

Mood of the Nation

New Zealanders' perceptions of international tourism

March 2017



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1

Background and approach

Background



Tourism 2025 aims to increase the value of tourism to \$41 billion by 2025 with a focus on building value rather than volume



Tourism 2025 identifies visitor experience as a priority area to help grow value. An essential aspect of a unique and pleasurable visitor experience is interaction with local communities



In recent years, New Zealand has seen strong volume growth in international tourism



This has been accompanied by some negative sentiment and broad media coverage on foreign drivers and road accidents



The purpose of the 'Mood of the Nation' research programme is to reveal New Zealanders' perceptions of the size and value of tourism as well as measure perceived benefits and downsides



The overall aim of the research is to identify key issues that might negatively impact perceptions and tolerance for further growth

Overview of research approach



Method and audience

TNS conducted an online survey of residents in New Zealand aged 18 plus



Area sample sizes

This wave (Mar-17) we achieved a total sample of 500. We set minimum quotas to ensure sufficient representation from traditional tourism hotspots, and what we achieved each wave in those areas is below:

	Wave 1 (Dec-15)	Wave 2 (Mar-16)	Wave 3 (Nov-16)	Wave 4 (Mar-17)
Auckland city	83	100	81	87
Wellington city	61	80	81	80
Rotorua	40	50	48	51
Christchurch	75	80	80	85
Queenstown	17	51	54	50



Fieldwork dates

Wave 1: 502 online interviews were conducted over the period December 2, 2015 to December 6, 2015

Wave 2: 520 online interviews were conducted over the period March 17, 2016 to April 2, 2016

Wave 3: 521 online interviews were conducted over the period November 7, 2016 to November 17, 2016

Wave 4: 500 online interviews were conducted over the period March 13, 2017 to March 22, 2017



In the middle of fieldwork (13th/14th November) a large earthquake struck the North Canterbury to Wellington region slowing fieldwork for a few days and potentially influencing 'the mood of the nation' towards tourism



Weighting and analysis

Respondents were weighted by gender, age and region to be broadly representative of the New Zealand population based on the 2013 census

2

Key insights

Key insights

1

The general view is that New Zealand attracts just the right number of international visitors, however, while still in the minority, the proportion of Kiwis who believe that New Zealand attracts too many visitors is increasing

2

There is an unanimous agreement that international tourism is good for New Zealand overall, although around a third of Kiwis believe that it is putting too much pressure on New Zealand – this has increased since March 2016

3

Kiwis generally agree on the economic benefits of tourism to New Zealand, however pressure on infrastructure, traffic congestion, road safety and environmental damage continue to be their key concerns – reassuringly though, perceptions of the latter two have weakened since Nov-16

4

There is a degree of disparity in views on tourism across the regions - Kiwis believe that some regions are under more pressure than others, and those residing outside the main tourist centres have much weaker perceptions of economic benefits of tourism

5

Views among those residing in Otago regions are especially at odds with the rest of the country – while they have stronger perceptions of economic benefits of tourism, they have much stronger concerns with its adverse impacts on road safety, environment and infrastructure

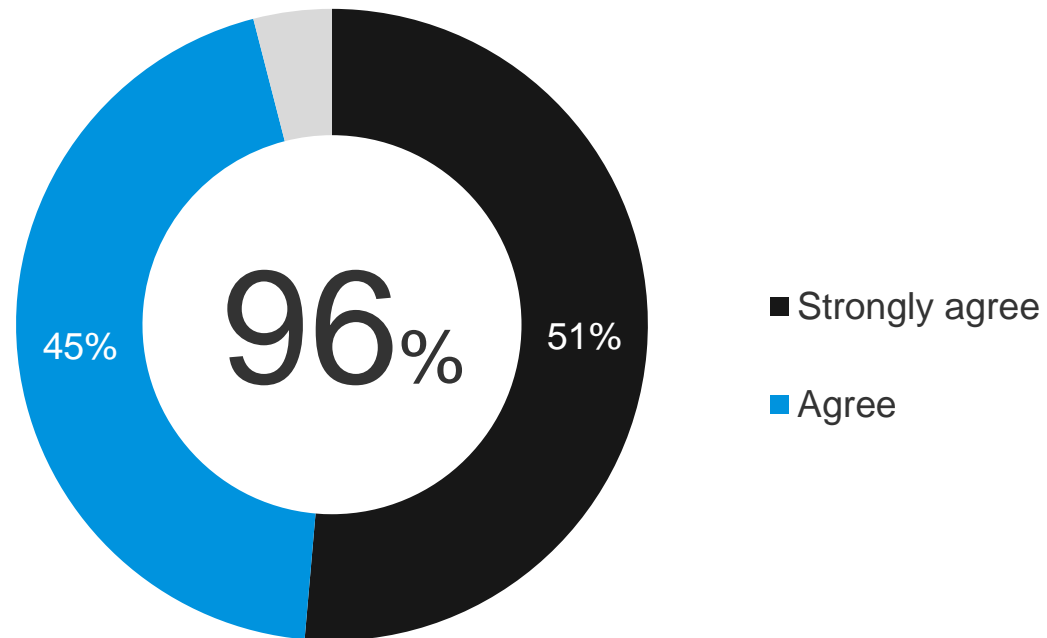
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Detailed insights

There is an unanimous agreement among Kiwis that international tourism is good for New Zealand

International tourism is good for New Zealand

% agree, 18+ year olds, Mar-17



This question has not been previously asked

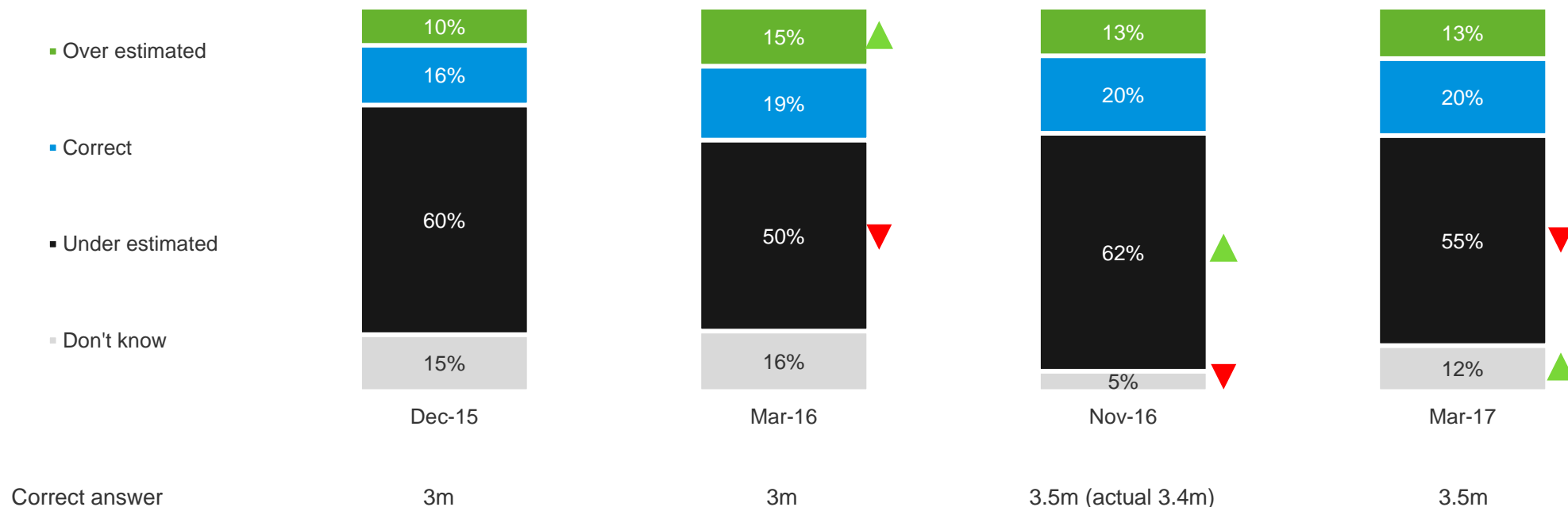
Base: New Zealanders aged 18 plus Mar-17 n = 500

