

INTERNATIONAL VISITORS | GERMANY

NEW ZEALAND | SERIES C7 | JUNE 2009



INTRODUCTION

This report provides an overview of the German visitor market to New Zealand, including visitor trends and characteristics for the period 1999-2008.

For the latest data and market information on international markets, visit the following websites:

- Ministry of Tourism: www.tourismresearch.govt.nz
- Tourism New Zealand: www.tourismnewzealand.com (Market Research, Market Guides)

German Outbound Travel Market

In 2008, the population of Germany was estimated at 82 million. Germans are prolific travellers and, according to the United Nations World Tourism Organisation, spend the most of any nation on international travel.

German residents undertook 71 million trips abroad in 2006, making the German propensity for outbound travel at 86 trips per 100 people (compared with 46 trips per 100 people for New Zealanders in 2008).

Germany is New Zealand's seventh largest international market, providing more than 62,000 visitors or 0.1% share of the German outbound market.

Air Services to New Zealand

There are currently no direct air services between Germany and New Zealand, but a number of carriers operate connecting services via hubs in Asia, the Middle East or the United States of America.

TRENDS IN VISITOR ARRIVALS FROM GERMANY

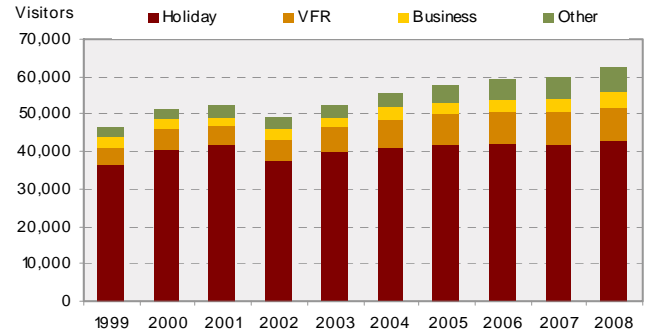
How many visitors come from Germany?

Germany has long been New Zealand's second largest market in Europe. In 2008, Germany provided over 62,000 visitors, up 4% on 2007, however this number matches the level reached in 1994. Over the period 1999-2008, German visitor increased by 35%, at an average annual growth rate of 3.5% per annum (Figure 1).

Holiday visitors, which now make up nearly 70% of all arrivals, have shown an even weaker growth rate, increasing by just 17% from 36,500 in 1999 to 43,000 in 2008.

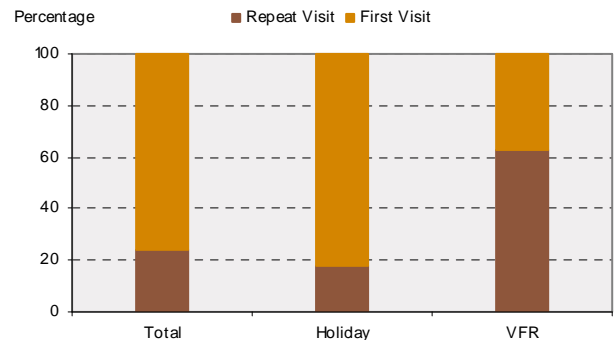
Since 1999 Visiting Friends and Relatives (VFR) numbers have almost doubled from 4,800 to 9,000 in 2008. The number of VFR visitors as a proportion of total arrivals has increased over the last 10 years from 10% to 15%.

Figure 1: German Visitor Arrivals by Main Purpose *1



Nearly a quarter of all German visitors have previously visited New Zealand. This figure is, however, influenced to some extent by the VFR category (63%) as only around 18% of all holiday visitors from Germany have previously been to New Zealand (Figure 2).

Figure 2: Repeat Visits from Germany, 2008 *2



Dual Destination Travel

Nearly two thirds of all German arrivals take the opportunity to visit another country en route either to or from New Zealand. This figure is similar for holiday travellers but slightly lower for the VFR segment (54%). Given the relatively high cost and long journey to New Zealand, people seek to break their travel into shorter segments and take the opportunity to visit other destinations.



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The most popular stopover en route is Australia, which attracts 36% of all our German visitors and 34% of our holiday travellers. Singapore, Thailand and the United States of America are other destinations that feature strongly in itineraries from Germany. This pattern reflects the frequency of air services that hub over these destinations en route to New Zealand.

