

SEASONAL DISPERSAL

SECTION
3/5

NEW ZEALAND HAS BEEN AND REMAINS A HIGHLY SEASONAL DESTINATION, WITH THE VAST MAJORITY OF VISITORS ARRIVING OVER THE SUMMER MONTHS OF DECEMBER TO FEBRUARY. AN INCREASING PROPORTION OF VISITORS ARE ARRIVING IN THE AUTUMN SEASON.



3 Seasonal dispersal

■ Key messages

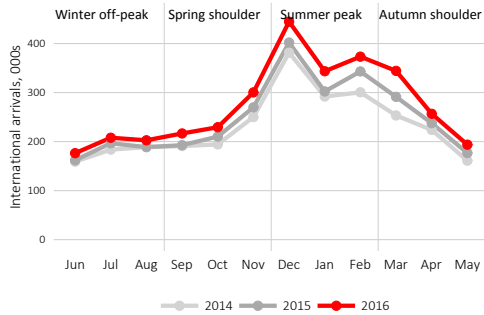
- › International arrivals in New Zealand are highly seasonal. Arrivals in the summer season are twice the number of the winter season. The pattern of arrivals is relatively similar over the last three years, with recent growth in holidaymakers seen in the autumn season.
- › An increasing proportion of holidaymakers are arriving in the summer and autumn seasons, with a lower proportion in the winter season. Seasonal patterns for other visitors (with the purpose of visit being visiting friends or relatives, and business reasons) have remained static.
- › Business travellers have a different seasonal pattern. Business arrivals are almost equally spread across all seasons, with slightly more arrivals during spring and autumn seasons, and the least arrivals during summer.
- › People in different age groups show different seasonal travel patterns. Although the majority of visitors prefer to visit during summer, older travellers are more likely to travel in shoulder seasons (especially autumn).
- › People from different countries show different degrees of seasonality. These travel patterns are unchanged across multiple years. People from all countries (apart from India and Indonesia – their peak season is autumn and winter respectively) show a strong tendency to visit during summer rather than in winter. However, for certain countries, such as China, holidaymakers almost equally prefer to visit in the autumn shoulder season.
- › Certain market segments (holidaymakers from different countries for different age groups) show a strong tendency to visit during the off-peak season and shoulder seasons. They have the potential to help reduce tourism seasonality. For example, older travellers from China, the US, the UK, Japan, and South Korea are more likely to travel during shoulder seasons than any other age groups.
- › The seasonal visitor dispersal pattern at a regional level remains static. Each region has varying degrees of seasonality. Urban centres and gateway RTO regions have a lower degree of seasonality than in the non-gateway RTO regions.

3.1 New Zealand's seasonal pattern has remained largely unchanged, apart from growth in the autumn season

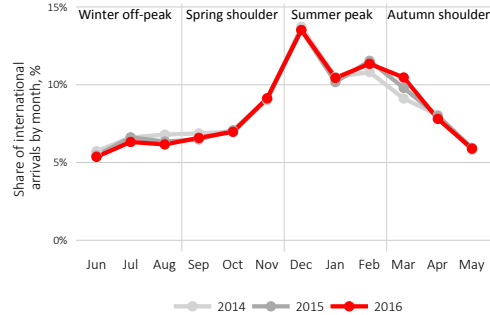
New Zealand has been and remains a highly seasonal destination, with the vast majority of visitors arriving over the summer months of December to February, and fewer arriving over the winter months of June, July and August. Despite a large growth in the number of international arrivals over the past year, this seasonal peak-and-trough pattern has not changed significantly. International arrivals in the peak summer season are twice the number of the off-peak winter season. Over the past three years, international arrivals increased in all months, but grew at different speeds – slower in winter and faster in autumn. This resulted a slight decrease in the share of arrivals in June to August (the winter season), and an increase in March (a month in the autumn season). The share of arrivals for the months in the spring and summer season stayed roughly the same.