Only a small proportion of Kiwis know exactly how many international visitors New Zealand attracts annually - most Kiwis underestimate the numbers

Knowledge of annual visitor numbers

%, 18+ year olds

North Island regions outside the major cities or Bay of Plenty are **less likely** to correctly estimate annual visitor numbers

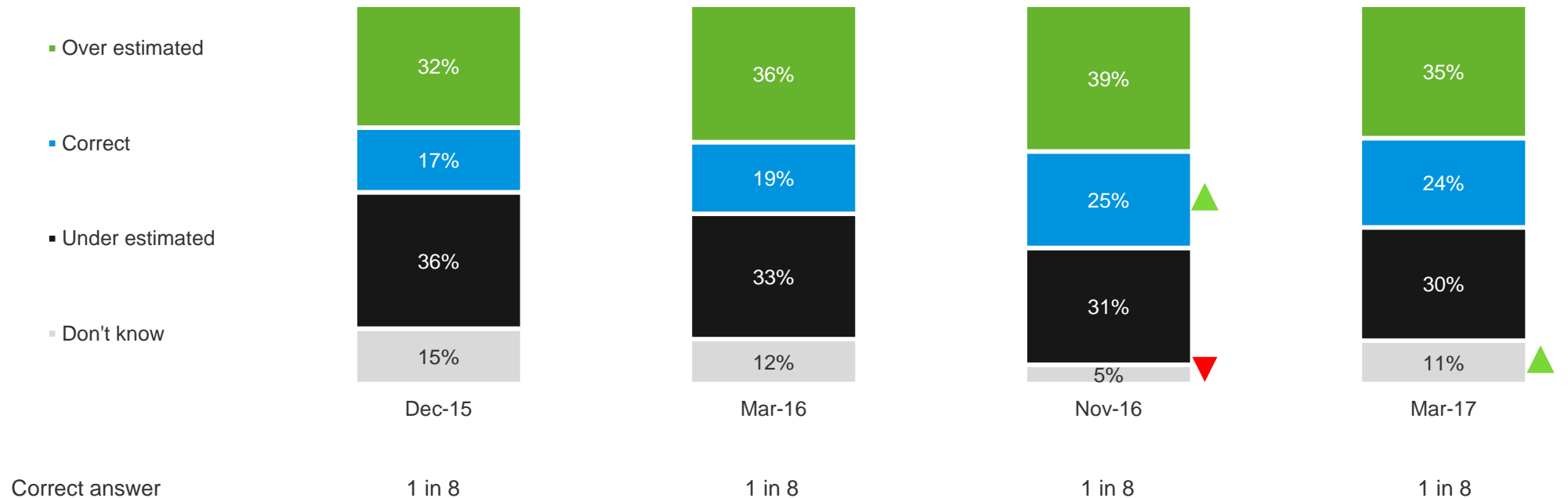


Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500

▲ ▼ Significantly higher / lower than previous wave at 95% CL

A third of New Zealanders underestimate the number of Kiwis directly or indirectly employed in the tourism industry, stable from last wave

Knowledge of New Zealand workers employed in the tourism industry (directly or indirectly)
 %, 18+ year olds



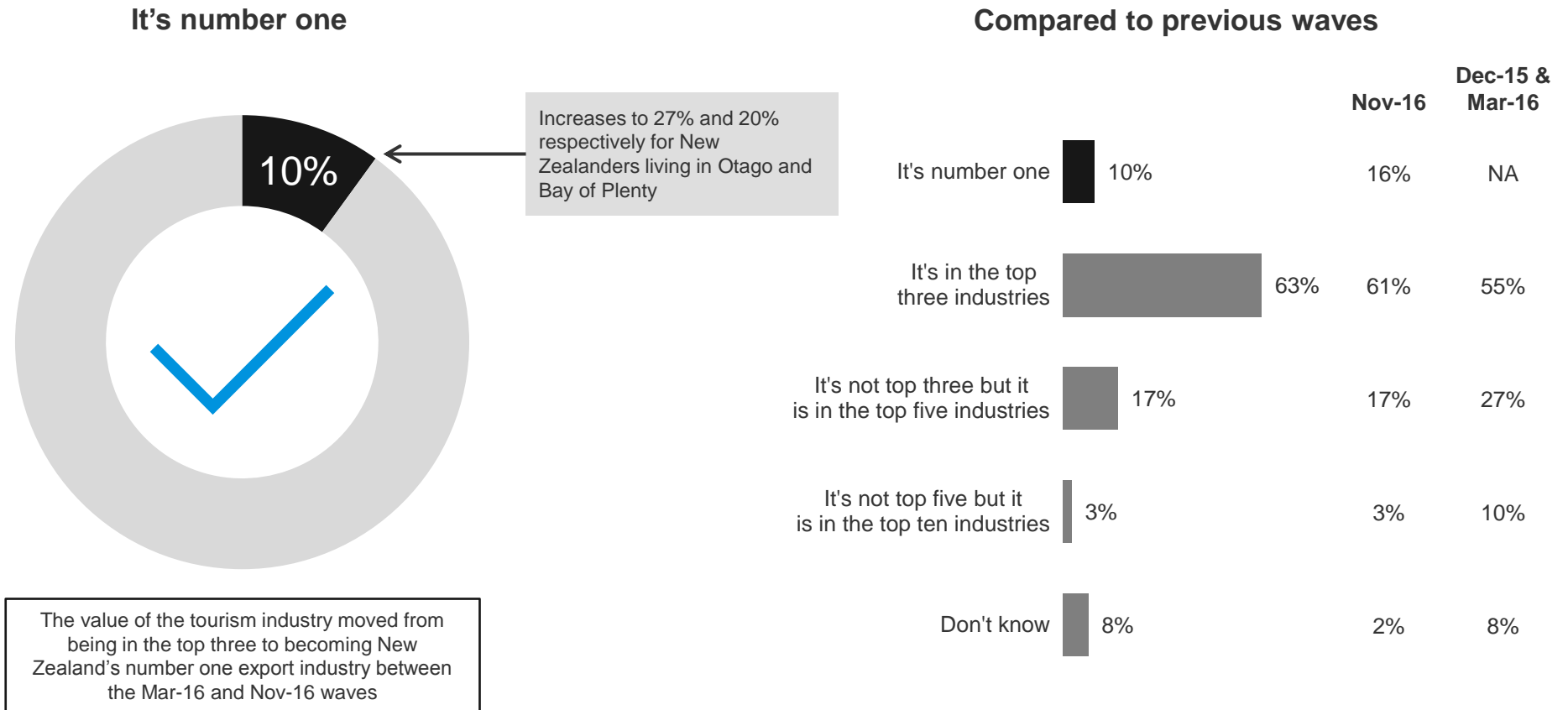
Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500

▲ ▼ Significantly higher / lower than previous wave at 95% CL

The majority of Kiwis know that tourism is one of the top three revenue earners for the country – however, only 10% know that it is number one

Knowledge of the value of the tourism industry

%, 18+ year olds, Mar-17



Base: New Zealanders aged 18 plus Dec-15 and Mar-16 n = 1,022; Nov-16 n = 521; Mar-17 n = 500; Mar-17 n = 500

The common view is that New Zealand attracts just the right number of international visitors - Kiwis who believe that New Zealand attracts too many visitors are in the minority

Perceptions of whether New Zealand attracts too few/too many international visitors

%, 18+ year olds, Mar-17

Based on **perceived** number of current visitors:



Based on **actual** number of current visitors (after being told):



