

Destination Queenstown

TNZ Kiwi Link Greater China (Shanghai)

Air NZ x TNZ Destination Training (Taipei)

Kia Ora South Frontline Training (Guangzhou & Hong Kong)

Report

Nov 2023

1. Overview

Kiwi Link Greater China 2023

After China announced re-opening the border with the world on the 8th of January this year, New Zealand is one of the first 20 outbound travel destinations to restart group tours under the China Approved Destination Status (ADS) scheme.

Kiwi Link Greater China 2023 reconnected New Zealand tourism representatives with key agents from Mainland China, Hong Kong and Taiwan. Activities include pre-scheduled appointments with managers of the NZ department or product managers and networking events.

From the 14th to the 16th of November, 44 NZ operators had 80 x 14-minute one-to-one appointments with 90 travel agents. Agent industries included OTAs, retail agents, wholesale agents and tailor-made agents. Networking events were hosted on the 15th by Air NZ and the 16th by TNZ.

Kia Ora South, Guangzhou, Hong Kong & Destination Training, Taipei

Destination Queenstown attended Kia Ora South, Guangzhou on the 9th of November. Approximately 76 representatives who work in Guangdong travel agencies, ticketing agencies, China Southern Airlines product centre, and their sales teams from Guangzhou Branch and Southern China region attended a training session conducted by 9 representatives from the South Island, 4 of whom are based in Queenstown. This was followed by a celebration gala ceremony marking the first post-COVID flight from Guangzhou to Christchurch, operated by China Southern Airline. The Gala event was attended by Justin Watson CEO of Christchurch Airport, Sarah Ottrey Chair of Christchurch Airport and Rachel Crump NZ Consul General of Guangzhou.

Kia Ora South Hong Kong was held on the 17th of November - 8 South Island operators including 4 Queenstown-based operators provided product updates to approximately 32 HK agents. Product training consisted of 15-minute slide show presentations to the audience.

TNZ & Air NZ Destination Training Event in Taipei on November 10th. 9 senior product managers participated in the morning training session; 136 frontline salespersons attended the afternoon session. 10 NZ operators provided product training, including 4 Queenstown-based operators. Product training consisted of 15-minute slide show presentations to the audience.

2. Market Background (pre -covid)

Mainland China

- China was New Zealand's second-largest international market in 2019, with 407,000 visitors, according to Tourism NZ.
- Chinese visitors are high-quality visitors, often travelling in off-peak seasons (November to April), engaging in a range of activities and cultural experiences, and contributing over \$1.7 billion to New Zealand's economy.
- On average, each visitor spent \$476 a day in 2019.

Taiwan

- There were 53,453 visitors (the highest on record) from Taiwan coming to New Zealand in 2019, which is a 19.7% increase compared to 44,659 visitors in 2018.

Hong Kong

- Traditionally Hong Kong tourists have been a big market for New Zealand with more than 58,000 short term visitors in the year ended January 2019.

3. Event Objectives & Benefits

Objectives:

- Re-connect NZ operators and travel agents post - COVID
- Promote off-peak travelling as NZ is a four-season destination
- Increase general destination & product knowledge of travel sellers
- Showcase new products and regions to the market
- Provide a platform for negotiating new and existing contracts with travel sellers
- Engage with an existing network of travel sellers and build on general business relationships
- Encourage sustainable travelling

Benefits:

- Raise distributors' awareness of their regions and/or products and what they have to offer to the clients so that they are in a better position to sell the region
- Gain market intelligence, insights and advice on greater China markets
- Stimulate product development to meet the market needs
- Build relationships with new agents and strengthen the existing business relationships

4. Attendance/Attendees

Kiwi Link Greater China

Buyers: 90 buyers who are the managers of NZ department or product managers from mainland China, Taiwan and Hong Kong. Buyers include OTA (Trip.com, Ctrip, Fliggy, Tuniu, Tongcheng, Zuzuche); retail agents ; wholesalers and tailor - made agents.