Figure 7: New Zealand international arrivals

a. Monthly arrivals



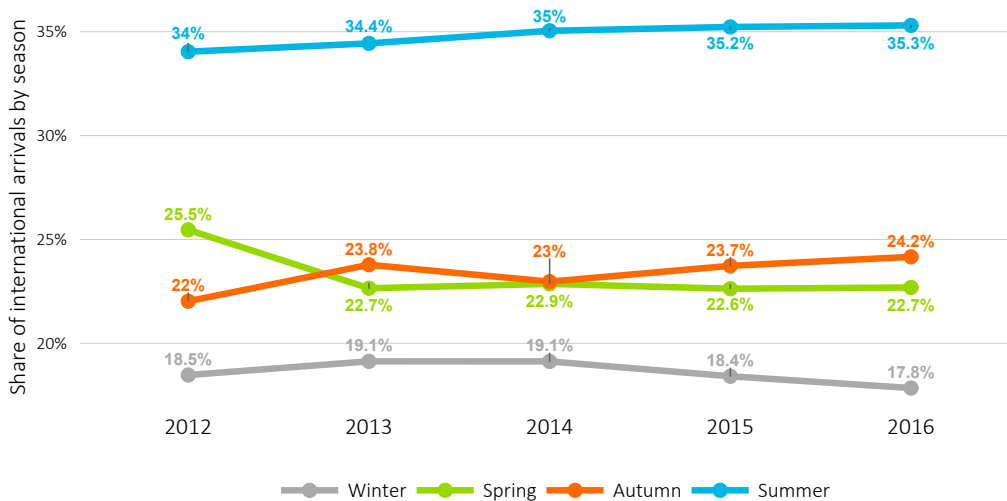
b. Share of arrivals by month



Source: International Travel and Migration, Statistics New Zealand

Figure 8 shows the share of international arrivals by each season for the past five years. The proportion of visitors is slowly getting smaller for the winter season, but improving for the autumn season, suggesting that marketing in the ‘shoulder seasons’ has been successful in encouraging a longer peak season and more visitors to arrive summer/autumn. The growth in autumn arrivals has been driven by more arrivals in March.

Figure 8: Share of international arrivals by season over the past five years

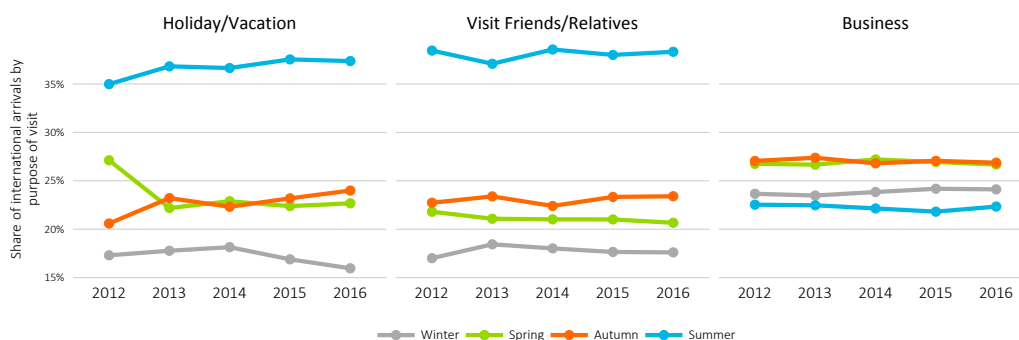


Source: International Travel and Migration, Statistics New Zealand

3.2 Holidaymakers drive changes in seasonal patterns

A greater proportion of holidaymakers are arriving during the autumn season, while less are arriving during the winter season. Seasonal patterns for other types of visitors, such as visiting friends or relatives, and business, are largely unchanged. Business travellers, as would be expected, have a different travel pattern, as they are not obviously influenced by season. A similar level of business passengers travel in the spring and autumn, fewer in winter, and the least in summer – during the holiday season.

