

# Quarterly Focus:

## Accommodation Booking Patterns and Satisfaction of New Zealand's Major International Markets

The 'Quarterly Focus' section of the RVM report investigates in detail a topical issue, or examines in depth a specific market or market segment.

Looking ahead to the 2009/10 peak summer season, this Quarterly Focus examines the booking behaviour of New Zealand's major international visitor markets and the relationship between booking of accommodation and visitor satisfaction. This data should be of interest to all operators who want to more effectively reach the growing proportion of international visitors booking accommodation, transport and/or activities and attractions prior to arriving in a region and, in particular to those with an interest in the accommodation sector.

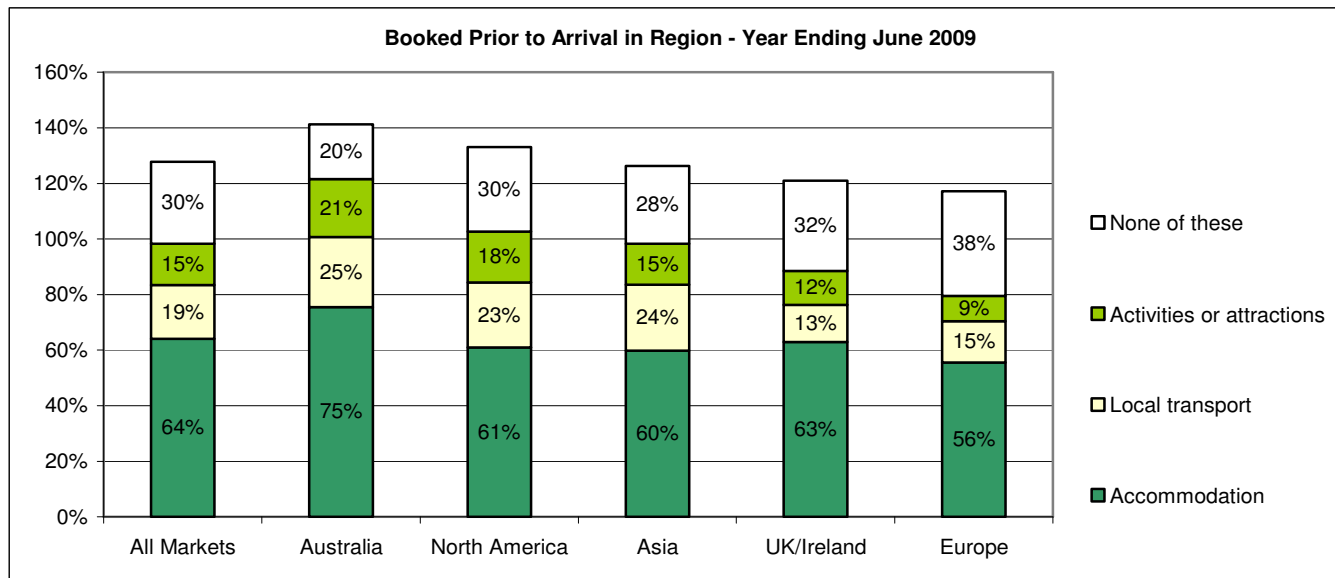
### HIGH LEVEL OF ACCOMMODATION PRE-BOOKING

RVM results indicate that most international visitors book at least one product or service before they arrive in a region (Figure QF1). Most (64%) book accommodation, while 19% book local transport services (such as coach, bus or taxi services in-region, or local use of a rental vehicle) and 15% book activities or attractions before they arrive. Interestingly, almost a third of all international visitors (30%) book none of these products or services before arriving in a region.

Australians are most likely to book products/services prior to arrival in a region, with 75% booking accommodation. This proportion has risen from 69% in YE June 07 to 75% in YE June 09. Australian visitors are also more likely to book local transport and activities/attractions before arriving in a region. European visitors are least likely to book ahead, with 56% booking accommodation and 38% not booking before arriving in a region.

The differences in pre-booking behaviour of these two markets (i.e. Australian and European) may be related to their respective lengths of stay. Australians, who typically stay in New Zealand for shorter periods, are more likely to plan these shorter breaks in detail. Europeans, who on average stay in New Zealand for much longer periods of time, may opt instead to plan some elements of their trip to New Zealand in advance and then make further decisions as they travel through the regions.

Figure QF1: Proportion of Visitors Booking Products/Services Prior to Arrival (International Visitors, YE June 2009)