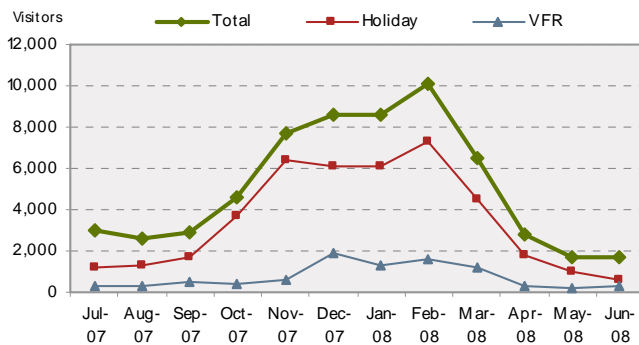
Where do they arrive in New Zealand?

Seventy four per cent of all German visitors arrive via Auckland while 21% arrive via Christchurch. These proportions have remained almost unchanged over the last decade. The pattern is very similar for holiday visitors, with 72% arriving via Auckland and 23% via Christchurch. The majority of flights on routes between Germany and New Zealand arrive into Auckland.

What is the seasonal pattern of German visitors?

November to March is the most popular time for German visitors to travel to New Zealand, with 68% of all arrivals and 73% of all holiday travellers coming during these months. May and June are the weakest months from the German market, with slightly better results for July and August, possibly reflecting the normal holiday period in the northern hemisphere. December is the most popular month for VFR visitors, with 21% of all VFR travellers arriving during this month (Figure 3).

Figure 3: German Visitor Arrivals by Month & Purpose of Travel, 2007/08¹



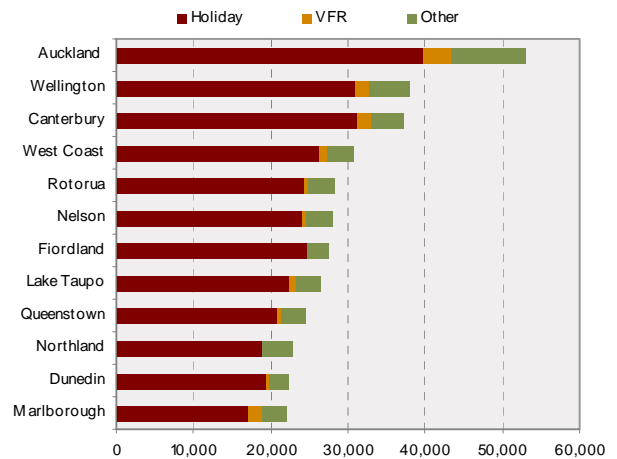
What regions do they visit?

The larger regions such as Auckland (90%), Wellington (64%) and Canterbury (63%) are the areas most visited by German travellers but, due to their long stay, Germans travel more widely through New Zealand than many of our other main markets. Eleven other regions from Northland and Coromandel in the North Island to Fiordland and Dunedin in the South Island attract at least 30% of all visitors from Germany.

The holiday market shows a very similar pattern, with significant numbers travelling beyond the larger centres in both the North and South Islands. Eight regions throughout New Zealand attract at least 50% of all Germany holiday visitors.

The pattern for VFR travellers is different, with two thirds visiting Auckland and only relatively small numbers travelling beyond the larger regions (Figure 4).

Figure 4: Main RTO Regions Visited by German Visitors, 2008²



Note: Visits to Regional Tourism Organisation (RTO) regions include all overnight stays and day visits to RTOs for one hour or more.

How long do they stay?

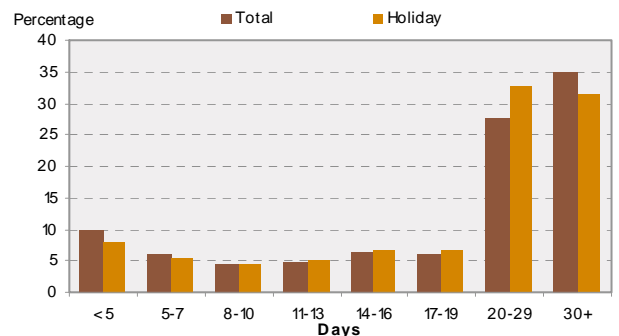
German travellers stay longer than visitors from any of our other main markets. The average length of stay for all German visitors in 2008 was 43.5 days while the average for holiday travellers was slightly lower at 37.5 days. VFR travellers stayed for an average of 34.6 days in 2008.