■ Don't know ■ Too few ■ Just right ■ Too many

Base: New Zealanders aged 18 plus Mar-17 n = 500

▲ ▼ Significantly higher / lower than "perceived" at 95% CL

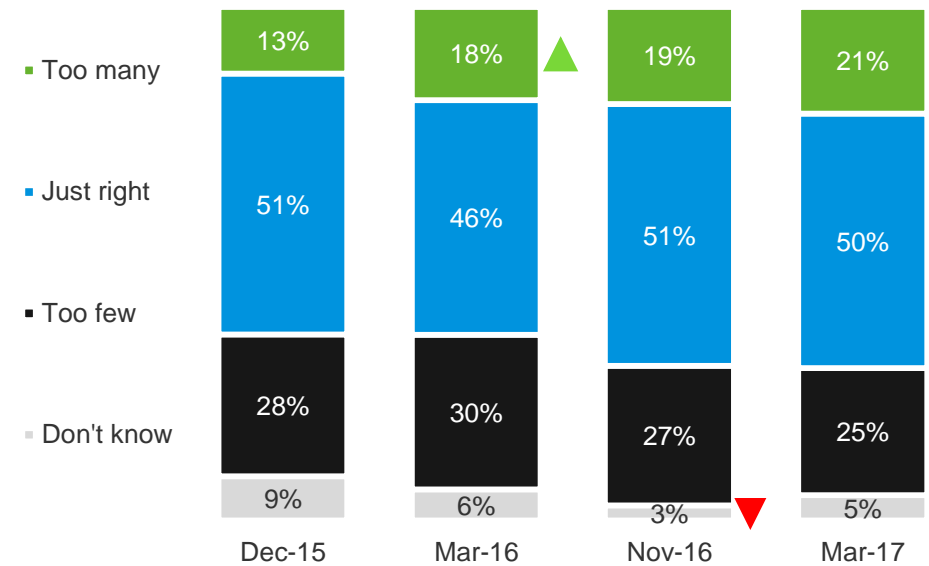
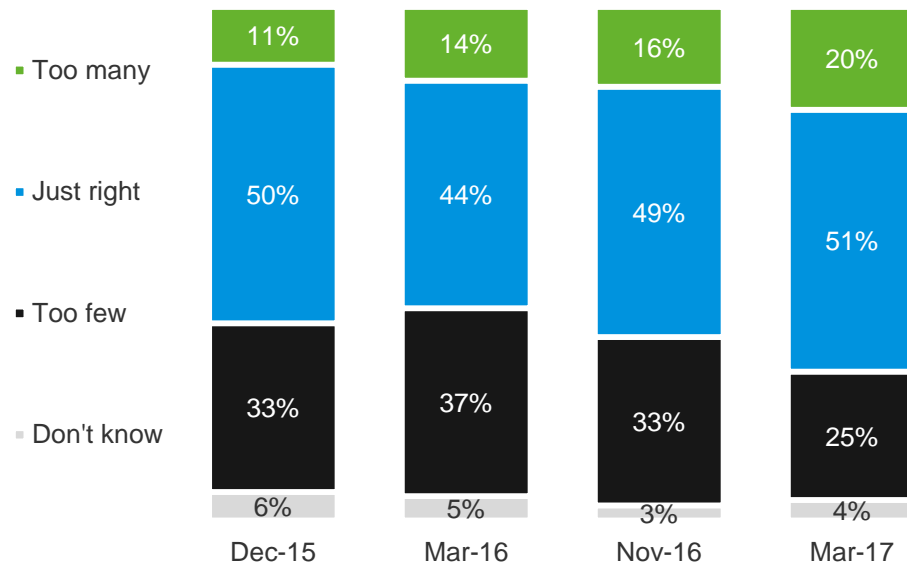
While still in the minority, the proportion of New Zealanders who think that New Zealand attracts too many international visitors is increasing

Perceptions of whether New Zealand attracts too few/too many international visitors

%, 18+ year olds

Based on **perceived** number of current visitors

Based on **actual** number of current visitors



Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500

▲ ▼ Significantly higher / lower than previous wave at 95% CL

A lack of adequate infrastructure, overcrowding and increasing cost of living are some of the top reasons why some New Zealanders feel there are too many international visitors

Themed verbatim reasons for there being **too many international visitors (21%)**



Lack of infrastructure

- "Borderline too many international tourists. As a small country we struggle to cater."
- "I think that the country's infrastructure is coming under a lot of pressure, and at present cannot handle many more visitors."
- "The popular parts of the country are struggling to deal with the demands tourism places on local infrastructure. Rampant tourism growth is not sustainable."
- "Just because of our accommodation and some of the attractions aren't able to cope with the amount of tourists they get"
- "Because I live in Wanaka, and I'm tired of how busy our only supermarket is all of the time."

Overcrowding

- "It seems as though there are more foreigners here than New Zealanders"
- "Because our country is over-filling with foreigners, we have a poverty problem and homelessness is high and employment is low – there is no housing."
- "I think we are getting too many [tourists]"
- "We are too focused on quantity rather than quality of overseas visitors, placing too much pressure on our inadequate infrastructure"
- "Incredibly crowded in south Canterbury and central Otago"
- "Some scenic spots are overcrowded and lose their appeal"

Impact on domestic market

- "Places are expensive where tourists go."
- "The prices of accommodation are going up, making some areas unaffordable for the average New Zealander to visit."
- "Because they push up the prices for New Zealanders at places like Rotorua and Queenstown, pretty much putting them out of our price range."
- "I think if we get too many the prices for locals to experience our country get too expensive."
- "The fresh and beautiful areas of NZ are being spoiled by the number of tourists going to them and the prices of accommodation are going up, making some areas unaffordable for the average New Zealander to visit."
- "I think many Kiwis have been put off & everything is too expensive for the average family."

Base: 110

The economic benefits and a desire to show New Zealand off to the world are the driving forces behind why some Kiwis feel there are too few international visitors

Themed verbatim reasons for there being **too few** international visitors (25%)



Economic benefits

- "Because of the income that tourism earns NZ we must keep growing it. This will provide more jobs and infrastructure."
- "Tourism is a growth industry and should be exploited to the max."
- "We can always use more tourism. It just needs to be spread around better so they don't all go to Auckland and Queenstown."
- "More visitors will increase jobs and spending and boost the economy for the rest of us. Better resources, roads etc without having to increase taxes."
- "It's a big income earner for our country; the more visitors the better the income."
- "We could always have a few more to boost the economy"
- "More tourists, more work, more tax more earnings for New Zealand"
- "Tourism is an under-developed income stream for the whole country."
- "Tourists spend money on attractions, food and accommodation while here."
- "The more the merrier. As the sector develops, so will investment and that will be to all our benefit."
- "Because of the overseas currency they bring with them."
- "We are a small country and our economy benefits from foreign visitors / currencies."
- "Tourists spend money which goes into the economy and drives job creation. We need more tourists to improve facilities, create jobs and help pay to maintain the great things New Zealand has."
- "The more that come the more money generated and the knowledge of NZ is spread."
- "It is good for the economy to have more tourists coming in and it good is for the locals to keep them employed. It keeps NZ striving to be up there with other countries."

Showcase New Zealand

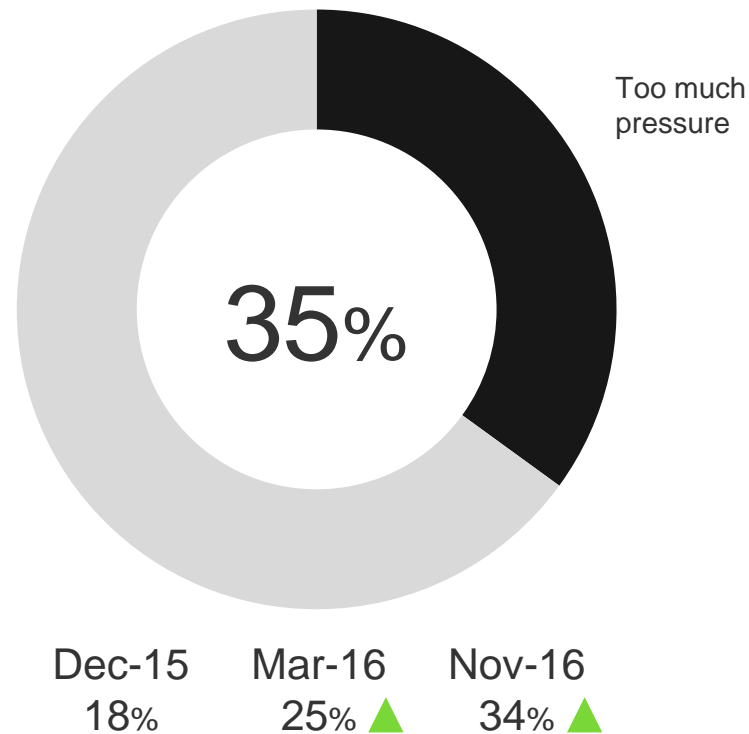
- "NZ is pristine (in parts) and offers top quality sights and events"
- "The more visitors is better for NZ....publicity about country....scenic beauty.....spending more..."
- "Because there is plenty of New Zealand to see and we could cope with more than there is presently"
- "New Zealand is very beautiful which should attract more tourists."
- "New Zealand has a lot to offer, and apart from being a great place to visit, it also brings in much needed revenue. "
- "We have so much to offer compared to other far busier tourist destinations. I believe the distance puts people off."

