



# TOURISM LEADING INDICATORS MONITOR

SERIES 2009/4 **MAY 2009** NEW ZEALAND

This edition provides new data on:

- Inbound and Outbound Travel Apr 09
- Commercial Accommodation Mar 09
- International Visitor Expenditure YE Mar 09

It provides an update on New Zealand's international tourism performance and a comparison with some countries in light of the impact of global economic recession.

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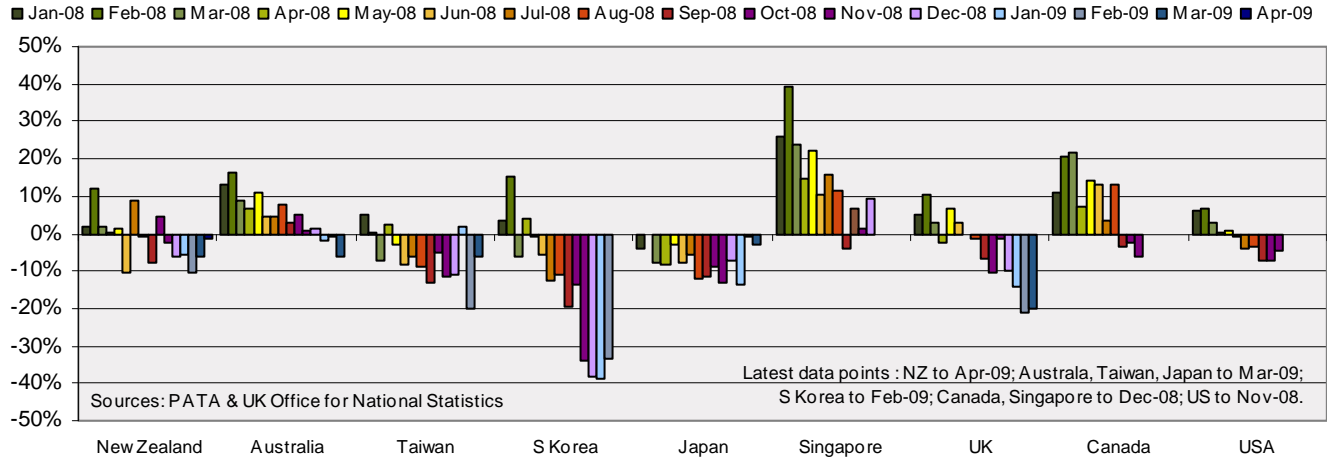




# COMMENTARY

Figure 3 below shows how some of our important visitor source markets are performing in terms of their outbound travel. For markets like Japan and South Korea their total outbound travel is very soft, and have severely impacted travel to New Zealand from these markets. The large decline in outbound travel from the UK in recent months is significant and is reflected in the large decrease in our inbound UK visitors.

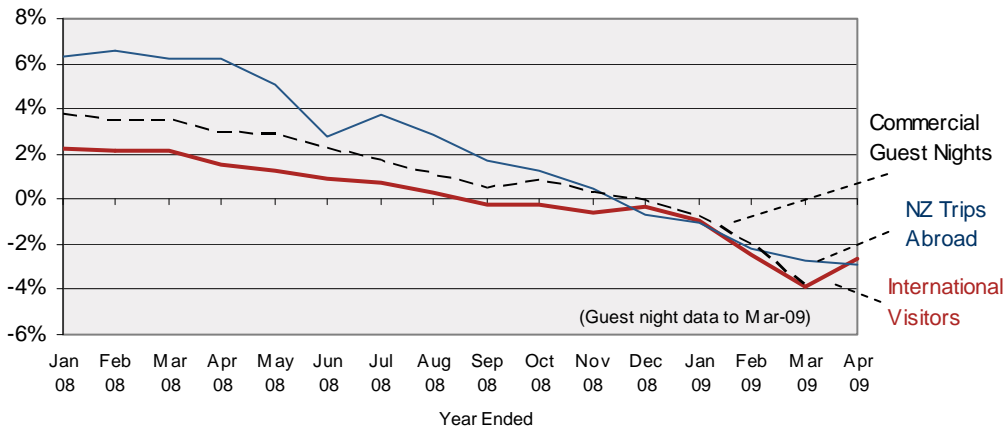
Figure 3: International Comparison - Outbound Travel from Selected Countries - Monthly Growth Rates, Jan08-Mar09



In contrast, although the Australian and Singaporean outbound travel has been slowing their arrivals to New Zealand have in fact been increasing. This suggests that New Zealand is gaining market share in these markets.

Overall, the main indicators for the New Zealand tourism sector continued to soften over the first four months of 2009 (Figure 4 below), pointing to an underlying decline of around 2-4% to the year ended April 2009.

Figure 4: NZ Inbound Travel, Outbound Travel and Commercial Guest Nights - Rolling Year Ended Growth Rates, Jan08-Apr09



In the first four months of this year, international visitors were down by 4.3%. This is the result of two quite different stories – firstly the strong Australian market (up 5.0%) and secondly the weakness of many of our important long-haul markets (e.g. UK, USA, Japan and South Korea) down by 9.1% overall.

Short-haul travel from Australia remains strong while long-haul visitors have weakened significantly.

The Ministry's forecasts for 2009-2015 will be released in July which will provide a guide to the industry on both the short and long term expectations of tourism demand.

## 1. INBOUND TOURISM

**International Visitor Arrivals, April 2009** - In the month of April 2009 there were 195,900 international visitor arrivals, up by 9.2% (16,500) compared to April 2008. This is the greatest number of visitors for any April month. This increase is partly due to the change in the Easter Holiday period which occurred in March 2008 but moved to April in 2009.

It is estimated that 7.9% of the April increase is attributable to the 'Easter effect', making the underlying seasonally adjusted international arrivals up by 1.3% for April.

**Markets** – Visitors from Australia (up 16,800 or 22.8%) recorded the largest increase in April 2009. This was followed by Hong Kong (up 1,400 or 112.7%), Germany (up 870 or 31.2%), Thailand (up 500 or 14.3%), New Caledonia (up 440 or 57.6%), French Polynesia (up 430 or 48.6%), Singapore (up 390 or 24.0%), France (up 210 or 17.3%), the United States (up 200 or 1.4%), Canada (up 190 or 6.2%) and the United Kingdom (up 170 or 1.0%).

In contrast, there were fewer visitors from the South Korea (down 3,200 or 45.5%), Japan (down 1,100 or 15.7%), China (down 680 or 6.0%), South Africa (down 500 or 21.6%) and Malaysia (down 360 or 16.3%).

**Purpose** - There were more visitors on holiday (up 14,200 or 17.9%) and visiting friends and relatives (up 9,600 or 17.1%) in April 2009 compared to April 2008, while there were fewer visitors on business (down 5,300 or 23.5%).

**Duration** – In April 2009, the average length of stay of visitors was 17.5 days, 1.7 days shorter than in April 2008. The total number of visitor days decreased by 0.8% (26,400) to 3.4 million.

**Flights** – There were 2,269 flight-arrivals in April 2009, 12 flights or 0.5% less than in April 2008.

**Annual Arrivals** – For the year ended April 2009, there were 2.417 million international visitor arrivals, down by 65,900 or 2.7% on the previous year

Total visitor days were down by 3.0% to 49.60 million, with the average length of stay down 0.1 day to 20.6 days.

Figure 1a **Growth Rate of International Visitor Arrivals (Month of April 2009)**

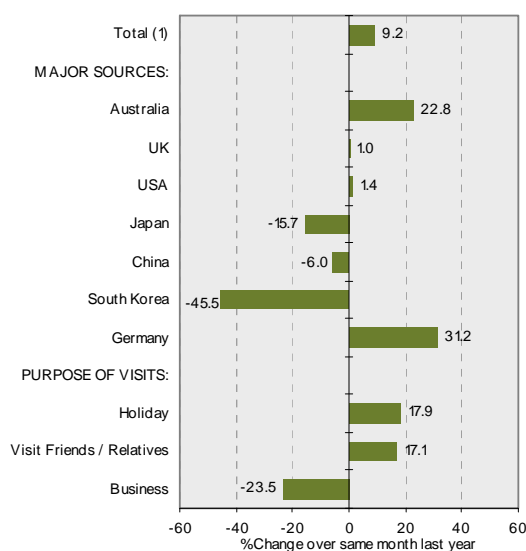
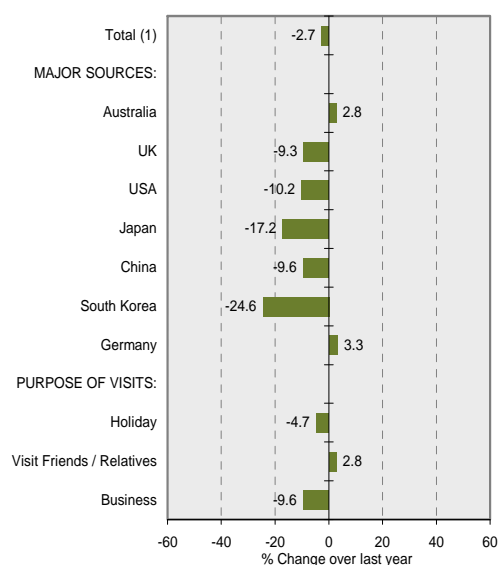


Figure 1b **Growth Rate of International Visitor Arrivals (Year Ended April 2009)**



# 1. INBOUND TOURISM

Table 1a International Visitor Arrivals (Month)

APRIL MONTH	International Visitor Arrivals			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
Total (1)	193,229	179,388	195,883	-7.2	9.2
<b>MAJOR SOURCES:</b>					
Australia	78,108	73,704	90,508	-5.6	22.8
UK	19,849	17,760	17,930	-10.5	1.0
USA	17,710	14,184	14,388	-19.9	1.4
Japan	8,142	7,200	6,072	-11.6	-15.7
China	10,925	11,352	10,670	3.9	-6.0
South Korea	8,602	6,984	3,806	-18.8	-45.5
Germany	2,990	2,784	3,652	-6.9	31.2
<b>PURPOSE OF VISITS:</b>					
Holiday	94,001	79,224	93,434	-15.7	17.9
Visit Friends / Relatives	56,879	55,944	65,538	-1.6	17.1
Business	21,482	22,392	17,138	4.2	-23.5
<b>INTERNATIONAL ARRIVAL FLIGHTS:</b>					
Passenger Flights	2,245	2,281	2,269	1.6	-0.5

(1) Totals are actual visitor counts and may differ from sample based data.

Table 1b International Visitor Arrivals (Year)

YEAR ENDED APRIL	International Visitor Arrivals			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
Total (1)	2,446,711	2,483,153	2,417,214	1.5	-2.7
<b>MAJOR SOURCES:</b>					
Australia	913,276	966,067	992,674	5.8	2.8
UK	301,651	291,120	263,903	-3.5	-9.3
USA	222,784	219,231	196,859	-1.6	-10.2
Japan	129,287	115,547	95,696	-10.6	-17.2
China	115,565	124,750	112,783	7.9	-9.6
South Korea	112,248	90,225	68,035	-19.6	-24.6
Germany	58,744	60,752	62,776	3.4	3.3
<b>PURPOSE OF VISITS:</b>					
Holiday	1,210,348	1,213,643	1,156,785	0.3	-4.7
Visit Friends / Relatives	696,387	726,983	747,551	4.4	2.8
Business	271,081	267,740	242,048	-1.2	-9.6
<b>INTERNATIONAL ARRIVAL FLIGHTS:</b>					
Passenger Flights	28,377	27,989	28,892	-1.4	3.2

(1) Totals are actual visitor counts and may differ from sample based data.

## 2. OUTBOUND TOURISM

**Departures, April 2009** - In the month of April 2009, New Zealand residents undertook 162,400 short-term overseas trips, down by 1,900 or 1.2% compared to April 2008. .

**Destinations** - There were more trips to the Australia (up 2,900 or 3.5%), followed by Samoa (up 880 or 33.8%), India (up 820 or 62.0%), the Cook Islands (up 270 or 7.1%), Germany (up 210 or 28.6%) and the United Kingdom (140 or 1.8%).

In contrast, there were fewer trips to Fiji (down 1,500 or 20.7%), China (down 1,100 or 19.8%), Japan (down 870 or 33.1%), the Philippines (down 470 or 40.3%), South Korea (down 440 or 30.8%), France (down 410 or 29.0%), the United States (down 390 or 4.9%) and Tonga (down 380 or 28.9%).

**Purpose** – There were more New Zealanders visiting friends and relatives (up 8,100 or 15.4%) in April 2009 compared to April 2008, while there were fewer New Zealanders on business (down 4,800 or 18.6%) and on holiday (down 3,900 or 6.0%).

**Duration** - The average length of trips in April 2009 was 19.6 days, 0.4 day longer than in April 2008.

**Annual Departures** – There were 1.940 million trips undertaken during the year ended April 2009, down by 57,100 or 2.9% on the previous year.