Sellers: 44 operators from New Zealand, comprising RTOs, airlines, airports, accommodation, transport and tourism experience operators. 1/3 of the sellers came to China for the first time.

Queenstown operators: Heliworks Queenstown, Destination Queenstown, Ngai Tahu Tourism, IHG Hotels & Resorts, NZone/ Skydive Wanaka/ Skydive Southern Alps, Oxbow Adventure Co, Nomad Safaris, Millennium Hotels and Resorts New Zealand, Southern Discoveries, RealNZ, The Helicopter Line, The Rees Hotel Queenstown

Taiwan Destination Training

9 senior product managers and 136 frontline salespeople attended the morning and afternoon training accordingly.

10 NZ sellers, including 4 Queenstown operators: RealNZ, Nomad Safaris, Destination Queenstown, Millennium Hotels

Guangzhou Kia Ora South Training

Approximately 76 representatives who work in Guangdong travel agencies, ticketing agencies, China Southern Airlines product centre, and their sales teams from Guangzhou Branch and Southern China region attended a training session conducted by 9 representatives from the South Island, 4 of whom are based in Queenstown: The Helicopter Line, Ngai Tahu Tourism, RealNZ, Destination Queenstown

Hong Kong Kia Ora South Training

8 South Island operators and 4 Queenstown-based ones provided product updates to approximately 32 HK agents. QT representatives are The Helicopter Line, The Rees, Realnz, and Destination Queenstown.

5. Market & Event Insights

Greater China Overview

China has an audience of approximately 54 million, with New Zealand appealing to 79% of Chinese and being a preferred destination for 70% of active considerers. Of the 3.5 million Taiwanese considered within the target audience, 58% find New Zealand appealing and 37% say New Zealand is their preferred destination. The Hong Kong audience consists of 1.2 million people with 48% considering New Zealand appealing and 29% of them preferring New Zealand as a travel destination.

By December 2023, airline capacity will reach 100% of pre-Covid capacity from mainland China, while airline capacity recovery from Hong Kong and Taiwan will reach 83% and 95% respectively. Airline capacities have been a strong indicator of volume, suggesting a significant uplift in volume recovery over the coming Summer.

Mainland China

China's market is recovering after the opening of the China international border in January 2023. In June 2023, China was New Zealand's fifth-largest market. By September, China had grown to become the second-largest inbound market to New Zealand, again underscoring both the significant role and quick recovery of this market. The number of visitors from China in October has recovered to 70% of 2019.

- 39% of Chinese visitors stayed between 8-14 days
- The autumn season is a popular time for Chinese tourists to travel to New Zealand 59%.
- Over 50% of Chinese holiday visitors are from Shanghai, Guangdong or Beijing.
- Nearly 70% of Chinese visitors stay in New Zealand for longer than a week.
- Over 34% of Chinese visitors were between 25-39 in age.
- Popular activities for our Chinese visitors included local cuisine, beaches and coasts, trying local wine or beer, exploring main cities, local towns, historical and heritage sites, and visiting national parks, nature reserves or native forests.

New Trends post – covid:

- Preference for welcoming and safe destinations;
- Purpose for shopping during travel has slightly dropped; the purpose for experiencing local customs, enjoying the natural scenery and trying local food is growing;
- Increasing interest in camping and camper van travelling;
- Market shows a strong interest in the New Zealand autumn season due to scenery;
- Growing appeal for road trips;
- Premium FIT market growing;
- Prefer more bespoke itineraries and smaller groups (less than 10 people);
- Staying in New Zealand and Queenstown longer (larger group travellers, at least stay in QT for 2 nights; smaller groups and FIT usually request 3 nights stay in Queenstown);

- Big influence of social media on destination choice and itineraries. Xiaohongshu (also known as 'Little Red Book') and TikTok are the key market leaders;
- Booking lead times have got shorter;
- Two agents that target the high-end market mentioned their clients' preference of eco - tour or eco activities during their trip. One agent specifically prefers eco-friendly suppliers for their clients.