Figure 9: Share of arrivals by season by purpose of visit over the past five years



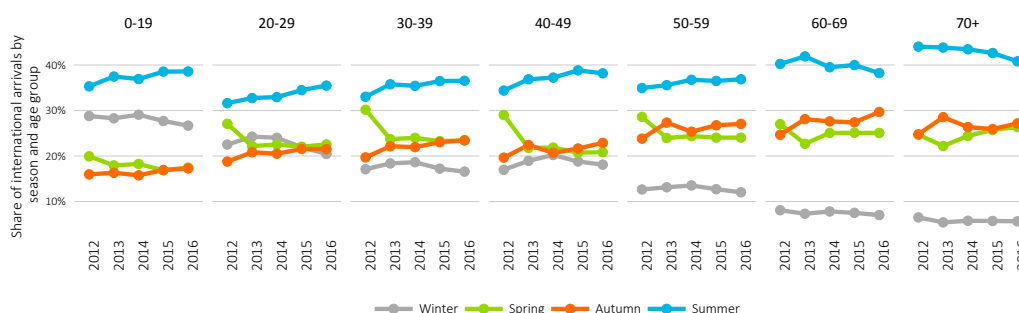
Source: International Travel and Migration, Statistics New Zealand

3.3 Older travellers tend to travel in shoulder seasons

People in different age groups show different seasonal patterns. Figure 10 shows the share of arrivals by season for different age groups.

Although people of all ages prefer to visit during summer, older travellers show an increasing tendency to travel in shoulder seasons (especially autumn) at the expense of the summer season. The share of holidaymakers within the 60–69 and 70+ age groups arriving in summer has steadily declined over the past five years, whereas the number of arrivals in the shoulder seasons has increased. Older age groups are much less likely to travel in winter than other groups.

Figure 10: Share of international arrival by season for each age group for the past five years



Source: International Travel and Migration, Statistics New Zealand

3.4 Holidaymakers from Australia and Asia have a higher tendency to travel during non-peak seasons

Holidaymakers from different countries show different rates of seasonal dispersal. Seasonal patterns have remained unchanged or showed growth in summer months. Holidaymakers from some countries are more likely to travel during the shoulder seasons than others.

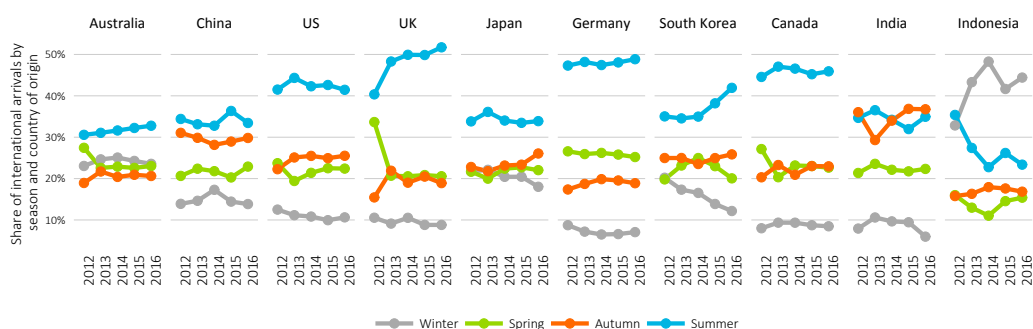
Australia is New Zealand’s largest tourism market by visitor number and spend. It is short-haul and one of the least seasonal markets. Different from most other markets, the low season for Australia is autumn instead of winter. That is because the skiing season in winter attracts more Australian holidaymakers than in shoulder seasons.

Long-haul traditional tourism markets such as the US, the UK, Germany, and Canada are affected the most by seasonality. This is likely a factor of distance, as trips from these countries tend to be more expensive, and therefore more likely to be planned in advance around the most hospitable time of the year in New Zealand (as well as less hospitable for these northern hemisphere markets). The number of holidaymakers’ arrivals in these markets in summer is four to six times higher than arrivals in winter. The US, Germany, and Canada’s seasonal pattern has remained unchanged over the last five years, while more UK visitors are arriving in summer.