Figure 2a **Growth Rate of Trips Abroad by NZ Residents (Month of April 2009)**

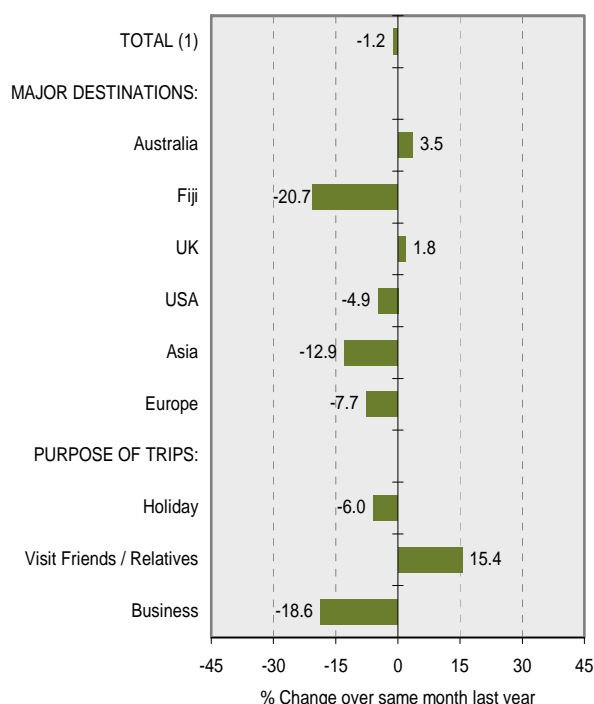
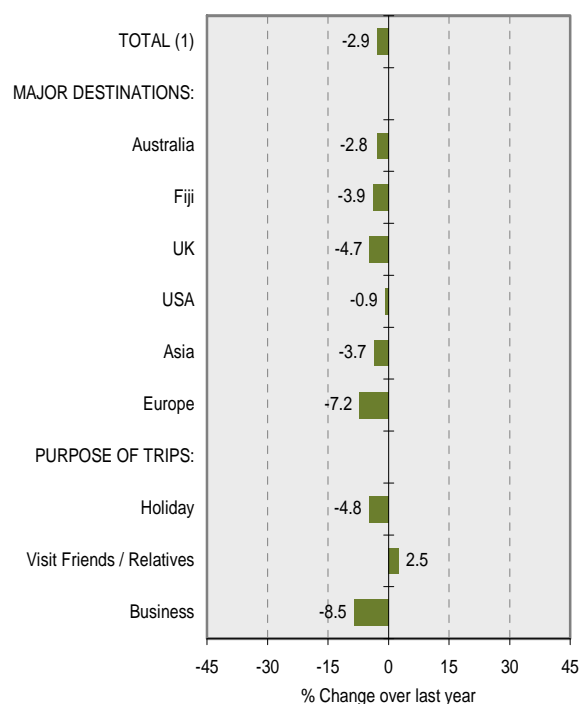


Figure 2b **Growth Rate of Trips Abroad by NZ Residents (Year Ended April 2009)**



## 2. OUTBOUND TOURISM

Table 2a Trips Abroad by NZ Residents (Month)

APRIL MONTH	Trips Abroad by NZ Residents			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL (1)	163,682	164,309	162,384	0.4	-1.2
<b>MAJOR DESTINATIONS:</b>					
Australia	84,564	81,480	84,370	-3.6	3.5
Fiji	7,992	7,308	5,798	-8.6	-20.7
UK	6,750	7,560	7,696	12.0	1.8
USA	8,100	7,952	7,566	-1.8	-4.9
Asia	20,034	22,316	19,448	11.4	-12.9
Europe	12,798	14,476	13,364	13.1	-7.7
<b>PURPOSE OF TRIPS:</b>					
Holiday	69,660	65,576	61,672	-5.9	-6.0
Visit Friends / Relatives	50,355	52,724	60,866	4.7	15.4
Business	24,624	25,984	21,138	5.5	-18.6

(1) Totals are actual visitor counts and may differ from sample based data.

Table 2b Trips Abroad by NZ Residents (Year)

YEAR ENDED APRIL	Trips Abroad by NZ Residents			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL (1)	1,880,121	1,996,941	1,939,810	6.2	-2.9
<b>MAJOR DESTINATIONS:</b>					
Australia	936,350	975,522	948,115	4.2	-2.8
Fiji	105,753	96,755	92,959	-8.5	-3.9
UK	89,216	96,187	91,664	7.8	-4.7
USA	86,802	92,877	92,008	7.0	-0.9
Asia	239,230	256,871	247,429	7.4	-3.7
Europe	160,143	178,269	165,493	11.3	-7.2
<b>PURPOSE OF TRIPS:</b>					
Holiday	791,467	840,270	799,578	6.2	-4.8
Visit Friends / Relatives	579,194	627,437	643,316	8.3	2.5
Business	286,465	291,576	266,754	1.8	-8.5

(1) Totals are actual visitor counts and may differ from sample based data.

### 3. COMMERCIAL ACCOMMODATION

**Guest Nights, March 2009** - In the month of March 2009, a total of 3,245,338 guest nights were spent in commercial accommodation, a decrease of 387,324 nights (or 10.7%) from March 2008. The timing of the Easter holidays, which occurred in March in 2008, and this year in April, contributed to this decrease. Guest nights for March 2009 were 5 percent lower than in March 2007, the previous non-Easter month.

Both the North Island (down 189,000 or 9.4%) and South Island (down 198,000 or 12.2%) recorded a decrease in guest nights in March 2009.

**International and Domestic** - In March 2009, guest nights comprised 51.8% domestic guests (1.70 million) and 48.2% international guests (1.56 million). Domestic guest nights decreased by 10.2% (190,400) while international guest nights decreased by 11.2% (196,900).

**Accommodation Types** - All accommodation types recorded a decrease in guest nights in March 2009. Caravan parks/camp grounds recorded the largest decrease (down 183,200 or 23.7%), followed by motels (down 120,800 or 10.4%), hotels (down 54,200 or 4.9%), hosted accommodation (down 20,500 or 26.2%) and backpackers (down 8,600 or 1.7%).

**Occupancy** - The overall occupancy rate of accommodation establishments in March 2009 was 43.4%, down 4.0 percentage points compared to 47.4% in March 2008.

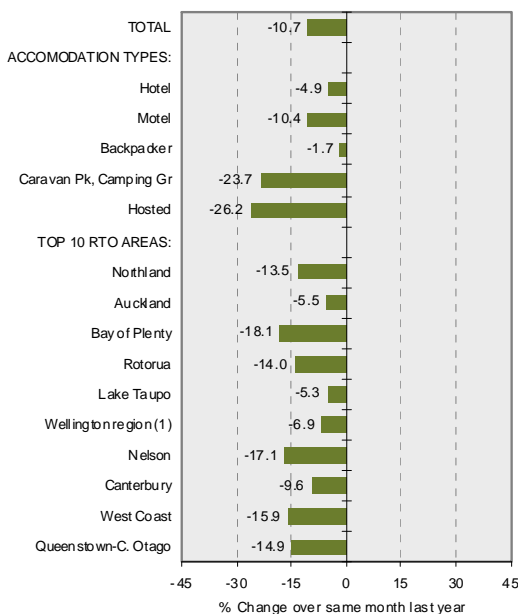
Motels recorded the largest decrease in occupancy (59.2%, down 6.5 points), followed by hosted accommodation (31.7%, down 5.6 points), caravan parks/camp grounds (17.1%, down 4.3 points), backpackers (54.7%, down 2.9 points) and hotels (63.8%, down 2.5 points).

**RTOs** - In March 2009, most RTOs recorded a decrease in guest nights from March 2008. Ruapehu recorded the only increase (up 2,100 or 7.3%).

Queenstown/Central Otago recorded the largest decrease (down 52,600 or 14.9%), followed by Canterbury (down 48,200 or 9.6%), Auckland (down 31,200 or 5.5%), Wellington (down 18,700 or 6.9%), West Coast (down 26,600 or 15.9%), Nelson (down 26,600 or 17.1%), Northland (down 26,400 or 13.5%), Rotorua (down 25,700 or 14.0%) and Bay of Plenty (down 23,000 or 18.1%).

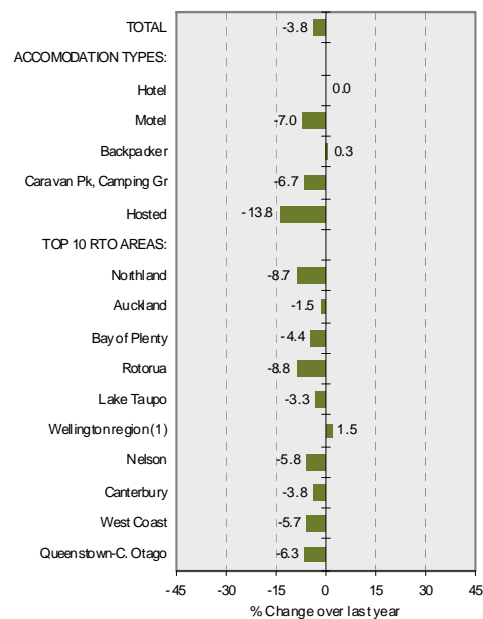
**Annual** - For the year ended March 2009, there was a total demand of 32.08 million guest nights, down by 1,278,800 or 3.8% on the previous year.

Figure 3a **Growth Rate of Guest Nights (Month of March 2009)**



(1) Includes Wellington, Porirua, L & U Hutt cities and Kapiti district.

Figure 3b **Growth Rate of Guest Nights (Year Ended March 2009)**



(1) Includes Wellington, Porirua, L & U Hutt cities and Kapiti district.

## 3. COMMERCIAL ACCOMMODATION

Table 3a **Guest Nights (Month)**

MARCH MONTH	Guest Nights			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
<b>TOTAL</b>	3,398,919	3,632,663	3,245,338	6.9	-10.7
<b>ACCOMODATION TYPES:</b>					
Hotel	1,061,034	1,109,133	1,054,901	4.5	-4.9
Motel	1,142,524	1,157,692	1,036,885	1.3	-10.4
Backpacker	495,511	514,000	505,442	3.7	-1.7
Caravan Pk, Camping Gr	626,029	773,607	590,383	23.6	-23.7
Hosted	73,822	78,230	57,728	6.0	-26.2
<b>TOP 10 R TO AREAS:</b>					
Northland	183,851	195,406	169,003	6.3	-13.5
Auckland	571,476	571,619	540,450	0.0	-5.5
Bay of Plenty	114,042	127,056	104,106	11.4	-18.1
Rotorua	184,441	183,735	158,027	-0.4	-14.0
Lake Taupo	103,418	102,289	96,879	-1.1	-5.3
Wellington region (1)	242,823	271,546	252,851	11.8	-6.9
Nelson	135,342	155,810	129,228	15.1	-17.1
Canterbury	441,869	503,566	455,317	14.0	-9.6
West Coast	150,877	167,002	140,388	10.7	-15.9
Queenstown-C. Otago	316,466	354,017	301,390	11.9	-14.9

(1) Wellington region includes - Wellington, Porirua, Kapiti, L & U Hutt.

Table 3b **Guest Nights (Year)**

YEAR ENDED MARCH	Guest Nights			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
<b>TOTAL</b>	32,243,881	33,361,016	32,082,265	3.5	-3.8
<b>ACCOMODATION TYPES:</b>					
Hotel	10,146,678	10,489,804	10,491,208	3.4	0.0
Motel	10,842,400	11,045,665	10,276,919	1.9	-7.0
Backpacker	4,370,416	4,543,775	4,559,471	4.0	0.3
Caravan Pk, Camping Gr	6,297,615	6,698,828	6,252,088	6.4	-6.7
Hosted	586,772	582,944	502,579	-0.7	-13.8
<b>TOP 10 R TO AREAS:</b>					
Northland	1,790,194	1,771,616	1,616,836	-1.0	-8.7
Auckland	5,380,024	5,701,740	5,615,074	6.0	-1.5
Bay of Plenty	1,240,336	1,289,365	1,232,244	4.0	-4.4
Rotorua	1,866,000	1,901,787	1,733,810	1.9	-8.8
Lake Taupo	1,053,155	1,008,240	975,311	-4.3	-3.3
Wellington region (1)	2,315,319	2,412,978	2,449,473	4.2	1.5
Nelson	1,225,562	1,304,574	1,228,840	6.4	-5.8
Canterbury	4,240,221	4,515,079	4,342,783	6.5	-3.8
West Coast	1,273,468	1,304,361	1,230,243	2.4	-5.7
Queenstown-C. Otago	3,203,773	3,346,945	3,135,721	4.5	-6.3

(1) Wellington region includes - Wellington, Porirua, Kapiti, L & U Hutt.

## 4. INTERNATIONAL VISITOR EXPENDITURE

**Expenditure, Year ended March 2009** - International visitors spent a total of \$6,123 million in New Zealand for the year ended March 2009 (excluding international airfares). This is a decrease of 0.1% (\$5 million) on the previous year.

**Markets** – The Japanese market recorded the largest increase, up by \$52 million or 12.3%, followed by Canada (up \$39 million or 31.8%), Germany (up \$34 million or 13.9%), China (up \$32 million or 11.6%) and Singapore (up \$2 million or 3.5%).

In contrast, the expenditure by Australia (down \$69 million or 4.1%), South Korea (down \$41 million or 16.6%), the United Kingdom (down \$36 million or 3.8%), Taiwan (down \$25 million or 37.0%) and the United States (down \$14 million or 2.2%) markets were lower than the previous March year.

