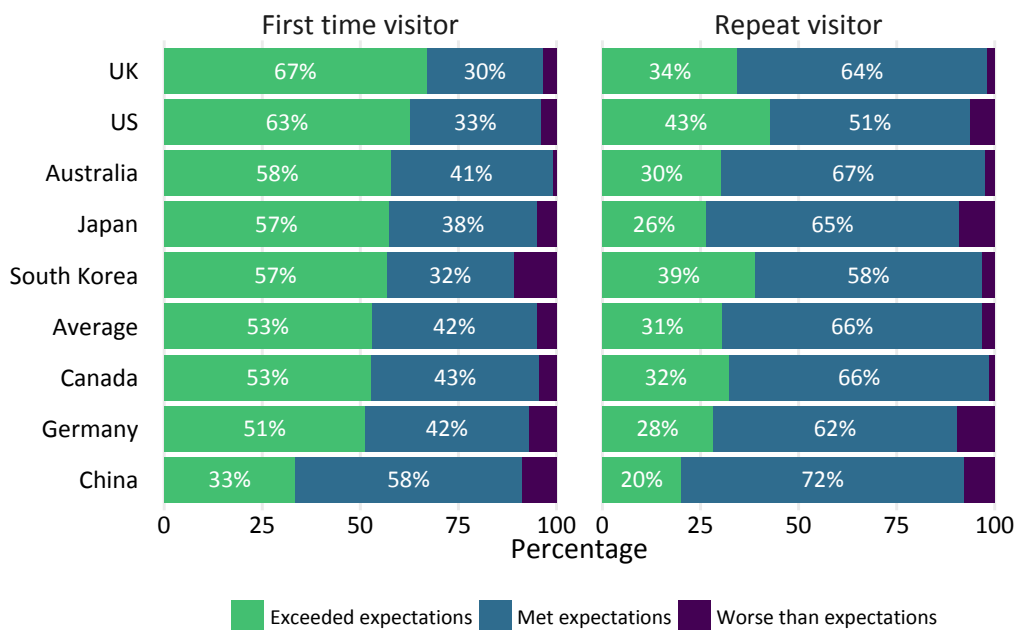
Source: International Visitor Survey

5.3 New Zealand was more likely to exceed the expectations of first time visitors

First time visitors to New Zealand were 22 per cent more likely to say New Zealand exceeds the expectations they had before arriving than those visitors that have been before. However, 31 per cent visitors who have been to New Zealand previously said it exceeded their expectations.

Visitors who have been to New Zealand before were 24 per cent more likely to say their trip met their expectations than first time visitors. First time visitors were only slightly more likely (1 per cent) to say their trip was worse than expected.

Figure 22: Visitors' experiences of New Zealand compared with prior expectations, for first-time and repeat visitors