On the other hand, closer tourism markets such as China, Japan, and South Korea have a lower degree of seasonality. In these markets, the proportion of arrivals in summer is two to three times higher than in winter. The tendency to travel during shoulder seasons is also higher. On average, around 28 per cent of holidaymakers travelled during the autumn shoulder season from these markets, compared with an average of around 20 per cent for the US, the UK, Germany, and Canada.

Both India and Indonesia are emerging tourism markets for New Zealand. Holidaymakers from these markets have very different seasonal patterns. Most holidaymakers from India arrive during the autumn shoulder instead of summer. For Indonesia, the peak season for holidaymakers is winter, which is completely opposite to other markets. Caution should be made when looking at the data in these markets, as they are relatively small, and growing numbers can be volatile.

Figure 11: Share of arrivals by season for each country of origin for the past five years



Source: International Travel and Migration, Statistics New Zealand

3.5 The seasonal pattern for holidaymakers varies greatly by age and country of origin

Figure 12 provides an overview of the seasonal pattern for holidaymakers within different market segments (a combination of age and country of origin), by season. For example, of all holidaymakers arriving in winter from Germany, 28 per cent were aged 0–19; 47 per cent were aged 20–29.

Figure 12: Share of arrivals by age group for select markets for each season in 2015/16

Winter off-peak								Spring shoulder							
70+	1%	2%	4%	1%	5%	0%	1%	70+	5%	5%	16%	10%	12%	3%	3%
60-69	6%	10%	7%	5%	9%	3%	11%	60-69	14%	19%	25%	24%	25%	9%	28%
50-59	11%	16%	14%	8%	8%	6%	21%	50-59	16%	26%	13%	15%	10%	11%	30%
40-49	13%	25%	13%	8%	10%	7%	14%	40-49	14%	15%	8%	6%	10%	8%	13%
30-39	18%	16%	16%	14%	10%	10%	15%	30-39	17%	17%	16%	12%	14%	16%	12%
20-29	30%	11%	27%	45%	10%	47%	18%	20-29	19%	15%	18%	30%	11%	30%	9%
0-19	20%	21%	20%	18%	48%	28%	19%	0-19	16%	2%	3%	3%	17%	23%	6%
	Australia	China	US	UK	Japan	Germany	S Korea		Australia	China	US	UK	Japan	Germany	S Korea
Summer peak								Autumn shoulder							
70+	5%	3%	13%	11%	11%	4%	2%	70+	7%	5%	13%	7%	8%	4%	4%
60-69	12%	12%	26%	34%	27%	10%	15%	60-69	15%	28%	23%	17%	21%	7%	31%
50-59	16%	19%	16%	17%	11%	17%	29%	50-59	17%	27%	16%	14%	10%	13%	35%
40-49	14%	22%	8%	6%	12%	11%	18%	40-49	14%	14%	8%	7%	10%	10%	12%
30-39	16%	19%	14%	12%	10%	18%	11%	30-39	17%	13%	14%	15%	12%	15%	10%
20-29	20%	12%	18%	17%	15%	27%	13%	20-29	16%	11%	21%	29%	17%	33%	6%
0-19	18%	13%	5%	5%	13%	13%	13%	0-19	13%	2%	4%	11%	21%	18%	2%
	Australia	China	US	UK	Japan	Germany	S Korea		Australia	China	US	UK	Japan	Germany	S Korea

