

TNZ RTO Workshop & Training day

Report

March 2020 Sydney

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Destination Queenstown

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1. Introduction

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 15-minute one-on-one meetings, with 26 Australian buyers and networking opportunities. The event was held at Sofitel Sydney Darling Harbour on Thursday 5th March. Buyers included Anzcro, Flight Centre Global, Helloworld, Great Tour Experiences, The holiday group, Airguides, Backpacker Deals, Expedia Local Expert, Experience Oz, Get your Guide, Klook, Luxury Escapes, Play by Afterpay, Viator, 10 Travlr, AAt Kings, G Adventures, Grand Pacific Tours, Abercrombie & Kent, EF cultural Tours, Grand Circle Corporation, Goway Travel, Tour East Australia.

Key messages delivered through Queenstown's presentation were, general destination update, new hotel capacity, new activities, infrastructure, wine & beer, restaurants and day trips. After the event, all buyers were sent a follow up email with links to our Trade web pages and resources.

Tourism New Zealand Australian Market Team hosted RTOs from around NZ at a workshop in Watson Bay, where they shared campaign activity and an overall update on the Australian market.

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 from Australia in Q4 2019 grew to 449,000, up 1.8% the same Quarter last year. However, growth in holiday visitor arrivals was up less than half this amount clocking in at an increase of just 0.09% this quarter, compared with a year ago.

Tailwinds turned to head winds in Australia, currently in uncharted territory, which directly affects all aspects of life in Australia. Prediction is that the appetite to travel domestically is expected to rebound first. There are currently significant domestic tourism campaigns urging Australians to travel domestically to support bushfire affected communities 'Holiday here this year!' this is creating a

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fiercely competitive marketplace. Tourism Australia is building intent to holiday domestically while the State Tourism Organisation are focused on converting this demand.

3. Objectives

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
- Stimulate product development

4. Summary

TNZ Insights workshop on Australia Market

- Australia provides stability in times of global growth & retraction. A robust economic partner, attractive visitor market and close proximity highlights the importance of an Australian strategy. Australian holiday arrivals were not immune from GFC falling to -3% vs -7% all holiday arrivals. However, Australia VFR arrival growth accelerated over the period Australia Holiday arrivals made a rapid recovery after the low point.
- There is a big job to do in Australia, forward booking are weak in the short term, sustainable rebound and growth not guaranteed.
- TNZ are focusing on what they can control, they are executing to plan and staying focused during times of uncontrollable events. TNZ campaigns include 'City Breaks', 'This Is How We Winter' and 'Good Moring World 2.0'. They will be focusing on generating brand cut through in a cluttered market place and working closer with travel partners in this highly competitive market.
- YE 2019 Short haul outbound & domestic travel has trended upward. Short haul includes (NZ, SE Asia, Pacific Islands).

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Ski updates

- Ski is a key driver for Australian first-time arrivals to New Zealand and contributor to value mix of arrivals.
- The available Australian ski audience grew by +900k pax from 2015 -19, but New Zealand's preference as a ski destination declined from 25 –20% while key competitors, Australia and Japan's preference grew. TNZ started Project Oscar which is a 2-year rolling plan to address the declining preference and drive Aussies to pick NZ for their next ski holiday
 - Driving top of mind awareness and consideration of Destination Ski New Zealand
 - Re-framing what Aussies think we offer and showcasing that: This is How We Winter
- TNZ 'This is How We Winter' campaign is now live. To ensure we are leveraging TNZ ski campaign, Queenstown is also in market with our winter campaign.
- Feedback from Flight Centre Global Procurement Network & Expedia local expert, that ski bookings are looking good. Forward bookings are up for Queenstown on last year.
- Feedback from Anzcro Ski Express, enquiry is down for Queenstown this year. They are looking for more Queenstown ski content to utilise across their channel.
- Many international ski destinations have had their season cut short, due to Covid-19 and travel restrictions. This means appetite for a ski holiday in Queenstown could be on the rise.

Travel Trade Update

- Channel split*
 - 53% airline
 - 36% Travel agents
 - 11% OTAs

* IATA AIS 2019 all PAX to NZ (country of sale Australia)

- Top 5 booking brands in Australia are
 - Flight Centre 24.6%
 - Booking.com 20.8%
 - Air bnb 18.2%
 - Trip Advisor 11.8%
 - Expedia 10.6%

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Destination Queenstown hosted an Australia roadshow in February 2020, 90% of the travel sellers attended the roadshow, which meant the training day was a great opportunity to reconnect and to continue to build solid relationships with those key partners. Most of the travel sellers that I spoke to were going through challenging and unknown times due to Covid-19. They were dealing with large volumes of cancellations and many of their companies were starting to put travel restrictions in place for their staff.

The positive sentiment was around forward bookings for winter and enquiry to date looking good for Queenstown. Australia is the biggest international market for Queenstown, so it is important that we nurture these key trade relationships and continue to promote Queenstown and educate travel sellers on our destination.

TNZ workshop at Watson Bay Hotel



TNZ Campaign Links:

This is how we winter in New Zealand: <https://www.youtube.com/watch?v=uFKsTli1a2U>

This is how we winter in Queenstown: <https://www.youtube.com/watch?v=6Kx-DuMI3tl>

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RTO Training day at Sofitel Darling Harbour



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