Base: 117

Around a third of Kiwis believe that international tourists put too much pressure on New Zealand – this has increased since March 2016

Perceptions of the pressure that tourists put on New Zealand

%, 18+ year olds, Mar-17



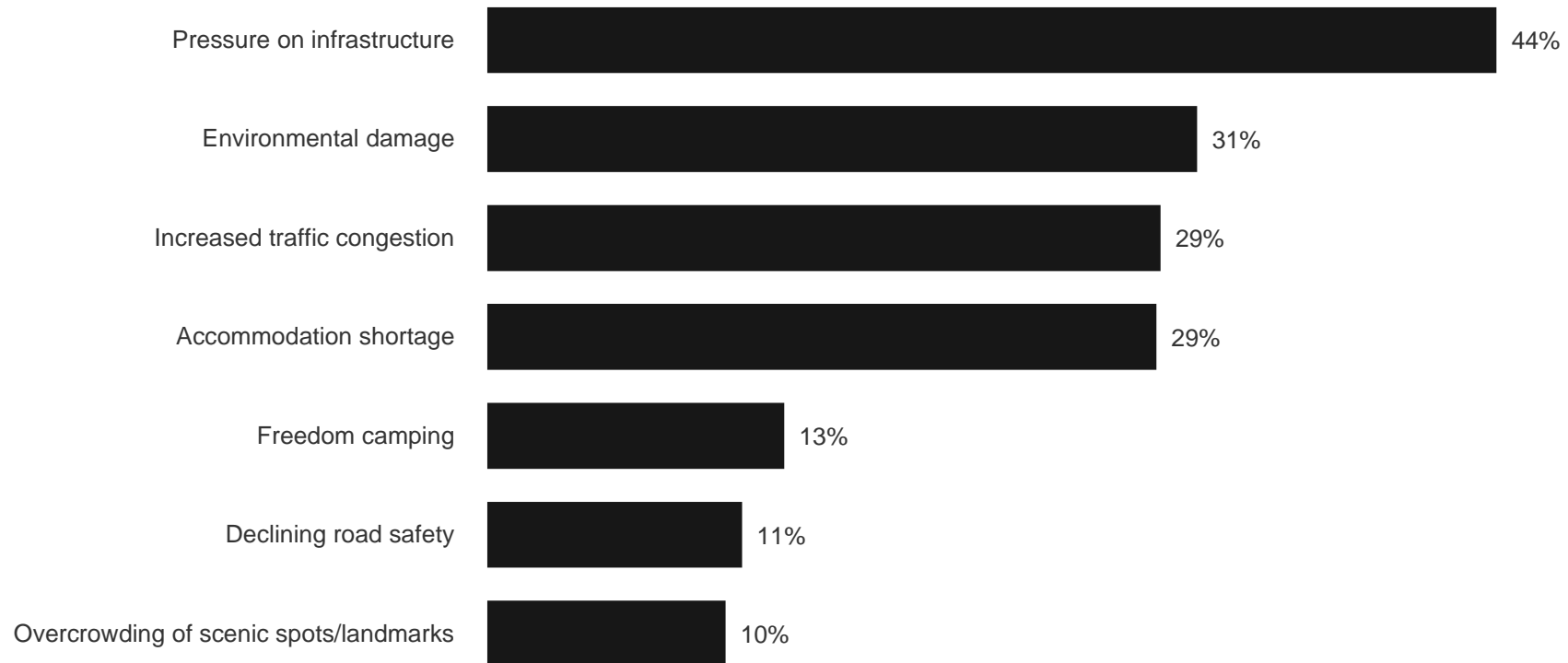
Base: New Zealanders aged 18 plus Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500

▲ ▼ Significantly higher / lower than previous wave at 95% CL



Infrastructure, traffic congestion, accommodation shortage, road safety and environmental damage are some of the key concerns Kiwis have with international tourism

Perceptions of how tourism puts pressure on New Zealand

% agree, 18+ year olds, Mar-17



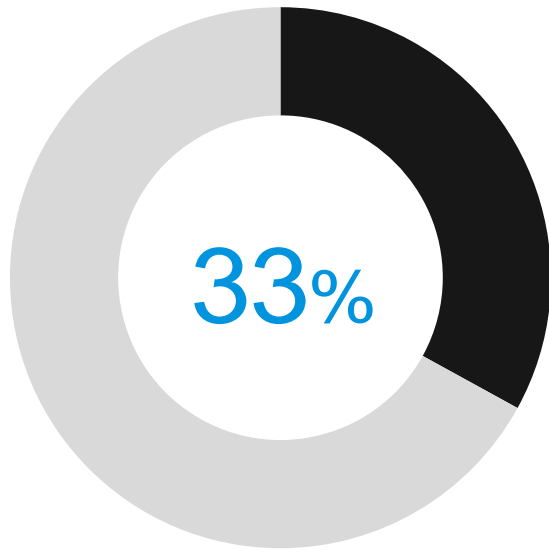
Base: New Zealanders aged 18 plus Mar-17 n = 186
Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

  Significantly higher / lower than Dec-15 & Mar-16 at 95% CL

A third of Kiwis believe that some places – Queenstown and Auckland specifically - are under more pressure than others, up from 21% a year ago

“Some places are under more pressure”

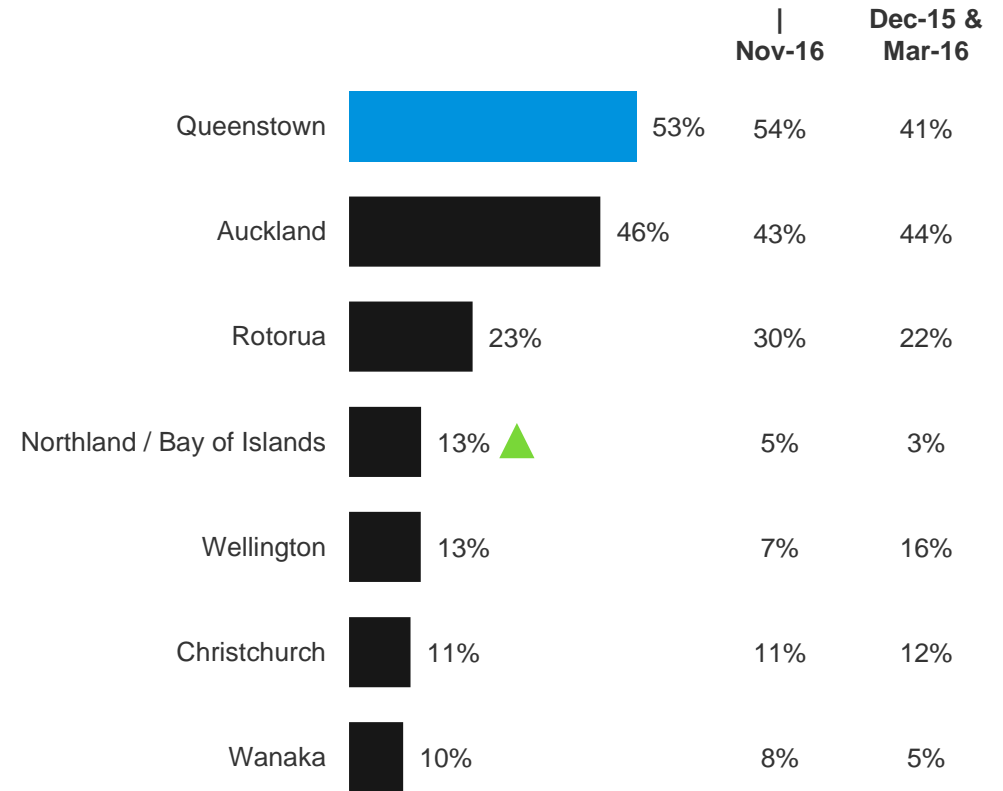
% agree, 18+ year olds, Mar-17



Dec-15 13% Mar-16 21% ▲ Nov-16 30% ▲

Which places?