Source: International Travel and Migration, Statistics New Zealand

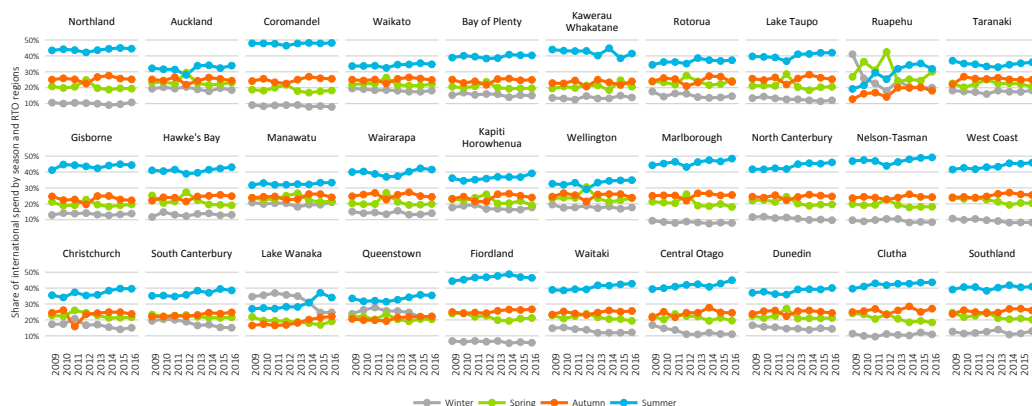
Certain market segments show a strong tendency to travel during non-peak seasons.

- › For the winter off-peak season, travellers aged under 30 from all measured markets (apart from China, and South Korea) account for the majority share. There are particularly high concentrations of under-30-year-old visitors from the UK and Germany during this time of year.
- › For both the spring and autumn shoulder seasons, over-50-year-olds make up a larger proportion of visitors. Younger travellers (aged 20 to 29) from the UK and Germany also tend to arrive in the shoulder seasons.

3.6 Urban centres less affected by seasonality

The degree of seasonality varies significantly by region, with the gateway RTO regions showing more even dispersal across the year. For example, the spend during summer was two to three times higher than the spend in the winter season in Auckland, Wellington, Christchurch and Queenstown RTO regions. By contrast, Northland, the Coromandel, Gisborne, Nelson-Tasman, Marlborough and Fiordland spend was four to five times higher in summer than in the winter season.

