Technical Appendix to State of the Industry 2015

This reference document contains supporting data to accompany the State of the Industry 2015 and a copy of the SOI online survey.

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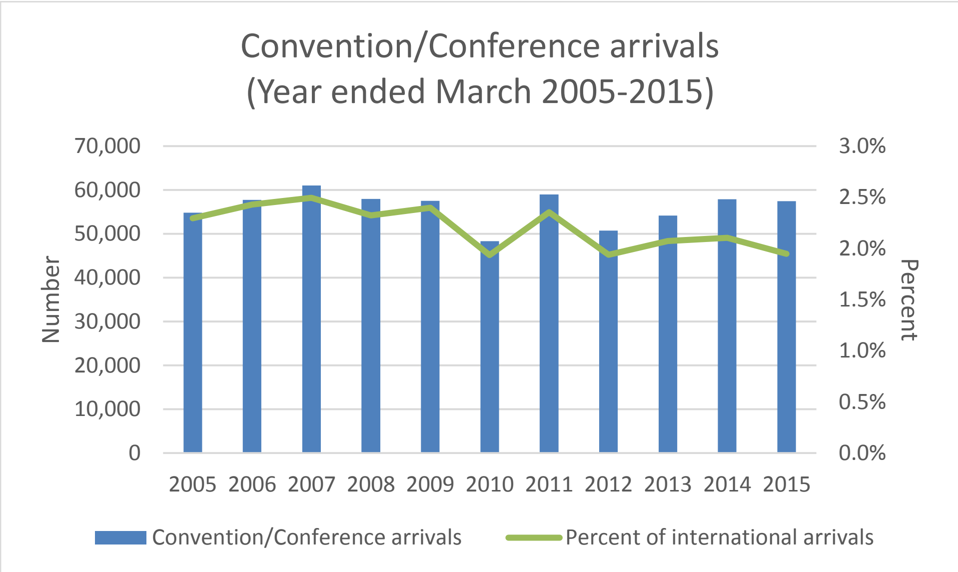
Supplementary SOI data

This section contains graphs supporting text presented in the State of the Industry 2015 report. These graphs relate to convention arrival data, arrivals data (by month) for the top six and six selected markets, and length of stay data for the top six markets.

Convention data

International arrivals indicating their main purpose of visiting New Zealand to be Convention/conference represented only 1.9% of international arrivals in 2015.

Figure 1 Convention conference arrivals (Year ended March 2005-2015)



Source: Statistics New Zealand

Seasonality

To allow easy comparison of arrivals from different markets, the seasonality graph in the SOI 2015 report (Figure 16) showed the percentage of arrivals by month for only the top four markets and for all arrivals. The graphs presented here show the number of arrivals from 12 markets (the top six and six selected) by month, for the 2005, 2010 and 2015 March end years (Figure 2). Figure 3 shows the total number of arrivals by month in 2005, 2010 and 2015 (Year ended March). These graphs clearly illustrate the changes in arrivals from each market, as well as the seasonal distribution of these arrivals. Over the last decade, seasonality has become more pronounced for the majority of these markets.

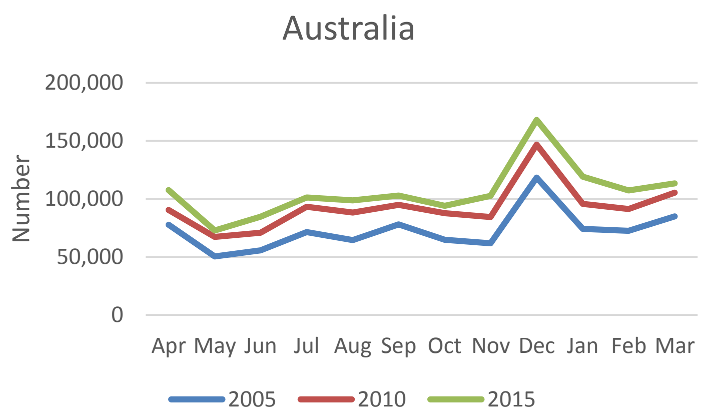
Figure 2 Seasonality graphs – top 6 markets & 6 selected markets (Year ended March 2005, 2010 & 2015)

<table>
<tr>
<td>1,273,152
arrivals in 2015

↑45% since 2005

<u>Arrival peak</u>

13% December

40% Dec-Mar</td>
<td>
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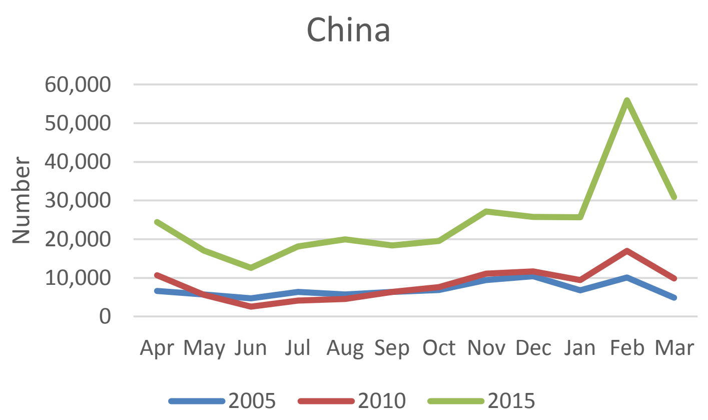
<td>295,552 arrivals in 2015

↑251% since 2005

<u>Arrival peak</u>

19% February

Peak becoming more pronounced</td>
<td>
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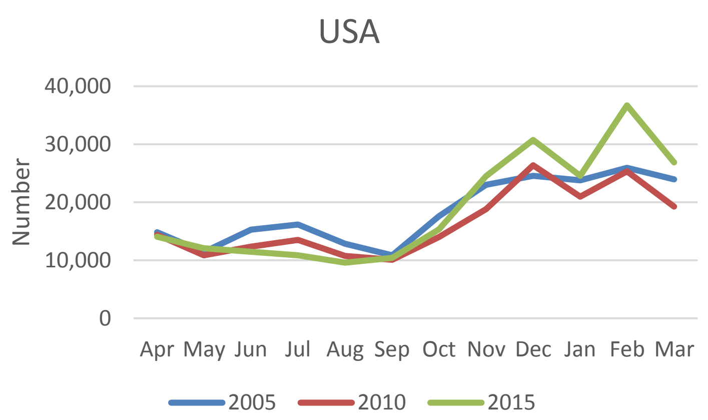
<td>226,960 arrivals in 2015

↑3% since 2005

<u>Arrival peaks</u>

16% February

14% December</td>
<td>
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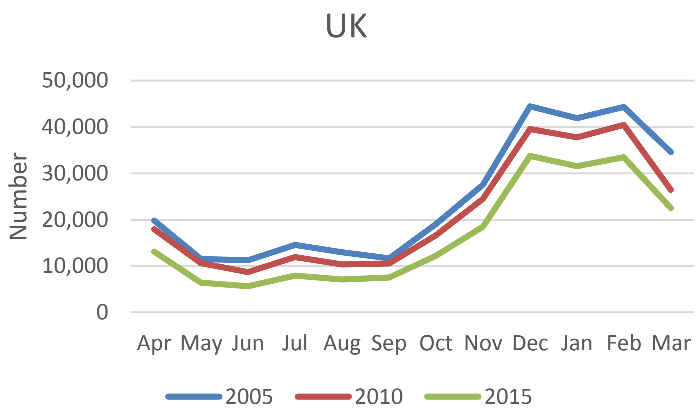
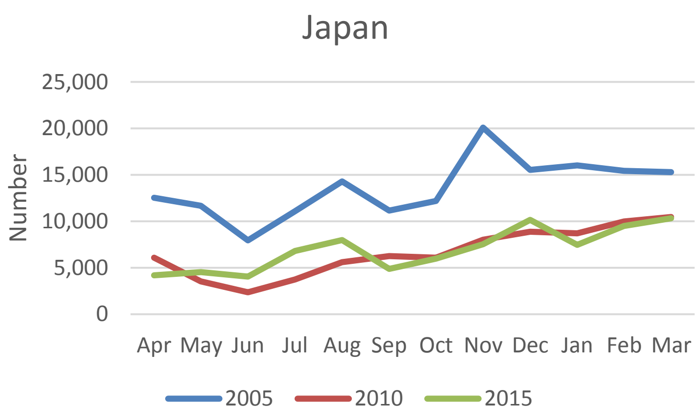
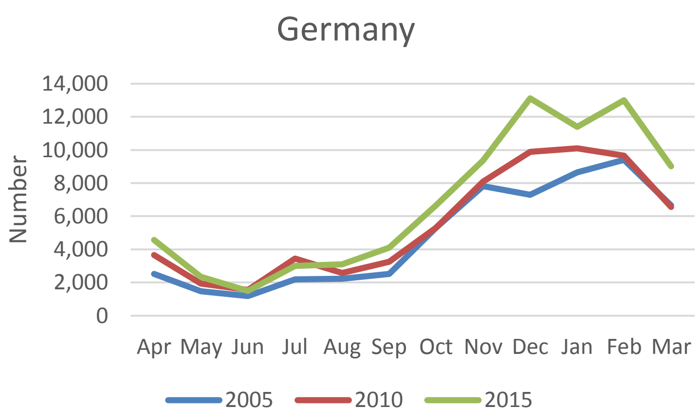
</table>

199,760 arrivals in 2015 ↓32% since 2005 <u>Arrival peak</u> 49% Dec-Feb	
83,392 arrivals in 2015 ↓49% since 2005 <u>Arrival peaks</u> 12% December 10% August	
81,152 arrivals in 2015 ↑42% since 2005 <u>Arrival peak</u> 16% December 16% February	

