

Tourism New Zealand Regional Showcase 2022 - Sydney

Report

Destination Queenstown

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1. Overview

The Tourism New Zealand Regional Showcase (formally known as the RTO Workshop) is an annual TNZ Australia offshore event held in Sydney. The event provides a unique opportunity for Regional Tourism Organisations (RTOs) to facilitate and establish business relationships with new and existing key travel sellers from Australia and gain insights into the Australian market. This was the first Tourism New Zealand hosted event in market in Australia since February 2020.

The event structure offered a full day of pre-scheduled 10-minute one-on-one appointment, with 26 Australian buyers, as well as additional networking opportunities. The event was held at Sofitel Sydney Darling Harbour on Tuesday 10th May 2022.

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.

With all RTOs gathered in Sydney for the Regional Showcase, Tourism New Zealand took the opportunity to host an afternoon workshop and dinner event at the Museum of Contemporary Art on Monday 9 May. This programme included an update from Tourism New Zealand on the Australian market and planned activity, follow by a presentation from The Honey Comb Effect Founder and Tourism Tasmania board member Carolyn Miller covering the potential for tourism business development and closed with a panel discussion on perceived forward outlooks on the industry from panellists Matt Leedham (Founder and CEO of KarryOn), Rene de Monchy (TNZ CEO), Quentin Long (Managing Director, Australian Travel Media) and Scott Callaway (GM Trade Development, Christchurch Airport).

Also in attendance across the two days of events was the New Zealand Minister of Tourism, Hon Stuart Nash and New Zealand High Commissioner to Australia Hon Dame Annette King.

2. Market background

Australia is New Zealand's largest international visitor market, previous accounting for over 40% of all international visitors.

Australia's close proximity and strong relationship with New Zealand continues to drive consideration and arrivals. Tourism New Zealand's work in Australia aims to jolt consumer apathy to get the Australian market generating volume and value growth.

Prior to Covid- 19:

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- Australian visitors contributed 1.5M (40%) arrivals annually and spent \$2.7b in New Zealand in 2019
- 71% of Australians opted for self-drive holidays in New Zealand
- Visitors from Australia returned to New Zealand 3-4 times in their lifetime providing a big opportunity to increase regional dispersal and 'touring' activity to increase bookings for smaller regions
- Seasonally, Australian holiday arrivals were balanced throughout the year. They made up 27% of holiday arrival – but over winter this jumped to 43%
- 71% of all international arrivals to New Zealand, who skied, were Australian
- Travel agents were the most preferred way to book a holiday in Australia, with 49% of Australians booking their New Zealand holiday via traditional methods

Impacts of Covid-19 on Australians' travel intentions:

- According to Tourism New Zealand's research on the impact of Covid-19 on the intentions to travel, over 77% of Australians who are actively considering travelling to New Zealand will come to holiday, with 28% wanting to visit family and 18% to visit friends
- 60% of Australian active considerers are willing to come to New Zealand within six month of borders re-opening
- Of these, 20% are both willing to come to New Zealand within 6-months and have New Zealand as their first preference
- Based on Tourism New Zealand scenario modelling it could take up until January 2023 for Australia to reach 80% recovery to pre-COVID 19 levels

Additional TNZ market insights:

- Consumer apathy is a key challenge in the market that is tackled with improved relevancy and brand cut through from Tourism New Zealand
- TNZ key target audiences in Australia are Vibrant Adventurers (younger, adventurous, risk takers) and Experienced Connectors (older, open-minded traditionalists, confident travellers looking for new experiences).
- Summer has the highest peak for Australian holiday visitors, but marketing by Tourism New Zealand and other industry players has helped make New Zealand a popular year-round destination.