Figure 13: Share of international spend by season and RTO region

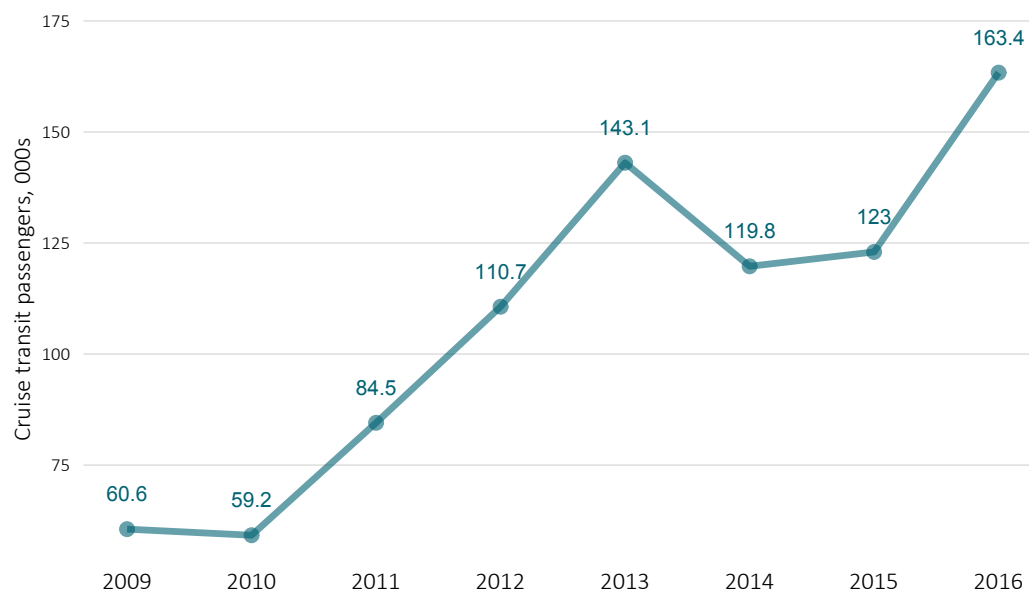


Source: Monthly Regional Tourism Estimates, MBIE

3.7 Cruise visitors arrive mainly over summer, but a growing number are coming in autumn

The number of cruise transit passengers¹¹ increased on average by 13.2 per cent per year from 2008/2009 (the year ended May 2009) to reach 163,400 in 2015/2016 (the year ended May 2016) – equivalent to around 5 per cent of total international visitors for the same period.

Figure 14: Cruise transit passenger numbers

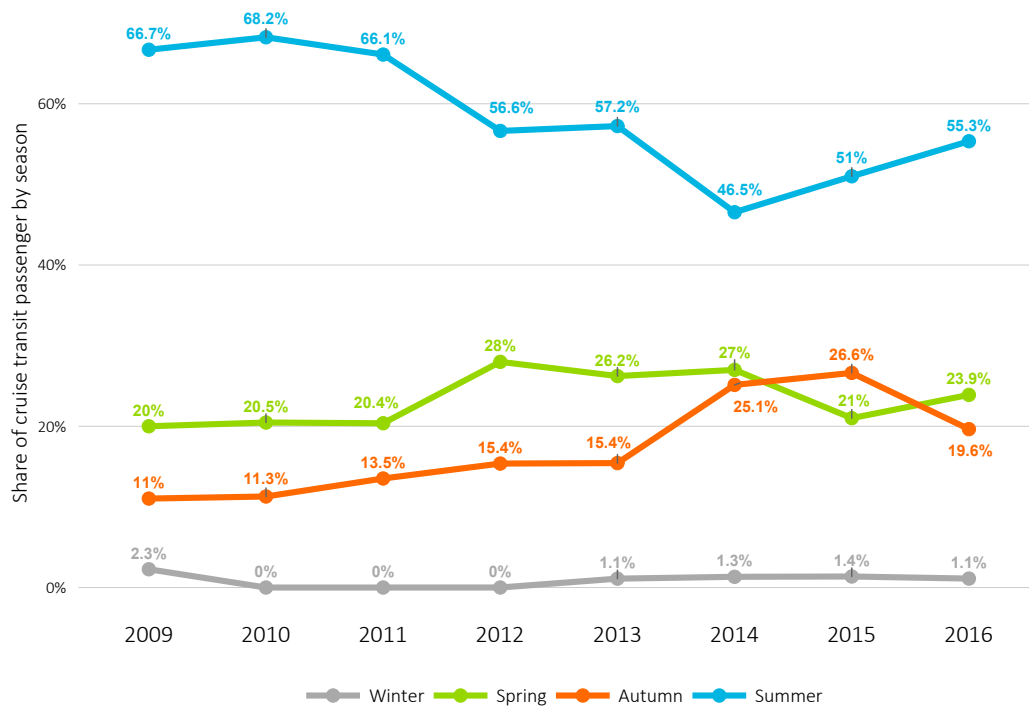


Source: Cruise New Zealand

The cruise sector in New Zealand is more affected by the season than other international tourism, with the majority of cruises arriving over summer. More than half arrive in the summer season, compared with just over a third of international holidaymakers arriving by air. Over the last eight years, the share of arrivals in the summer season has declined from 66.7 per cent in 2008/2009 to 55.3 per cent in 2015/2016. This has largely been driven by growth in transit passengers in autumn.

¹¹ Cruise transit passengers are visitors who arrive in and leave New Zealand by cruise ship. As such, they are not required to fill in arrival or departure cards, and are therefore not measured in official visitor arrival and departure statistics.

Figure 15: Share of cruise transit passenger by season



Source: Cruise New Zealand