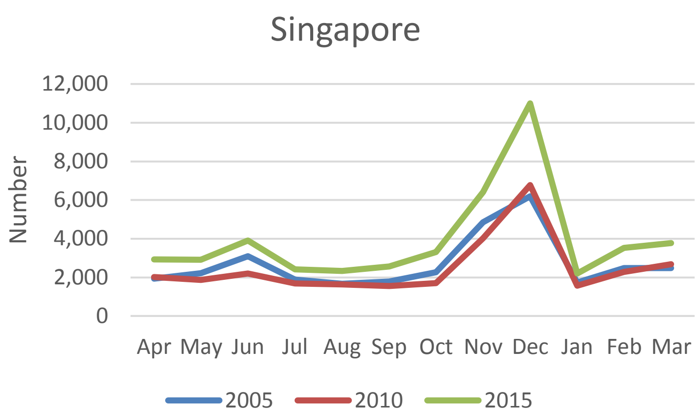
47,296 arrivals in 2015

↑45% since 2005

<u>Arrival peak</u>

23% December

Peak becoming more pronounced



40,880 arrivals in 2015

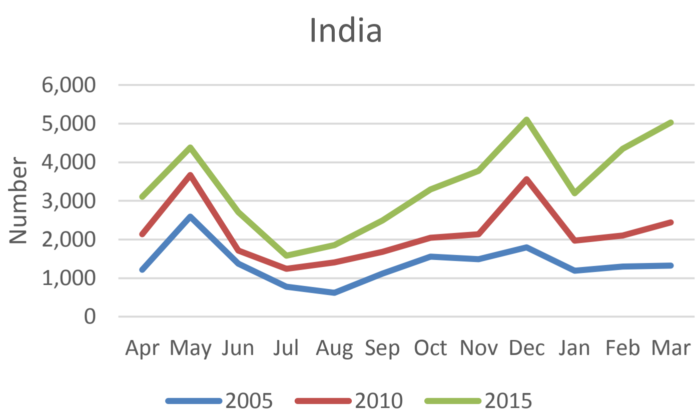
↑150% since 2005

<u>Arrival peaks</u>

12% December

12% March

11% May



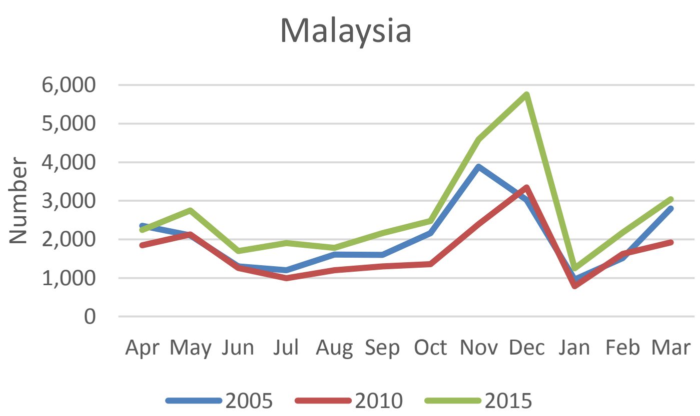
31,824 arrivals in 2015

↑30% since 2005

<u>Arrival peak</u>

18% December

Peak becoming more pronounced



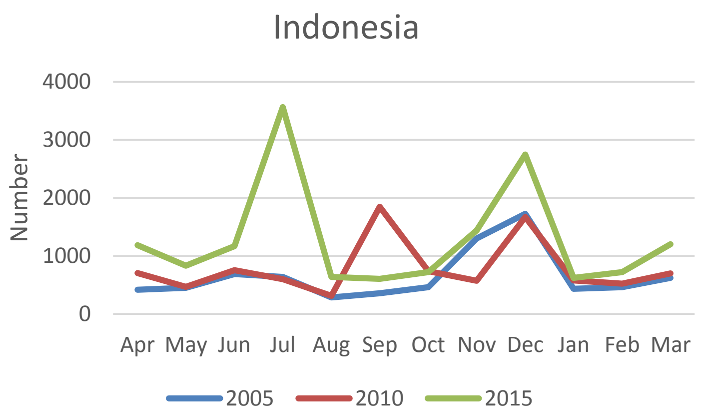
15,456 arrivals in 2015

↑97% since 2005

<u>Arrival peaks</u>

23% July

18% December



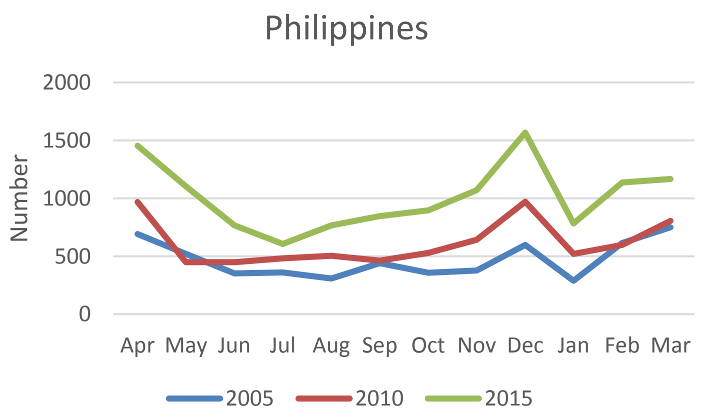
12,176 arrivals in 2015

↑115% since 2005

<u>Arrival peaks</u>

13% December

12% April



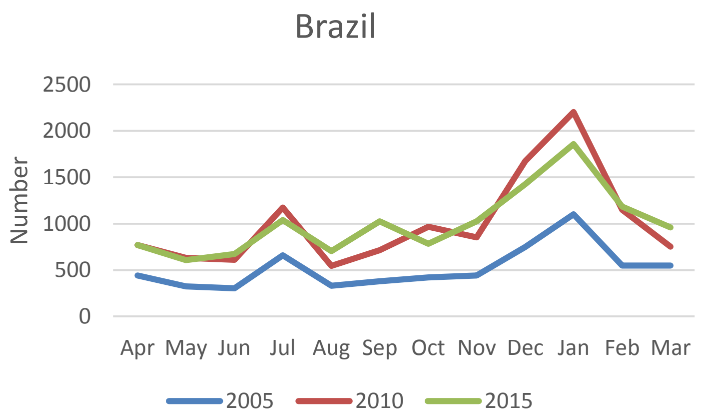
12,048 arrivals in 2015

↑93% since 2005

<u>Arrival peak</u>

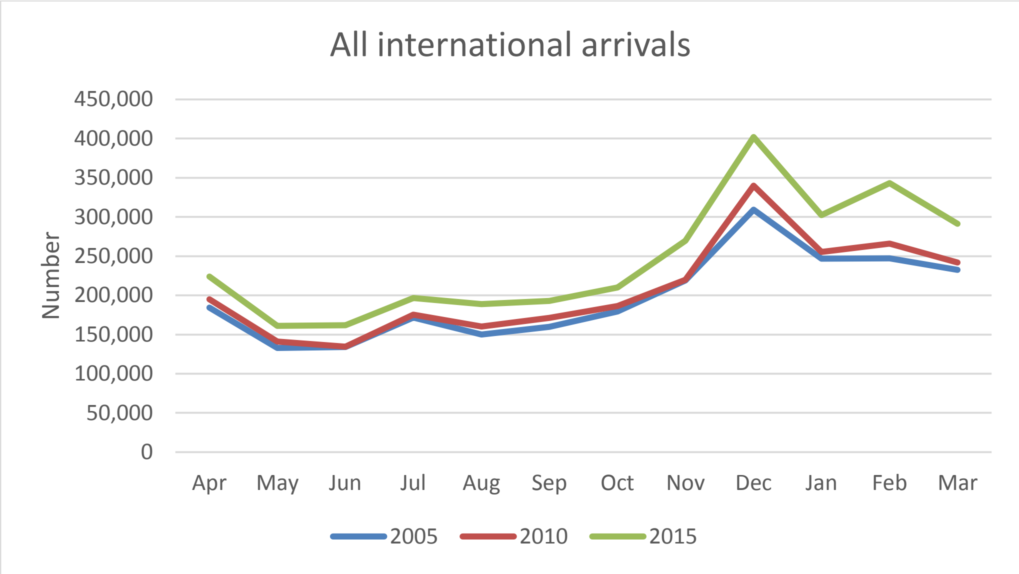
15% January

46% Nov-Feb



Source: Statistics New Zealand

Figure 3 Seasonality – all international arrivals (Year ended March 2005, 2010 & 2015)



Source: Statistics New Zealand

Length of stay

The SOI 2015 only showed median stay days (Figure 11) and total stay days (Figure 12) for the six main markets in 2015. The graphs presented in Figures 4-9 show average, median and total stay days for the six main markets. Source for all graphs: Statistics New Zealand.

Figure 4 Average, median and total stay days – Australia (Year ended March 2005-2015)

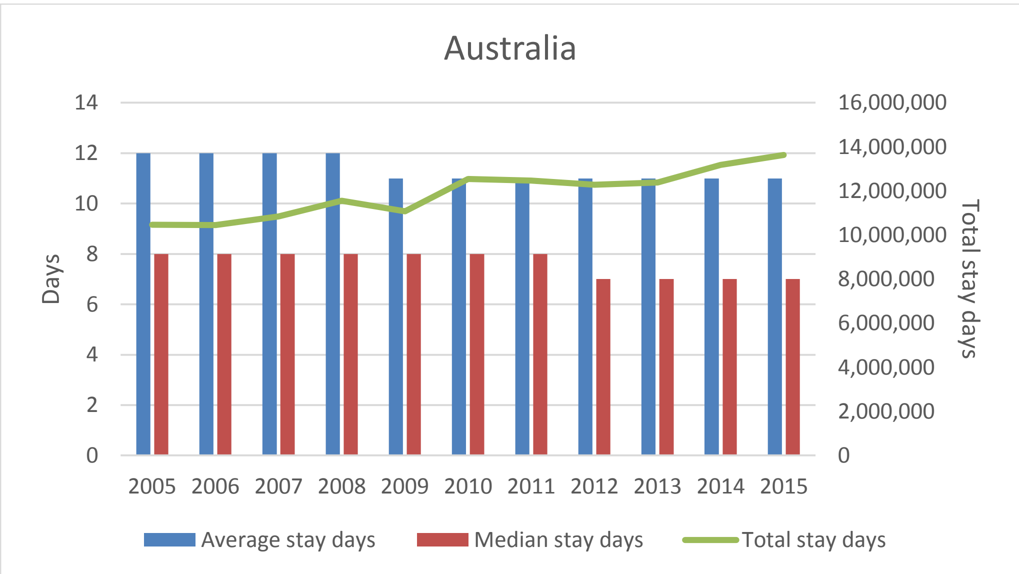


Figure 5 Average, median and total stay days – China (Year ended March 2005-2015)

