

# Quarterly Focus: Australian Market

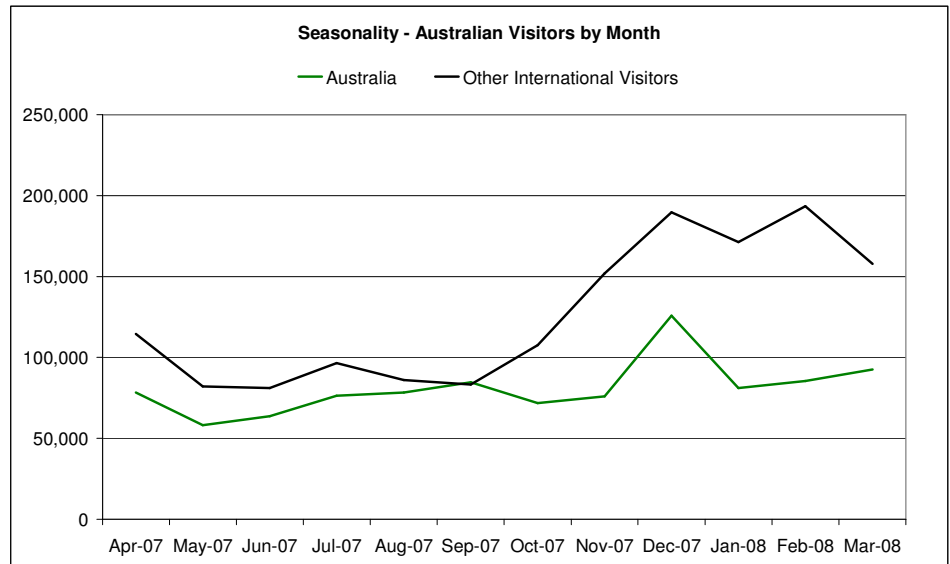
The 'Quarterly Focus' section of the RVM reports investigates in detail a topical issue, or examines in depth a specific market or market segment. The current Quarterly Focus looks in more detail at Australian travellers (including those who reported holiday as their main purpose of visit). In particular, we look at who they are, what they do, what they expect and how satisfied they are. We also consider how they're **different** to other international visitors.

Australia continues to be New Zealand's largest source of international visitors and is an important market for all major New Zealand RTOs. Australian visitors accounted for 39% of all international arrivals in the year ending March 2008. In this year, a total of 970,471 Australian visitors travelled to New Zealand, 6.2% more than in the same period the previous year.<sup>2</sup>

In the year ending March 2007, Australian travellers to New Zealand spent 9.4 million nights in New Zealand, or an average of 11 nights in New Zealand per person. This is significantly lower than the benchmark for other international markets (an average of 26 nights in New Zealand per person).<sup>3</sup>

However, as illustrated in Figure QF1, seasonality is less of an issue than it is in other international markets. While more Australians arrive in New Zealand in December than at other times of the year, volumes are relatively constant through the shoulder and off-peak seasons as well.<sup>4</sup>

Figure QF1: Seasonality – Australian Visitors by Month  
(Source: International Visitor Arrivals, Statistics New Zealand, YE March 2008)



**So what does the RVM tell us about Australian visitors?** Please note that the results reported here may differ from the results of similar questions included in the International Visitor Survey (IVS). This is because aggregated RVM results relate only to the **six regions** participating in the programme (Auckland, Rotorua, Wellington, Christchurch & Canterbury, Queenstown and Dunedin) and not to the country as a whole AND because the **context** for questions included in the two programmes is quite different. For example, the RVM captures activities and attractions undertaken by visitors in a single region, while the IVS captures activities and attractions undertaken during the totality of a visitor's trip (which may span several regions).