Taiwan

Taiwan opened its border in October 2022. Air New Zealand currently operates 3 weekly flights between Taipei and Auckland. Data shows in July and August 2023, the Taiwanese market to New Zealand has recovered to 72% and 68% respectively compared to the visitors in 2019.

Market macro update:

- Stable and positive CN-NZ ties
- Strong travel desire and recovery
- Slowing economy on export slump
- Geopolitical tensions
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Hong Kong

As the travel & tourism industry continues recovering, outbound trips from Hong Kong are increasing, with people eager to resume and reboot their travel plans. However, many Hong Kongese currently prefer to travel short-haul in Asia.

Cathy Pacific and Air New Zealand operate over 10 flights weekly between Hong Kong and Auckland. From the 16th of December 2023, till the 29th of February 2024, 3 additional weekly flights will be added between Christchurch and HK.

Market macro update:

- Political & economic shock recovery
- Stable and positive CN-NZ ties
- Long haul outbound demand needs stimulating

Barriers:

- Chinese agents expressed that the New Zealand visa processing time is long.
- Information imbalance persists - numerous buyers inquire about new product updates, and Chinese remains the preferred language.

- Language barriers persist for visitors, particularly elderly visitors (apart from the Hong Kong market)
- The Great Firewall complicates Chinese agents' access to product information
- The rising number of Chinese tourists confirming their holidays on shorter notice presents challenges in securing accommodations in Queenstown due to capacity constraints

6. Summary

The interest and demand for travel to New Zealand remain strong in Greater China; however, the market's recovery is uneven. We are witnessing a strong rebound in East China, South China, and Taiwan markets, while North China, West China, and Hong Kong markets are still in the process of recovery.

Secondly, significant shifts in consumer behaviour are apparent. Large group travel (more than 20 people) from the Chinese market will persist however smaller group travel with personalised itineraries is becoming significantly more popular. Moreover, the purpose of travel has diversified considerably. Chinese travellers now exhibit heightened interest in local experiences, such as exploring local cuisine and engaging in outdoor activities like camping, hiking, kayaking, and skiing. The influence of social media, particularly platforms like Xiaohongshu (also known as 'Little Red Book'), significantly impacts destination choices and itinerary planning.

Thirdly, payment methods have shifted in recent years, with WeChat Pay and Alipay becoming extensively used for transactions in the Chinese market. To prepare for the upcoming Chinese New Year in February 2024, setting up WeChat Pay and Alipay options to accommodate Chinese visitors' needs, having Mandarin-speaking staff, and providing translated brochures or information sheets would offer them a smoother and more enjoyable experience.

Lastly, interest in regenerative tourism varies across different markets. Some high-end tailor-made agents have highlighted their clients' preference towards eco-friendly activities. The Taiwan market, in particular, demonstrates a growing interest in sustainable tourism. The Kiwi Link Greater China, Kia Ora South Guangzhou & Hong Kong and Destination training in Taipei events presented an excellent opportunity to engage with the market by showcasing our objective of achieving a carbon-zero visitor economy by 2030. This message was generally well-received; however, some sections of the market were more focused on trying to rebuild post-COVID. Travel trends from the Greater China market are trending to further align with the DMP – stay longer, do more and interact with the local community.

7. Related Content/Event Images



Kia Ora South Guangzhou (9th Nov)



Kia Ora South Hong Kong (17th Nov)



Gregg Wafelbakker enacts the hongi



Total 3600 one-to-one appointments in 3 days at Kiwi Link Greater China



Queenstown operators at Kiwi Link Greater China



New Zealand sellers and TNZ team

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Yangzi presenting Queenstown at Taipei (10th Nov)



Air NZ x TNZ Destination Training in Taipei