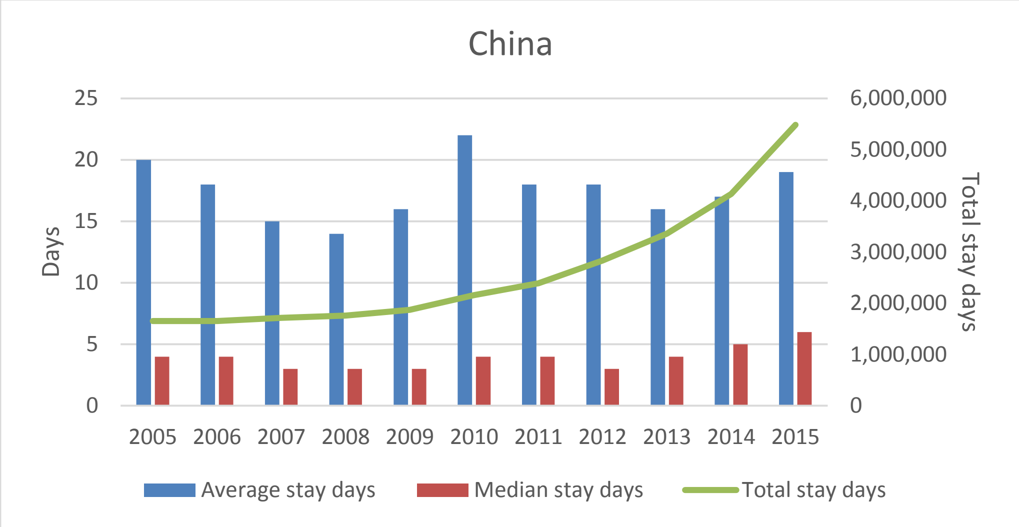


Figure 6 Average, median and total stay days – USA (Year ended March 2005-2015)

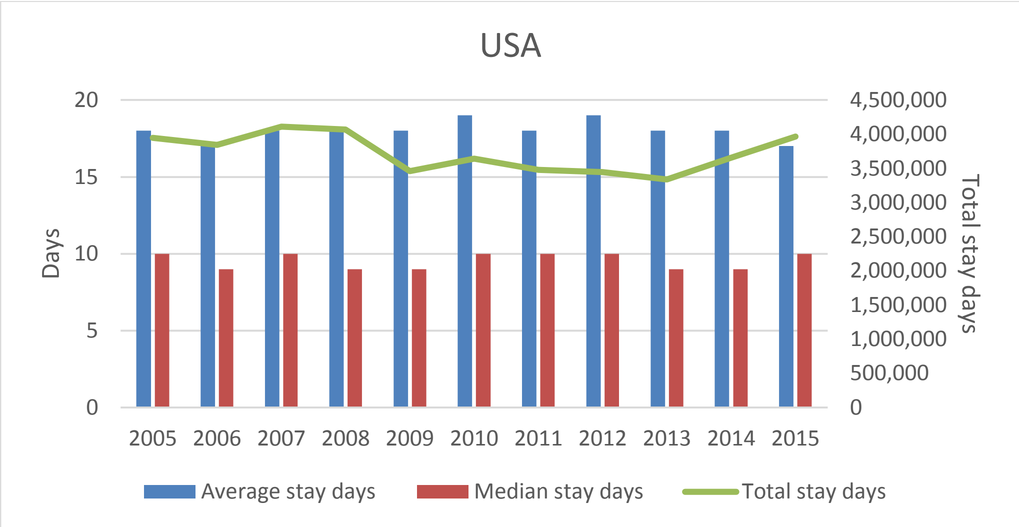


Figure 7 Average, median and total stay days – UK (Year ended March 2005-2015)

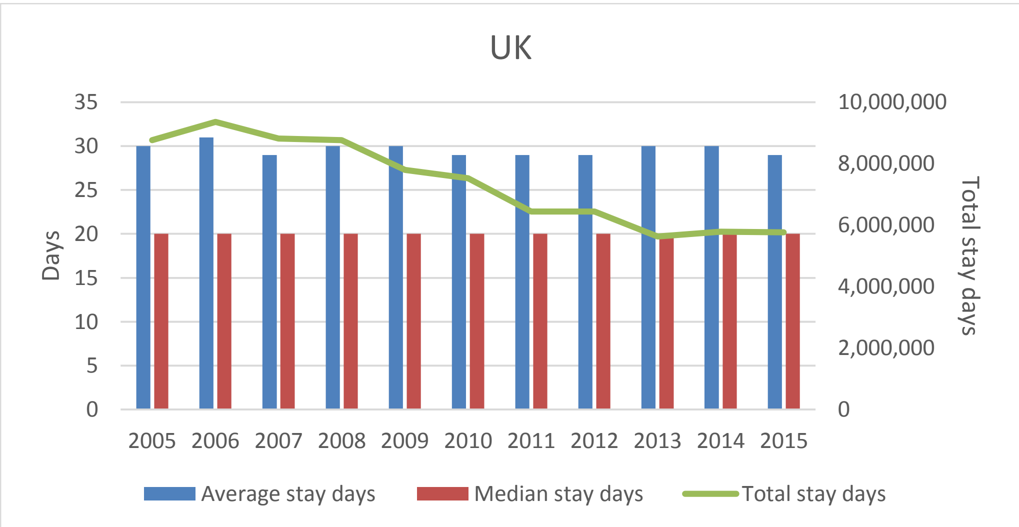


Figure 8 Average, median and total stay days – Japan (Year ended March 2005-2015)

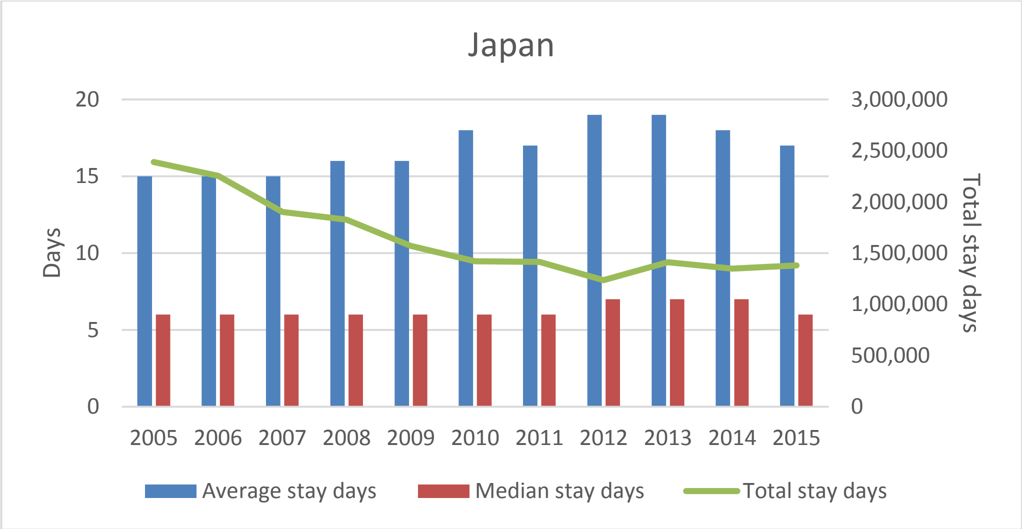
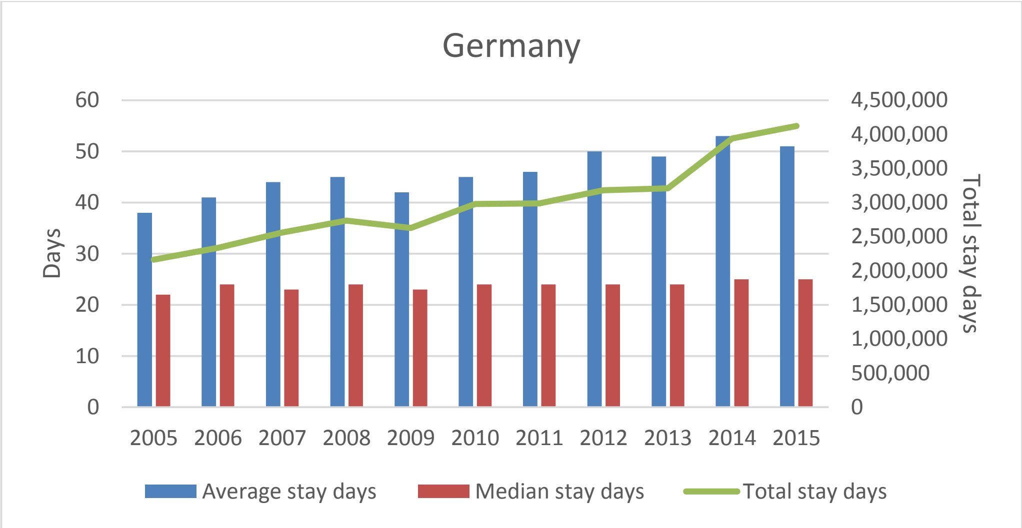


Figure 9 Average, median and total stay days – Germany (Year ended March 2005-2015)



SOI survey results

An online survey was distributed via the membership databases of TIA, New Zealand Airports Association, Backpacker Youth & Adventure Tourism Association, Cruise New Zealand, Holiday Parks Association of New Zealand, the New Zealand Maori Tourism Council, Motel Association of New Zealand, Regional Tourism Organisations New Zealand, Ski Areas Association of New Zealand, Tourism Export Council and the Youth Hostel Association of New Zealand. The survey was created and distributed using Qualtrics software. Data was transported into an Excel spreadsheet for quality checking before being analysed using SPSS 22 (Statistical Package for Social Sciences).

The survey was in four parts and collected data on:

- The nature of respondents involvement in tourism industry
- Challenges facing the tourism industry
- Tourism industry opportunities
- Vision for tourism in 2025

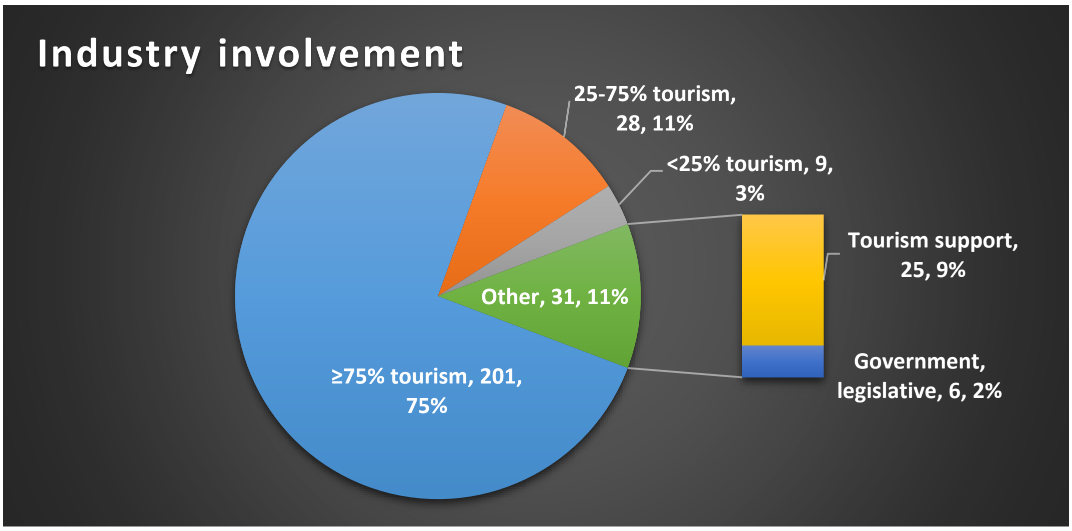
The survey was accessible online to respondents from early June until the end of July 2015. Altogether, 269 surveys were complete enough to be included in analysis presented in this report.