The median length of stay is much shorter. The median stay in 2008 for all visitors from Germany was 23.1 days and 22.8 days for holiday travellers. For VFR travellers the median was slightly longer at 24.0 days.

Figure 5 shows the length of stay for German visitors by the total market and the holiday segment. More than 60% of all arrivals stay longer than 20 days and the same is true for holiday and VFR travellers.

The average length of stay for all visitors and for holiday travellers has actually increased slightly over the last five years, in contrast with some of our other main markets where a shift to shorter holidays has been the trend.

Figure 5: Length of Stay Patterns for German Visitors, 2008¹

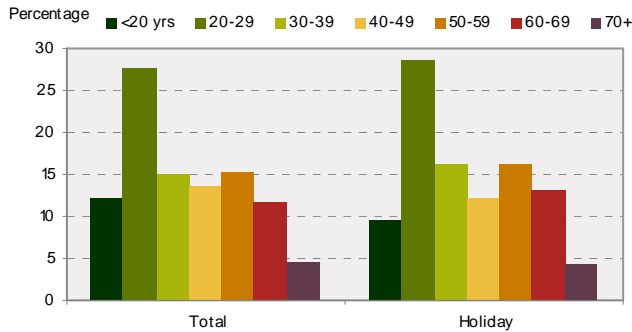


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CHARACTERISTICS OF GERMAN VISITORS

Age

More than half of all visitors from Germany are less than 40 years of age, with 20-29 years the largest age group (28%). Those aged 30-39 years and 50-59 years each form 15% of all arrivals. Over the last five years the number of travellers in the 30-39 years age group has declined from 24% to 15%. This pattern is mirrored in the age characteristics for German holiday travellers (Figure 6).

Figure 6: German Visitors by Age, 2008¹

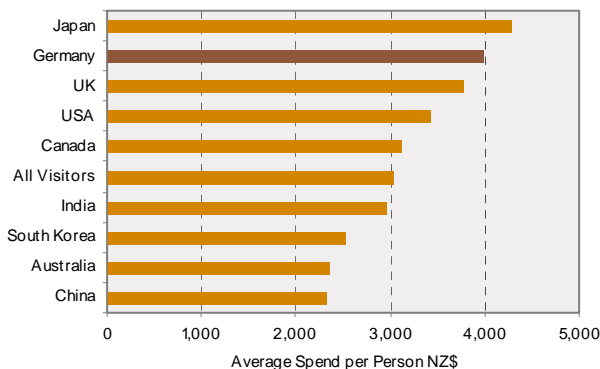
Gender

For the last five years the gender balance for all German visitors has been even at 50% female and 50% male. In the holiday segment the genders are again closely balanced at 52% female and 48% male while females outnumber males in the VFR category 54% to 46%.

How much do they spend in New Zealand?

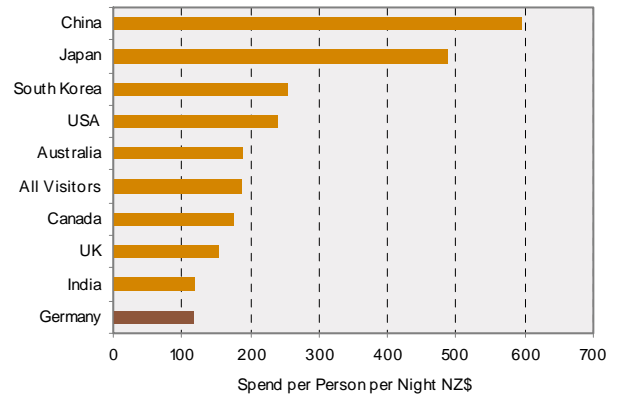
German visitors spent a total of \$239 million in New Zealand during 2008, making this our second largest source market in Europe in terms of expenditure. Spending by holiday visitors amounted to \$169 million.

Average expenditure per person for the German market overall was \$4,056 (compared with \$2,682 for all visitors to New Zealand). The average spend for German holiday visitors was slightly lower at \$3,973 (compared with \$3,027 for all holiday arrivals) (Figure 7).