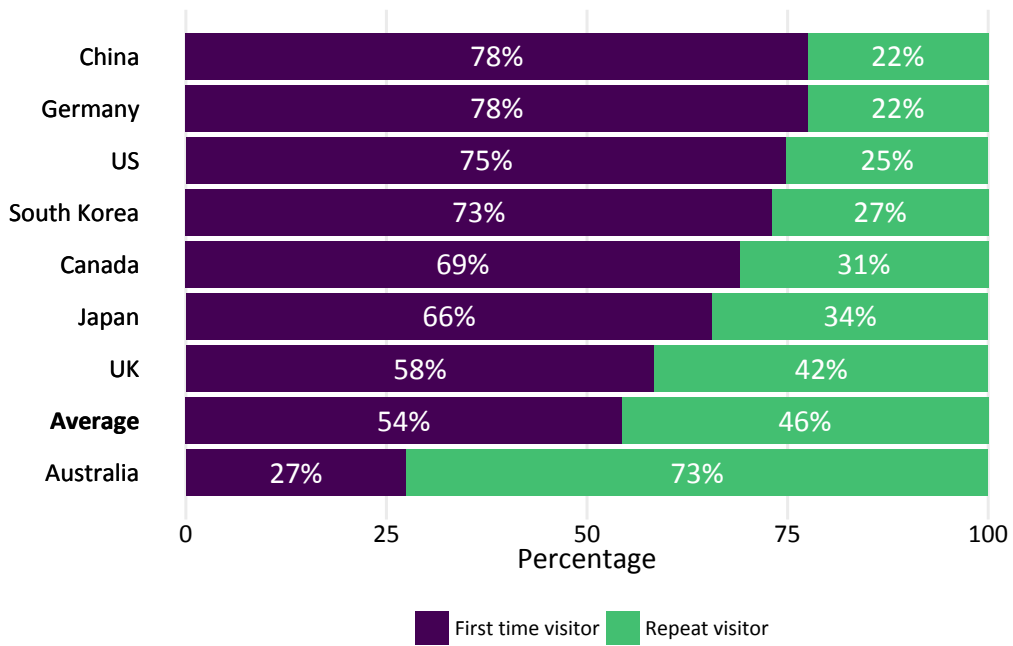


Source: International Visitor Survey

5.4 Most Australians were repeat visitors

Nearly three quarters (73 per cent) of Australian visitors had previously been to New Zealand. This was considerably more than other large markets and 27 per cent more than the average. Because of this, relative to other countries, we can expect Australia to have a low proportion of total visitors saying New Zealand exceeded their expectations. As repeat visitors, they were more likely to say New Zealand met their expectations.

Figure 23: Visitors who have previously been to New Zealand, by country of residence

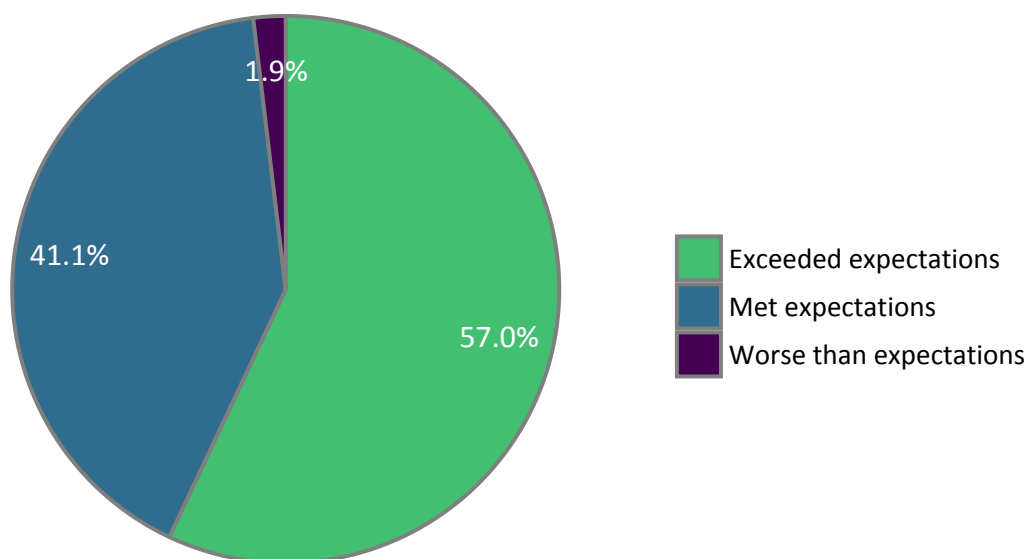


Source: International Visitor Survey

5.5 The majority of visitors said New Zealand's environment exceeded their expectations

For the vast majority of visitors, New Zealand's environment either met or exceeded expectations. An average 57 per cent of visitors said the environment exceeded expectations, and a further 41 per cent said it met their expectations. Only 2 per cent said the environment was worse than they expected.

Figure 24: Visitors' experiences of New Zealand's environment compared with prior expectations

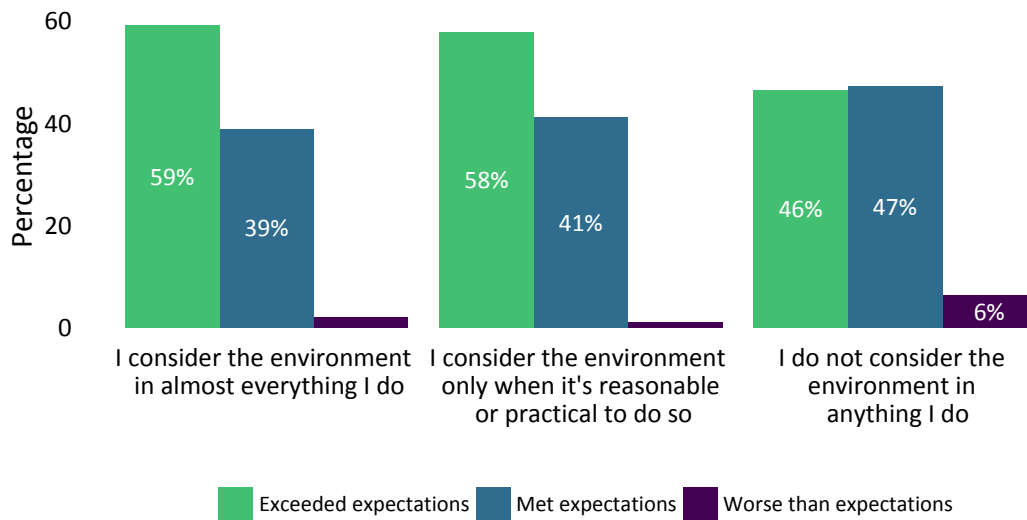


Source: International Visitor Survey

5.6 Visitors who were concerned about the environment were more likely to say New Zealand’s environment exceeded expectations