%, Mar-17, those who say some places are under more pressure



▲ ▼ Significantly higher / lower than previous waves at 95% CL

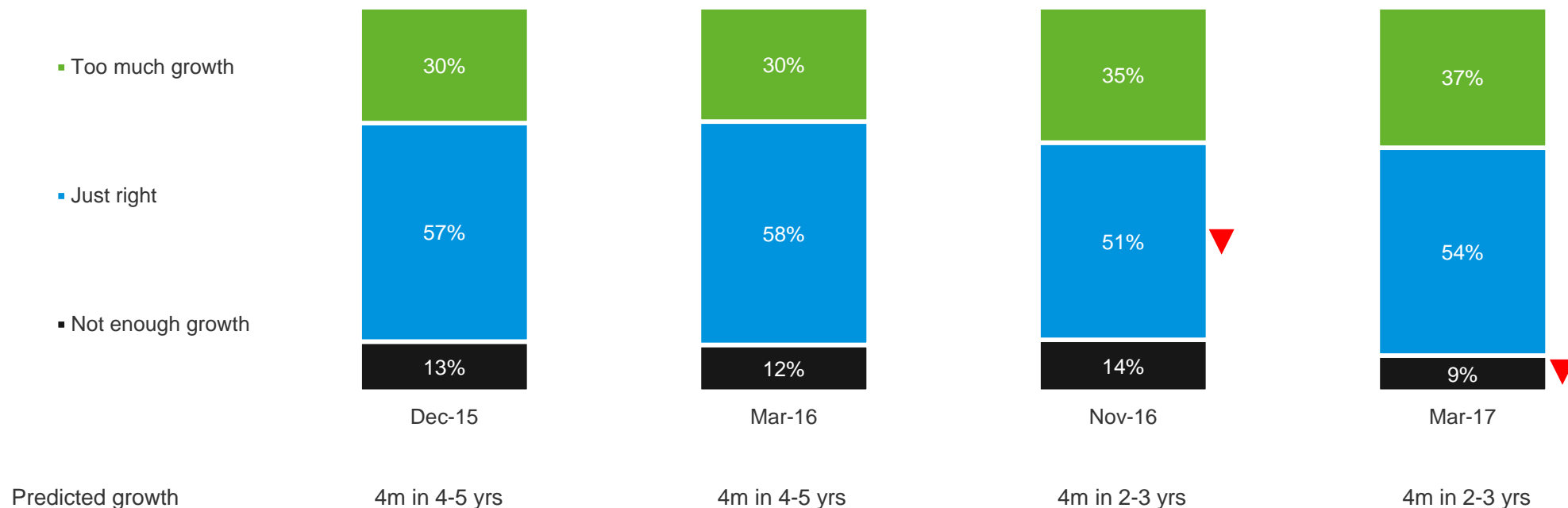
Base: New Zealanders aged 18 plus Dec-15 and Mar-16 n = 1,022; Nov-16 n = 521; Mar-17 n = 500

▲ ▼ Significantly higher / lower than Nov-16 at 95% CL

37% of New Zealanders feel that the predicted future growth of international visitors is too high – the majority agree that it is just right

Attitudes towards predicted future growth of annual international visitors

%, 18+ year olds



Base: Dec-15 n = 502; Mar-16 n = 520; Nov-16 n = 521; Mar-17 n = 500

▲ ▼ Significantly higher / lower than previous wave at 95% CL

A lack of adequate infrastructure, overcrowding and environmental damage all feature as key reasons why Kiwis feel there is too much predicted growth

Themed verbatim reasons for there being **too much predicted growth (37%)**



Lack of infrastructure

- "As I said before, infrastructure by way of accommodation, public toilets etc. needs to be firstly upgraded."
- "There's too many already stretching infrastructure."
- "I don't think sufficient infrastructure is in place for such growth"
- "The infrastructure can't cope already."
- "We are not providing enough facilities that tourists need"
- "There needs to be more investment in the infrastructure to accommodate them"
- "Don't think there will be enough accommodation and room on roads"
- "Infrastructure. It needs to support the locals and visitors; related is worker accommodation, terrible in this town, not enough and expensive. Is also a big problem here."
- "If this growth is not supported by increased infrastructure and planning, then yes it is too much growth if we are unable to successfully manage the increase in tourist numbers."

Overcrowding

- "We don't want to overload the good things they like."
- "For the geographical size of our country, that could start to cause overcrowding with local residents."
- "I think I've noticed more crowding"
- "What is here now is enough if managed properly, too much will cheapen the experiences when they become overcrowded."
- "Because it's a small country and we will get crowded if it only increases. I think it's at a good amount as of the current situation."
- "The popular tourist destinations are already under stress from the numbers currently visiting them"

Environmental damage

- "Tourism ventures need to have the natural environment in mind"
- "There is enough waste in New Zealand, I don't want to see NZ looking like China"
- "Will start to get saturated and certain attractions, like the environment, will start to be damaged."
- "Increased risk to the environment, roads, people and lack of hospitality, hotels to house them"
- "Need to keep up with growth for all the tourists and 2-3 years is not long enough to do that with the full support of the environmental laws."
- "Pressure starting to show in environmental and social impacts."

Base: 197

The promise of economic growth, capacity for more visitors and a desire to showcase New Zealand to the world are the key reasons why some Kiwis feel there is not enough planned growth in tourist numbers

Themed verbatim reasons for there being **not enough** predicted growth (9%)



Economic growth

- "Tourism is our top 3 industry of New Zealand, we should develop more opportunities from international tourism."
- "It could always be more, especially for the businesses who rely on it."
- "More visitors, more money"
- "We need more tourists to help grow our economy"
- "We need our economy boosted"
- "well that's only 500,000 and for a growth period of 2-3yrs that's not much growth"
- "I think NZ could cope with more tourists to help our economy"
- "NZ needs to encourage more tourists to visit to keep the economy strong/make it stronger"

Spare capacity

- "There's always room for more. If you go to places like London and Dublin, they are packed and vibrant."
- "I think we could cope with more visitors."
- "With sensible planning and promotion we could handle more"
- "A 25% increase would be manageable, the real problem would come with sharp increases in tourist numbers where the accommodation and other services are not able to cope."
- "The country still has capacity to attract more tourists"