Figure 7: Average Spend by Market for Holiday Visitors, 2008²

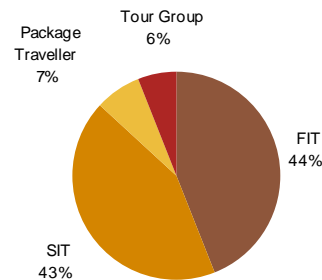
The average spend per night was \$101 for all visitors from Germany while holiday travellers spent \$118. The spend per night by German holiday visitors was below the average for all our main markets but, due to their longer stays, the average spend per person was one of the highest (Figure 8).

Note: All references to spend exclude international airfares

Figure 8: Average Spend per Night by Market for Holiday Visitors, 2008²

Travel Styles

While some parts of an itinerary may be pre-booked, most German visitors like to make arrangements as they travel through New Zealand. Fully-independent travellers (FIT) and semi-independent travellers (SIT) form the largest proportion of total arrivals (87%) and holiday arrivals (83%) from the German market. Those on a group or packaged tour make up around 13% of the overall market and 17% of the holiday market (Figure 9).

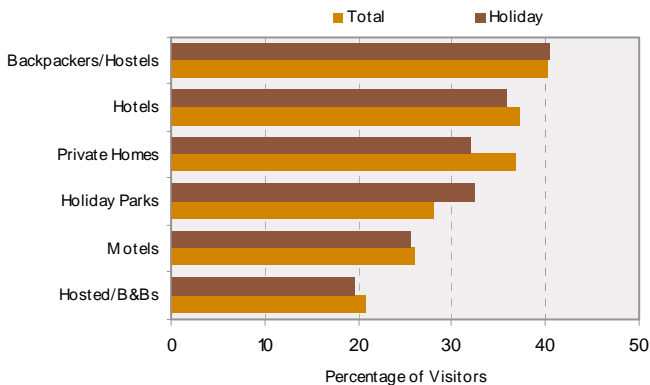
Figure 9: Travel Styles of German Visitors, 2008²

FIT: made and paid for all travel arrangements after arrival in New Zealand
SIT: made and paid for at least one travel arrangement before arrival in New Zealand

What accommodation types do they use?

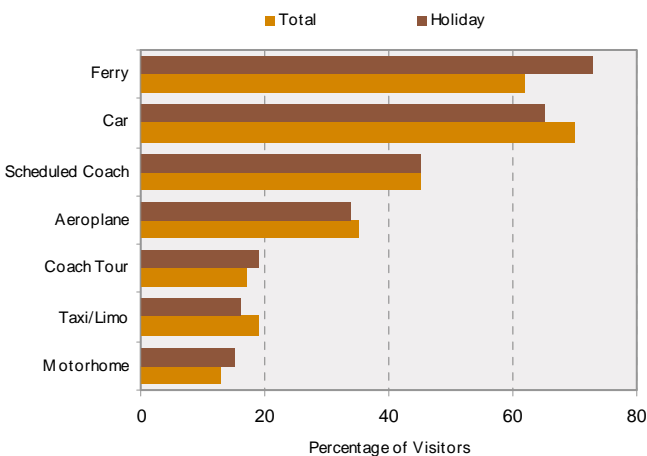
Backpackers (40%), hotels (37%) and privately owned dwellings (37%) are the most common accommodation types used by the overall German market. To a lesser extent, campgrounds, motels and hosted/B&Bs are also popular with German visitors. Holiday visitors use an identical range of options, the top five including backpackers (40%), hotels (36%), privately owned dwellings (32%), campgrounds/holiday parks (32%) and motels (26%). 72% of all VFR visitors use privately owned dwellings while backpackers and motels are also popular (Figure 10).

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Figure 10: Main Accommodation Types used by German Visitors, 2008²