**Average Spend** - The average spend per visitor was \$2,798 up 3.1% on the previous year.

Figure 4 International Visitor Expenditure Growth Rate (Year Ended March 2009)

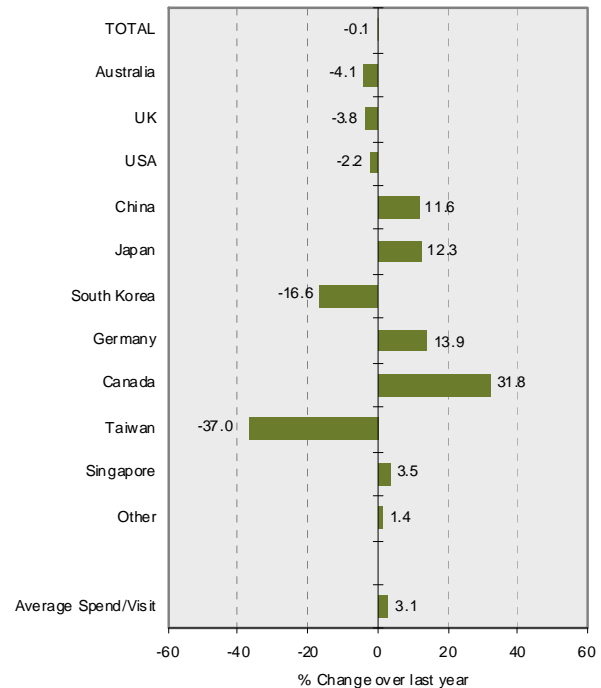


Table 4 International Visitor Expenditure (Year)

YEAR ENDED MARCH	NZ\$million <sup>(1)</sup>			Growth Rate (%)	
	2007	2008	2009	07-08	08-09
TOTAL	5,957	6,128	6,123	2.9	-0.1
Australia	1,437	1,685	1,616	17.2	-4.1
UK	890	951	916	6.9	-3.8
USA	698	625	612	-10.5	-2.2
China	278	276	308	-0.9	11.6
Japan	397	419	471	5.5	12.3
South Korea	247	249	207	0.9	-16.6
Germany	269	243	277	-9.4	13.9
Canada	110	124	164	12.6	31.8
Taiwan	93	68	43	-27.1	-37.0
Singapore	62	62	64	-0.2	3.5
Other	1,475	1,425	1,446	-3.4	1.4
Average Spend/Visit	2,679	2,714	2,798	1.3	3.1

<sup>(1)</sup> Expenditure refers to spend by travellers aged 15+, and excludes international airfares.

## 5. DOMESTIC TOURISM

**Overnight Trips, Year ended December 2008** - For the year ended December 2008, the number of overnight trips increased by 1.1% (168,000) to 15.1 million trips, while the number of visitor nights increased by 0.4% (or 193,000) to 44.5 million. On average, overnight visitors stayed 3.0 nights away from home.

**Day Trips** - The number of day trips increased by 3.6% (or 990,000) to 28.3 million for the year ended December 2008.

**Expenditure** - Overall, domestic tourism expenditure increased by 6.2% (or \$471 million) to \$8.06 billion for the year ended December 2008. Overnight trip expenditure was up 2.0% (or \$100 million) to \$5.14 billion while day trip expenditure was up 14.5% (or \$371 million) to \$2.92 billion.

- Average spend per day trip \$103
- Average spend per overnight trip \$341
- Average spend per night \$116

Figure 5 Domestic Tourism Growth Rate (Year Ended December 2008)

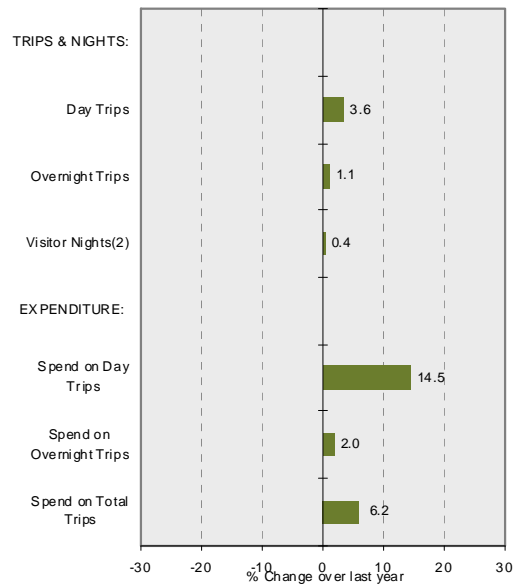


Table 5 Domestic Tourism (Year)

YEAR ENDED DECEMBER	Domestic Travel <sup>(1)</sup>			Growth Rate (%)	
	2006	2007	2008	06-07	07-08
<b>TRIPS &amp; NIGHTS:</b>					
	(000)				
Day Trips	29,471	27,333	28,322	-7.3	3.6
Overnight Trips	14,739	14,896	15,064	1.1	1.1
Visitor Nights <sup>(2)</sup>	43,971	44,352	44,545	0.9	0.4
<b>EXPENDITURE:</b>					
	(\$million)				
Spend on Day Trips	2,626	2,550	2,920	-2.9	14.5
Spend on Overnight Trips	4,843	5,038	5,138	4.0	2.0
Spend on Total Trips	7,468	7,587	8,058	1.6	6.2

(1) Refer to travellers aged 15+. (2) Include stays in commercial and private accommodation.

## 6. TOURISM SATELLITE ACCOUNT

The Tourism Satellite Account provides key measures of tourism's contribution to the New Zealand economy.

**Tourism Expenditure, Year ended March 2007** - Total tourism expenditure for the year to March 2007 was \$20.1 billion, up by 4.7% (or \$896 million) on the previous year. This was driven by a 4.9% (\$527m) increase in domestic visitor spend and by a 4.4% (\$370m) increase in international visitor spend.

**Tourism Contribution to GDP** - Tourism's direct and indirect value-added contribution to the economy was \$14.1 billion (excluding GST, import duties and other taxes on production), which represents 9.2 % of the total New Zealand GDP.

**Domestic and International Segments** - Domestic tourists spent \$11.3 billion and international tourists spent \$8.8 billion. This represents a 56% domestic and 44% international contribution to total expenditure. Domestic travel activity includes both household travel of \$8.7 billion, and business and government travel of \$2.6 billion.

**Tourism Export Earnings** - International tourist expenditure in 2007 (\$8.8 billion) represents 18.3% of the total export earnings (\$48.2 billion). Tourism remains as New Zealand's largest export earner, ahead of key export product groups such as dairy (\$7.3b or 15.2% of exports).

**Tourism Employment** - Tourism is estimated to support directly and indirectly 181,000 full-time equivalent jobs, or 9.7% (one in ten) of the total New Zealand workforce in 2007.

**Tourism Contribution to GST** - Tourists contributed \$1.49 billion in GST payments in 2007, or 11.3% of total GST on production received by Government.

Note: The report *Tourism Satellite Account 2007* which contains more detailed data is available on the Ministry of Tourism research website: <http://www.tourismresearch.govt.nz/tsa>, and Statistics NZ website: [www.stats.govt.nz](http://www.stats.govt.nz).

Table 6 Tourism Satellite Account, 2005-2007

YEAR ENDED MARCH				Growth Rate (%)	
	2005	2006	2007	05-06	06-07
<b>Tourism Expenditure (\$million)</b>	18,400	19,188	20,084	4.3	4.7
Direct Tourism Value Added	7,095	7,463	7,871	5.2	5.5
Indirect Tourism Value Added	5,764	5,959	6,208	3.4	4.2
Imports (sold/used in production sold to tourists)	4,172	4,339	4,519	4.0	4.1
GST Paid on Purchases by Tourists	1,369	1,426	1,486	4.2	4.2
International Tourism Expenditure(1)	8,139	8,428	8,798	3.6	4.4
Domestic Tourism Expenditure	10,261	10,759	11,286	4.9	4.9
<b>Persons Engaged in Tourism (full-time equivalent, 000)</b>	173	179	181	3.1	1.4
Directly Engaged in Tourism	104	106	108	1.7	1.9
Indirectly Engaged in Tourism	69	73	73	5.2	0.7
<b>Tourism Contributions to NZ Economy (Percent)</b>					
Tourism Direct & Indirect Value Added Expenditure (% of GDP)	9.3	9.2	9.2	..	..
Tourism Direct & Indirect Employment (% of Total FTE Employment)	9.6	9.7	9.7	..	..
Tourism GST (% of Total GST on production)	12.3	12.0	11.3	..	..
Tourism Export Earning (% of Total Export)	18.8	19.2	18.3	..	..

(1) Includes international airfares.

## 7. TOURISM FORECASTS

**Tourism forecasts, 2008-2014** - The latest Ministry of Tourism forecasts provide a set of expectations on the future tourism demand in New Zealand. The forecasts are intended to assist the tourism sector decision-making and planning.

Over the next seven years, 2008-2014, New Zealand tourism is forecast to continue to grow with international tourism growing faster than domestic tourism.

The forecasts indicate that the long term prospects for tourism remain positive.

**International visitor arrivals** - are forecast to increase from 2.46 million in 2007 to 3.08 million in 2014. This represents a growth of 26% (or 628,000 visitors). The average annual growth rate is 3.3%.

This is a lower growth expectation than in previous series at 4.0% per annum (3.17 million in 2013). This assessment is influenced by a number of factors - including expected global economic growth to be slower, rising airfares (due to soaring fuel prices), higher inflation (driven primarily by rising food, transport and housing costs) and the persistent high New Zealand dollar.

The forecasts for the next two years are for more modest growth of 1.2% (2008) and 2.4% (2009), but are more positive in the longer term, particularly in the Rugby World Cup year with an expected 5.5% growth in 2011.

Almost 80% (498,000) of the forecast increase in visitors will come from the six markets - the largest contribution is expected to come from Australia (up 298,000 or 31%), followed by China (up 96,000 or 80%), UK (up 45,000 or 16%), US (up 21,000 or 10%), Canada (up 19,000 or 40%) and India (up 18,000 or 83%).

The Japan and South Korea markets are expected to decrease by 10% (12,000) and 8% (8,000) respectively.

Visitor numbers from our largest market, Australia, are expected to reach one million in 2009, up from 950,000 in 2007.

**Domestic trips** - are forecast to increase from 49.5 million in 2007 to 52.7 million, up by 3.2 million or 6.4%, averaging 0.9% per annum. The growth will be driven by an additional 0.6 million overnight trips (up 3.5%) and 2.5 million day trips (up 8.0%).

**Visitor nights** - are forecast to increase from 99 million in 2007 to 114 million in 2014, up by 15 million or 15.3%, averaging 2.1% per annum. The growth will be driven by an additional 12.8 million international visitor nights (up from 47.2 to 60.0 million) and 2.4 million domestic visitor nights (up from 52.1 to 54.5 million).

**Outbound travel by New Zealand residents** - is forecast to increase from 1.98 million in 2007 to 2.30 million in 2014, an increase of 326,000 or 16.5%, averaging 2.2% per annum.

**Visitor spend** - is forecast to increase from \$13.7b in 2007 to \$19.0b in 2014, up by \$5.3b or 38.7%, averaging 4.8% per annum. The growth will be driven by an additional \$3.4b from international visitor spend (up from \$6.1b to \$9.6b) and \$1.9b from domestic visitor spend (up from \$7.6b to \$9.5b). By 2014 international tourism is expected to eclipse domestic tourism.

(Further details of these forecasts are available in the tourism forecast report as well as in electronic Excel *pivot tables*, which can be downloaded at [www.tourismresearch.govt.nz/forecasts](http://www.tourismresearch.govt.nz/forecasts) )

(Note: New forecast series (2008-base) will be released in July 2009.)

Table 7 **Tourism Forecasts, 2008-2014**

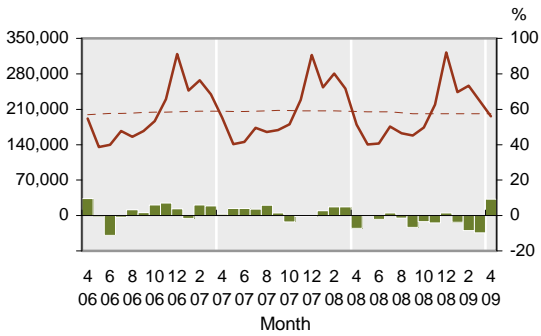
YEAR ENDED DECEMBER	Actual	Forecast							Growth 2008-2014		
	2007(1)	2008	2009	2010	2011	2012	2013	2014	Change	Total	Annual
<b>International Visitors (000)</b>	<b>2,455</b>	<b>2,485</b>	<b>2,546</b>	<b>2,633</b>	<b>2,778</b>	<b>2,854</b>	<b>2,966</b>	<b>3,083</b>	628	25.6%	3.3%
<b>Domestic Total Trips (000)(2)</b>	<b>49,492</b>	<b>50,489</b>	<b>51,154</b>	<b>51,567</b>	<b>51,901</b>	<b>52,161</b>	<b>52,411</b>	<b>52,656</b>	3,164	6.4%	0.9%
Overnight Trips	17,740	17,818	18,198	18,327	18,382	18,383	18,373	18,358	617	3.5%	0.5%
Day Trips	31,752	32,671	32,956	33,240	33,519	33,779	34,038	34,298	2,547	8.0%	1.1%
<b>Visitor Nights (000)</b>	<b>99,294</b>	<b>102,040</b>	<b>104,176</b>	<b>106,083</b>	<b>108,972</b>	<b>110,220</b>	<b>112,301</b>	<b>114,466</b>	15,172	15.3%	2.1%
International	47,189	49,175	50,171	51,697	54,429	55,678	57,793	60,006	12,817	27.2%	3.5%
Domestic	52,105	52,865	54,005	54,387	54,543	54,543	54,509	54,460	2,355	4.5%	0.6%
<b>Visitor Spend (\$million)</b>	<b>13,734</b>	<b>14,484</b>	<b>15,239</b>	<b>15,940</b>	<b>16,832</b>	<b>17,438</b>	<b>18,223</b>	<b>19,048</b>	5,314	38.7%	4.8%
International (3)	6,147	6,560	6,981	7,418	8,065	8,438	8,988	9,574	3,427	55.8%	6.5%
Domestic	7,587	7,924	8,257	8,521	8,767	9,001	9,235	9,474	1,887	24.9%	3.2%
<b>NZ Outbound Trips (000)</b>	<b>1,978</b>	<b>1,990</b>	<b>1,992</b>	<b>2,036</b>	<b>2,093</b>	<b>2,159</b>	<b>2,230</b>	<b>2,304</b>	326	16.5%	2.2%

(1) Actual for base year. (2) Domestic visitors refer to all ages as in international visitors. (3) Refers to spend in NZ, including GST but exclude international airfares.