Brand building

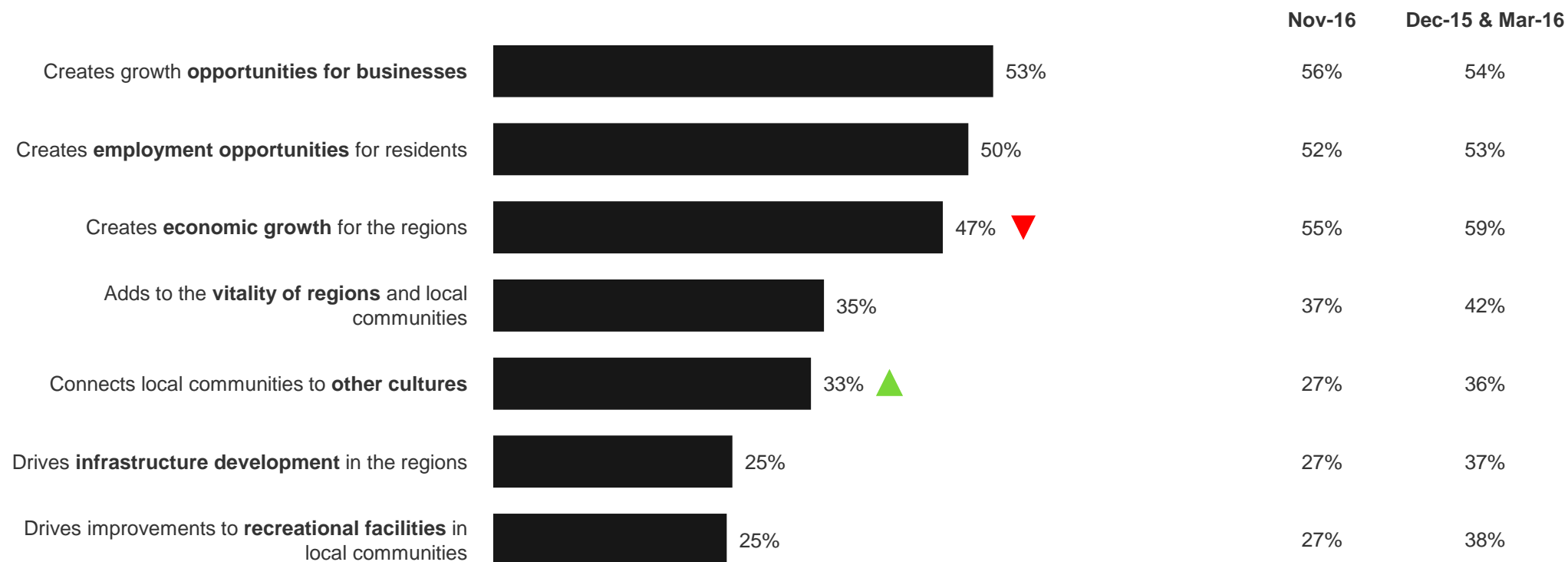
- "I think new Zealand has a lot to offer"
- "New Zealand is a beautiful country and we shall highlight that to the rest of the world"

Base: 40

Key perceived benefits of tourism are growth opportunities for business, employment opportunities and regional economic growth – however perceptions of the latter have declined from November 2016

Pros of international tourism

% agree, 18+ year olds, Mar-17



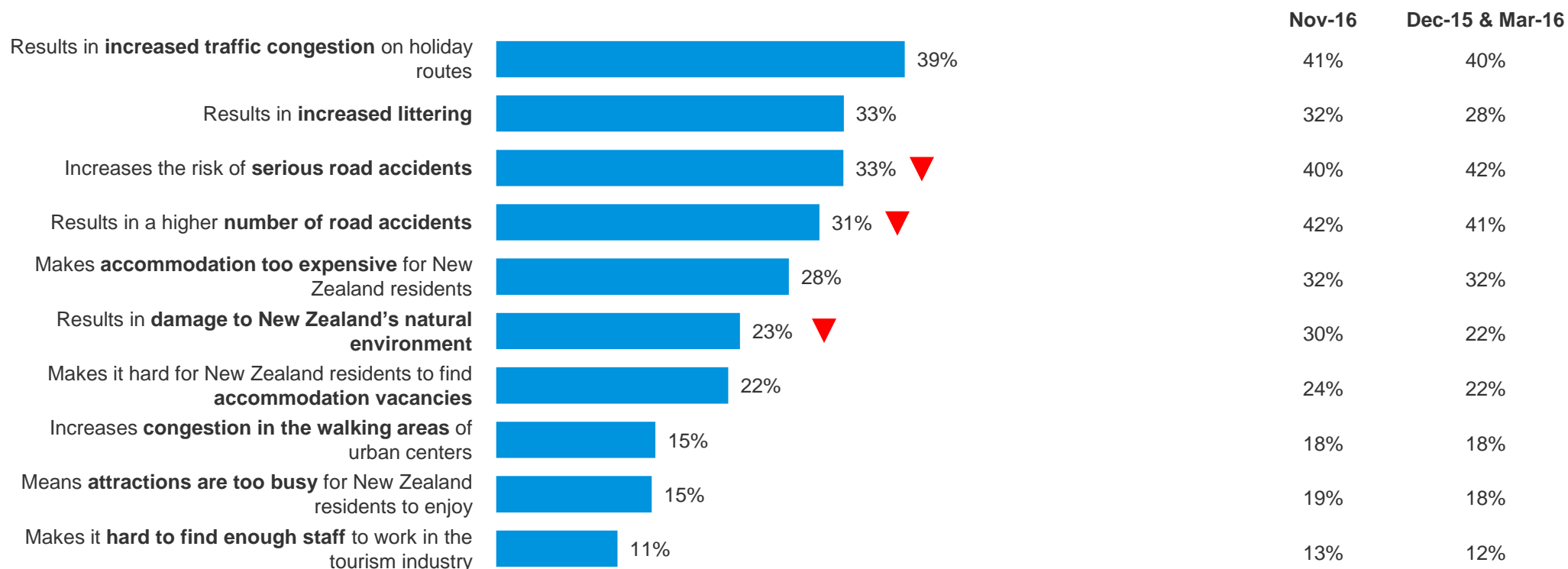
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 Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

▲ ▼ Significantly higher / lower than Nov-16 at 95% CL

Reassuringly, there has been a significant decline in perceived adverse impact of tourism on road accidents and natural environment

Cons of international tourism

% agree, 18+ year olds, Mar-17



Base: New Zealanders aged 18 plus Dec-15 and Mar-16 n = 1,022; Nov-16 n = 521; Mar-17 n = 500
 Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

▲ ▼ Significantly higher / lower than Nov-16 at 95% CL

Kiwis residing outside the main tourist centres have weaker perceptions of economic benefits of tourism – this emphasises the importance of regional dispersal strategies

Pros of international tourism by region

%, 18+ year olds, Mar-17

	Auckland	Wellington	Bay of Plenty	Other North Island	Canterbury	Otago
Creates growth opportunities for businesses	51%	59%	56%	46%	49%	61%
Creates employment opportunities for residents	50%	54%	42%	40%	58%	58%
Creates economic growth for the regions	47%	58%	56%	31%	56%	64%
Adds to the vitality of regions and local communities	33%	35%	30%	38%	41%	36%
Connects local communities to other cultures	37%	33%	38%	32%	35%	40%
Drives infrastructure development in the regions	26%	31%	35%	22%	20%	30%
Drives improvements to recreational facilities in local communities	24%	31%	34%	23%	27%	27%

Heat map shading is across rows

Base: Auckland n = 107, Wellington n = 100, Bay of Plenty n = 61, Other North Island n = 55, Canterbury n = 94, Otago n = 65
 Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown



While Kiwis residing in Otago have stronger perceptions of economic benefits of tourism, they also have much stronger concerns with its adverse impact on road safety, environment and infrastructure

Cons of international tourism by region

%, 18+ year olds, Mar-17

	Auckland	Wellington	Bay of Plenty	Other North Island	Canterbury	Otago
Results in increased traffic congestion on holiday routes	39%	44%	45%	25%	41%	67%
Results in increased littering	29%	35%	31%	26%	41%	57%
Increases the risk of serious road accidents	24%	30%	45%	25%	47%	69%
Results in a higher number of road accidents	23%	35%	39%	20%	43%	58%
Makes accommodation too expensive for New Zealand residents	25%	33%	31%	24%	32%	44%
Results in damage to New Zealand's natural environment	22%	22%	27%	16%	28%	38%
Makes it hard for New Zealand residents to find accommodation vacancies	22%	22%	22%	14%	27%	47%
Increases congestion in the walking areas of urban centers	15%	13%	14%	11%	17%	37%
Means attractions are too busy for New Zealand residents to enjoy	13%	12%	20%	9%	19%	29%
Makes it hard to find enough staff to work in the tourism industry	11%	5%	12%	8%	10%	38%

Heat map shading is across rows



Base: Auckland n = 107, Wellington n = 100, Bay of Plenty n = 61, Other North Island n = 55, Canterbury n = 94, Otago n = 65
Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

Those who are particularly negative about tourism are likely to be more concerned about the environmental impact and the difficulty New Zealanders have competing with international visitors for accommodation

Cons of international tourism by attitude towards tourism numbers

Most New Zealanders tend to agree that the top three cons of tourism are...

1

Results in increased traffic congestion on holiday routes

2

Results in increased littering

3

Increases the risk of serious road accidents

But the top three cons for people that are **most negative**⁽¹⁾ about tourism are...