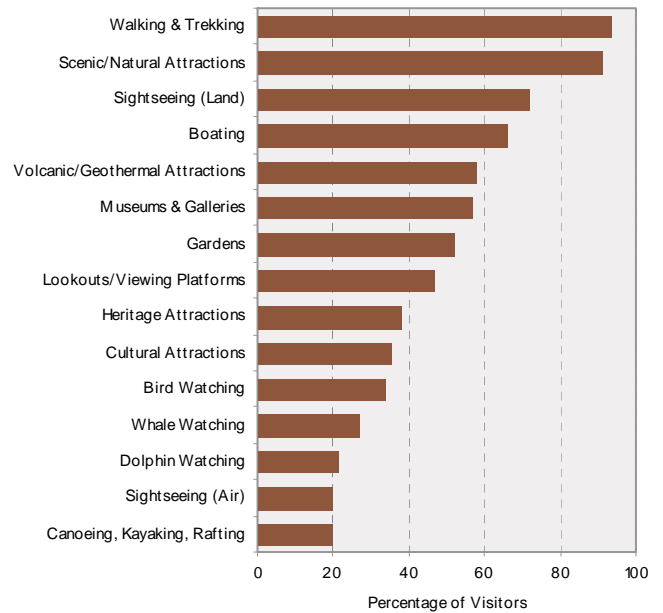
What transport types are used?

Travel by car (70%) is the most frequently used option for German visitors, with ferry services (62%), scheduled coach services (45%) and air services (35%) also widely used. A smaller number of visitors also use coach tours and motorhomes. Holiday travellers use the same range of options (Figure 11).

Figure 11: Transport Types used by German Visitors, 2008²

What are the popular activities and attractions?

A long stay in New Zealand allows German visitors to experience a wide range of attractions and activities during their visit. Walking/trekking, natural attractions, land-based sightseeing activities, boating, museums/galleries, volcanic/geothermal attractions and gardens each attract more than 40% of all visitors from Germany. The pattern is very similar for German holiday travellers although the numbers are slightly higher in this case. As shown in Figure 12, 94% of holiday visitors from Germany enjoy walking/trekking, 91% visit natural attractions, 72% participate in sightseeing activities and 57% visit museums/galleries. Gardens, volcanic/geothermal regions, cultural and heritage attractions and wildlife viewing, for example, are also popular with holiday visitors.

Figure 12: Key Activities by German Holiday Visitors, 2008²

Tables 1-4: German Visitors – Trends and Characteristics

1. VISITOR ARRIVALS	2003	2004	2005	2006	2007	2008
Total	53,000	56,000	58,000	59,000	60,000	62,000
Holiday	40,000	41,000	42,000	42,000	42,000	43,000
VFR	6,000	8,000	8,000	8,000	9,000	9,000
Business	3,000	3,000	3,000	3,000	4,000	4,000
Other	3,000	4,000	5,000	5,000	6,000	6,000

2. RTO VISITS 2008	Holiday	Other	Total *
Auckland	40,000	13,000	53,000
Wellington	31,000	7,000	38,000
Canterbury	31,000	6,000	37,000
West Coast	26,000	4,000	31,000
Rotorua	24,000	4,000	28,000
Nelson	24,000	4,000	28,000
Fiordland	25,000	3,000	27,000
Lake Taupo	22,000	4,000	26,000
Queenstown	21,000	4,000	25,000
Northland	19,000	4,000	23,000
Dunedin	19,000	3,000	22,000
Marlborough	17,000	5,000	22,000

3. EXPENDITURE 2008 NZ\$	Holiday	VFR	Total *
Total Spend (Millions)	169	14	239
Average Per Person	3,973	2,502	4,056
Average/Person/Night	118	132	101

4. LENGTH OF STAY 2008	Holiday	Total *
< 5 Days	3,000	6,000
5-7 Days	2,000	4,000
8-10 Days	2,000	3,000
11-13 Days	2,000	3,000
14-16 Days	3,000	4,000
17-19 Days	3,000	4,000
20-29 Days	14,000	17,000
30 or More Days	13,000	22,000
Average (Days)	37.5	43.5
Median (Days)**	22.8	23.1

Notes: Total includes all other categories. Business includes Conference arrivals.

** Half of the visitors stayed longer and the other half stayed less than the median

DATA SOURCES

¹ IVA: International Visitor Arrivals (Statistics New Zealand)

² IVS: International Visitor Survey (Ministry of Tourism)

IMAGE CREDITS

Wellington Willis St. – Positively Wellington Tourism, www.WellingtonNZ.com

Lake Taupo Lodge – www.laketaupolodge.co.nz

Cardrona Ski Field – www.cardrona.com

Southern Traverse – Michael Jacques, www.karapoti.co.nz

Wai-O-Tapu Champagne Pool – Destination Rotorua, www.rotoruaNZ.com

TSS Earnslaw, Queenstown – Real Journeys, www.realjourneys.co.nz