Of visitors who said ‘I consider the environment in almost everything I do’, 59 per cent said New Zealand’s environment exceeded expectations. Of visitors who said ‘I consider the environment only when it’s reasonable or practical to do so’, 58 per cent said the environment exceeded their expectations. Visitors who didn’t consider the environment were more likely to say the environment met their expectations.

Figure 25: Visitors’ experiences of New Zealand’s environment compared with prior expectations, by view about the environment’s importance



Source: International Visitor Survey

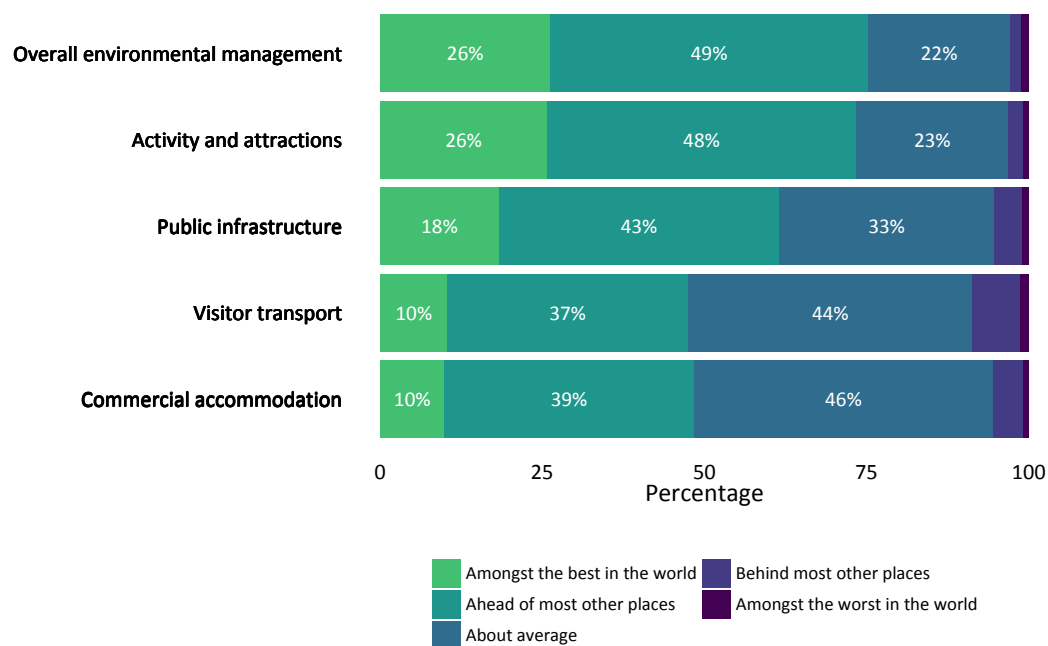
5.7 Environmental practices in New Zealand scored highly compared with the rest of the world

Environmental practices in New Zealand scored at least as well, if not better than the rest of the world. More than 91 per cent of visitors gave New Zealand ‘about average’ or better when it comes to rating different environmental practices.

The highest scoring practices were ‘overall environmental management’ and ‘activity and attractions’. An average 26 per cent of visitors rated them as ‘amongst the best in the world’ with a further 49 and 48 per cent rating them as ‘ahead of most other places’ respectively. Only 1 per cent of visitors rated them as ‘amongst the worst in the world’.

Commercial accommodation and visitor transport received the lowest ratings from visitors. Only 10 per cent of visitors rated them amongst the best in the world. However, both practices still had at least 91 per cent of visitors rating them ‘about average or better’. The lower score for visitor transport aligns with the World Economic Forum’s Global Competitiveness Report 2015-2016²⁰, which showed that New Zealand did not score highly in road infrastructure when compared to other developed nations. The New Zealand road quality was rated as 4.7 out of 7, which placed New Zealand in position 43. The perceived comparatively poor quality of our road infrastructure may partly be due to our geography and population size.

