



Destination Queenstown

Kia Ora South China Report

(Beijing, Chengdu, Guangzhou, Shenzhen)

June 2024

1. Overview

SOUTH is a collaborative group comprising the South Island's 13 regional tourism organisations, working together with Christchurch International Airport Limited (CIAL) and other industry partners to boost international tourism to the South Island. Kia Ora South (KOS) is one of a series of events organized by Christchurch Airport and hosted in partnership with various travel industry partners.

This initiative aligns with Destination Queenstown's (DQ) strategy to expand the high-value Chinese visitor market. By partnering with CIAL, Tourism New Zealand (TNZ), and airline partners, the aim is to attract visitors to experience premium offerings and diverse accommodation options in the South Island. The KOS event visited four cities—Beijing, Chengdu, Guangzhou, and Shenzhen—from June 21 to 28, where they trained 278 travel sellers and association representatives. Each city also hosted media interviews and a gala dinner for Matariki Celebration dinner as it is during Matariki New Year.

2. Market Background

- China has started 2024 strong with 5.3% real GDP growth in Q1, surpassing market expectations. However, the economic data from the first five months of 2024 points to an economy operating at two speeds: manufacturing activity and exports have raced ahead while consumption and the property market remain stalled. (Market intelligence report, China - an economy of two speeds, July 2024)
- China is back to being a big travel spender: While outbound travel and expenditure from China is yet to recover back to 2019 levels, Chinese travelers are back to being the biggest spenders on international travel. Although other countries have witnessed an uptick in outbound expenditure of pre pandemic levels, it still remains lower than China. (UN Tourism Dashboard, data as of June 2024)

3. Event Objectives

To reconnect with the travel industry and provide new experiences and information, the goal of participating in KOS is to showcase Queenstown's premium offerings to key Chinese trade and airline partners, targeting both group tours and FITs. The focus is on promoting the attractions and benefits of visiting Queenstown across all four seasons. In Beijing, our primary emphasis was on positioning the South Island as a winter and ski destination.

4. Attendance/Attendees

- Presenters:

Beijing: RealNZ, The Helicopter Line/ Alpine HeliSki, NZSki, Fliggy, ChristchurchNZ, Destination Queenstown (6 in total)

Chengdu, Guangzhou & Shenzhen: Ngai Tahu Tourism, RealNZ, Skyline Queenstown, Sudima Hotels, NZSKI, The Helicopter Line, NZONE Skydiving/Skydive Wanaka, Southern Discoveries, Distinction Hotels, Fable Hotels, Marlborough Tour Company, Fliggy, ChristchurchNZ, West Coast/Hurunui/Kaikoura, Destination Queenstown (15 in total)

- Travel industry sellers:
Beijing: 65; Chengdu: 89, Guangzhou:58; Shenzhen: 66

- TNZ:
Alfred Li, Berlin bai, Sandy He and Grace Yao

5. Market Insights/Trends

- Annual total visitor arrivals year end June 2024 from China is 230,989 - 55% return of arrivals compared to June 2019. 75% recovery for Chinese New Year 2024 (February) comparing to 2019. (Stats NZ)
- Less seasonality comparing to the US and UK markets. See growing interest in New Zealand autumn season.
- Chinese travellers are value-conscious, but willing to spend. Chinese visitors spent \$1.1 billion in New Zealand, with \$872 million by holidaymakers. The average spend per trip was \$5,591, rising to \$6,729 for holiday visitors. (MBIE, International Visitor Survey. Year ending March 2024)
- Active considers to New Zealand spread across the main cities in China (Beijing, Shanghai and Guangzhou), and 1 in 4 have a monthly household income of over \$13,000 in NZD.
- Most visitors favoured natural attractions like mountains and lakes, hiking, and national parks, with significant participation in beach visits and museum/art gallery tours. Over half of Chinese holiday visitors participated in a film inspired experience during the off-peak seasons. (MBIE, International Visitor Survey | July 2022 – March 2024)
- Growing trends on smaller group traveling and FIT market.
- Xiaohongshu is the standout source of destination information: Xiaohongshu is now used by more than half of Chinese travellers to find destination information. Overseas travel brands who have not yet explored how they can use this platform as part of their marketing strategy should make it a priority in 2024.

Ski industry - booming ice and snow tourism

- China has become a one of the world's largest markets for winter sports with strong support from the government that goal of reaching 50 million participants by 2025.
- The number of operational indoor ski resorts has consistently risen since 2013, growing from 5 in 2013 to 50 in 2022. That means China is now a year-round market.
- Demographic of individuals aged 25 to 34 and live in main cities.
- A notable group boasts relatively high incomes, with over 50% earning a monthly income exceeding RMB 10,000 (equals to \$2300 in NZD)
- Majority of Chinese skiers (roughly 80%) are beginners.

Airline Updates/ Recovery

- Currently there are around 40 flights operate between New Zealand and China each week. Air New Zealand, Air China, China Eastern, China Southern, Hainan Airlines, Shenzhen Airlines, Sichuan Airlines and Cathy Pacific operate direct flights between Auckland/Christchurch and Shanghai, Beijing, Guangzhou, Shenzhen, Haikou, Hangzhou, Chengdu. Cathy Pacific also operates direct flights between Hong Kong and Christchurch in summer season.
- This year October, China Southern will fly non-stop between Christchurch and Guangzhou, and the service is being expanded to five times a week for five months. In 2015, it was a year-round service.

6. Summary

- DQ continuously works with key strategic industry partners, CIAL and TNZ, to attract high-contributing visitors from China to the South Island and Queenstown four seasons.
- China's economy is still recovering, but the purchasing power in major cities still makes these areas the main target audience for travel to New Zealand.
- Chinese visitor arrivals to New Zealand are still in the process of recovery, with strong recovery rate during peak seasons like Chinese New Year and Golden week in October and an increasing appeal for autumn visits.
- Chinese tourists are value-conscious but willing to spend, focusing on high-value experiences.
- Chinese travellers from major cities are drawn to New Zealand for its natural scenery, adventure activities, and film-inspired experiences. High-income individuals are a significant segment of this market.
- Xiaohongshu has emerged as a key platform for travel information among Chinese travellers, highlighting the importance of digital engagement for marketing strategies.
- Ski and snow tourism demand is increasing in China, presenting a significant opportunity for New Zealand's South Island to attract beginner skiers and snow sports enthusiasts.

7. Related Content/Event Images



Beijing – winter snow sports products training workshop



Media interview in Beijing



Chengdu - products training workshop



Guangzhou - winter snow sports products training workshop



Simon Liu(Distinction Hotels) Frankie Lim(Fable Hotels), Grace Yao and Sandy He (TNZ)



Yangzi presenting Queenstown



Swallow Wang (CIAL) making speech during Matariki Celebration Dinner



Grace Yao(TNZ) making speech