1

Results in damage to New Zealand's natural environment

2

Makes it hard for New Zealand residents to find accommodation vacancies

3

Results in increased littering

Base: 500

1. Most negative if they answered number of visitors as too high and predicted growth as too much growth and believes the current number of visitors is putting too much pressure on society, infrastructure and environment

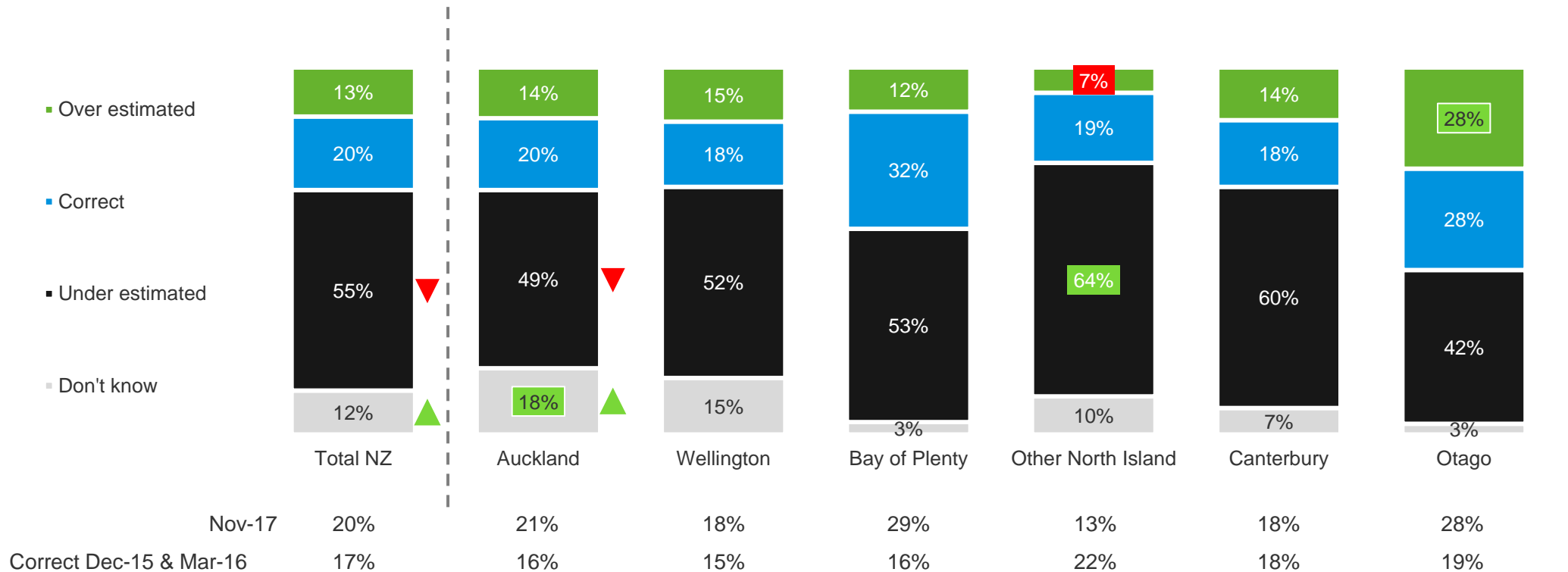
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Appendix: measures by region

Bay of Plenty residents were the most likely to correctly estimate annual visitor numbers

Knowledge of annual visitor numbers – by region

%, Mar-17



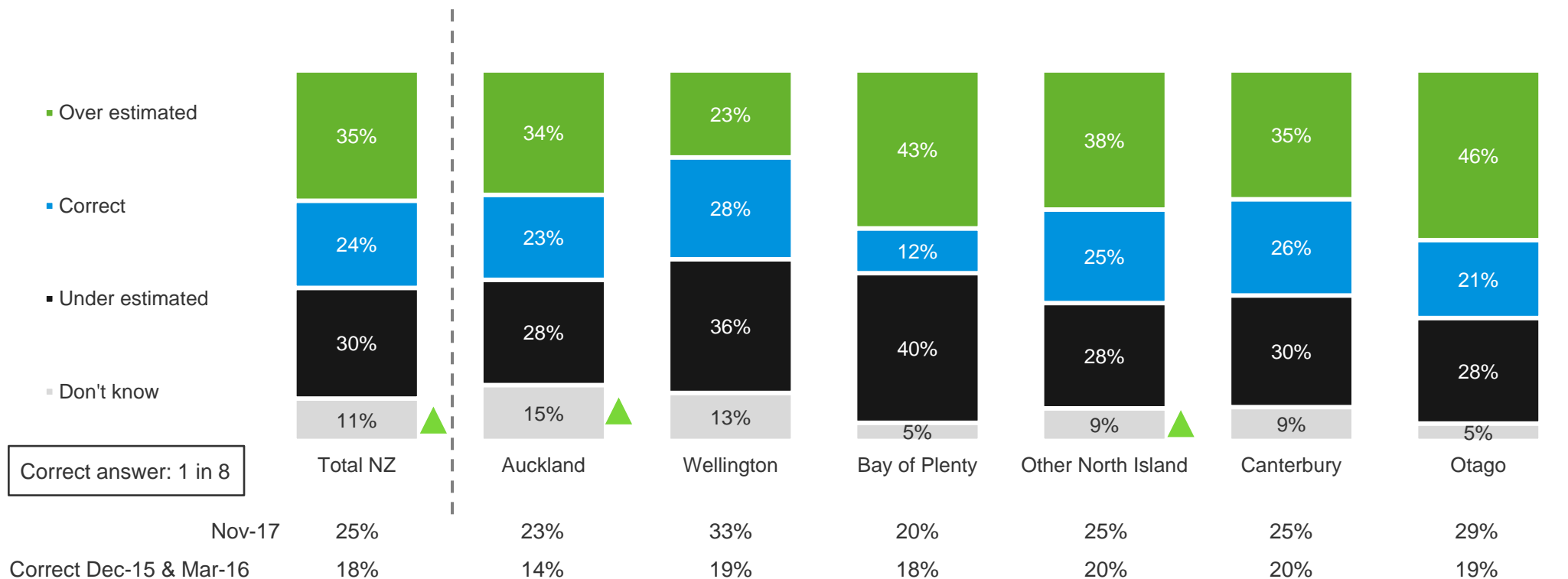
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■ ■ Significantly higher / lower than other New Zealand at 95% CL
▲ ▼ Significantly higher / lower than Nov-16 at 95% CL

Conversely, Bay of Plenty residents scored the lowest on knowing how many workers are employed in the tourism industry