As a result of overlap in membership, with some potential respondents listed on multiple databases, and having no information on the size of the various databases accessed it was not possible to estimate a response rate for the survey.

Sample description

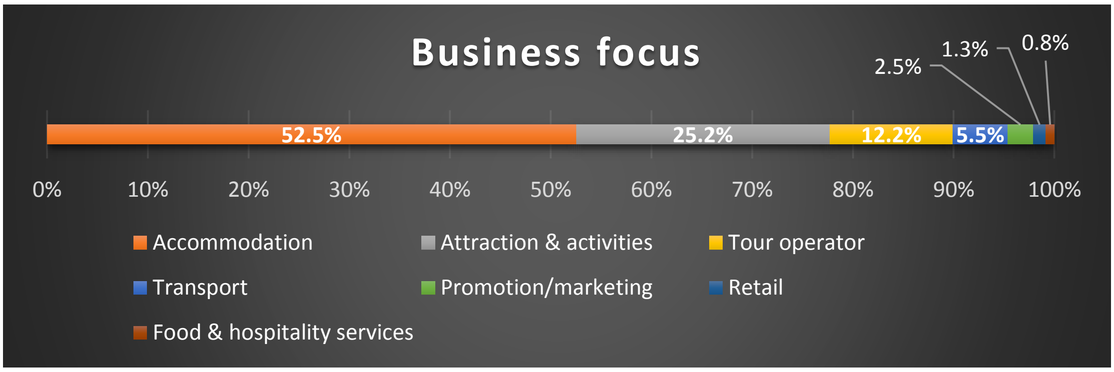
Altogether, 88.4% (n=238) of respondents reported that 25% or more of their sales came from tourism with almost three quarters (74.7%, n=201) reliant on tourism for 75% or more of their annual sales. Just over 10% of respondents (n=31) were involved in tourism support or had a governmental or legislative role associated with tourism (Figure 10).

Figure 10 Survey sample – industry involvement (n=269)



Of those reporting at least 25% of their sales from tourism (*n*=238), slightly more than half (52.5%, *n*=125) were accommodation businesses, a quarter (25.2%, *n*=60) were attraction and activity businesses and 12.2% (*n*=29) were tour operators (Figure 11).

Figure 11 Tourism businesses – business focus (n=238)



Altogether, just over half of all respondents (52.4%, *n*=141) were located in the North Island with the majority of these located in Auckland, followed by Bay of Plenty, Northland and Wellington (Figure 12). While the Central North Island contains all other North Island regions there were no respondents from either Gisborne or Taranaki.

Almost three quarters of the 128 South Island respondents were located in either Canterbury (*n*=40) or the Lower South Island (i.e., Otago (*n*=54) and Southland (*n*=9) combined). The Upper South Island group included respondents from all other regions (i.e., Marlborough, Nelson, Tasman and West Coast).

Table 1 presents a more detailed breakdown of respondents by individual region and industry involvement.

Figure 12 Location of survey respondents (n=269)

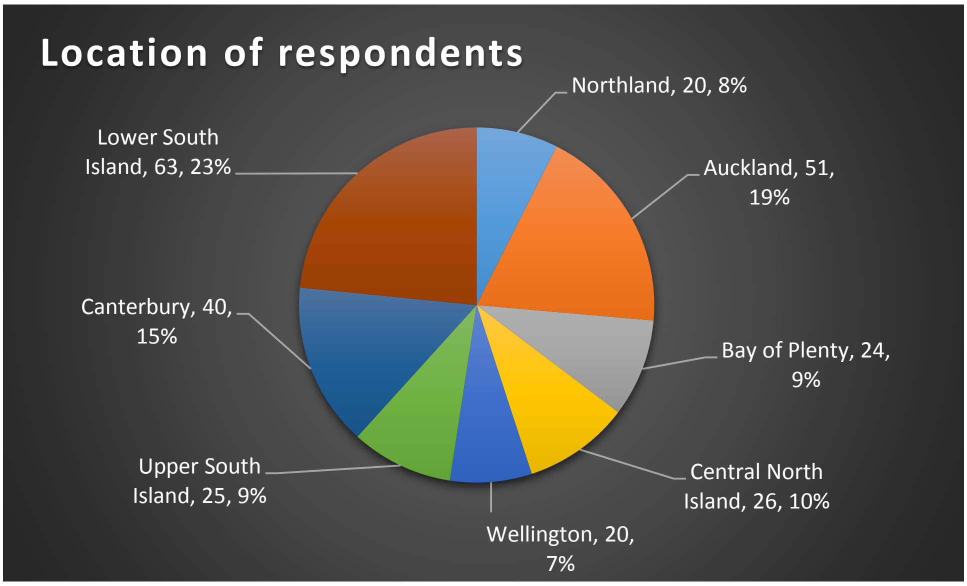
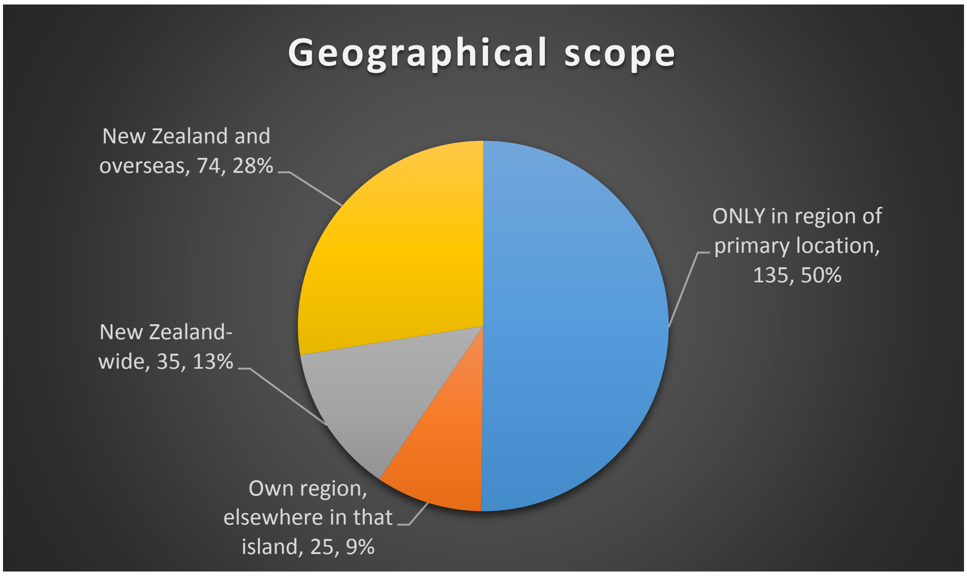


Table 1 Location of survey respondent and type of industry involvement (n=269)

North Island	*n*=141		South Island	*n*=128	
	Tourism	*Other*		*Tourism*	*Other*
Auckland	43	8	Otago	49	5
Bay of Plenty	23	1	Canterbury	37	3
Northland	17	3	Southland	7	2
Wellington	15	5	West Coast	8	-
Waikato	13	2	Marlborough	6	1
Manawatu-Wanganui	5	1	Nelson	6	-
Hawke's Bay	5		Tasman	4	-
Total	121	20	Total	117	11

Almost two-thirds of respondents reported that their business or operations were focused/located in a single location. Half of the total sample (*n*=135) operated only in the region of their primary location, almost a third (*n*=74) operated in both New Zealand and overseas; of the remainder, 35 operated New Zealand-wide and 25 operated only in the island of their primary location (Figure 13).

Figure 13 Geographical scope of respondent's business operations (n=269)

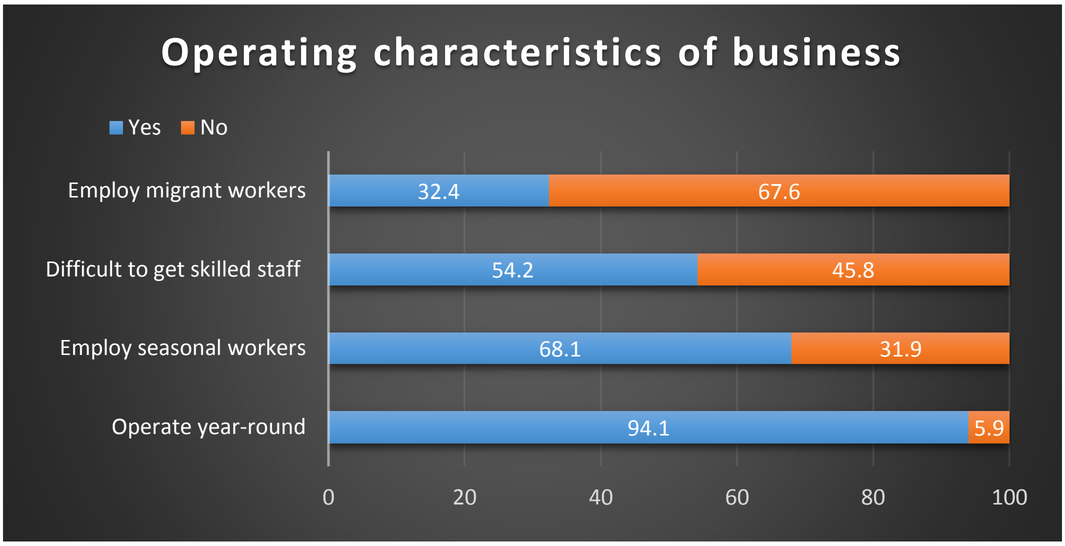


Tourism business characteristics

The 238 tourism businesses were asked about their operating characteristics and the types of visitors they catered for.