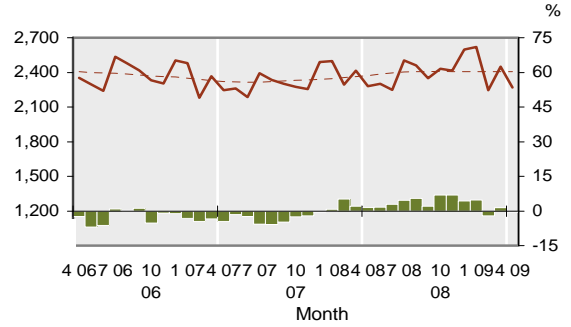
# TRENDS AND PATTERNS

## 1. Inbound Tourism

### 1.1 International Visitor Arrivals

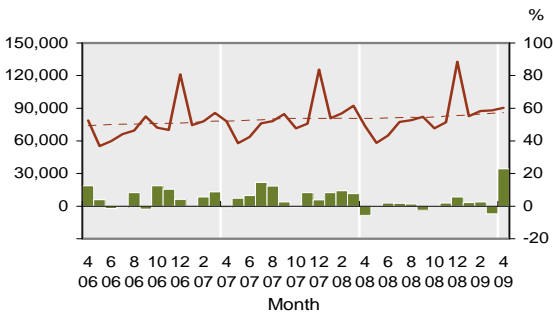


### 1.2 International Passenger Arrival Flights

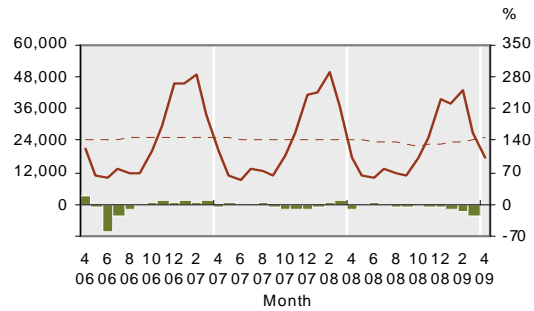


## Major Sources

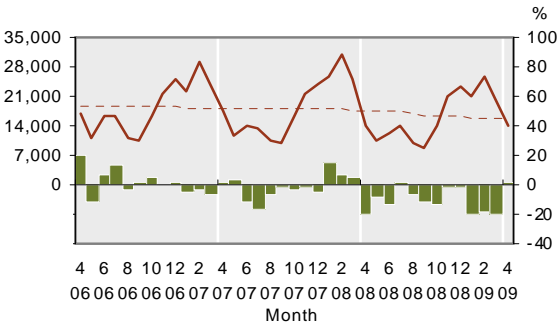
### 1.3 Visitors from - Australia



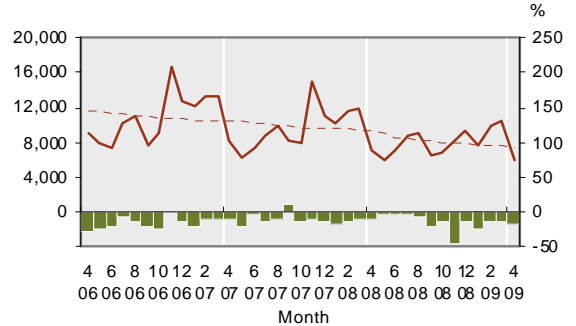
### 1.4 Visitors from - UK



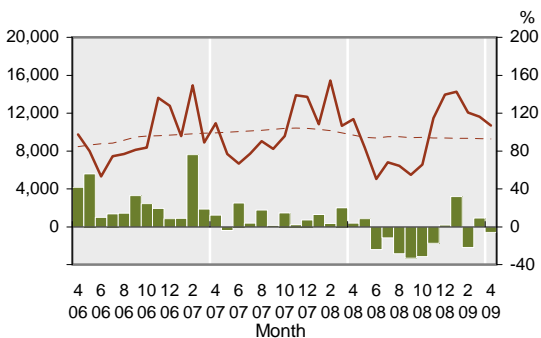
### 1.5 Visitors from - USA



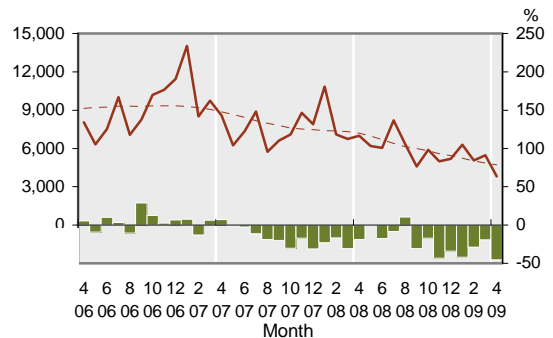
### 1.6 Visitors from - Japan



### 1.7 Visitors from - China



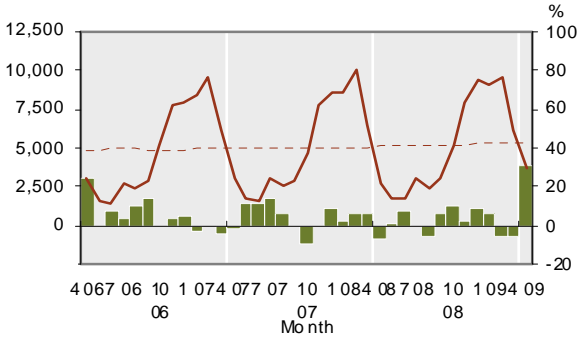
### 1.8 Visitors from - South Korea



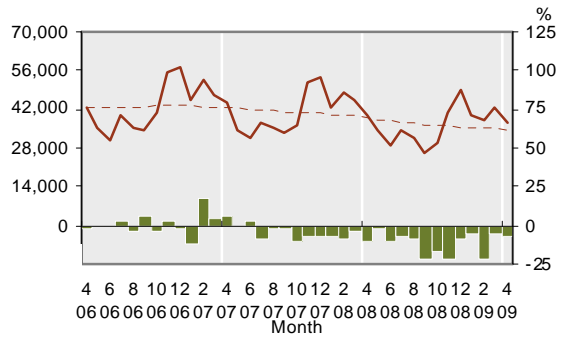
**KEY:**  
 Solid line (brown) – show statistics described by the graph title (left scale).  
 Dotted line (brown) – trend line.  
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

# TRENDS AND PATTERNS

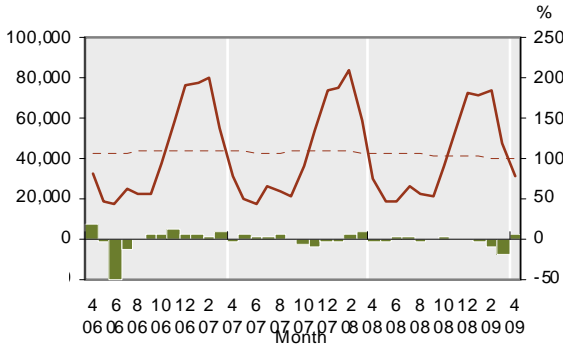
1.9 Visitors from - Germany



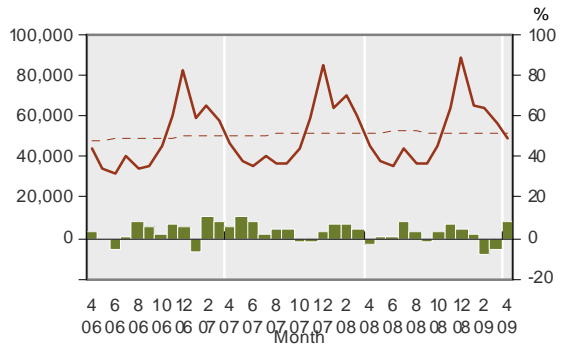
1.10 Visitors from - Asia



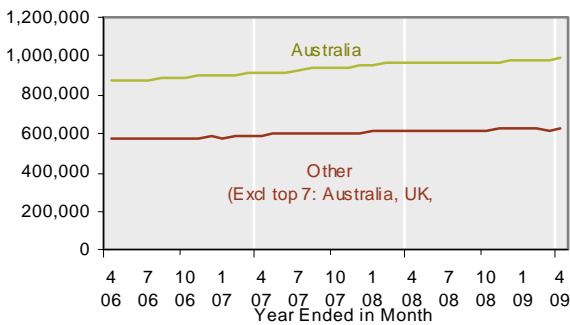
1.11 Visitors from - Europe



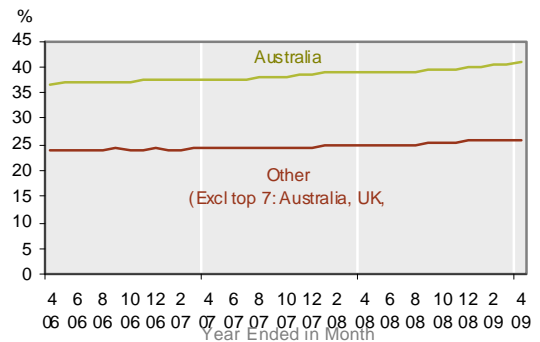
1.12 Visitors from - Other



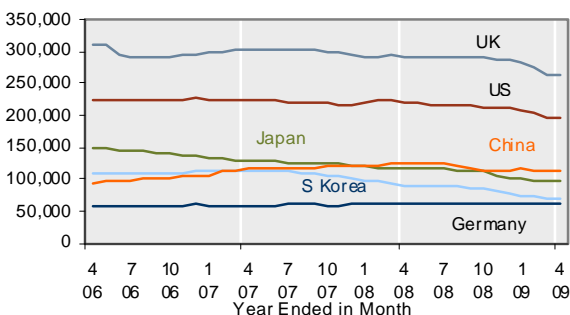
1.13 Visitors by Major Source



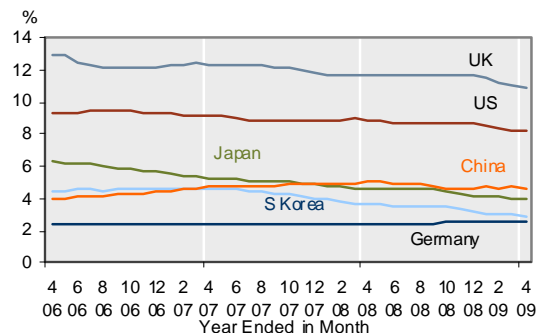
1.14 Share of Total International Visitors (%)



1.15 Visitors by Major Source



1.16 Share of Visitors by Major Source (%)

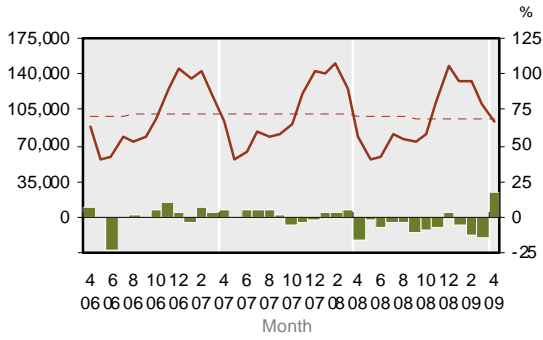


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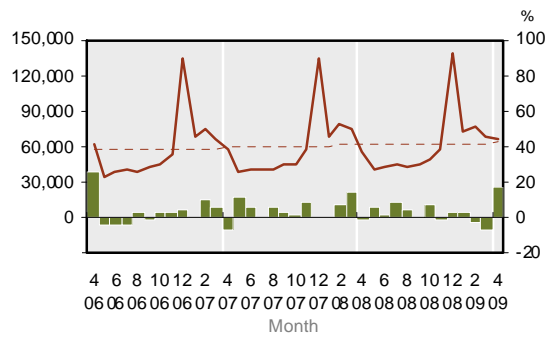
# TRENDS AND PATTERNS