All figures above are supplied by Tourism New Zealand. [Click here for more Australian visitor insights.](#)

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3. Event objectives & benefits

TNZ set the following objective for the Regional Showcase event:

- Reconnect with and re-educate Australian travel trade
- Ignite and enable Australian travel trade to sell destination New Zealand
- Understand the value of the Australian market and gain market intelligence, insight, and advice on the Australian market.
- Engage with existing network of travel sellers and build on general business relationships
- Facilitate new business relationships and expand network of engaged travel sellers
- Increase general destination and product knowledge of travel sellers
- Promote regional dispersal
- Promote shoulder season travel
- Showcase new products to the market
- Showcase new regions to the market
- Stimulate product development

TNZ also outlined that this event provides exhibitors with an opportunity to:

- Gain market intelligence, insights, and advice on Australian market
- Connect with travel distributors who play a large role in the development, promotion and purchasing process of New Zealand tourism experiences
- Broaden their customer base far beyond the reach of their marketing budget
- Build new relationships and foster existing relationships with distributors
- Set themselves apart from their competition and encourage distributors to promote and sell their regions and/or product(s)
- Raise distributors awareness of their regions and/or product(s) and what they have to offer to the distributors' clients so that they are in a better position to sell the region
- Meet with a larger base of travel distributors than they would have access to at New Zealand trade shows
- Benefit from economies of scale and TNZ investment – TNZ organised or facilitated events required a fraction of the investment and time required for individual sales calls

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4. Attendance

TNZ invited product managers, retail travel agents, wholesale travel agents and online travel agents with final attendance representing the following companies:

AAT Kings, Agoda, ANZCRO, Australia and NZ Holidays, Backpacker deals, Big red group, Celebrity Cruises, Expedia, Flight Centre, Getyourguide, Grand Pacific Tours, Great Tour Experiences, Helloworld, Karryon, Kayak, Klook, Luxury Escapes, Meta, Pelago, Play Travel, Skimax, Topdeck, Tour East Australia, Tourism NZ, Trip advisor and Trip.com.Journeys (2007) Ltd, Once Upon A Trip, Pacific Destinations (NZ) Ltd, Pacific Discovery, Pan Pacific Travel, PPG Events, Prestige Pacific Tours & Travels Limited, Red Carpet Tours, Seasonz Travel, Southern Crossings, Southern World, Tapoi Travel, The Travel Corporation

All New Zealand RTOs had representation present, as well as industry partner Air New Zealand.

5. Market & Event Insights

The following insights were gathered by Destination Queenstown through conversations during appointments and industry stakeholders across had across the two events.

TNZ Australia workshop afternoon – Insights

Monday, 9 May 2022

- There are a lot of wider economic factors that are affecting the consumer's bottom line, and subsequent travel budget, in Australia currently. Flood recovery, inflation uncertainty, tension with China and other global political events are having an impact of the economic environment.
- Australia is also in the final stages of the federal election. Not only could this impact the country in many ways politically, but it's also means that the marketing environment and ad space where TNZ would normally be active is saturated with political messaging.
- There is still a large amount of budget being spent across state tourism boards, and Tourism Australia encouraging domestic travel and "exploring Australia" – the spend on some of these campaigns is higher than TNZs annual global budget.
- Australians are still uncertain about travelling with sentiment in the market that there are too many complication and unknown factors in travel that confidence to go offshore is still low.
- While TNZ Australia have seen a significant reduction in the number of active considers wanting to travel to New Zealand, they are seeing that those who are still in the group are keener than ever and could result in a higher potential conversion rate.

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- There is over \$8 billion of travel credit being held in Australia, however there are no travel sellers to assist clients in spending it. With over 500 job listings being advertised by Flight Centre alone, companies trying to re-build their teams to keep up with high demand are struggling to find staff.

