

# Destination Queenstown Kia Ora SOUTH China 2019 Beijing, Shanghai and Guangzhou Report

23 -28 June 2019

**Destination Queenstown**  
PO Box 353, Queenstown 9348, New Zealand  
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## 1. Introduction

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SOUTH, a focused group of the South Island's 15 regional tourism organisations working collaboratively with Christchurch International Airport and other industry partners to grow international tourism to the South Island.

Kia Ora SOUTH is part of a series of events developed by Christchurch Airport and hosted with a range of travel industry partners, as part of SOUTH program. It is consistent with DQ's strategy of growing the high value Chinese visitor market by partnering with Tourism New Zealand and airline partners, to encourage visitors to experience our premium experiences and a variety of accommodation options.

The Kia Ora SOUTH covers three cities and train up to 750 Chinese travel sellers and decision makers to the delights of visiting New Zealand and the South Island. The events, which feature performances from a Maori culture group, shine a spotlight on one of the most desirable travel destinations in the world.

The 2019 China-New Zealand Year of Tourism is an opportunity for China and New Zealand to strengthen economic ties through tourism. It's an opportunity for New Zealand to showcase what it is that makes Aotearoa a world class destination: our stunning natural landscapes, our range of unique experiences and products, and manaakitanga.

This year's events were supported by Tourism New Zealand, New Zealand Trade & Enterprise, Ministry of Foreign Affairs, China Southern Airlines, Air New Zealand and attended by Minister of Tourism Kelvin Davis. The Hon Kelvin Davis was the guest of honour at the embassy on Sunday night 23 June and again at Kia Ora SOUTH Gala Dinner on Thursday night 27 June in Guangzhou. Traveling with the Minister were the chair of TNZ Jamie Tuuta, Stephen England-Hall, Iain Cossar and Katherine MacGregor from MBIE.

## 2. Market Background

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China is New Zealand's second-largest international visitor market and most valuable in terms of holiday visitor spend.

Visitor arrivals from China were down 9,900 (21 percent) from the same month last year, reaching 36,600 in April 2019. In 2018, a third of all Chinese visitors to New Zealand arrived in the first quarter. The drop in Chinese arrival numbers in Q1 2019 will have a significant impact on annual spend figures overall. Arrival numbers from Beijing fell 7.6%, Shanghai 3.7% and Guangdong 3.6%. However, Chinese arrival numbers from Zhejiang and Jiangsu were relatively flat.

Many reasons contributed to the decline include a slowdown in the Chinese economy and ongoing uncertainty around the US trade war.

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The Quarterly Tourism Report published by MBIE noted that the terror attack in Christchurch on March 15 did not appear to have had an impact on tourism in the city.

The market is undergoing a shift towards Free Independent Travellers (FIT) as Chinese become more confident about organising their own trips and seek fresh, unique experiences.

DQ has been focusing on encouraging the Chinese to travel to Queenstown outside of peak periods and to discover the variety of activities and accommodation available in our region. DQ organises and participates in a number of Tourism New Zealand and airline partners' offshore training and networking events with travel sellers each year.

Currently there are around 30 flights operate between New Zealand and China each week. Air New Zealand, Air China, China Eastern, China Southern, Hainan Airlines and Sichuan Airlines operate direct flights between Auckland and the Chinese cities of Shanghai, Beijing, Guangzhou, Shenzhen and Chengdu. China Southern also operates direct flights between Auckland and Christchurch.

In 2013 Tourism New Zealand launched a trade marketing initiative in China known as the Premium Kiwi Partner (PKP) programme. This programme continues to adapt to changing market conditions, with 15 outbound agencies and 16 inbound tour operators in the programme in FY19. PKP partners commit to developing and marketing quality, mono-New Zealand group tours in return for Tourism New Zealand's endorsement of itineraries and marketing support.

The Online Travel Partner (OTP) programme was another trade initiative introduced by Tourism New Zealand from 2016 to support the rapid growth of FIT and the increasing importance of online travel agents (OTA's). Today there are seven online travel partners in the programme.

The Tailor Made Partner (TMP) programme was introduced by Tourism New Zealand in 2018 to better serve high end consumer needs. There is a new trend that premium customers are willing to pay more to get more exclusive service and itineraries in tier one cities. There are five partners in the programme.

### 3. Objectives

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The purpose of attending Kia Ora South is to showcase Queenstown's premium experiences on offer to key Chinese trade and airline partners for both group and FIT markets; to promote reasons and benefits of visiting in autumn and winter seasons.

