



Destination Queenstown

TNZ Southeast Asia Roadshow / Air NZ Vietnam Extension Trip Report

September 2023

Destination Queenstown

PO Box 353, Queenstown 9300, New Zealand
+64 3 441 0700

queenstownNZ.nz

1. Overview

The TNZ roadshow covered several Southeast Asian countries in September, including Singapore on the 5th, Malaysia on the 7th, Indonesia on the 11th, and Thailand on the 13th. The Air NZ Vietnam extension occurred on September 15th. These events provided New Zealand tourism representatives and operators with opportunities to connect with key travel sellers in Southeast Asia. Activities included pre-scheduled small group meetings with travel agents and networking with product managers during evening events.

Each day of the roadshow featured 37 operators from New Zealand conducting eighteen 10-minute appointments with travel sellers. In the Air NZ Vietnam extension, New Zealand operators had individual tables with rotating travel sellers. In total, these events attracted an estimated 643 attendees, with 55 attendees specifically at the AirNZ Vietnam extension.

2. Market Background

Singapore:

Singaporeans travel to New Zealand to experience beautiful landscapes, get in touch with nature and feel refreshed and relaxed. Traditional peak travel seasons in Singapore are Chinese New Year, from late May to late June (around school holidays); around Deepavali in mid November to the end of December. Singapore's luxury travel market offers considerable opportunity for New Zealand, with the local demand for high-end travel matching the Asian-wide upswing.

- Holiday arrivals reached 64,574 in the year ending December 2019.
- Stable economy with growth forecasted for 0.5- 2.5% growth in 2023 with outbound solid recovery.
- Travel agents are the primary mode of booking travel packages. Singaporean travellers prefer FIT over groups, However, the trend has shifted to smaller private group tours.
- Direct flights to New Zealand from Singapore through Air New Zealand and Singapore Airlines.
- Remains a global hub for transport: in 2022, Changi recovered 47% of its pax traffic compared with 2019 and is ranked the 7th busiest international airport in the world.

Malaysia:

Malaysians enjoy travelling to New Zealand for self-drive and campervan holidays. Malaysia's peak travel seasons are year-end school holidays which now take place in mid Feb to mid-Mar (coinciding with NZ off-peak season), Deepavali in mid-November to the end of December, and around Chinese New Year.

Key insights:

- Holiday arrivals reached 41,779 in the year ending December 2019.
- Malaysia's economy is projected to grow at 4.5% in 2023, underpinned by strong domestic demand and improving labour

- Market conditions.
- Travel agents remain the primary booking mode for travel packages in Malaysia.
- Malaysian Airlines committed to direct route, with new indirect AirAsia X service.
- Business Events continue to deliver value and volume during off-peak.

Indonesia:

Indonesians are "creature comfort" travellers who prefer less extreme adventure. A status-driven market, shopping is a key activity for holidaymakers. Indonesia's peak travel season are school holiday periods, including Labaran Holidays in May and mid-Dec to early-Jan.

Key insights:

- Holiday arrivals reached 27,697 in the year ending December 2019.
- Indonesia's economy is expected to grow 5.3% in 2023, driven by consumer spending and commodity exports.
- Largest Muslim population globally, but outbound Muslim travellers tend to be less rigid about religious requirements.
- No direct flights from Jakarta, only Virgin Australia via AU; direct connectivity from DPS - AKL with Air New Zealand.
- Strong growth in Business Events and Incentive groups.
- Over 85% of conversions result from bookings via travel agencies and there is a noticeable increase in flight bookings from online travel agents (OTAs).

Thailand

Thais are a highly status driven market and New Zealand has a premium brand image. Thailand's peak travel season are Songkran Festival in April, and the school holidays in June and mid-Dec to early-Jan.

Key insights:

- Holiday arrivals reached 28,378 in the year ending December 2019.
- Thailand has a stable economy with a forecasted 3.8% growth in 2023.
- No direct flights between Thailand and New Zealand, however Thai Airways flew direct from Bangkok to Auckland up to 2019 but paused due to pandemic.
- Good source market for Business Events and Incentive groups.

Vietnam:

Being relatively new travellers, Vietnamese consumers also tend to be more value conscious. This was reflected in their top travel considerations, whereby travel budget and value for money were among the top 5 consideration factors. Air ticket promotions were one of the key triggers for travel.

They would also prefer to stay at a hotel that was priced within their budget rather than a hotel that offered extra facilities or excellent services albeit at higher cost.

In addition, to satisfy their need for broadening their horizons, destinations which offered interesting culture and heritage or new experiences which could not be found back home appeal to the Vietnamese.

- Vietnam's economy recovered faster than expected in 2023 and continues to grow amid the challenging global environment.
- However, the country's economic outlook continues to face heightened risks. The global economic slowdown could weigh on Vietnam's exports. Labor shortage is expected to weigh on the fast recovery of the services and labor-intensive export sectors in 2023.
- Fully normalized domestic mobility and the lifting of COVID-19 travel restrictions for foreign visitors will support a robust rebound in tourism in 2023, driving the growth of the services sector.
- Outbound tourism is recovering but still lower than 2019, especially long-haul destinations (North America, Europe, Australia, New Zealand) due to lack of flight connectivity to those countries leading to very high air fares and the delay in entry visa issuance. 2024 is expected to be better.