TNZ Regional Showcase – Insights

Tuesday, 10 May 2022

- Although Tourism New Zealand (and supporting research) stated that there is still \$8 billion in travel credit in Australia, it is suspected that most of that credit is being held with airlines, larger Online booking agents (OTAs) like Booking.com and core retail companies e.g. Flight Centre as conversations during appointments with smaller agents reported that they issued refunds to all clients and weren't holding any credit.
- OTAs are seeing a large spikes in search for NZ, and Queenstown is always the #1 or #2 region searched, but they aren't seeing bookings. New Zealand's biggest competition at the moment is Bali, Fiji & Thailand.
- Both OTA and Retail companies also commented on the sentiment that it is becoming increasingly harder to get cut through in Australian media and with campaigns now due to the election saturating the space. They're also concerned about how competitive the travel media and marketing environment will get in the coming month and are still hoping for financial support through joint marketing ventures from regions.
- The OTA and aggregate companies were most interested in DQ providing contact information for Queenstown operators to engage with and were requesting support in building said relationships.
- Flight Centre have over 500 job adverts in market, with little interest and Helloworld commented that they were positioning some team members in front of their stores, not to sell travel but to recruit anyone walking by.
- Many Australia agents are still working at reduced hours or working a second job to supplement income. This is making the growing demand of inquiries difficult to manage, and although many want to return to full time, they need more market certainty before they can do so. It is also making it difficult to attend events such as the Regional Showcase and other product trainings with limited time and resource available. Subsequently, TNZ commented that they had a "more than usual" difficult time in recruiting attendees and recommended that if regions are considering doing in market events that they hold off until sellers' teams are better resourced and have more disposable time – potentially not until 2023.
- There is still a lot of confusion in the Australian market around travel restriction and testing protocol when travelling to New Zealand. Testing is a major barrier when clients are considering multiple destination for their holiday.

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5. Summary

As this was the first Tourism New Zealand event in market since Feb 2020, Destination Queenstown approached the activity as an opportunity to re-connection as well as an insight gathering mission for both our own activity and to be able to provide such intel back to our membership. From the depth of conversations and insights shared above, this was successfully achieved.

Although there was great market research shared by Tourism New Zealand Australia, and the optimism from agents and travel sellers was high, it was evident that the interest in coming to New Zealand (and Queenstown) is still there among their client base but the confidence in conversion and what they may look like in the near future was still very uncertain and hard to predict. Varied and contrasting opinions could only be concluded that the way the market will recover is greatly unknown.

A large focus of those that attended remained around their business recovery and survival. While still passionate about Queenstown, interested in updating their product knowledge and confident in promoting/selling the region, the conversation often started to their concern around their staffing levels, the need for training resources and their opportunities for us to co-invest in marketing campaigns with them (mostly driven by the OTA companies). This also led to the key insight for decision making in hosting in market roadshow or training. As all the companies are still on limited resources, with many staff remaining on reduced hours (many still having a second job to supplement income) trying to recruit attendees for events such as this or other in market training may be difficult for the foreseeable future. Tourism New Zealand's experience and recommendation was that regions should consider waiting until these companies have better team resourcing and that any events or trainings in market may see the best success if planned in the later part of 2022 or beginning of 2023.

Many of those that we re-connected with at the Regional Showcase commented on how much they enjoyed attending the Destination Queenstown roadshow during the New Zealand Australian travel bubble in June 2021. Although borders were closed again soon after, this opportunity to connect directly with Queenstown operators was highly valued and helped drive confidence to the Australian product managers that our region had done well through the pandemic and was ready to welcome their clients back to New Zealand.

Overall, the attendees were familiar and confident in Queenstown and our product, hold strong relationships with and feel well informed/support by the DQ Trade team and engage with our comms and resources often. A very successful piece of activity in a very important market for our international recovery.

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6. Related content

Media coverage:

<https://karryon.com.au/industry-news/first-tourism-new-zealand-regional-showcase-visits-sydney-for-two-years/>

Event photo montage video: https://www.youtube.com/watch?v=wL9fyU-Ktp0&ab_channel=TheWaphel

Event images:



TNZ workshop event and panel discussion – Monday 9 May



*TNZ Australia team with Hon Stuart Nash (Tourism Minister) at the TNZ workshop and dinner – Monday 9 May
and Minister opening address at Regional Showcase – Tuesday 10 May*

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TNZ Regional Showcase event floor – Tuesday 10 May



TNZ Regional Showcase closing networking event – Tuesday 10 May

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