Figure 26: Visitors’ ratings of New Zealand environmental practice



Source: International Visitor Survey

²⁰ World Economic Forum. (2016). The Global Competitiveness Report 2015-2016. Retrieved from <http://reports.weforum.org/global-competitiveness-report-2015-2016/>

RECOMMENDING NEW ZEALAND AS A HOLIDAY DESTINATION

INTERNATIONAL VISITORS RECOMMENDING NEW ZEALAND AS A HOLIDAY DESTINATION TO OTHERS IS IMPORTANT TO PRESERVING OUR HIGH REPUTATION. MOST VISITORS WERE LIKELY TO RECOMMEND NEW ZEALAND TO OTHERS.

SECTION

6/6



6. Recommending New Zealand as a holiday destination

6.1 Visitors were extremely likely to recommend New Zealand as a holiday destination

In the International Visitor Survey, visitors are asked to say how likely they are to recommend New Zealand to others as a holiday destination to others. Scores were given on a scale of 1 to 10 (1 meaning not likely and 10 meaning extremely likely).

These results have then been used to calculate a Net Promoter score (NPS). Scores of 9 to 10 are classed as promoters of New Zealand who are likely to recommend New Zealand as a holiday destination. Scores of 7-8 are classed as passives who were less likely to recommend, and scores of 6 or less are classed as detractors who were unlikely to recommend.²¹

Highlights

- › New Zealand had a positive NPS of 78 per cent when it comes to visitors recommending New Zealand.
- › More than 80 per cent of visitors were likely to recommend New Zealand to others as a holiday destination.
- › Visitors from the US and UK were more likely than those from other countries to be Promoters and therefore more likely to recommend New Zealand as a holiday destination.
- › Visitors were more likely to recommend New Zealand as a holiday destination if it exceeded their expectations.

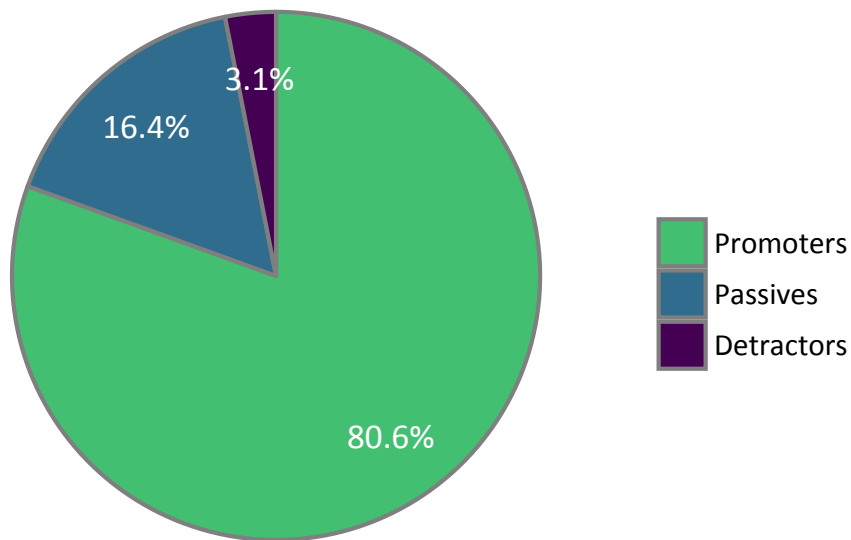
²¹ The NPS is calculated by taking the per cent of customers who are Promoters and subtract the per cent who are Detractors

6.2 Most visitors were likely to recommend New Zealand as a holiday destination

Overall, 81 per cent of visitors gave a score of 9 or 10 and are classed as Promoters. Only 16 per cent were classed as Passives, with a further 3 per cent classed as Detractors. This produced an NPS score of 78 per cent.

The extremely high scores suggest visitors are likely to be very positive about their New Zealand experience when returning to their home country. This creates many advocates who may then encourage others to visit.

Figure 27: Visitors to New Zealand, likelihood to recommend to others as a visitor destination