- Two-thirds (66%) of Australian visitors reported holiday as the main purpose of visit to the region, which is comparable to the benchmark for other international visitors (67%).
- However, it is interesting to note that Australian holidaymakers are, on average, **older** than their counterparts from other international markets: 47% are aged more than 45 years, in comparison with just 29% of holidaymakers from other international markets.
- They are also more likely to be **on a return visit to the region** – 26% of Australian holidaymakers, compared with 15% of holiday visitors from other international markets.
- Australian holidaymakers tend to arrive into the RVM regions on scheduled international flights (36%) or in rental cars (30%, compared with 16% of all international visitors).
- They like to stay in hotels (30%), motels (20%), backpackers/youth hostels (14%) and serviced apartments (14%). Their use of self-catering options (motels, serviced apartments), in particular, sets them apart from other international visitors and is more characteristic of the domestic market.

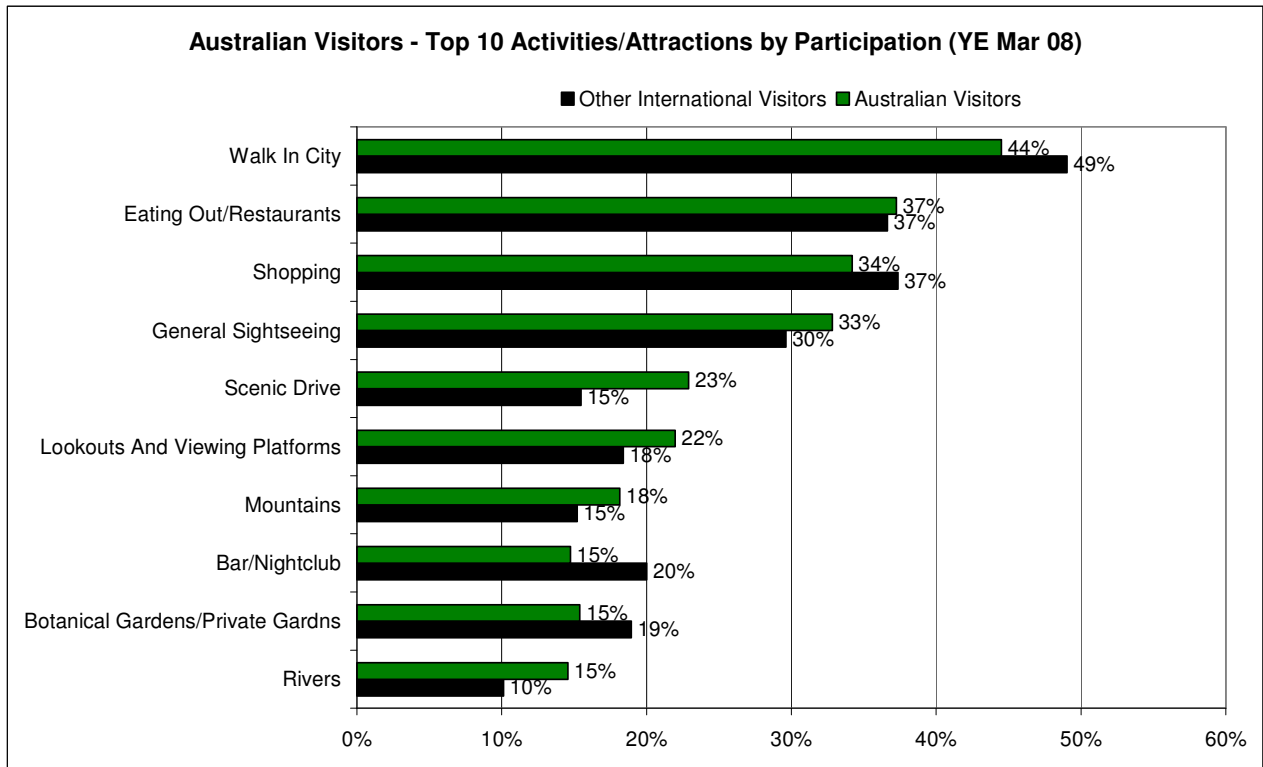
<sup>2</sup> International Visitor Arrivals, Statistics New Zealand, YE March 2008

<sup>3</sup> International Visitor Survey, Ministry of Tourism, YE March 2007

<sup>4</sup> International Visitor Arrivals, Statistics New Zealand, YE March 2008

