



*feel the  
inspiration*

**Destination Queenstown  
Joint operator reservation training  
&  
TNZ RTO Workshop  
& Training day  
Report**

25-28 February 2019  
Brisbane, Gold Coast & Sydney

**Destination Queenstown**

PO Box 353, Queenstown 9348, New Zealand  
+64 3 441 0700



**[queenstownNZ.nz](http://queenstownNZ.nz)**

## 1. Introduction

---

### Sales Call

Destination Queenstown took five operators into market to see key wholesalers on the Gold Coast and Brisbane, meeting product managers, senior staff and conducting reservations training. Over the two days, seven travel partners were visited including Flight Centre new product team and reservations, ANZCRO, Snow Ski and Experience OZ & NZ. This was beneficial for both our partners and operators as this was majority of the operators first time into market.

### TNZ RTO Workshop event background

The RTO Workshop Australia is an annual TNZ offshore event held in Sydney that provides education and insights into the Australian market and a brief on what the TNZ Australia office are doing across departments in market. It also includes a workshop for establishing and maintaining relationships with key travel trade sellers in Australia. The RTO Workshop this year included pre-scheduled meetings with product and marketing managers and networking opportunities.

## 2. Market Background

---

Australia is New Zealand and Queenstown's largest international tourism market making up over 30% of international arrivals into Queenstown.

Visitor arrivals to New Zealand in the month of January 2019 grew to 399,300, up 5.3% the same month last year. However, growth in holiday visitor arrivals was up less than half this amount clocking in at an increase of just 2.2% this January, compared with a year ago.

Overall outbound travel from Australia continues to grow, with 5.2% YoY growth making up 10.5m outbound visitors a year. However Australian holiday arrivals into New Zealand are down with growth slowing. NZ is still Australia's number one departure holiday destination with 1.4 million Australian visitors visiting NZ. This is in front of Indonesia (1.2m) and USA (1m).

**Destination Queenstown**

PO Box 353, Queenstown 9348, New Zealand  
+64 3 441 0700

### 3. Objectives

---

#### Sales calls

- Introduce new operators to travel trade to the Australian market
- Empower and introduce knowledge and contacts to operators
- Increase Queenstown operators selling to the travel trade and therefore reservation and product manager knowledge, brand awareness

#### Workshop

- Increase Australian insights and working relationship with TNZ Australian office
- Engage with existing network of travel sellers and build general business relationships.
- Facilitate new business relationships and thereby expand network of engaged travel sellers
- Increase general destination and product knowledge
- Promote seasonal travel
- Stimulate product development

### 5. Appointments

---

#### Sales Calls

- Snow Ski – reservations training
- ANZCRO – reservations training, senior management meet and greet
- Flight Centre – reservations training, senior management meet and greet
- Experience OZ & NZ – reservations training, senior management meet and greet
- Booking.com Experiences – management meeting
- Top Deck Travel – reservations training, senior management meet and greet
- Bobwood Group (Global Travel Specialists) – reservations training

#### TNZ Workshop

For the full schedule of appointments, company bios and contact details please see Appendix 1 (TNZ RTO IBO training buyer profiles).

## 7. Summary

---

### TNZ Insights workshop on Australia Market:

- Outbound and domestic travel in Australia continues to grow (up 5.2% YE Dec2018).
- New Zealand remains number one international destination, however not showing growth, indication a loss of share in the market (holiday arrivals to NZ -1.8% in YE Sept 2018 and -0.3% in YE Dec 18)
- Holiday arrivals to New Zealand down -1.8% but recovering modestly. To -0.3% in YE Dec 18, numbers for Queenstown in winter 2018 were flat, so better than whole NZ.
- 
- TNZ is currently carrying out a review of the 100% Pure brand and should reveal it to the industry in the coming months.
- TNZ Australia is considering the brand evolution and the need to tackle 'consumer apathy' in Australia in order to review marketing activity in that market.
- Historically the Australian office has focused on targeting Active Considerers due to the pressure to deliver visitation volume, the current strategy includes also targeting an 'available' audience, which is made up of avid domestic travellers that might not be actively considering New Zealand. This is motivated by the need to grow the audience of potential travellers and revert the current downward trend.
- Activity is also being reviewed in the context of consumer behavior evolution and trends. The delivery of historic activity including Journeys campaigns and Ski campaigns is likely to evolve significantly. However the focus on regional and seasonal dispersal will remain.
- TNZ is shifting to producing bespoke content for upcoming campaigns, including ski and no longer repurposing stock content.
- DQ have been working tirelessly and very closely with TNZ office in Australia to influence the evolution of the activity and the best representation of our region. We've battled against 'regional dispersal' objectives over the last few years which resulted in reduced investment to promote our region, but as of last year we've been seeing more openness to promote our region. DQ and ski industry are working closely with TNZ to shape the 2020 winter activity.

### Trade Update:

- Airlines: With the unusual partnership between Qantas and AirNZ they are increasing competition and Qantas will launch direct MEL – ZQN over winter. Air NZ is launching the A321 Neo adding 19% more seats over Winter to ZQN across the Tasman. Tiger Air is expected to join Jetstar in the low cost carrier sector. This is causing a few challenges for the Australian airlines as the TransTasman is the bread and butter for most Australian based airlines and capacity is greater than demand. We will see ongoing tactical activity and yield impacted to gain market share – great news for Queenstown.

**Destination Queenstown**

PO Box 353, Queenstown 9348, New Zealand  
+64 3 441 0700

#### Ski updates

- Ski update for February was a slow start for winter bookings. In the first half of the month, there was a decrease of up to 50% on last year. However, the Flight Centre Travel expo held mid-February turned this around. February saw New Zealand 16% behind bookings (by pax) from February last year with Canada up 30% from February last year. Other Ski wholesalers have also reported very soft February bookings. However optimistic for March sales as historically March is the start of the key booking period.

#### Wholesale update:

- Retail Giants - The market is noisy, cluttered, and dominated by two retail giants (Flight Centre and Helloworld) both with massive portfolios of brands that have limited cut-through. These giants are slow to move however, change is on its way. Wholesalers are repositioning and shifting their focus from flights to other high value products with higher commissions. The market is also focussing on their own brand through campaign and content, innovating themselves through technology, finance, and added-value services. This in turn has shown that existing partnerships are suffering with a focus on their own brand and infrastructure.
- OTA 's are up significantly. Record targets are being made with 50% increase in revenue YoY.
- Tour series – reports across the board of tour series are down YOY. Backpacker buses 2019/20 started well. Smaller backpacker buses have made a shift from traditional backpacking buses to older and premium offering.
- Premium FIT – The premium market has reported growth from the UK market. The Active Boomers are looking for 4-4.5\* and one wholesaler A&K are looking at branching out into 3.5\* holidays as they see a change in market.

Overall the trip was very successful. The Australian market is our key market, which needs attention and nurturing. It is key to maintain relationships and be top of mind for a four-season destination. With increased competition for winter destinations, changing booking behaviour and reliance on snow conditions we need to keep Queenstown as the desirable winter destination for our Australian visitors.

**Destination Queenstown**

PO Box 353, Queenstown 9348, New Zealand  
+64 3 441 0700