9 or 10 - Promoter
7 or 8 - Passive
6 and under - Detractor

Source: International Visitor Survey

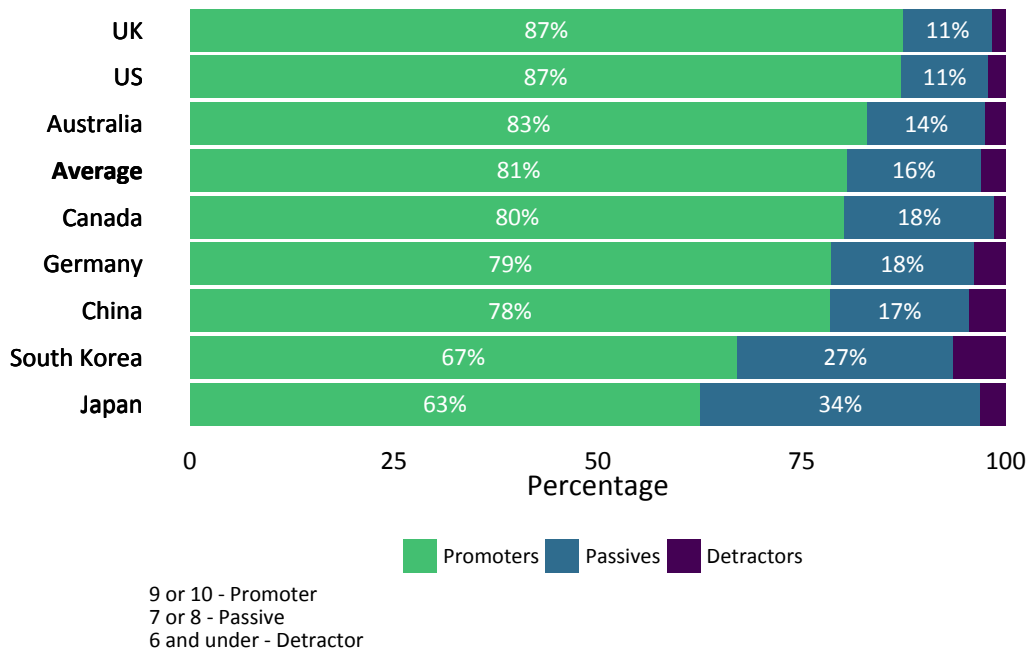
6.3 Visitors from the US and the UK were most likely to recommend New Zealand

A total 87 per cent of visitors from the US and the UK were Promoters of New Zealand as a holiday destination. This is consistent with the fact they gave the highest overall satisfaction scores.

Australia, New Zealand’s largest market, was next highest, with 83 per cent of visitors likely to recommend New Zealand.

Japan and South Korea had the lowest proportion of visitors who were likely to recommend New Zealand. However, they were still very likely to recommend New Zealand as a holiday destination with 67 per cent of South Korean visitors and 63 per cent of Japanese visitors saying they were extremely likely to recommend New Zealand.

Figure 28: Visitors to New Zealand, likelihood to recommend to others as a visitor destination, by country of residence

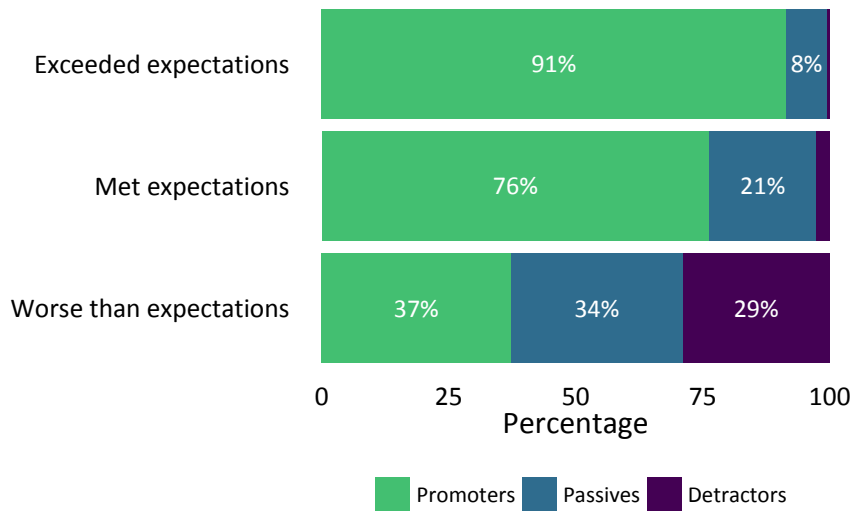


Source: International Visitor Survey

6.4 Visitors were more likely to recommend New Zealand if their expectations were exceeded

Of the visitors who said their experience in New Zealand exceeded their expectations, 91 per cent were classed as Promoters and are therefore likely to recommend New Zealand as a holiday destination. Over three quarters (76 per cent) of those that said their experience met their expectations were Promoters. However, this reduced to just over a third (37 per cent) among people who said their experience in New Zealand was worse than expected.

Figure 29: Visitors to New Zealand, likelihood to recommend New Zealand to others as a visitor destination, by expectations



Source: International Visitor Survey