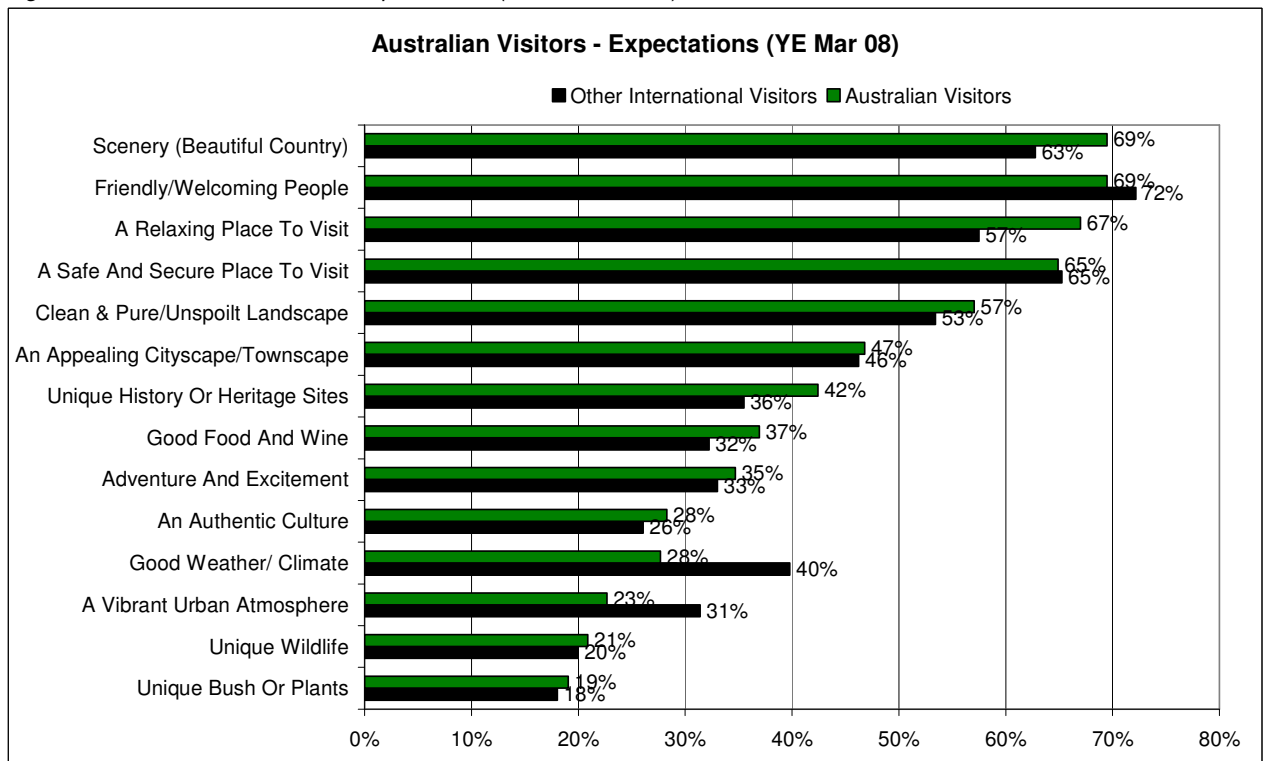
- When it comes to **activities and attractions** in the RVM regions, most commonly Australian visitors take a walk in the city (44%), eat out (37%) and go shopping (34%). Australian visitors also appear to be very enthusiastic about New Zealand's scenery and are more likely than other international visitors to engage in general sightseeing, scenic drives, visiting lookouts and viewing platforms, and trips to mountains and rivers (see Figure QF2 below).

Figure QF2: Australian Visitors, Top 10 Activities/Attractions by Participation (YE March 2008)



- When looking at **visitor expectations**, it is apparent that Australian visitors arrive in the RVM regions with significantly higher expectations of finding beautiful scenery, "a relaxing place to visit", clean and pure natural landscapes, unique history/heritage sites, and good food and wine than other international visitors.