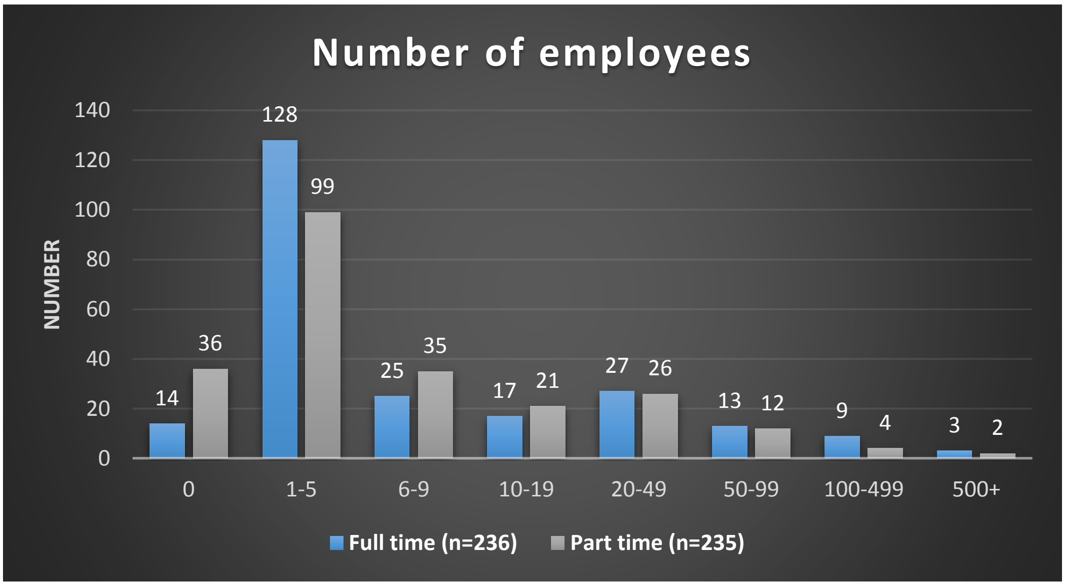
Although the majority of the 238 tourism businesses surveyed operated year round slightly more than two thirds (68.1%, *n*=162) reported employing seasonal workers. More than half (54.2%, *n*=129) reported having difficulty getting skilled staff and almost a third (32.4%), *n*=77) employ migrant workers (Figure 14).

Figure 14 Tourism businesses – operating characteristics (n=238)



Tourism business respondents were asked how many people (including themselves) they employed on an annual basis. Altogether, 78% of respondents employed 19 or fewer full time employees and 81% employed 19 or fewer part time employees (SME's are defined as those businesses employing 19 or fewer employees). However, 1-5 employees was the most common number of both full time (54%, *n*=128) and part time employees (42%, *n*=99).

Figure 15 Tourism businesses – number of employees (n=236 full time; n=235 part time)



Figures 16 and 17 show the selected visit purpose data by business location. These data are presented in Table format (Table 3) and described in more detail the SOI 2015 report.

Figure 16 Selected purpose of visit (VFR, Student, Conf-convt) by business location

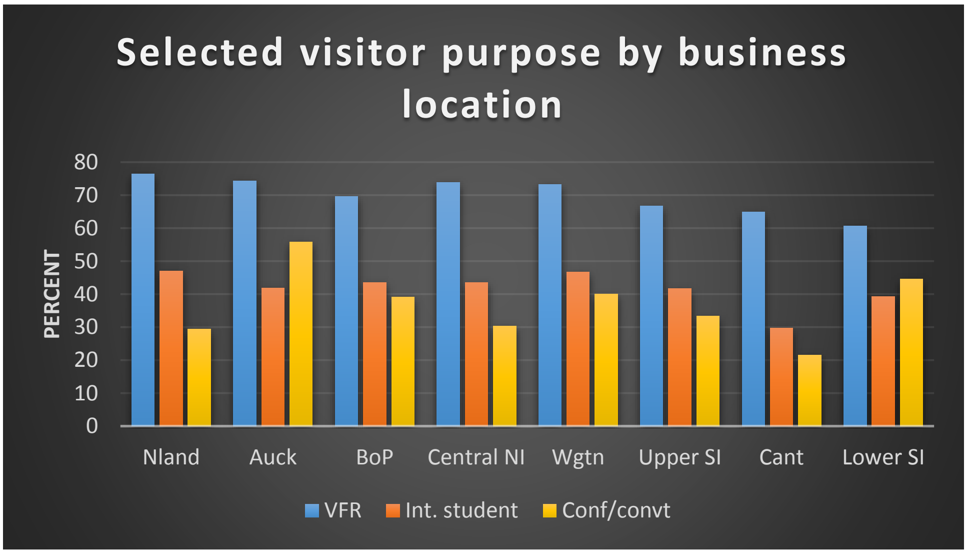
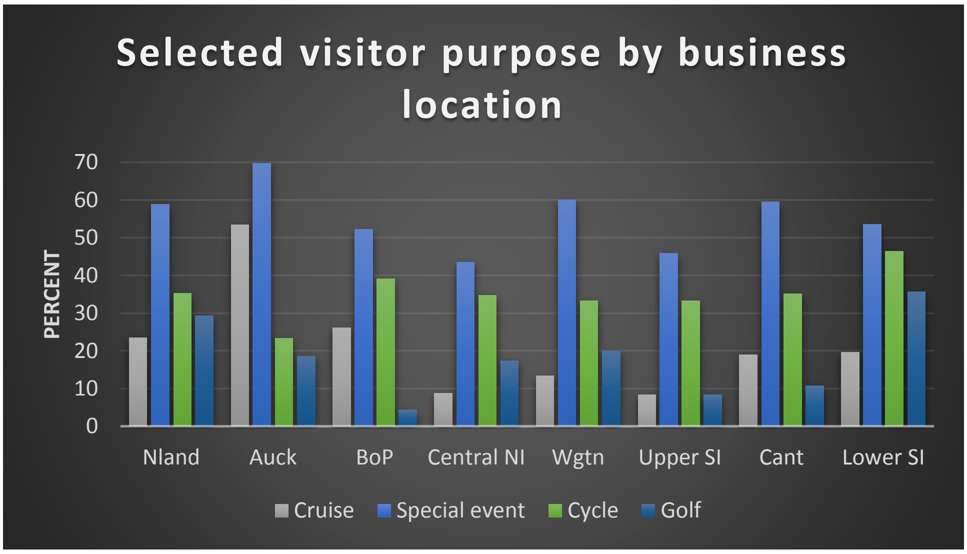


Figure 17 Selected visitor purpose (Cruise, Event, Cycle, Golf) by business location



Challenges facing tourism industry

Figures 18 and 19 show the percent of respondents agreeing with the challenge statements in respect of impact on the whole industry. Table 2 contains a summary of the additional challenges suggested by respondents.

Figure 18 Challenges facing the WHOLE tourism industry

Figure 19 Percentage reporting items to be NOT a challenge

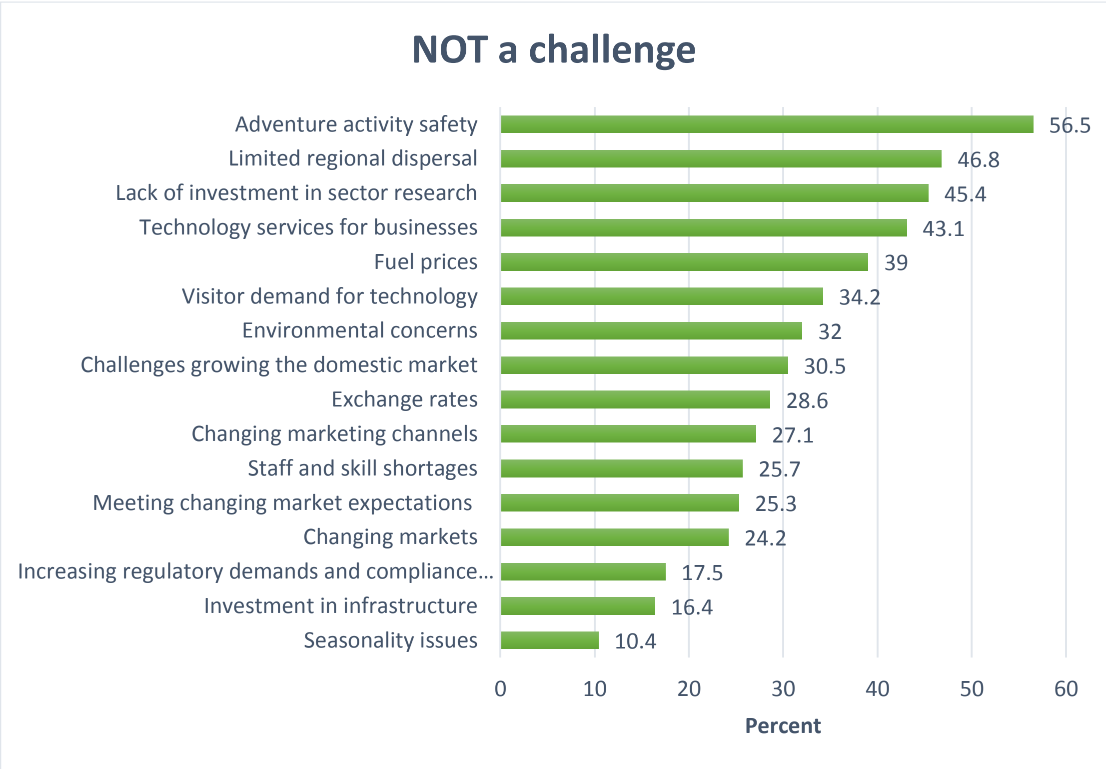


Table 2 Other challenges – summary description

Theme	Description of challenges
Employment	Skill levels; visa issues; decreased work options due to competition within temporary visa sector; language; service standards; lack of support for training providers; immigration issues, perception of poor career options in hospitality; poor training and standards; lack of professionalism; poor language options in schools; better talent management and promotion of hospitality as a career path; industry not attractive to New Zealanders as a career path; recruiting and retaining skilled staff; poor service levels associated with culture of 'enthusiastic amateurs'; New Zealanders do not want tourism jobs, reliance on transient populations; lack of seniority/gravitas in sector; retention of staff; provision of housing for staff; lack of remuneration for staff; need to make tourism a sexy industry; encouraging the next future leaders into our industry; industry standards for service
External challenges	Exchange rates; competition from other destinations; border security; economic instability (both international and national); New Zealand perceived as expensive, difficult to reach destination; lack of airline seats to New Zealand from emerging markets (e.g., India, S. America & Indonesia); proposed new border tax; reliance on fickle Asian markets; high operating costs cf regional neighbours; earthquake and climate change risks
Capacity & supply	Accommodation limits; capacity for hosting large events; lack of quality accommodation; lack of hotel accommodation in Canterbury; capacity to cope with predicted growth (accommodation, roading, transport, staff); capacity issues in the South Island (transport, accommodation); lack of collaboration exacerbating seasonality issues; lack of quality hotels; infrastructure and facility challenges associated with increased numbers of tourists (especially in Auckland); capacity pressures during summer
Regional dispersal	Lack of support (and funding) to regions for promotion; capacity for hosting events; limited regional flights; regional marketing bias; focus on 'big boys', cost & development of transport routes; lack of investment in RTOs; low awareness and promotion of attractions by local councils; more regional events; DOC land could accommodate alternative tourism use; some regions not well-promoted; channelling of visitors through Auckland
Compliance	Cost to businesses; poor compliance by some businesses; unregulated accommodation business (e.g. Air B&B); inconsistency in regulator standards; unequal regulatory demands; uneven playing field; should be more enforcement of non-compliance; poorly managed properties; reluctance of local regulatory authorities to enforce their own standards; number of illegal hostels operating
Safety	Threat of natural disasters; driver safety; shortcomings in roading infrastructure; road safety; safety standards not enforced; unregulated accommodation; tourist crime; adventure safety inconsistency – not a level playing field; maintaining reputation as a safe destination; enforcing passenger licence requirements for drivers

