

Inside Tourism
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Golden weather summer for tourism

By TIA Chief Executive Chris Roberts

The weather is always a popular topic in New Zealand but especially so this summer. Sustained fine and very hot spells have been interspersed with sudden and violent storms.

These weather extremes have had a mixed impact on tourism. The storms are of course disruptive, as we saw with the travellers trapped on the West Coast by flooding and slips last week. However, New Zealanders making the most of the hotter than usual weather seem to have driven a strong tourism performance across the country. We should not forget that domestic tourism provides almost 60% of the total tourism spend so it's great that Kiwis are getting out and enjoying their own country.

International growth has been more muted. Arrivals in December were up 3.9% and the preliminary numbers for January look flat compared to a year ago. However, there could be a significant boost coming soon from one of New Zealand's biggest overseas markets. More on that shortly, but let's review the past year first.

In 2017, New Zealand welcomed 3,733,707 short-term international visitors, up 6.7% on 2016. Almost 2 million of these visitors came here on holiday; the rest were visiting friends and relatives, or were here for business, short-term study, to attend a conference or some other reason.

So what were the growth markets in 2017? In percentage terms, the top five contains a few surprises:

1. Russia up 37.9%
2. Brazil up 33.3%
3. Vietnam up 32.3%
4. Hong Kong up 22.2%
5. Indonesia up 21.6%

Other than Hong Kong (with 55,000 arrivals, our 11th biggest market), the numbers from these developing markets are relatively modest. So it is perhaps more useful to look at the top markets in terms of growth in actual arrivals:

1. Australia up 62,960
2. USA up 38,736
3. UK up 28,288
4. Hong Kong up 9,920
5. India up 9,424

Combined, Australia, the USA and the UK made up well over half of the total increase in arrivals in 2017.

China doesn't feature as strongly as it has done in the past few years. For the first half of 2017 arrivals from China declined. However, the introduction of a five-year visitor visa in July saw our second biggest market return to growth, and it ended 2017 up 2.2% with 417,872 arrivals.

The most popular time of year for the Chinese to travel is imminent. The Chinese New Year Spring Festival officially begins on 16 February and ends on 2 March, and it seems certain to attract a record number of Chinese visitors to New Zealand.

Immigration NZ has told TIA that January was their busiest month ever for processing Chinese General Visitor Visas with more than 35,000 granted, a remarkable 113% increase compared with January last year. Group visa approvals also increased by 14% with 15,648 people granted an ADS tour group visa. Visa approvals were also up in November and December.

Many of these new visa holders will be travelling to New Zealand this month, so let's hope the weather is kind!