## Purpose of Visits

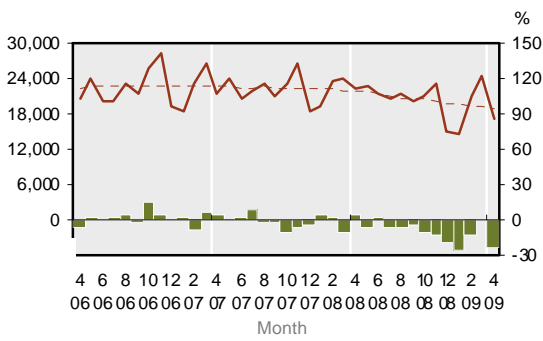
1.17 International Visitors - Holiday



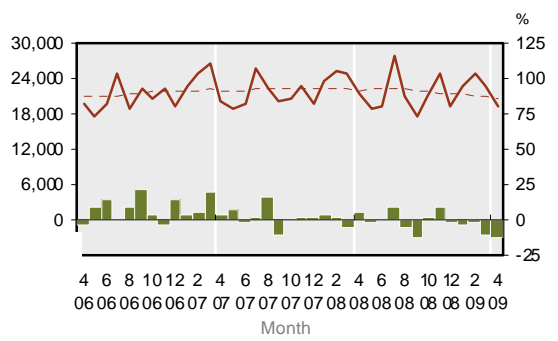
1.18 International Visitors - VFR



1.19 International Visitors - Business



1.20 International Visitors - Other

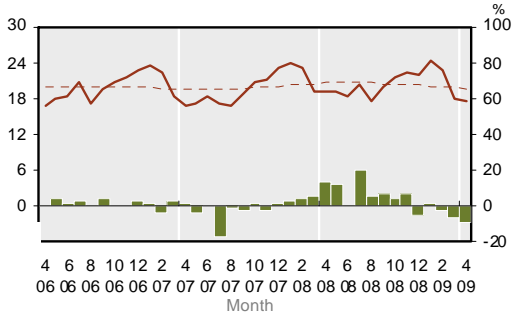


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 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

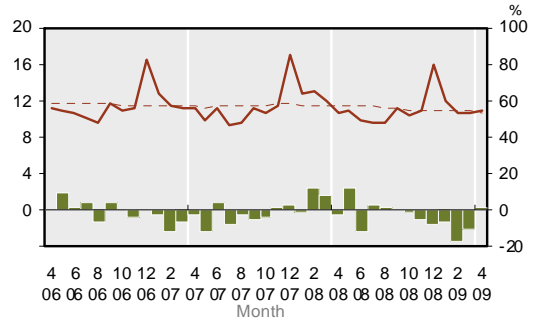
# TRENDS AND PATTERNS

## Length of Stay (Note: Figures based on intended length of stay in NZ)

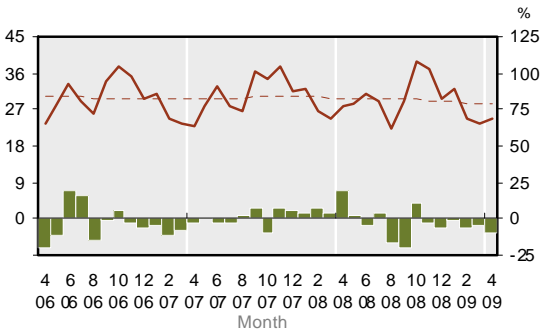
1.21 Average Days of Stay by Visitors



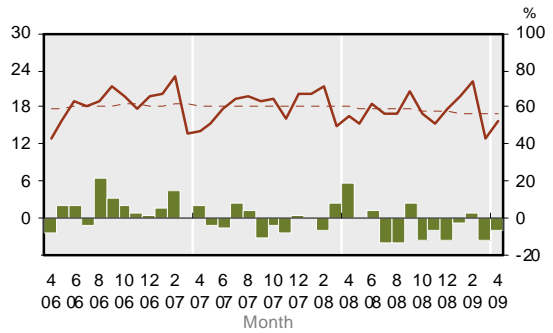
1.22 Average Days Stayed - Australian Visitors



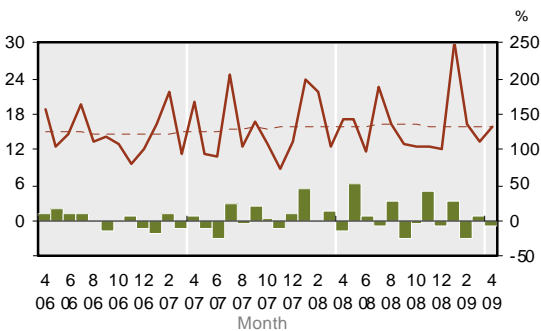
1.23 Average Days Stayed - UK Visitors



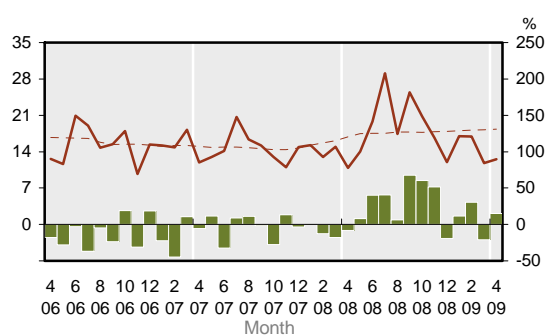
1.24 Average Days Stayed - US Visitors



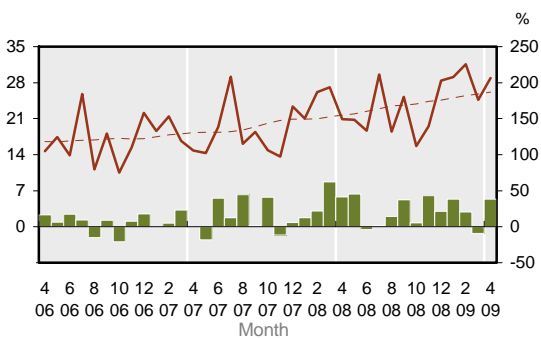
1.25 Average Days Stayed - Japanese Visitors



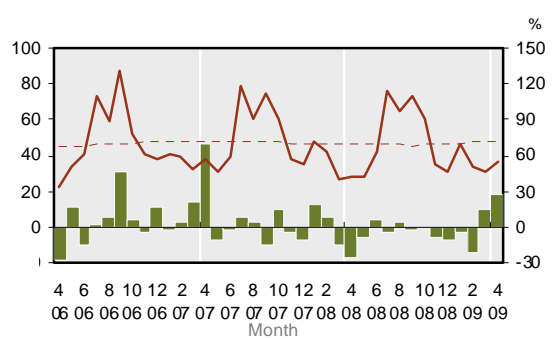
1.26 Average Days Stayed - Chinese Visitors



1.27 Average Days Stayed - S Korea Visitors



1.28 Average Days Stayed - German Visitors



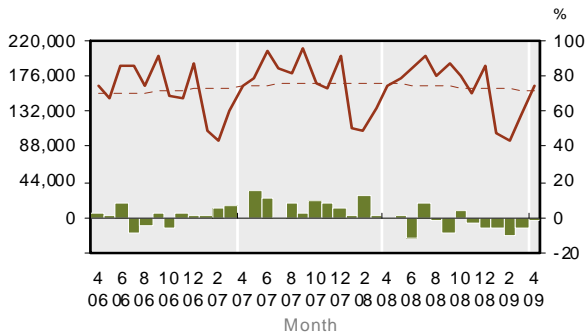
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# TRENDS AND PATTERNS

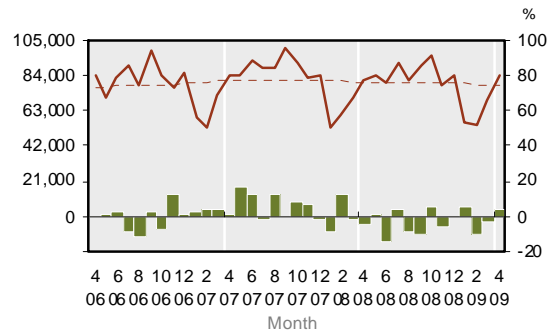
## 2. Outbound Tourism

### Major Destinations

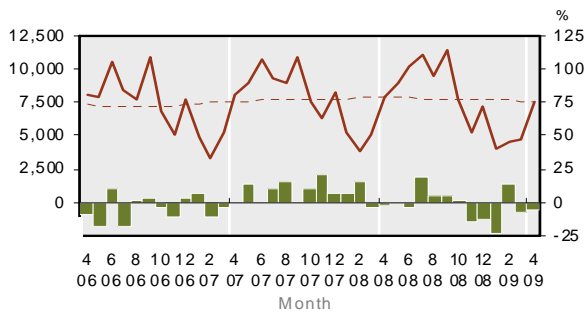
2.1 NZer Trips Abroad



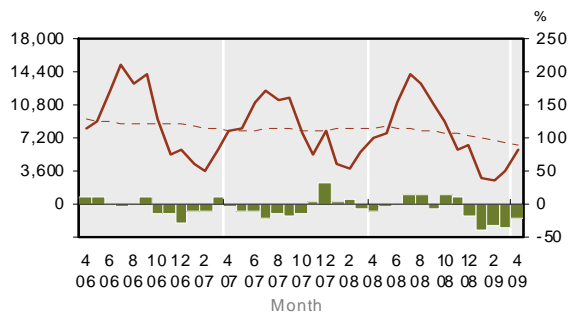
2.2 NZer Trips to - Australia



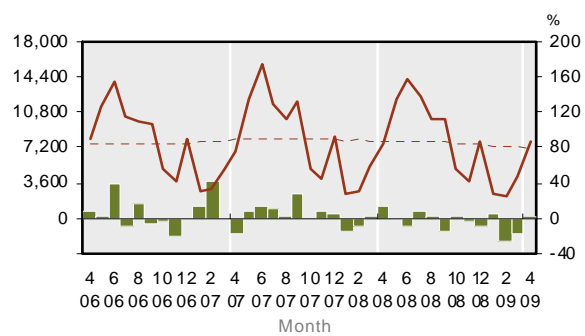
2.3 NZer Trips to - USA



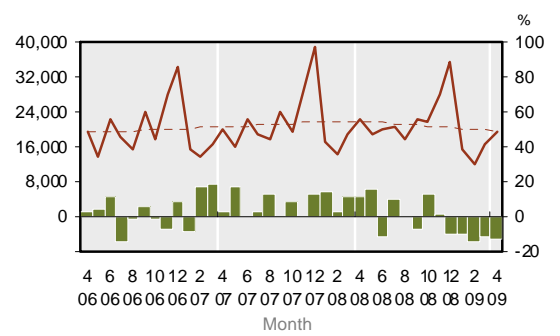
2.4 NZer Trips to - Fiji



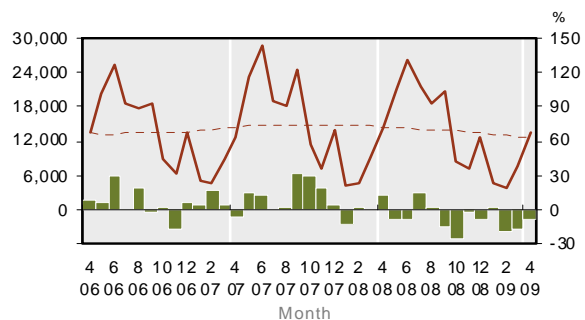
2.5 NZer Trips to - UK



2.6 NZer Trips to - Asia



2.7 NZer Trips to - Europe

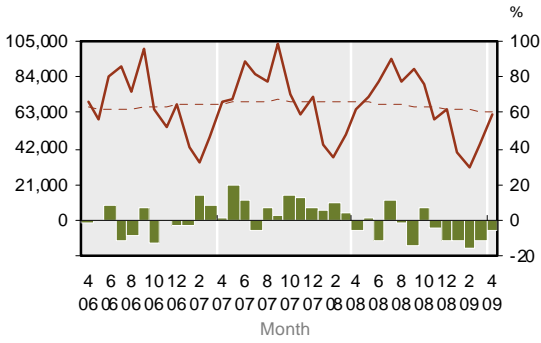


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 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

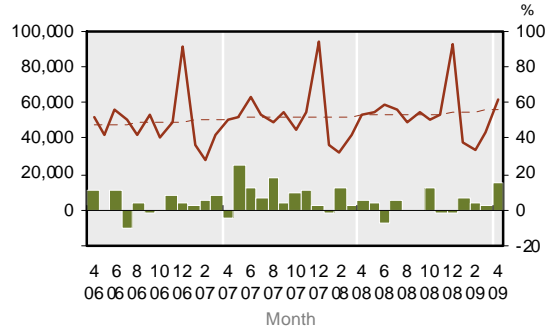
# TRENDS AND PATTERNS

## Purpose of Trips Abroad

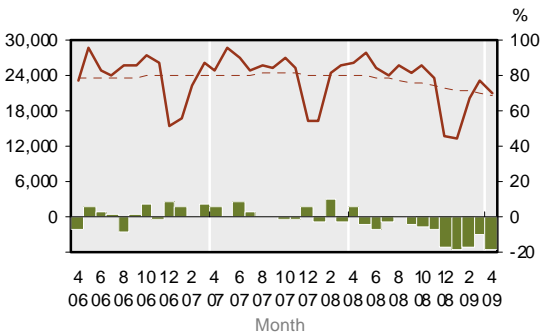
2.8 NZer Trips Abroad - Holiday



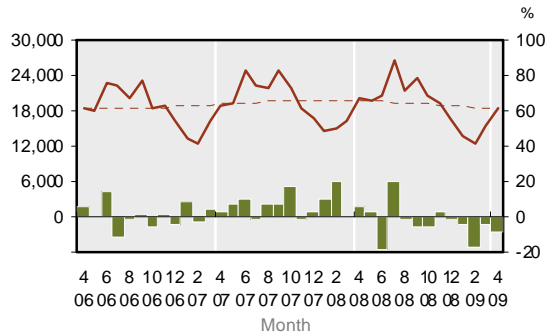
2.9 NZer Trips Abroad - VFR



2.10 NZer Trips Abroad - Business



2.11 NZer Trips Abroad - Other



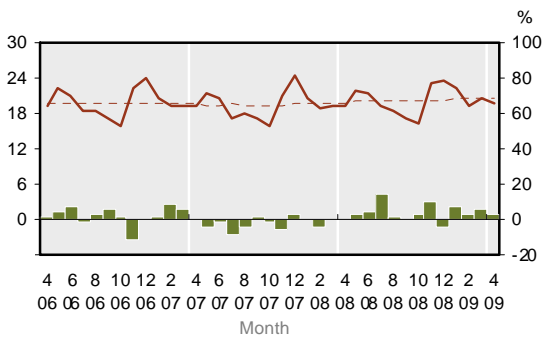
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# TRENDS AND PATTERNS

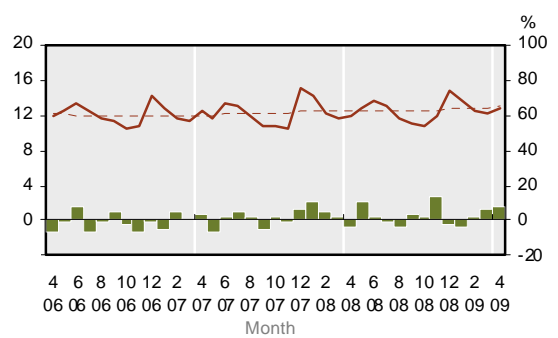
## Length of Trips Abroad

Note: Figures are based on intended length of short-term departure trips by New Zealand residents. The average days abroad refer to period of absence from New Zealand but not necessarily all spent in one country. The country referred is the main destination where they spent most time in.