Realistic pricing	Competition from non-commercial suppliers (accommodation, transport); 'giving away' New Zealand; freedom camping takes visitors away from commercial options; lack of monitoring in DOC campgrounds; freedom camping; getting consistency across entities (e.g., cycle trails) re charges; enforcing charges on DOC land for use (and concessions); expectation by tourists that prices will be cheaper than in the past; freedom camping affecting Holiday Park industry
Support & governance	Lack of support for small operators; lack of recognition for tourism benefits; funding issues; scattered marketing channels; lack of local government support; industry leaders ignoring small business owners; lack of funding for i-SITEs/visitor centres; decisions made by bureaucrats without commercial experience; boosterism for already successful businesses; councils unable to see how their actions affect competition and business profitability; MBIE too big and unwieldy to respond quickly to industry concerns; government should provide incentives for youth training in tourism; lack of support for South Island tourism post-Christchurch earthquake; more weight needs to go on research; domestic market deserves more attention; freedom camping regulations; over-governance by DOC
Tourist behaviour & satisfaction	Freedom camping (in both rural and urban areas), driver competence; freeloading; poor environmental responsibility; tourists not paying DOC fees; tourist crime; poor cell phone cover; poor quality (and gravel) roads; market resistance to holiday surcharges; overcrowding in popular tourist areas as a result of RTO promotional/informational laziness; growth has led to overcrowding; overcrowding at icon destinations
Small business challenges	Keeping abreast of technology; technology costs; lack of consultation with smaller operators; too much support for already established/successful operators; 'mega-famils' stifle smaller operators; new cost structures with little or no revenue increase; difficult to be noticed; capability limits of SMEs in respect of technology; no incentive for small business to pass on skills
Broad concerns	Poor environmental performance by some in industry; challenge (cost) of market diversification whilst maintaining growth in traditional markets; danger of a mass 'attract 'em all' approach; potential for overcrowding; potential to over saturate market with single visitor groups; need a clear vision regarding how open our border should be; destination management that balances growth, financial returns and impacts on community; proliferation of marketing channels; lack of growth in marketing budgets; over saturation of marketing resources on luxury visitors; lack of resources for youth/adventure sector; lack of industry understanding by organisation such as Tourism New Zealand; new visitors make numbers look good but bring limited financial benefits; quality and finding for infrastructure (e.g., roading needs higher priority); higher commission being charged by third party booking services

Opportunities for the tourism industry

Figures 20 and 21 show the percent of respondents agreeing with the opportunity statements in respect of relevance to the whole industry. Table 3 contains a summary of the additional opportunities suggested by respondents.

Figure 20 Opportunities for the WHOLE tourism industry

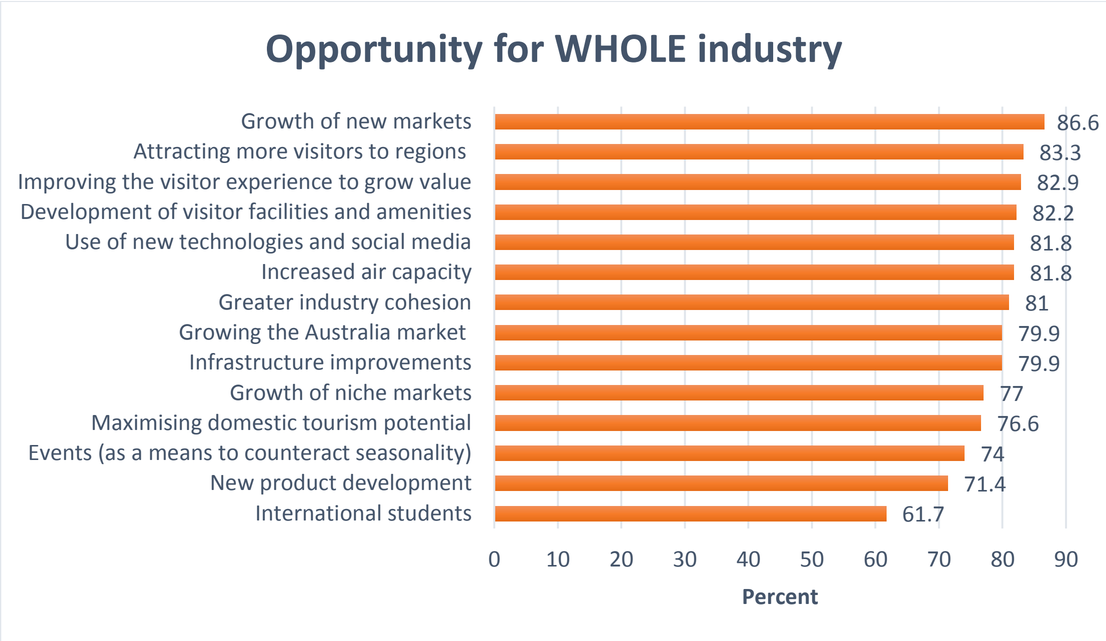


Figure 21 Percentage reporting items to be NOT an opportunity

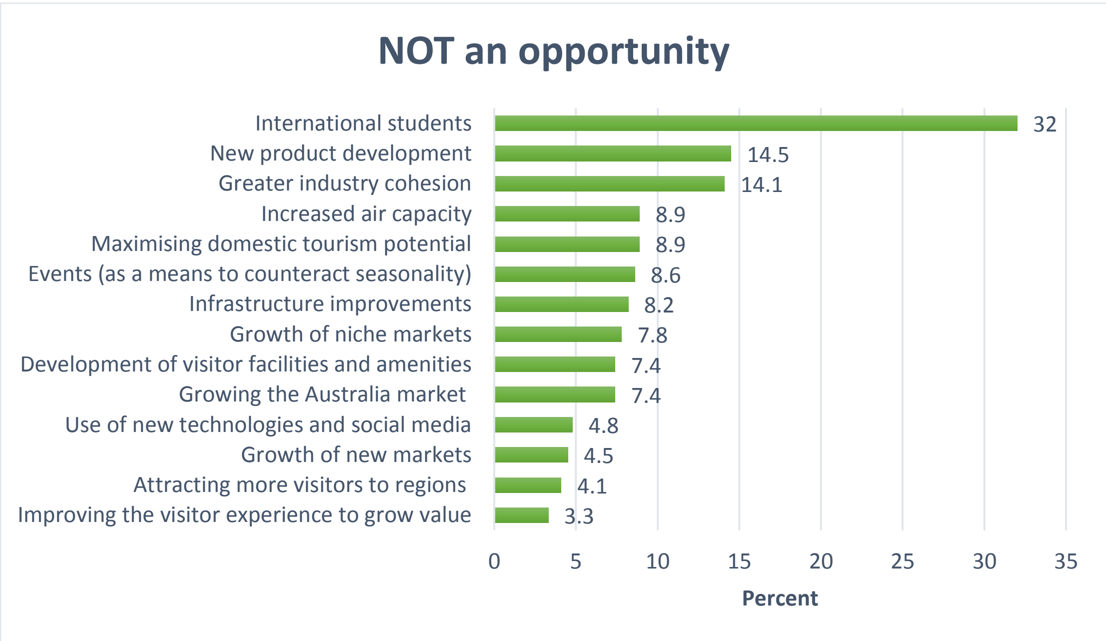


Table 3 Other opportunities – summary description

Theme	Description of opportunity
Niche & selected markets	Wedding industry; cruise sector; conference sector; premium market; Australian travallers, particularly long-stay coach tours
Increased & improved promotion	Regions; shoulder and low seasons; focus on domestic tourism; promote to Australia market; farm-based accommodation and B&B – met the locals; specific South Island marketing; promote the unique history of New Zealand; ensure strong New Zealand brand that the visitor experience delivers on
Increase & improve supply	Increase range of accommodation, particularly in regions; offer suitable food to new markets; increase hotel capacity; diversify regional offering
Funding & operational	Bed tax and NP fees to pay for infrastructure; having easy pathways for entrepreneurial people to set up new businesses; lower compliance demands; charge for DOC-based recreation; get all providers on board promoting industry, including paying their share of infrastructure and promotion; funding for building the visitor experience; distribution of funding more equably across industry; stop freedom camping and make tourists pay
Attitudes to tourism	Engaging the public more effectively; raising awareness of the importance of the public as part of the New Zealand tourism experience
Improving the tourist experience	Improve quality consistency across hospitality sector; clean up crime affecting tourists; expanding experience to untouched areas; improving the visitor experience; improve service standards
Broad issues	Strengthening/recovery of market like Europe/USA; increased perceived value of New Zealand as travel product; New Zealand dollar falling in value; opportunities are always there; GDP growth in source markets

Vision for tourism

Figure 22 shows the percent agreeing with each vision statement provided. Table 4 is the full list of alternative visions suggested by respondents.