3. Event Objectives & Benefits

Objectives:

- Re- connect with existing and updated network of travel sellers post – COVID to enable a fast start to bookings.
- Increase general destination and product knowledge of travel sellers.
- Showcase new products and regions in the market.
- Build strong selling capability for travel sellers.
- Engage with an existing network of travel sellers and build on general business relationships.
- Facilitate new business relationships and expand the network of engaged travel sellers.
- Promote TNZ campaigns and increase brand awareness among trade.
- Provide a new platform for negotiating new and existing contracts with travel sellers.
- Stimulate product development.

Benefits:

- 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 relationship distributors.
- Set themselves apart from their competition and encourage distributors to promote and sell regions and/or products.
- 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.
- Gain market intelligence, insights, and advice on international markets.

- Meet with a larger base of travel distributors than they would have access to at New Zealand trade shows.
- Contribute to sustainable tourism growth and innovation across the supply chain.
- Benefit from economies of scale and THZ investment and time required for individual sales calls. In addition, these events create more value for travel distributors and therefore enable organisations to meet with more high-quality distributors.

4. Attendance/Attendees

The New Zealand delegation was made up of 37 companies, comprising airports, airlines as well as New Zealand accommodation, transport, and tourism experience providers who met with a total of 643 travel trade members.

Queenstown Operators included:

- Alpine Luxury Tours
- Oxbow Adventure Co
- The Helicopter Line
- The Rees Hotel
- Altitude Tours & BLACK
- KJet Queenstown
- Skyline Queenstown
- Heliworks Queenstown
- Outback New Zealand Limited (Nomad Safaris)

SEA Roadshow 2023 – Attendees Number

	Frontline Training	Networking Dinner	Business Event
Singapore	65	60	NA
Malaysia	105	68	30
Indonesia	86	70	NA
Thailand	93	66	NA
T-643	349	264	30

5. Market & Event Insights

Singapore:

- New Zealand is Singapore’s 4th most popular searched long-haul destination, after AU, UK & US, ahead of IT, CH,FR. With 255k searches.
- Air NZ & Singapore Airlines have steadily increased SIN-AKL seat capacity (108% recovery for YE Mar 24), providing more options for travellers.

Malaysia:

- 42K Malaysians visited NZ in 2019 (+5% CAGR). New Zealand's 12th largest visitor market in 2Q23 & recovered 78%. 2/3 Inbound for holiday.
- Auckland- Kuala Lumpur accounted for ¾ of Malaysia to NZ origin destination traffic, with recovery of 113% from 2019.
- Growing options for travellers with 3 airlines operating 3 daily flights between KUL-AKL. Malaysia Airline, AirAsia & Batik Air.
- New Zealand is the 6th most popular place where Malaysians travellers are searching for long haul flights.

Indonesia:

- 28K Indonesia's visited NZ in 2019. Recovered 44% in 1H23 with a strong boost in April. 2/3rd of this are inbound for holidays
- Air NZ operates 3-5 weekly seasonal flights to Bali. Multiple one stop options by Qantas, Singapore Airlines, Air NZ, Malaysian Airlines between CGK-AKL.
- Visitor Visas from Indonesia has recovered 86% since 2019.

Thailand:

- 28K Thai's visited NZ in 2019. Covid recovery in improving reaching 2/3 in June 2023. Half of which are inbound for holidays.
- Bangkok accounted for ¾ of Thailand-NZ traffic. With a covid recovery of 60%
- Thai nationals living in NZ has increased. Approved Thai visitor Visas has exceeded 2019 levels, suggesting more visitors in the coming months.
- NZ is the 10th most popular place where travellers in Thailand are searching for long haul flights. With 242k searches and a 98% recovery.

Barriers:

Expression from many travel sellers at all destinations that New Zealand Visa Processing times is too long, directly effecting conversion rates.

Vietnam Specific Barriers:

No direct flights between Vietnam and New Zealand. Two flight arrival to NZ is a deterrent. Opting in many going to Australia.

While the Vietnamese valued perceived factors such as safety, welcoming nature of the locals and scenery, there were still some travellers with limited knowledge of New Zealand and its offerings. They also are concern around the barriers of 'getting around New Zealand'.

Cost was another potential barrier to visiting as New Zealand as its to be more costly compared to similar considered competitors (Australia and Europe).

6. Summary

Interest in New Zealand remains strong in Southeast Asia, as there is a growing inclination among Southeast Asians to choose New Zealand as their desired travel destination. In the Southeast Asian region, approximately 50 million individuals are actively contemplating visiting New Zealand for a vacation. Moreover, the number of holidaymakers arriving from Singapore, Malaysia, Indonesia, and Thailand in the first seven months of 2023 is quite promising, with nearly 94,000 visitor arrivals in total.

“Visitors from Southeast Asia support Tourism New Zealand’s strategy to attract high quality visitors who contribute positively to our economy, environment, culture, and communities. Southeast Asian visitors prefer to visit during our off-peak seasons of autumn, winter, and spring helping to spread visitation across the year.” [\(Tourism New Zealand, 2023\)](#)

“We’ve got a large pool of potential visitors to reach and convert demand into arrivals and we’re looking forward to working with travel trade to support this,” said Angela Blair. [\(Tourism New Zealand, 2023\)](#)

Discussion regarding interest in regenerative travel was little to none with no sellers indicating clients specific request in regenerative travel. However, Tourism New Zealand conducted an event that made a conscious effort to improve our carbon footprint and instituted several practices throughout the event that aligned with the Tiaki Promise. Overall, a positive re-entry into the market and great to develop new relationships and reconnect with familiar contacts in the Southeast Asia travel trade market.

7. Related Content/Event Images