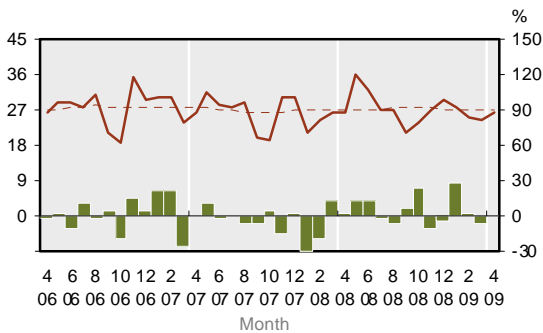
2.12 Average Days Abroad



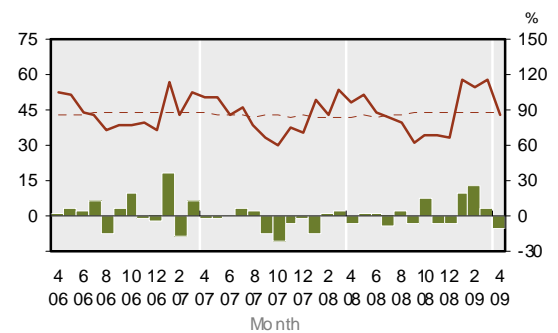
2.13 NZers Average Days Abroad - Australia



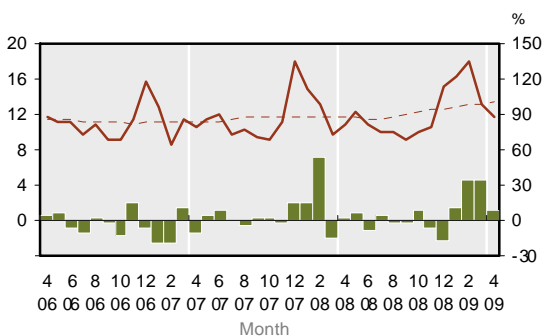
2.14 NZers Average Days Abroad - US



2.15 NZers Average Days Abroad - UK



2.16 NZers Average Days Abroad - Fiji

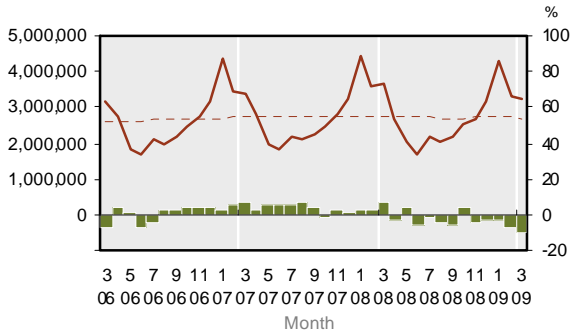


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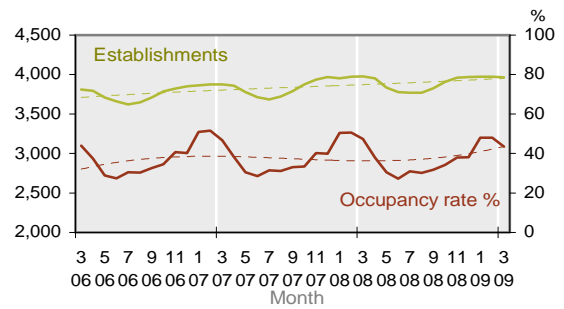
# TRENDS AND PATTERNS

## 3. Commercial Accommodation

### 3.1 Total Guest Nights

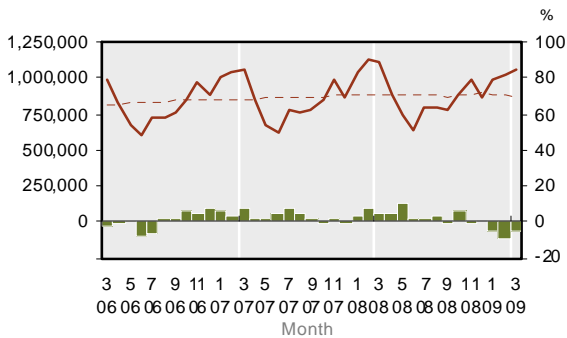


### 3.2 Total Establishments and Occupancy

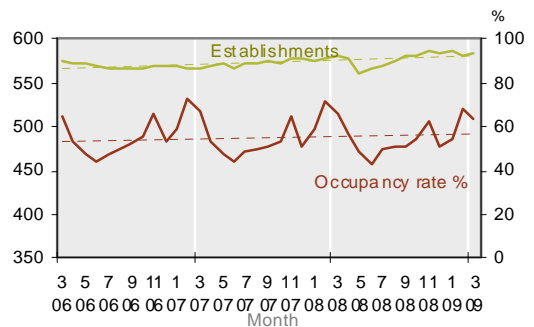


## Guest Nights by Accommodation Type

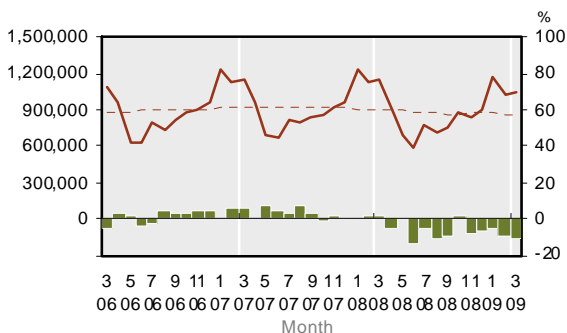
### 3.3 Hotel Guest Nights



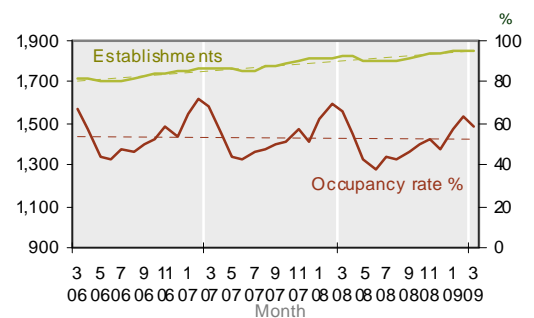
### 3.4 Hotels and Occupancy



### 3.5 Motel Guest Nights



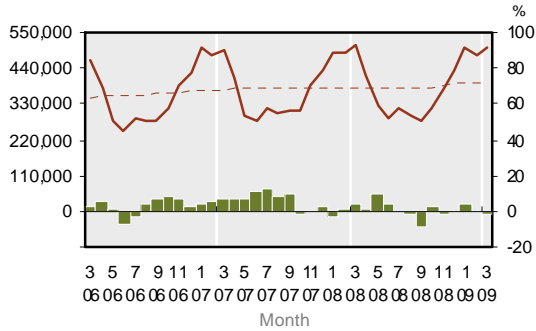
### 3.6 Motels and Occupancy



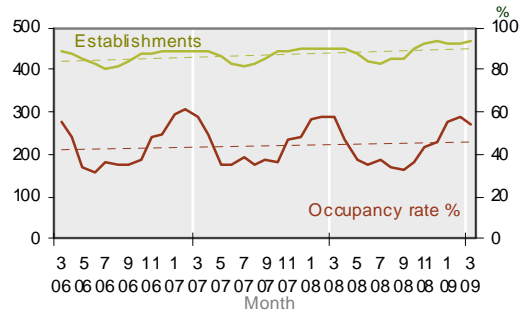
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 Dotted line (brown) – trend line.  
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# TRENDS AND PATTERNS

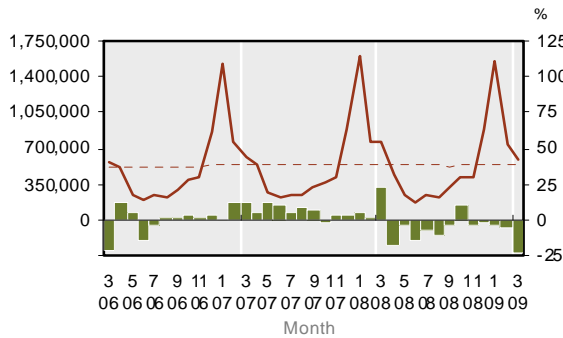
## 3.7 Backpacker Guest Nights



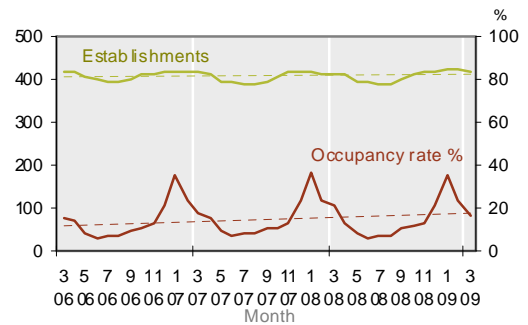
## 3.8 Backpackers and Occupancy



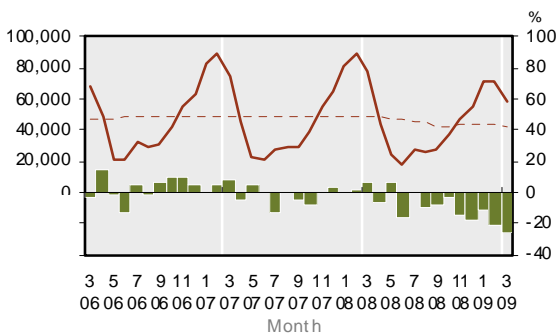
## 3.9 Caravan/Camping Guest Nights



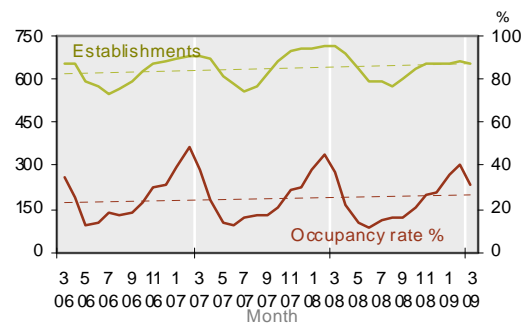
## 3.10 Caravan/Camping Est. and Occupancy



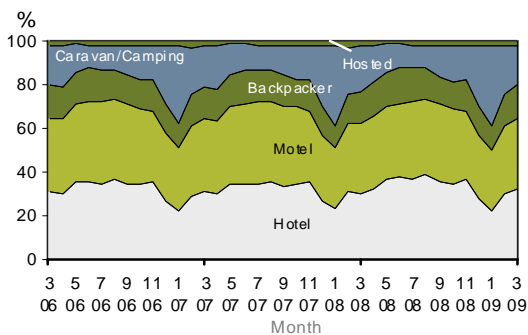
## 3.11 Hosted Guest Nights



## 3.12 Hosted and Occupancy



## 3.13 Share of Guest Nights by Establishment

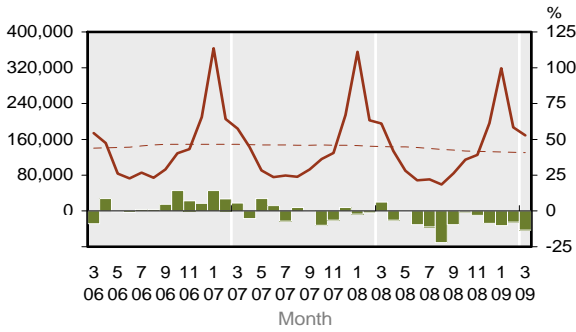


**KEY:**  
 Solid line (brown) – show statistics described by the graph title (left scale).  
 Dotted line (brown) – trend line.  
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