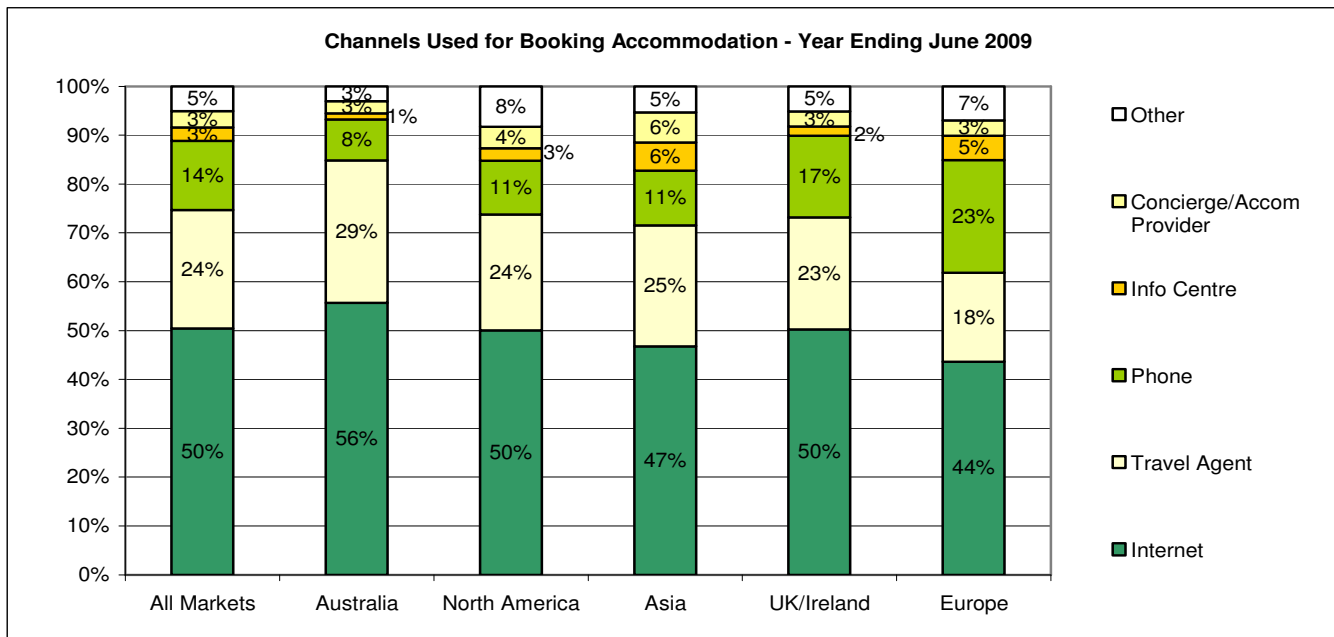
NB: Respondents can book more than one product or service in advance and totals can add to more than 100%

### AUSTRALIAN VISITORS LEAD USE OF ONLINE CHANNELS TO BOOK ACCOMMODATION

As seen in Figure QF2 (overleaf), Australian visitors also lead other markets in their use of online channels for the booking of accommodation in the RVM regions. Of those Australian visitors who pre-booked accommodation in the year to June 2009, well over half (56%) used online channels to do so. This compares with the 47% of visitors from key Asian markets who pre-booked accommodation and 44% of European visitors.

Travel agents were also a popular channel for those booking accommodation, maintaining a share of around 20% in all major market groupings. 'European' travellers had a relatively higher reliance on telephone bookings for accommodation.

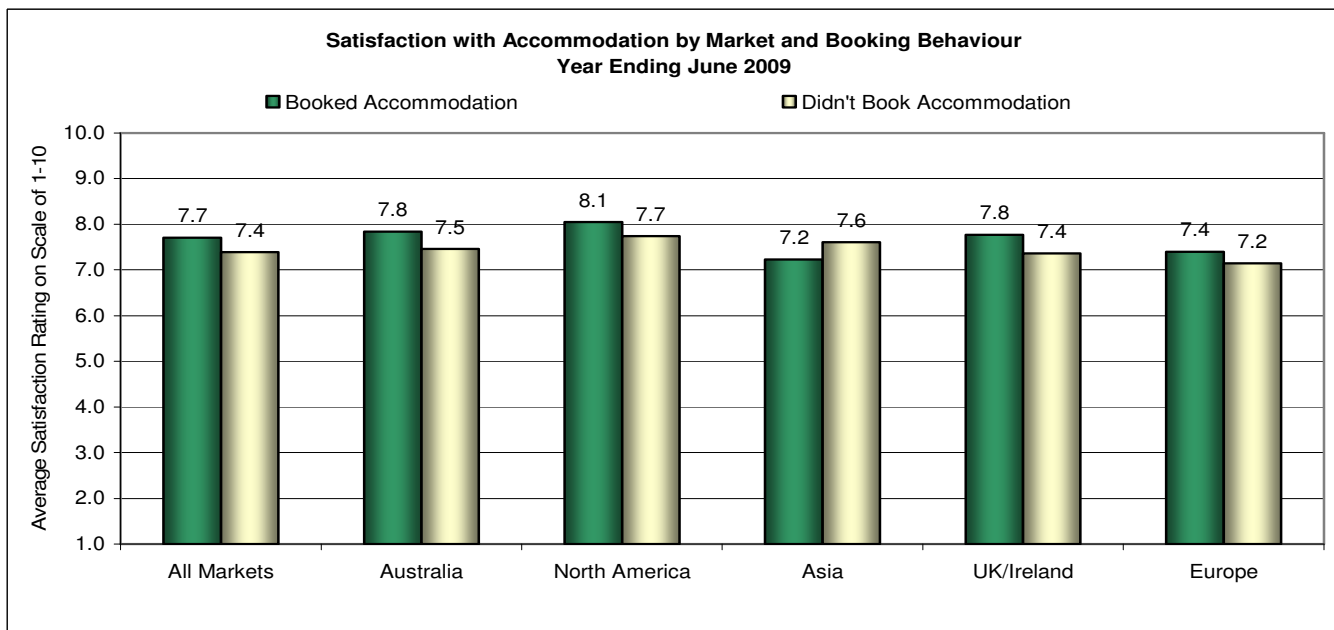
Figure QF2: Booking Channels Used for Accommodation (International Visitors, YE June 2009)



### BOOKING RELATED TO SATISFACTION – EXCEPT IN ASIAN MARKETS

Analysis of visitor satisfaction by booking behaviour reveals an interesting insight: international visitors in all major market groupings (except Asia) are typically more satisfied with their accommodation if they have booked this ahead (see Figure QF3 below). This may have much to do with clarity of expectation (*I know what I'm getting so I won't be disappointed*) or certainty of delivery (*if I book I'll get exactly what I want*) or to a combination of both factors. This suggests there is much to be gained by encouraging international visitors to book ahead.

Figure QF3: Visitor Satisfaction with Main Form of Accommodation by Booking Behaviour (International Visitors, YE June 2009)



NB: Analysis excludes international visitors staying in private accommodation