



Destination Queenstown

TNZ Kiwi Link India

Report

July 2024

1. Overview

Kiwi Link India is the first trade event after the pandemic that reconnected New Zealand tourism representatives with key agents in India. Activities included pre-scheduled appointments with managers of the New Zealand department or product managers, frontline training, one online training session, and networking events.

The Indian market aligns with Tourism New Zealand's strategy for the next four years to grow the "off-peak" season, as the majority of Indians travel in April to June and October to November. This event provided a great opportunity to build and strengthen relationships with Indian travel industry partners and to share knowledge about what New Zealand can offer the Indian market.

2. Market Background

- India is now the fifth-largest economy. India overtook China as the world's most populous country, according to the UNFPA's State of the World Population Report in 2023. The median age in India is 27.6 years, more than ten years younger than that of most major economies. (Source: World Population prospects 2022)
- Indians are emerging as big globetrotters with outbound travel. As per Mckinsey, Indian market has potential to grow from 13 million trips in 2022 to over 80 million by 2040, and travel and tourism expenditure is expected to surge over 2.5 times from USD 150 billion in 2019 to USD 410 billion in 2030. India is expected to become the fourth largest global spender on travel by 2030.
- India's tourism sector is advancing with significant infrastructure improvements, more airports, and increased airline capacity. Despite challenges such as competition among private airlines and consumer confidence issues, the country is steadily catching up with other leading travel markets and will manage the transition effectively over time. (Source: CNN)

3. Event Objectives & Benefits

Objectives

- Showcase New Zealand as a great off-peak destination for international market.
- Build strong selling capability of product managers and frontline travel sellers.
- Engage with existing and new network of product managers and frontline travel sellers and build on business relationships.
- Provide a platform for negotiating new and existing contracts with products managers.
- Increase New Zealand's share of voice amongst travel trade in India.

Benefits

- Connect with travel distributors who play a large role in the development, promotion and purchasing process of New Zealand tourism experiences.
- Educate new travel planners who lack knowledge of destinations and products and require upskilling.
- Contribute to sustainable tourism growth and innovation across the supply chain.
- Gain market intelligence, insights and advice on Indian market.
- Broaden customer base far beyond the reach of marketing budget.

4. Attendance/Attendees

10 and 11 July: 40 x 15mins trade appointments

Buyers: 65 buyers, who are product managers, travel planners or business owners.

Sellers: 36 NZ companies, Auckland Airport, Christchurch Airport, Singapore Airlines, Air New Zealand, Immigration New Zealand and Tourism New Zealand

12 July: 22 x training appointments, including 1 live appointment

Buyers: 100+ frontline sellers in person and live stream training with Indian travel agents in Facebook group (300+ sellers attended online)

Key Indian buyers: Thomas Cook, SOTC, MMT, Kulin Kumar, Kesari, Veena World, Flamingo, Travel Ties, Pristine, Flight shop, Travel Arena, Lohana Tours, Peekay Holidays, etc.

Queenstown operators: Accor, AJ Hackett Bungy, Altitude Tours, ANZCRO, Heliworks Queenstown, KJet Queenstown, Destination Queenstown, Millennium Hotels NZ, Ngai Tahu Tourism, NZONE Skydiving/ Skydive Wanaka, RealNZ, Skyline Queenstown, Southern Discoveries, The Helicopter Line, The Rees Hotel Queenstown

5. Market Insights

Insights

- India is New Zealand's fastest-growing recovery market, exceeding 2019 arrivals. The annual total visitor arrivals for the year ending June 2024 is 84,701 visitors, representing a 130% return of arrivals compared to June 2019 (Source: Stats NZ).
- Indian travelers highly rely on trade channels, with 85% booking through agents.
- Peak travel seasons are from October to November during Diwali and from April to June, with 66% of 2019 arrivals occurring during the off-peak. Honeymoon travelers mainly visit during New Zealand's summer season.
- Growth in luxury travel, with many small groups and FITs consisting of two or three generations traveling together.

- Online Travel Agencies (OTAs), including MakeMyTrip (MMT) and others, now command a substantial 53.8% share of the Indian online travel market, according to a recent report by travel consultancy firm Videc.
- Indian younger generations' eagerness for unique and immersive experiences and tech prowess while prioritizing value for money is driving the demand for innovative technology-based travel solutions and experiential travel.
- Indian travelers tend to book overseas trips with short lead times. According to MakeMyTrip's report, 51% of international flight bookings are made at least 15 days before departure, while one-third are made more than a month in advance.
- The majority of active considerers live in Delhi, Mumbai, and Bangalore, with strong growth observed in cities like Kochi, Amritsar, Ahmedabad, and Trivandrum.
- While television remains the largest media segment, digital media has solidified its position as a strong second. About 54% of Indians would choose a destination showcased in a movie or show, such as those featured in Bollywood movies.
- Indian travelers emphasize culinary convenience, with over 80% valuing restaurant and room service options during their stay.
- Most visitors favour natural attractions such as walks and hikes, mountains and lakes, and geothermal sites. Over two-thirds of Indian holiday visitors visit places of Māori significance across seasons. Enjoying local food and beverages has also emerged as a strong motivation.
- There is a growing market for incentive groups, with group sizes ranging from 50 to 500 people.

Airline Updates

- There are no direct flights between India and New Zealand. 81% of arrivals from India are via Auckland, with 81% of India-NZ travelers flying with one stop—over half via Singapore, a quarter via Kuala Lumpur, and 10% via Hong Kong.
- Flight searches from India to New Zealand are up 62%, and redirects have increased by 154%. Demand for premium seats is 2 to 2.7 times that of 2019, with fares up to 71% higher.

Barriers

- Indian needs to apply for visa to enter New Zealand. It usually takes 10 -30 days in the last 9 months according to Immigration New Zealand. With Indian travellers travelling behaviour tend to book their trip in a short lead, it potentially became a barrier for them to visit New Zealand.
- No direct flights to New Zealand. Direct connectivity would gain popularity with Indian travellers.

6. Summary

India is a high-potential and growing source market for leisure travel, with a median age of 27.6 years, making its population more than ten years younger than that of most major economies. They are also more comfortable in using technology for trip planning, such as booking through OTAs. The peak travel seasons for Indians, from April to June and October to November, align well with Queenstown's shoulder seasons, presenting a valuable opportunity.

Queenstown is regarded as a strong value proposition and a ‘must-visit’ destination for Indian visitors. Most of the Indian travel agents have a good understanding of Queenstown. Feedback from Indian travel agents is positive, with group travellers typically staying in the Queenstown region for at least three nights and FITs staying for 3-5 nights. However, challenges such as complicated visa application processes and long waiting periods can deter Indian travellers. The ease or difficulty of obtaining a visa can influence their choice of vacation destination.

To attract more Indian visitors, operators could consider offering packages with a range of options tailored to specific groups, such as families or couples. Demonstrating a welcoming environment by providing appropriate food and beverage options, including vegetarian and Indian cuisine, will also be key. Additionally, creating demand in the market for direct airline connectivity between India and New Zealand could significantly increase Indian visitor numbers to New Zealand and Queenstown.

7. Related Content/Event Images



Team photo



Queenstown operators (missing Cess)



One to one appointment



Drew Hamilton (NZONE Skydiving/ Skydive Wanaka) training frontline sellers