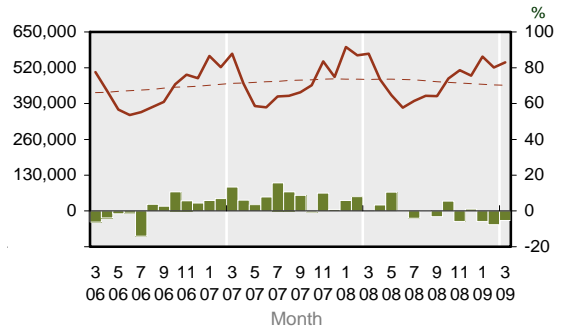
# TRENDS AND PATTERNS

## Guest Nights by Regional Tourism Organisation and District

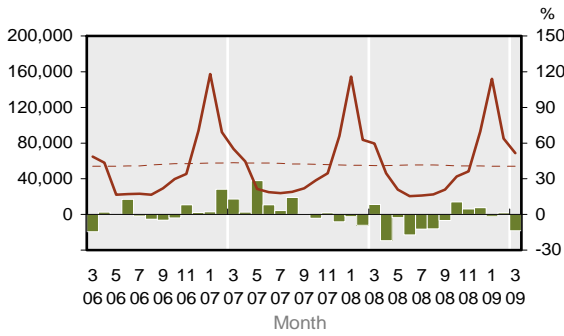
3.14 Northland RTO Guest Nights



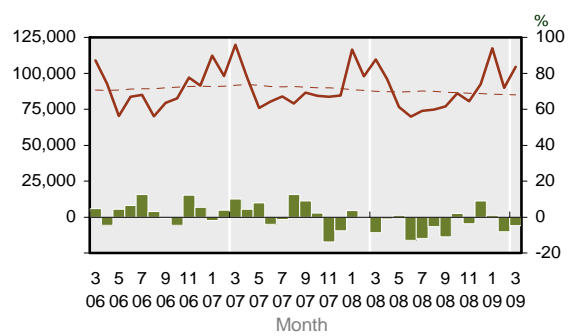
3.15 Auckland RTO Guest Nights



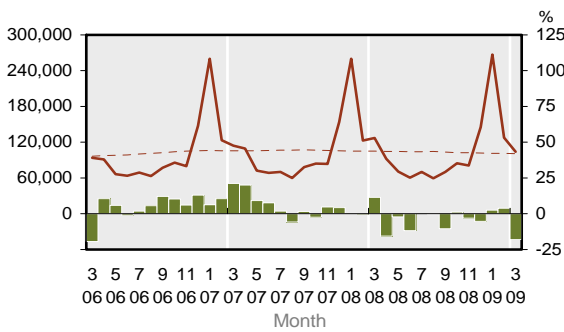
3.16 Coromandel RTO Guest Nights



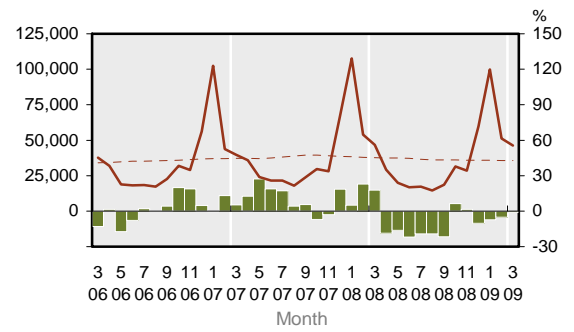
3.17 Waikato RTO Guest Nights



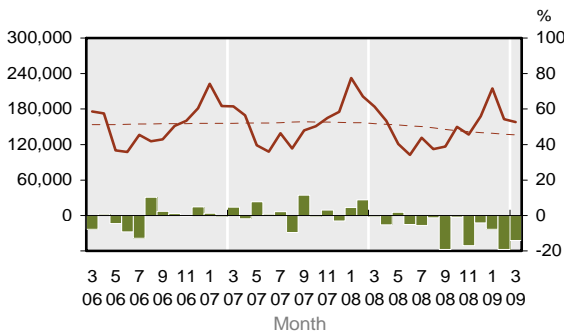
3.18 Bay of Plenty RTO Guest Nights



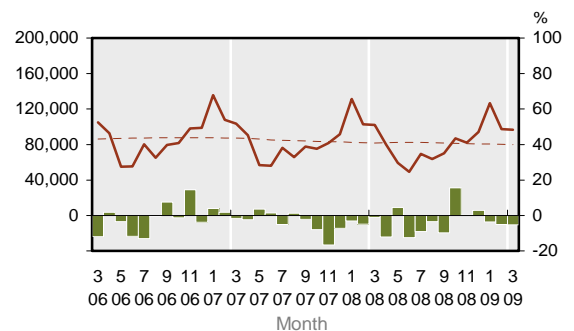
3.19 Eastland RTO Guest Nights



3.20 Rotorua RTO Guest Nights



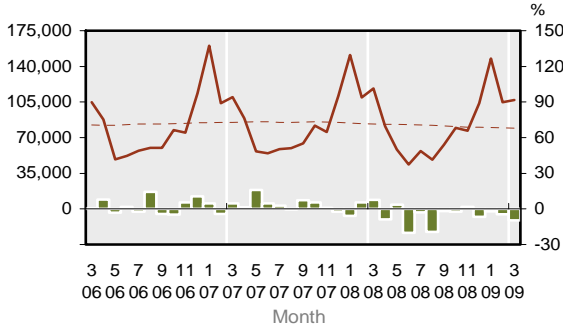
3.21 Lake Taupo RTO Guest Nights



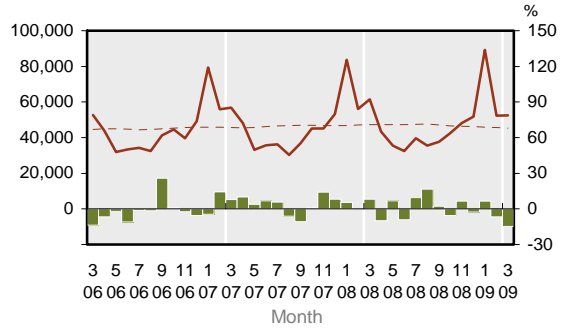
**KEY:**  
 Solid line (brown) – show statistics described by the graph title (left scale).  
 Dotted line (brown) – trend line.  
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

# TRENDS AND PATTERNS

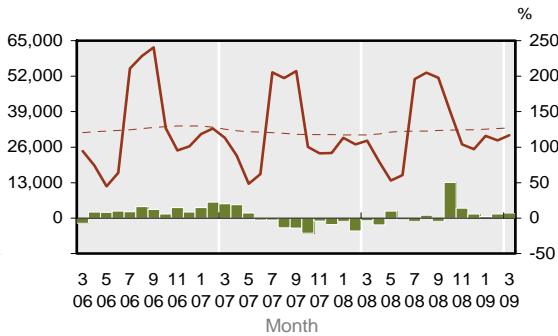
3.22 Hawke's Bay RTO Guest Nights



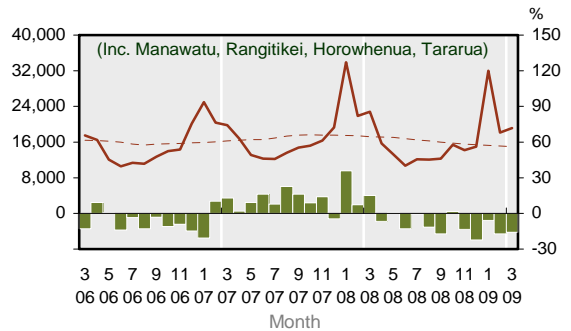
3.23 Taranaki RTO Guest Nights



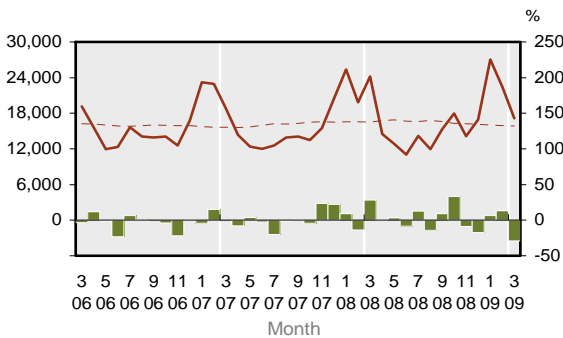
3.24 Ruapehu RTO Guest Nights



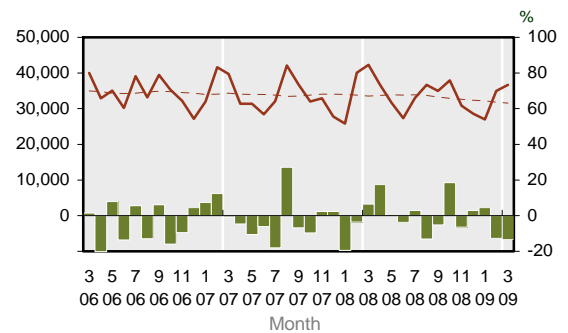
3.25 Combined Manawatu Guest Nights



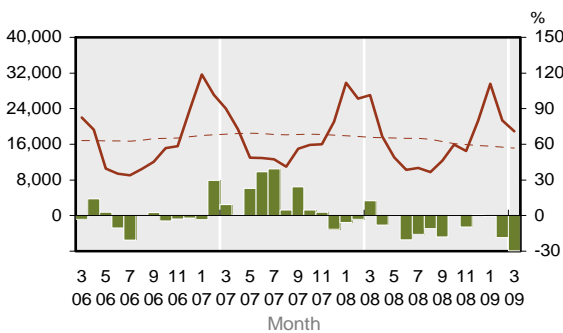
3.26 Wanganui District Guest Nights



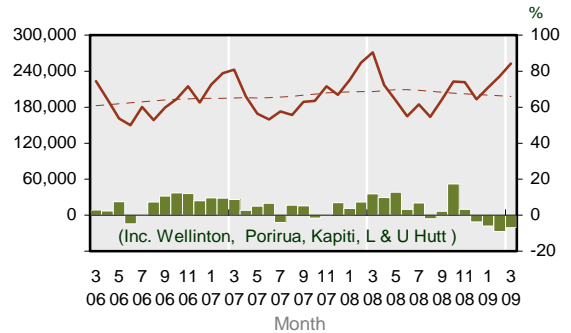
3.27 Palmerston North City Guest Nights



3.28 Wairarapa RTO Guest Nights



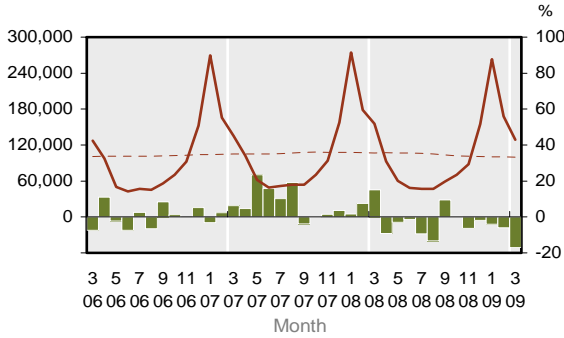
3.29 Wellington Region Guest Nights



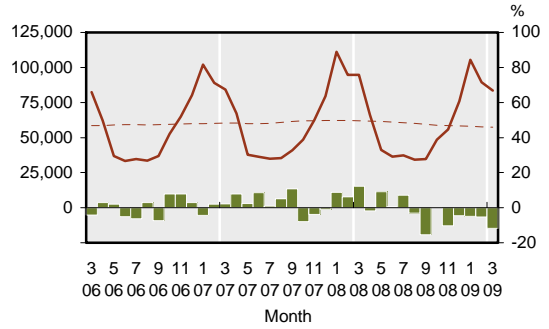
**KEY:**  
 Solid line (brown) – show statistics described by the graph title (left scale).  
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 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