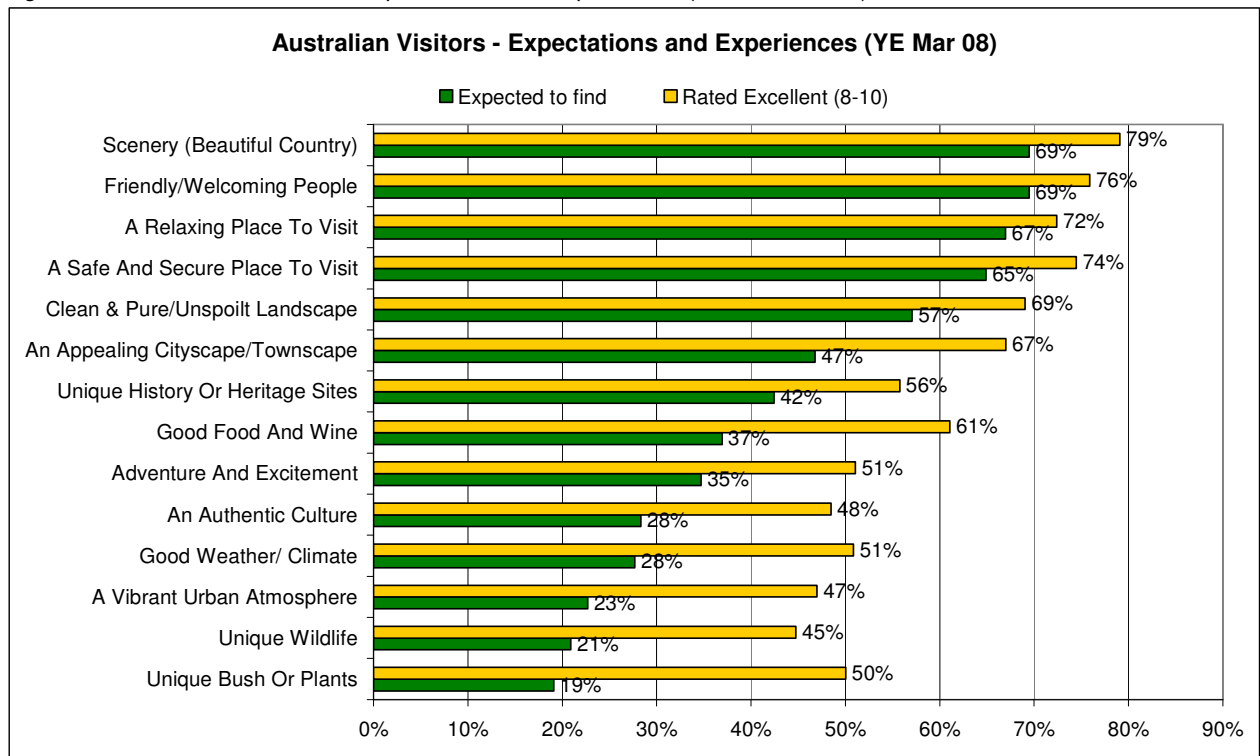
Figure QF3: Australian Visitors - Expectations (YE March 2008)



- Interestingly, however, their expectations are much lower than those of other international visitors when it comes to good weather/climate and experiencing "a vibrant urban atmosphere".

- Figure QF4 depicts the extent to which the RVM regions are **exceeding the expectations** of their Australian visitors, not only in areas where expectations are already high, but also in those areas in which expectations are comparatively lower. For example, while just 37% of Australian visitors expected the RVM regions to offer good food and wine, 61% rated the region in which they were interviewed as “excellent” in this regard (giving it an 8, 9, or 10 on a 10-point rating scale).

Figure QF4: Australian Visitors – Expectations and Experiences (YE March 2008)



- Given these results, it is perhaps not surprising that satisfaction levels amongst Australian visitors are very high overall. The average ‘overall satisfaction’ rating given by Australian travellers to the RVM regions in the year to March 2008 was 8.3 out of 10. This is higher than the benchmark for other international visitors of 8.1.