Figure 22 Agreement with vision statement

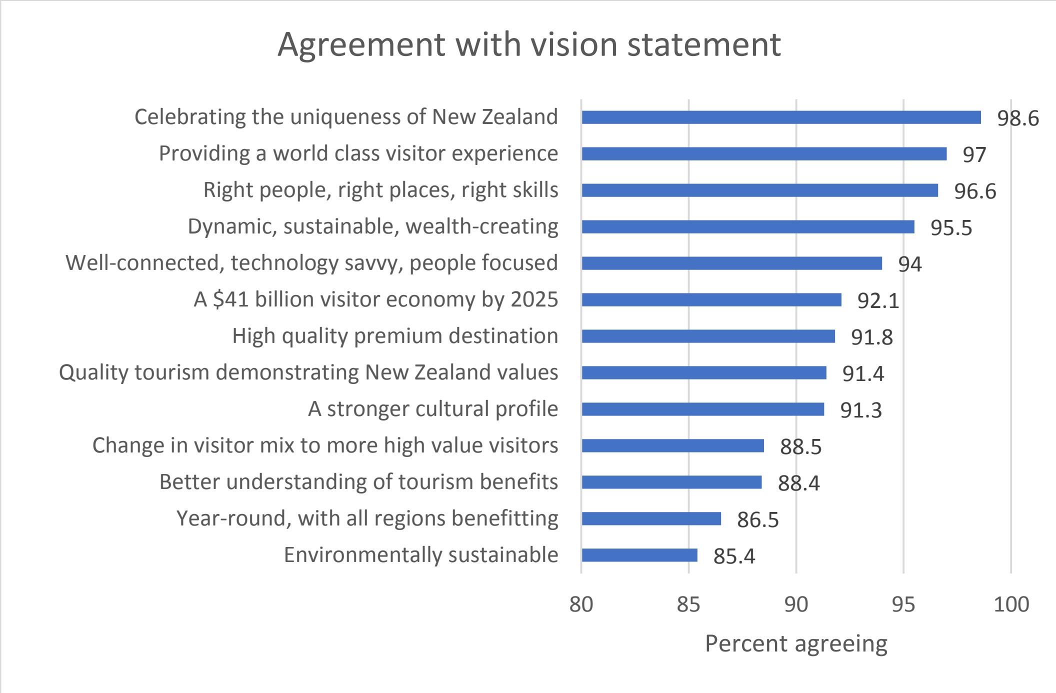


Table 4 Alternative vision statements

Alternative vision for tourism in 2025
To carry on selling NZ as the pure and inspirational place it needs to be.
That every event is utilised where appropriate to market our region/country and therefore add value to the smaller businesses we often rely on. Offer a village atmosphere and a quality experience of real people not just corporate.
I consider that the aspirational goals in Tourism 2025 are hogwash since the industry does not have the tools to alter any party's behaviour in order to achieve those goals. Over the years I have been involved in several 'industry strategies' involving multiple businesses and they achieve nothing that is better than the individual business would have achieved without the strategy.
An industry that works cohesively throughout regions and with the local community, utilizing technology and exceptional service while protecting our environment and providing a personal approach.
A diverse industry that recognises the value of all visitors from budget to 5 star, promoted in an authentic way to an engaged visitor type.
A profitable, sustainable, INNOVATIVE industry that encourages new product development through cross-sector and cross-regional collaboration.
That New Zealand moves to high quality product at reasonable price and eradicates

cut throat and predatory pricing, delivering a quality product that we can all be proud of.
New Zealand is an aspirational destination for all travelers. Driving a profitable and caring visitor industry.
To see NZ as the world's premium natural/nature destination
Supporting infrastructure, less government (national and local) competition, genuine "PureNZ" instead of slogans, people first.
Tourism is an important sector in the New Zealand economy and an important means through which we drive economic development in the country across all business sectors.
More professional and higher quality.
New Zealand would be a high class tourism industry.
Growth is managed sustainably and not at the expense of existing community infrastructure and well-being.
New Zealand becomes a high value destination which people aspire to visit
South Island as a destination, to combat the years of North Island at the cost of the South Island.
To be cognisant of global trends so that we can future-proof and continue to grow our industry.
Culturally unique, sustainable wealth-creating world leader in community orientated interactions.
My vision in terms of expectation is that we will have a devalued tourism product, focused in chasing volume way ahead of quality. That products that devalue our country (Airbnb, homestay, couch surfing, Woofer, HelpX, hitch hiking etc) will further promote horrible sense of entitlement where no-one wants to pay for anything. This trend is disincentivising legitimate tourism businesses. They are taking huge market share and contribute nothing to promoting NZ, and even worse, generally not contributing their share to infrastructure. I would say we are beginning a downward spiral we may never dig our way out of. Instead, we should be supporting business that have and will continue to promote NZ tourism as a high quality product with VALUE, not something to give away.
NZ will be a Weekend Getaway for people from the North Hemisphere with more efficient transport.
Promote and provide a fully-rounded authentic Kiwi experience for international visitors.
An industry which all NZ residents, especially families, no matter their economic means can experience – holidays in affordable camping grounds and huts throughout the country.
An industry that is vibrant, highly skilled, world-leading in all aspects of delivery, safety, fun, experiential, ecology and marketing & social.
Tourism generates employment and economic prosperity for New Zealand through delivering high-value visitor experiences that respect and protect our culture and environment.

State of the Tourism Industry 2015

Opening page of survey

Thank you for taking part in this survey. The survey should take you approximately 15-20 minutes to complete – the completion bar will show you how far you have progressed.

After starting the survey, the system will allow you up to two weeks to complete the survey. The final cut-off/expiration date of the survey is 31st July 2015.

The survey has questions relating to: your involvement in the tourism industry and the challenges and opportunities facing the industry. There are also some questions about what your Vision for Tourism in 2025 might look like.

Even if your business/operations/responsibilities are not totally focused on tourism we would still like to know what you think about the *State of the Tourism Industry* in 2015.

Before starting the survey we need you to acknowledge that you:

- Have read the description of the project in the accompanying email and agree to participate
- Understand that participation is voluntary
- Understand that you may withdraw from the survey at any time up until clicking on the 'submit survey' button
- Understand that any data collated via incomplete surveys will be excluded from analysis

❍ I agree to participate in the survey based on the above - clicking on the green arrow box will take you to the survey

PART 1: ABOUT YOU

The first set of questions are designed to tell us a little about your involvement in and/or engagement with the tourism industry or sector.

Q1 How would you describe your involvement in the tourism industry or sector?

- ❍ Tourism business with at least 75% of annual sales from tourism (1)
- ❍ Part tourism business with between 25% and 75% of annual sales from tourism (2)
- ❍ Tourism-related business (less than 25% of annual sales from tourism) (3)
- ❍ Tourism support (e.g., infrastructure, service provider), research, advocacy (4)
- ❍ Government, legislative (5)
- ❍ Nothing I do is related to the tourism industry/sector (THANK YOU - WE DO NOT REQUIRE YOU TO COMPLETE THE SURVEY) (6)

If Tourism support (e.g., infr...) Is Selected, or If Government, legislative Is Selected, Then Skip To **Q3** Where is your primary location?
If Nothing I do is related to ... Is Selected, Then Skip To End of Survey

Q2 What is your primary business focus?

- ❍ Accommodation (1)
- ❍ Attractions and activities (2)
- ❍ Transport (3)
- ❍ Retail (4)
- ❍ Food and hospitality services (5)
- ❍ Tour operator (6)
- ❍ Promotion/marketing (7)

Q3 Where is your primary location? If you operate in/across multiple locations you will have the option to tell us this in the next question

- ❍ Northland (1)
- ❍ Auckland (2)
- ❍ Waikato (3)
- ❍ Bay of Plenty (4)
- ❍ Gisborne (5)
- ❍ Hawke's Bay (6)
- ❍ Taranaki (7)
- ❍ Manawatu-Wanganui (8)
- ❍ Wellington (9)
- ❍ Tasman (10)
- ❍ Nelson (11)
- ❍ Canterbury (12)
- ❍ West Coast (13)
- ❍ Otago (14)

- ❍ Southland (15)
- ❍ Marlborough (16)

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- ❍ Northland (1)
- ❍ Auckland (2)
- ❍ Waikato (3)
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- ❍ West Coast (13)
- ❍ Otago (14)
- ❍ Southland (15)
- ❍ Marlborough (16)

Q4 Is your business, or are your operations, located/focused on?

- ❍ A single location (1)
- ❍ Across multiple locations (2)

Q5 What is the geographical scope of your business/operations?

- ❍ ONLY in the region of my primary location (1)
- ❍ In my own region, as well as locations in the rest of the island in which I am located (2)
- ❍ New Zealand-wide (3)
- ❍ New Zealand and overseas (4)

Answer Q6 – Q12 ONLY if the following answers were selected in **Q1** (How would you describe your involvement in the tourism industry/sector?):
Tourism business (at least 75% of annual sales from tourism)
Part tourism business (between 25% and 75% of annual sales from tourism)
Tourism-related business (less than 25% of annual sales from tourism)

Q6 The next two questions are about the operating characteristics of your business…

	Yes (1)	No (2)
Do you operate year-round? (1)	❍	❍
Do you employ seasonal workers? (2)	❍	❍
Do you employ migrant workers? (3)	❍	❍
Do you find it difficult to get skilled staff? (4)	❍	❍

Q7 Including yourself, how many people do you employ on an annual basis? Please enter the number of part time and full time employees in the boxes below… (space given for number to be entered)

Full time (enter '0' if none) (1) ________________

Part time (enter '0' if none) (2) ________________

We now have some questions about the type of visitors your business caters for.

These may be international or domestic visitors – by domestic visitors we mean people who might be visiting or purchasing your product who are not members of the local population. Having a permanent residence at a distance of more than 40kms is the common definition of when a visitor/customer becomes a domestic tourist, rather than a member of the local population.

Q8 I would estimate that my customers are....

❍ MAINLY INTERNATIONAL visitors (1)
❍ A mix of both, but MORE INTERNATIONAL visitors (2)
❍ An EQUAL MIX of international and domestic visitors (3)
❍ A mix of both, but MORE DOMESTIC visitors (4)
❍ MAINLY DOMESTIC visitors (5)

Q9 My domestic customers are MAINLY visiting from....

❍ My own region (1)
❍ Neighbouring regions (2)
❍ Elsewhere in the island in which I am located (3)
❍ From the other island (4)
❍ I don't have many domestic customers (5)

Q10 My international customers are MAINLY from....

- ❍ Australia (1)
- ❍ China (2)
- ❍ Traditional markets (e.g., UK. Europe, North America, Japan, Korea) (3)
- ❍ Emerging markets (e.g., India, Indonesia, Latin America) (4)
- ❍ Other markets - please tell us which ones? (5) ____________________
- ❍ I don't have many international customers (6)

Q11 The list below includes a selection of countries from which New Zealand receives visitors. Some of these are traditional markets, from which we have a lot of visitors, while others are small, but have been showing significant growth over the last few years.

For each of the countries listed please select the option which most accurately describes **your experience of that market over the last 3 years**....