### 4. Appointments & Insights

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Event format:

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Frontline training sessions took place in three cities, with about 200 frontline agents from Beijing, 150 frontline agents from Shanghai and 250 frontline agent from Guangzhou attending each event.

The Participants list:

**RTOs:**

ChristchurchNZ – Joanna Norris (CEO) / Cissy Chen

Destination Queenstown – Ella Zhang

Tourism Wanaka – Geoff Marks

Tourism Waitaki – Margret Munro (CEO) / Lisa Smith / Lu Jiang

Enterprise Dunedin – Ling Wang

Tourism West Coast – Jim Little (CEO)

**New Horizons Operators 2019:**

Mt Hutt Ski Area – James Urquhart (GM)

Snow Farm (Wanaka) – Pip Gillespie

Cardrona Ski Area – James Mulcahy

**Primary Operators:**

Ngai Tahu Tourism – Stephen Lester (GM Sales) / Pan Li

Skyline Queenstown -- THL – Wayne Rose (GM Skyline ZQN) / Tracy Cui

Wayfare Group – Monica Zhang

Southern Discoveries – Charles Yuan

Whale Watch Kaikoura – Elton Zhang

Marlborough Tour Company – Taylor Tain

KiwiRail Tourism – Lauren Campbell

Encounter Kaikoura – Lynnette Buurman (Director) / Winnie Lyu

**CIAL:** Malcolm Johns / Justin Watson / Scott Callaway / Swallow Wang

**Special Guest:** TIA - Emily Byrne

**Insights:**

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- New Zealand's autumn is becoming increasingly popular for Chinese visitors, with significant growth over the past year.
- Chinese travellers' use of mobile payment has overtaken cash for the first time.
- Booking tickets online is also popular in China. Airlines are increasing their online sales and online travel agents, such as Ctrip and Alitrip, are aggressively developing services for independent travellers

**Visitor profile :** <https://www.tourismnewzealand.com/markets-stats/research/visitor-profiles/>

The 'New Horizons Fund' is a regional economic development programme initiated by Christchurch Airport, as part of the "South" initiative. The programme kicks off with a budget of \$100,000 and aims to support a minimum of two South Island tourism operators into the China market each year. The fund's support includes such areas as translating marketing material into Chinese, website, social media and signage, plus taking the operator on a 'Kia Ora South' trade mission to China.

Beijing will host the Winter Olympics in 2022, and that has sparked a surge in winter sport popularity. In 2019 Mt Hutt Ski Area, Cardrona Alpine Resort and neighbouring Wanaka attraction, Snow Farm, have been selected for the coveted programme. Each organisation received \$16,000 enabling them to create new marketing collateral for the China market, as well as traveling to China with Christchurch Airport team members, to meet with travel buyers over there. By having Mt Hutt, Cardrona, and Snow Farm as part of the programme, Queenstown is well positioned to show Chinese visitors just how much the South Island and particular Queenstown, has to offer in this space.

## 5. Summary

DQ works with key strategic partners to drive high-value visitors to Queenstown and ensure Queenstown stays top of choice as a destination for both leisure and incentive travellers. Despite the global competition, Queenstown is still a very popular destination for both group and FITs markets. The additional accommodation capacity is well received by key trade partners.

For the first time, Kia Ora South featured snow focused activity in New Zealand, to appeal to younger Chinese who are the core demographic for our winter proposition.

Christchurch Airport's Alibaba programme was established to help South Island businesses operate on the digital platforms these visitors are familiar with. Christchurch Airport is now the largest marketing partner of Alibaba's Alipay in New Zealand. The partnerships between Queenstown operators and Alibaba allow Chinese visitors to pay via their mobile phones, use APPs they use back home. This results in both South Island operators and Chinese visitors making every interaction the best it can be, with visitors getting best value and the most memorable experiences from their time in Queenstown.

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Some pictures from this trip.



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1. Tourism Minister Mr Kelvin Davis delivered a welcome speech at NZ's new Embassy building in Beijing to media, stakeholders as well as key travel trade partners.
2. A group photo after media interviews with Tourism Minister, DQ, ChristchurchNZ and 3x new horizon operators in Guangzhou
3. The networking dinner in Shanghai
4. A picture from training session in Beijing, DQ's promo video was showed to more than 150 frontline agents.

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