# TRENDS AND PATTERNS

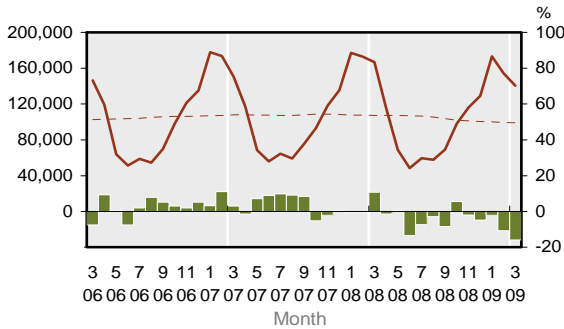
3.30 Nelson RTO Guest Nights



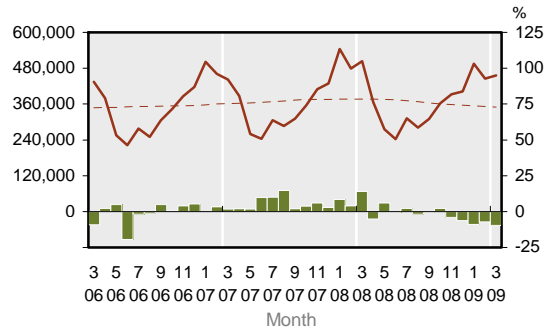
3.31 Marlborough RTO Guest Nights



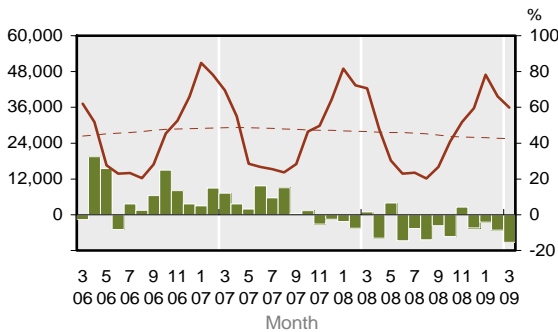
3.32 West Coast RTO Guest Nights



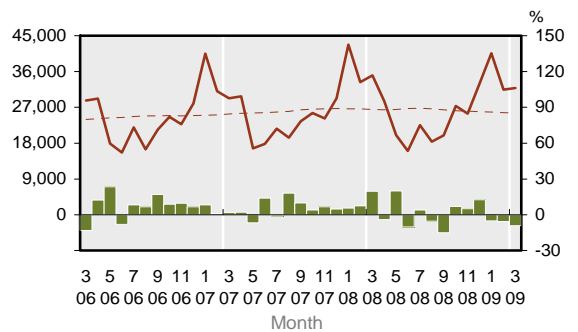
3.33 Canterbury Guest Nights



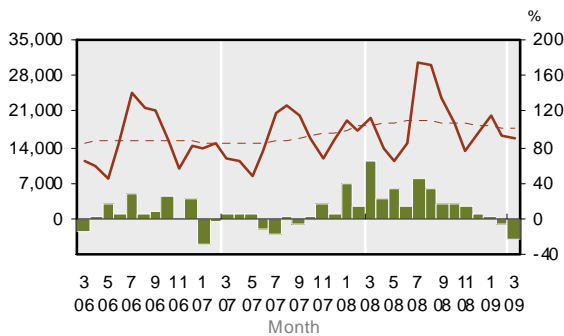
3.34 Kaikoura District Guest Nights



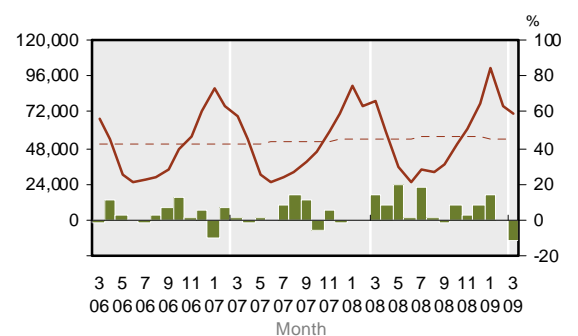
3.35 Hurunui RTO Guest Nights



3.36 Ashburton District Guest Nights



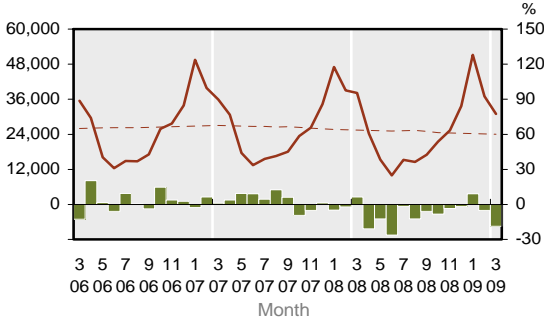
3.37 Mackenzie-Timaru Guest Nights



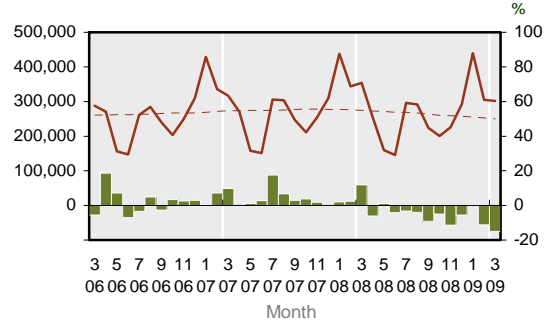
**KEY:**  
 Solid line (brown) – show statistics described by the graph title (left scale).  
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 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

# TRENDS AND PATTERNS

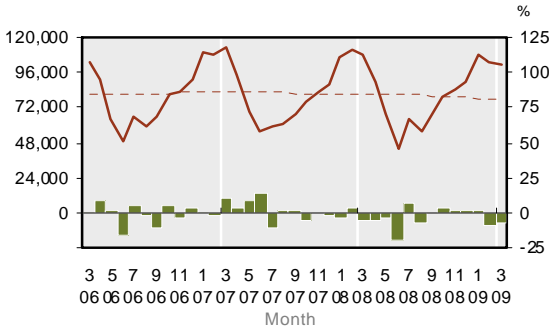
3.38 Waitaki-Waimate Guest Nights



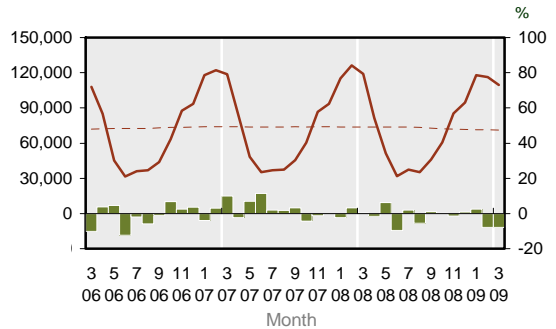
3.39 Queenstown Lakes - Central Otago Guest Nights



3.40 Dunedin - Clutha Guest Nights

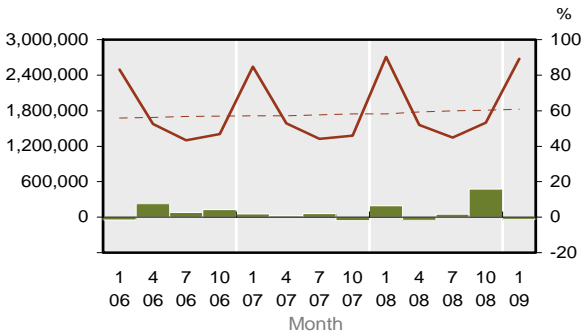


3.41 Southland Region Guest Nights

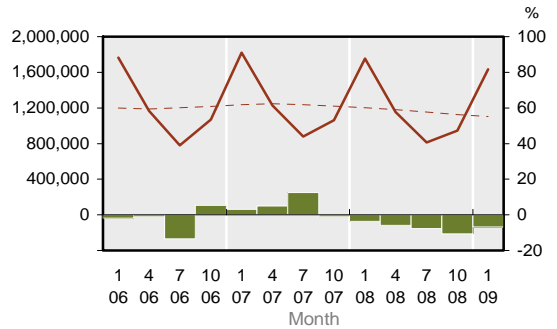


## International and Domestic Guest Nights

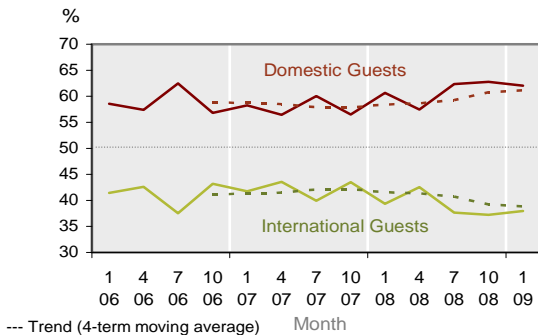
3.42 Domestic Guest Nights



3.43 International Guest Nights



3.44 Share of Total Guest Nights



Note: Total guest night data by international and domestic guests are available only for the months of Jan, Apr, Jul and Oct.

**KEY:**  
 Solid line (brown) – show statistics described by the graph title (left scale).  
 Dotted line (brown) – trend line.  
 Bar chart (green) – growth rate of statistics over the same month previous year (right scale)

## EXPLANATORY NOTES

### Inbound Tourism

This information refers to international visitors who arrive in New Zealand intending to stay for a short-term period of less than 12 months. Statistics are from passenger arrival cards collected at various NZ international airports and seaports. Data is processed by Statistics New Zealand and is partly sponsored by the Ministry of Tourism. Statistics are available monthly.

### Outbound Tourism

This information refers to NZ residents who went on overseas trips for a short-term period of less than 12 months. Statistics are from passenger departure cards collected at various NZ international airports and seaports. Data is processed by Statistics New Zealand and is partly sponsored by the Ministry of Tourism. Statistics are available monthly.

### Commercial Accommodation

Statistics are obtained from the Accommodation Survey (commonly referred to as CAM – Commercial Accommodation Monitor) conducted by Statistics New Zealand and sponsored by the Ministry of Tourism. The survey covers those commercial accommodation providers that are GST-registered and have a turnover of at least \$30,000 a year. Those smaller providers that do not meet these criteria or provide accommodation as a secondary business activity (e.g. farm-stay) are excluded from the survey. Data collected include - number of establishments, guests, nights stayed, and international and domestic guests.

### International Visitor Expenditure

This information is obtained from the International Visitor Survey (IVS, conducted by The Nielsen Company for the Ministry of Tourism). The survey covers an annual sample of 5,000 departing overseas visitors aged 15 years or over who are interviewed at the Auckland, Wellington and Christchurch international airports. Data collected include - visitor demographics, places visited, tourism activities undertaken and expenditure in New Zealand. IVS statistics are released quarterly.

### Domestic Tourism

This information is obtained from the Domestic Travel Survey (DTS, conducted by The Nielsen Company for the Ministry of Tourism). The survey covers an annual sample of 15,000 NZ residents aged 15 years or over who are interviewed via telephone about their travel experience within New Zealand. Data collected include - traveller demographics, day and overnight trips, places visited, tourism activities undertaken and expenditure. DTS statistics are released quarterly.

### Tourism Satellite Account

The TSA provides a range of measures on tourism's contribution to the NZ economy. Key measures include tourism expenditure as a proportion of GDP, export earnings, GST and employment. More detailed expenditure measures include breakdown by direct and indirect tourism value added, international and domestic, tourism related product groups. The TSA is produced annually by Statistics New Zealand and sponsored by Ministry of Tourism. The New Zealand TSA has adopted the UNWTO methodology.

### Differences between TSA and IVS & DTS

TSA gives a most definitive account of tourism value and is most complete (compared to IVS and DTS). TSA uses IVS and DTS among other data sources for its calculations, but there are some conceptual and coverage differences as outlined below. The values of international and domestic tourism given in TSA are normally greater than those measured in IVS and DTS, as illustrated below, comparing tourism expenditure for year ended March 2007:

TSA (International) = \$8,798m vs IVS = \$6,291m;

TSA (Domestic) = \$11,286m vs DTS = \$7,620m

The key difference in IVS vs TSA is that IVS includes only international visitor expenditure incurred within NZ. This means IVS does not include international airfares paid to NZ carriers (such as Air NZ) before arrival as the travel was undertaken outside NZ. However, prepaid expenditure for items to be used while in NZ is included in IVS, eg tour packages, accommodation, food, etc. In contrast, TSA does include international airfares paid to NZ carriers. Also, in TSA the expenditure of education visitors is calculated separately using more robust data from Statistics NZ and Ministry of Education instead of sample estimate from IVS.

In DTS, it measures domestic travel of households. Therefore, travel expenditure incurred by many business and government organisations are not fully captured in DTS. However, in TSA, Statistics NZ used more robust data to calculate business and government travel expenditure more fully.

TSA measures are calculated for year ended March only, while IVS and DTS data are available quarterly.

Users should exercise caution when using TSA and IVS & DTS expenditure data. They are not directly comparable because of the differences outlined above.

## EXPLANATORY NOTES

### Growth rate

All growth rates in this monitor refer to the percentage change in a particular variable over the same period (month or quarter) in the previous year. Because tourism variables typically have large seasonal variation it is more meaningful to compare the change in a variable of a reference month/quarter on a year-on-year basis. Caution should be exercised when interpreting growth rates. A large change in growth rate could be due to irregularity or different timing of major annual events which can distort growth patterns significantly (e.g. Easter holidays, major sporting and local events). A negative/low growth rate in one year may be due to exceptional growth rate in the previous year, and vice versa.

### Trend line

Trend lines have been provided for variables in graphs under the Trends and Patterns section. A trend line helps identify more clearly the general direction and pace of change that may not be apparent in seasonal time series as in tourism variables.

The trend lines have been calculated using a 'moving average' method. Each trend value is calculated centred on 13 data points for monthly series and 5 data points for quarterly series. Equal weight (1/12 for monthly and 1/4 for quarterly series) is applied to all data points except at both ends of the period that are given half the normal weight. Furthermore, for monthly series, in order to calculate the trend values for the last 6 months of a time series it requires forward estimates of the variable for next six months. These estimates are derived by assuming that their growth rates are generally the average for the preceding 3 months. Similarly, for quarterly series, forward estimates are required for two quarters which are assumed to have an average growth rate for the previous two quarters. Because of the assumptions used the trend values for the latest 6 months in a monthly series and latest 2 quarters in a quarterly series are provisional and are subject to revision as later data become available.

### Sources of Statistics

All statistics in this publication are drawn from the following sources:

1. Inbound Tourism : "*International Travel and Migration*", Statistics New Zealand
2. Outbound Tourism : "*International Travel and Migration*", Statistics New Zealand
3. Accommodation : "*Accommodation Survey*", Statistics New Zealand
4. International Visitor Expenditure : "*International Visitor Survey*", Ministry of Tourism
5. Domestic Tourism : "*Domestic Travel Survey*", Ministry of Tourism
6. Tourism Satellite Account : "*Tourism Satellite Account, 2007*", Statistics New Zealand
7. Forecasts : Ministry of Tourism
  - *New Zealand Tourism Forecasts, 2008-2014 (Summary Document)*
  - *New Zealand Regional Tourism Forecasts, 2007-2013*  
(Note: new regional forecasts 2008-2014 will be released later in 2008)

### For further information contact:

- a. Ministry of Tourism, t: (04) 498 7440, <http://www.tourismresearch.govt.nz>
- b. Statistics New Zealand, t: (04) 9314600, <http://www.stats.govt.nz/tourism>
- c. Tourism New Zealand, t: (04) 917 5400, <http://www.tourismnewzealand.com>

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Fern – Rebecca Davis, [www.moxie.co.nz](http://www.moxie.co.nz)