	Growing (1)	Static (2)	Declining (3)	Not one of my markets (4)
Australia (1)	❍	❍	❍	❍
China (2)	❍	❍	❍	❍
USA (3)	❍	❍	❍	❍
UK (4)	❍	❍	❍	❍
Japan (5)	❍	❍	❍	❍
Germany (6)	❍	❍	❍	❍
Indonesia (7)	❍	❍	❍	❍
Philippines (8)	❍	❍	❍	❍
India (9)	❍	❍	❍	❍
Malaysia (10)	❍	❍	❍	❍
Singapore (11)	❍	❍	❍	❍
Brazil (12)	❍	❍	❍	❍

Q12 International tourists visiting New Zealand travel in different ways and for different purposes.

A selection of these visitor types and interests are listed below - which of these are customers for your business? (MULTIPLE ANSWERS ARE POSSIBLE)

- ❑ Visiting friends and relatives (VFR) (1)
- ❑ International students (2)
- ❑ Cruise ship visitors (3)
- ❑ Conference/convention visitors (4)
- ❑ Special event visitors (e.g., sporting, cultural, festivals) (5)
- ❑ Cycle tourists (6)
- ❑ Golf tourists (7)
- ❑ None of these (8)

THE REST OF THE SURVEY IS ANSWERED BY EVERYONE

PART 2: CHALLENGES

This section asks about the current challenges facing the tourism industry.

Q13 The following list of tourism industry challenges is compiled from interview data collected for the 2011 and 2012 *State of the Sector* reports and TIA's Strategic Plan.

For each challenge listed, please indicate whether it is a challenge for YOUR business (or in respect of your operations or engagement in the tourism sector) and/or a challenge for the WHOLE tourism industry - **you can pick both of these options if you wish**.

If you don't think the item listed is a challenge please pick the option in the right hand column.

	This is a challenge facing MY business (1)	This is a challenge facing the WHOLE tourism industry (2)	I do NOT perceive this to be a challenge (3)
Changing markets (1)	❑	❑	❑
Exchange rates (2)	❑	❑	❑
Environmental concerns (3)	❑	❑	❑
Fuel prices (4)	❑	❑	❑
Investment in infrastructure (5)	❑	❑	❑
Seasonality issues (6)	❑	❑	❑
Increasing regulatory demands and compliance costs (7)	❑	❑	❑
Visitor demand for technology (e.g., free WIFI) (8)	❑	❑	❑
Technology services for businesses (e.g., booking systems) (9)	❑	❑	❑
Staff and skill shortages (10)	❑	❑	❑
Challenges growing the domestic market (11)	❑	❑	❑
Limited regional dispersal (12)	❑	❑	❑
Adventure activity safety (13)	❑	❑	❑
Lack of investment in sector research (14)	❑	❑	❑
Changing marketing channels (15)	❑	❑	❑
Meeting changing market expectations (16)	❑	❑	❑

Q14 These are the items you selected as challenges for YOUR business. Which one presents the **most significant** challenge for you?

Answer If This is a challenge facing MY business Is Selected for any items given as challenges in the previous question. If respondents did not select anything as a challenge for their business they will be taken straight to **Q15**

Respondents will be given a list of any items they selected as being a challenge for their business

Q15 Are there any other challenges facing the tourism industry that were not included in the list we gave you?

❍ No (1)
❍ Yes - please tell us what they are? (2) ____________________

Q16 One of the challenges in the list we gave you was **staff and skill shortages**. These have also attracted considerable media attention of late. A selection of issues associated with staff and skills are listed below - please indicate the extent to which you either agree or disagree that each of these represents a significant challenge for the **tourism industry**.

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Somewhat agree (4)	Agree (5)	Strongly agree (6)
Workforce capacity (1)	❍	❍	❍	❍	❍	❍
Service levels (2)	❍	❍	❍	❍	❍	❍
Poor promotion of tourism as a career (3)	❍	❍	❍	❍	❍	❍
Reliance on migrant labour (4)	❍	❍	❍	❍	❍	❍
Migrant labour exploitation (5)	❍	❍	❍	❍	❍	❍
Visa issues (6)	❍	❍	❍	❍	❍	❍
Staff retention (7)	❍	❍	❍	❍	❍	❍
Staff shortages (8)	❍	❍	❍	❍	❍	❍
Workforce flexibility (9)	❍	❍	❍	❍	❍	❍
Staff remuneration as a barrier to recruitment (10)	❍	❍	❍	❍	❍	❍

PART 3: OPPORTUNITIES

We now have some questions about tourism industry opportunities. These follow the same format as the questions you have just answered relating to challenges.

Q17 The following list of tourism industry/sector opportunities is compiled from interview data collected from the 2011 and 2012 *State of the Sector* reports and TIA's Strategic Plan.

For each opportunity listed, please indicate whether it is an opportunity for YOUR business (or in respect of your operations or engagement in the tourism sector) and/or an opportunity for the WHOLE tourism industry - **you can pick both of these options if you wish.** If you don't think the item listed is an opportunity, please pick the option in the right hand column.

	This is an opportunity for MY business (1)	This is an opportunity for the WHOLE tourism industry (2)	I do NOT perceive this to be an opportunity (3)
Increased air capacity (1)	❑	❑	❑
Growth of new markets (2)	❑	❑	❑
Growth of niche markets (3)	❑	❑	❑
New product development (4)	❑	❑	❑
Improving the visitor experience to grow value (5)	❑	❑	❑
Use of new technologies and social media (6)	❑	❑	❑
Growing the Australia market (7)	❑	❑	❑
Maximising domestic tourism potential (8)	❑	❑	❑
Events (as a means to counteract seasonality) (9)	❑	❑	❑
Greater industry cohesion (10)	❑	❑	❑
Development of visitor facilities and amenities (11)	❑	❑	❑
Infrastructure improvements (12)	❑	❑	❑
International students (13)	❑	❑	❑
Attracting more visitors to regions (14)	❑	❑	❑

Q18 These are the items you selected as opportunities for YOUR business. Which one presents the **most important** opportunity for you?

Only Answer If - This is an opportunity for MY business Is Selected in previous question - If respondents did not select any of the listed items as opportunities for their business they will be taken to straight to **Q19**

Respondents will be given a list of those items they selected as opportunities for their business to choose from

Q19 Are there any opportunities facing the tourism industry that were not included in the list we gave you?

- ❍ No (1)
- ❍ Yes - please tell us what they are? (2) ____________________

Q20 Motivations for domestic travellers are typically very different to those of international visitors. In this question we are interested in your perception of the challenges and opportunities associated with the domestic visitor market.

Please indicate the extent to which you agree or disagree with each of the statements listed below.

DOMESTIC TOURISM……..	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Somewhat agree (4)	Agree (5)	Strongly agree (6)
Supports commercial accommodation (1)	❍	❍	❍	❍	❍	❍
Significantly contributes to regional economies (2)	❍	❍	❍	❍	❍	❍
Supports business success and develops capability (3)	❍	❍	❍	❍	❍	❍
Mitigates seasonality and drives visitation through the off-peak season (4)	❍	❍	❍	❍	❍	❍
Provides opportunities through domestic market segmentation to target niche markets (5)	❍	❍	❍	❍	❍	❍
Is seen by consumers as expensive compared to international destinations (6)	❍	❍	❍	❍	❍	❍
Is not seen as an aspirational proposition compared to international destinations (7)	❍	❍	❍	❍	❍	❍
Lacks cohesive marketing through a gap in funding and capability (8)	❍	❍	❍	❍	❍	❍
Lacks the right infrastructure and transport links (9)	❍	❍	❍	❍	❍	❍
Is not supported by regular and robust insight to improve destination planning strategies (10)	❍	❍	❍	❍	❍	❍

PART 4: VISION FOR TOURISM

This final set of questions asks about your 'Vision for tourism in 2025'

Q21 The following list of vision statements includes some given by our 2011 and 2012 interviewees (when asked to describe their 'Vision for NZ tourism in 2020') and themes from the Tourism 2025 framework. To what extent do you agree with/share EACH of these vision statements?

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Somewhat agree (4)	Agree (5)	Strongly agree (6)
A dynamic, sustainable, wealth-creating industry (1)	❍	❍	❍	❍	❍	❍
Everyone conducts their business in an environmentally sustainable way (2)	❍	❍	❍	❍	❍	❍
That NZ is a high quality, premium destination (3)	❍	❍	❍	❍	❍	❍
Celebrating the uniqueness of New Zealand (4)	❍	❍	❍	❍	❍	❍
A stronger cultural profile (5)	❍	❍	❍	❍	❍	❍
Providing a world class visitor experience (6)	❍	❍	❍	❍	❍	❍
A well-connected industry that is smart, technology savvy, but that doesn't lose its soul, which is really good people (7)	❍	❍	❍	❍	❍	❍
A year-round destination, where all regions are significantly benefiting from the visitor dollar (8)	❍	❍	❍	❍	❍	❍
A better understanding of tourism from everyone in the community - of what percentage of their income comes from tourism (9)	❍	❍	❍	❍	❍	❍
That we have quality tourism, we have preserved our community and our environment, and people understand that we are a country that values conservation, community and people (10)	❍	❍	❍	❍	❍	❍
To see a change in the visitor mix and a higher proportion of higher value visitors (11)	❍	❍	❍	❍	❍	❍
A $41 billion visitor economy by 2025 (12)	❍	❍	❍	❍	❍	❍
The right people in the right places with the right skills (13)	❍	❍	❍	❍	❍	❍

Q22 If you had to pick just ONE of these vision statements which one is closest to your OWN VISION for tourism in 2025?

- ❍ A dynamic, sustainable, wealth-creating industry (1)
- ❍ Everyone conducts their business in an environmentally sustainable way (2)
- ❍ That NZ is a high quality, premium destination (3)
- ❍ Celebrating the uniqueness of New Zealand (4)
- ❍ A stronger cultural profile (5)
- ❍ Providing a world class visitor experience (6)
- ❍ A well-connected industry that is smart, technology savvy, but that doesn't lose its soul, which is really good people (7)
- ❍ A year-round destination, where all regions are significantly benefiting from the visitor dollar (8)
- ❍ A better understanding of tourism from everyone in the community - of what percentage of their income comes from tourism (9)
- ❍ That we have quality tourism, we have preserved our community and our environment, and people understand that we are a country that values conservation, community and people (10)
- ❍ To see a change in the visitor mix and a higher proportion of higher value visitors (11)
- ❍ A $41 billion visitor economy by 2025 (12)
- ❍ The right people in the right places with the right skills (13)

Q23 Do you have an alternative vision for tourism in 2025?

- ❍ Yes (1)
- ❍ No (2)

If No Is Selected, Then Skip To End of Survey

Q24 What is your vision?

Space given for own vision to be typed in

- ❍ Click here to submit survey - please note that if you do not click on this button your answers will not be included in the analysis (1)