Knowledge of New Zealand workers employed in the tourism industry – by region

%, Mar-17



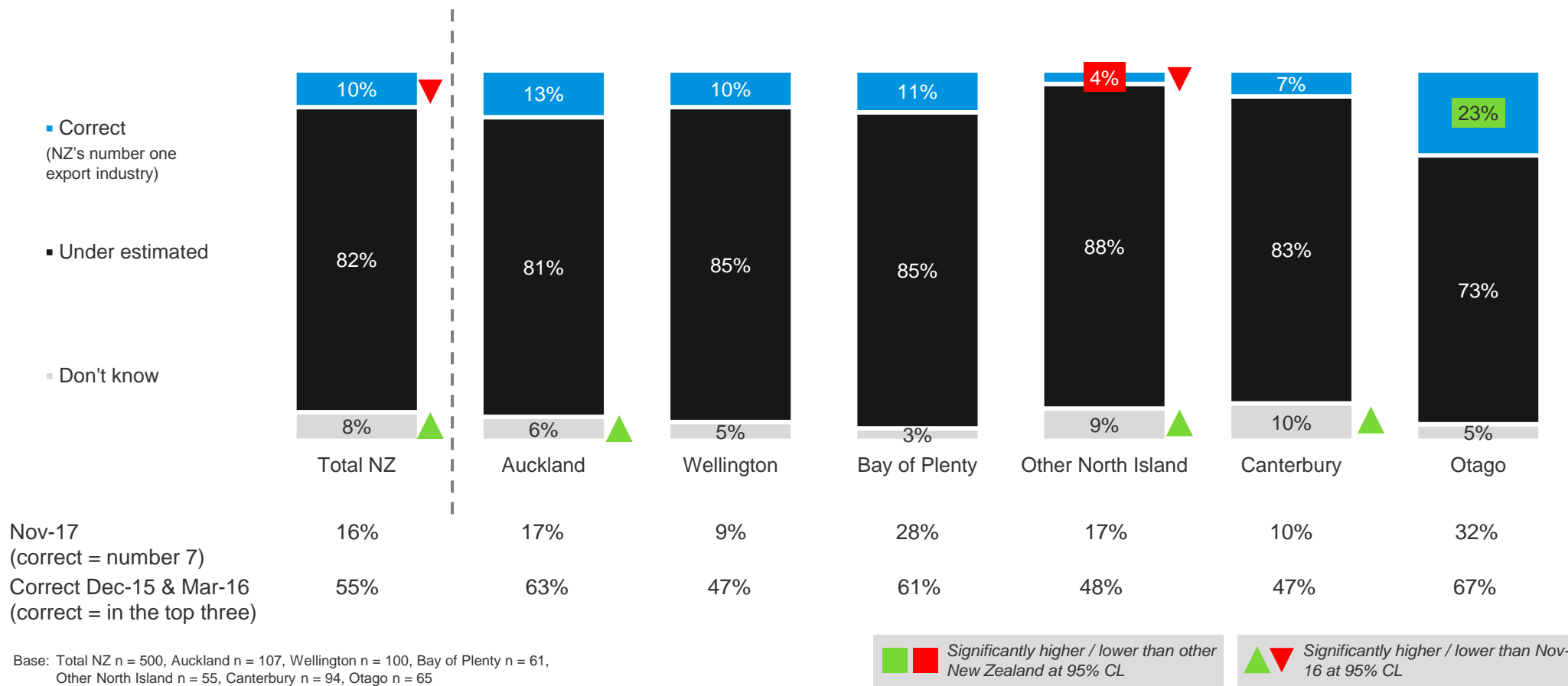
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Residents of Otago were most aware of the fact that tourism is New Zealand's biggest revenue earner.

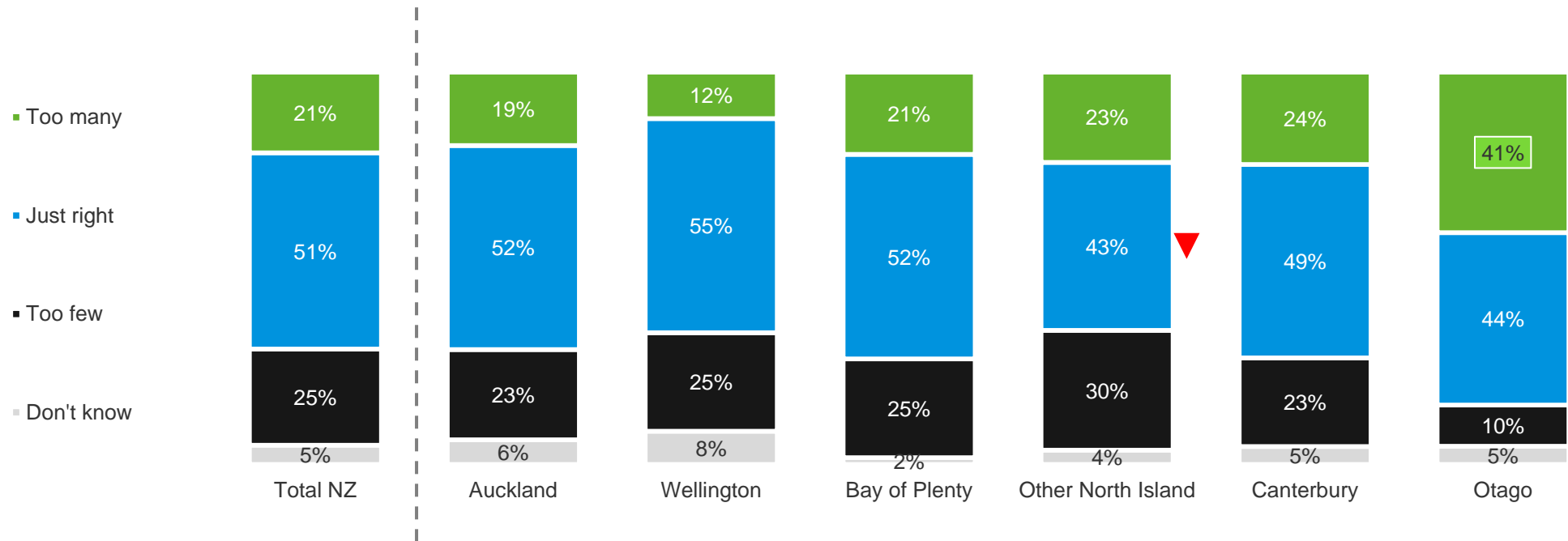
Knowledge of the value of the tourism industry – by region

%, Mar-17



Residents of Otago are most likely to believe we currently welcome too many international visitors

Perception of current number of international visitors (based on actual number) – by region
%, Mar-17



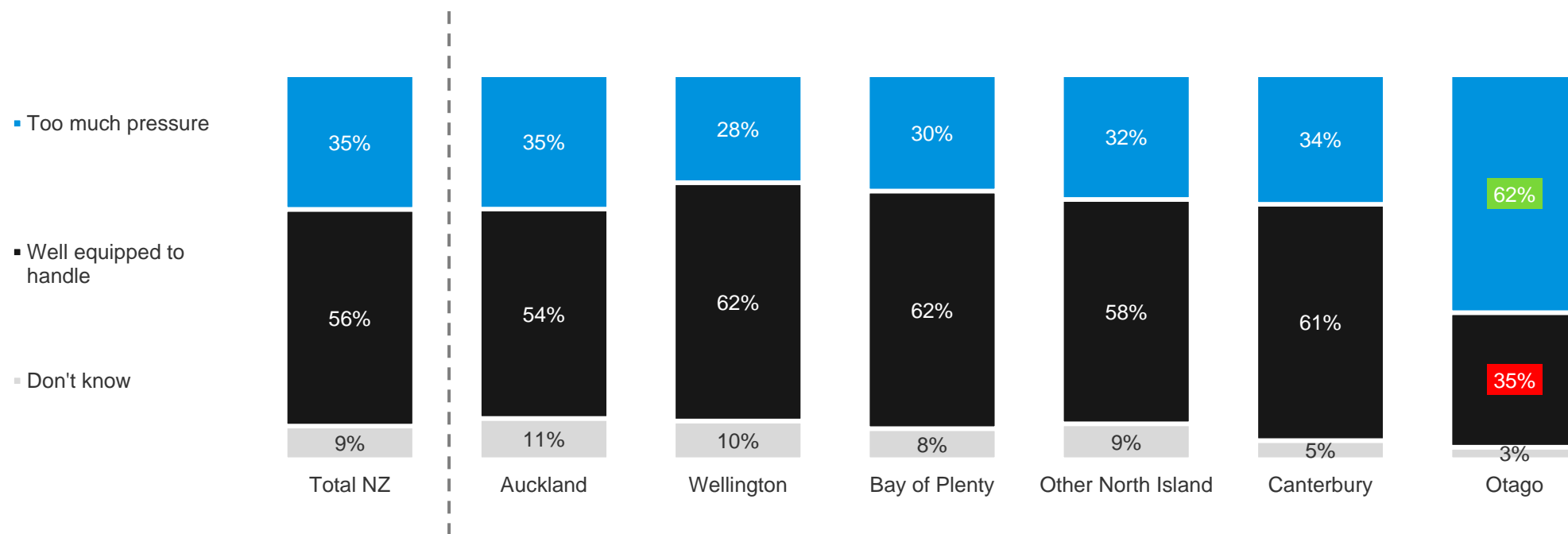
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▲ ▼ Significantly higher / lower than Nov-16 at 95% CL

The majority of New Zealanders believe the country is equipped to deal with the pressure from tourism – the major exception to that is Otago

Perceptions of the pressure that tourists put on New Zealand – by region

%, Mar-17



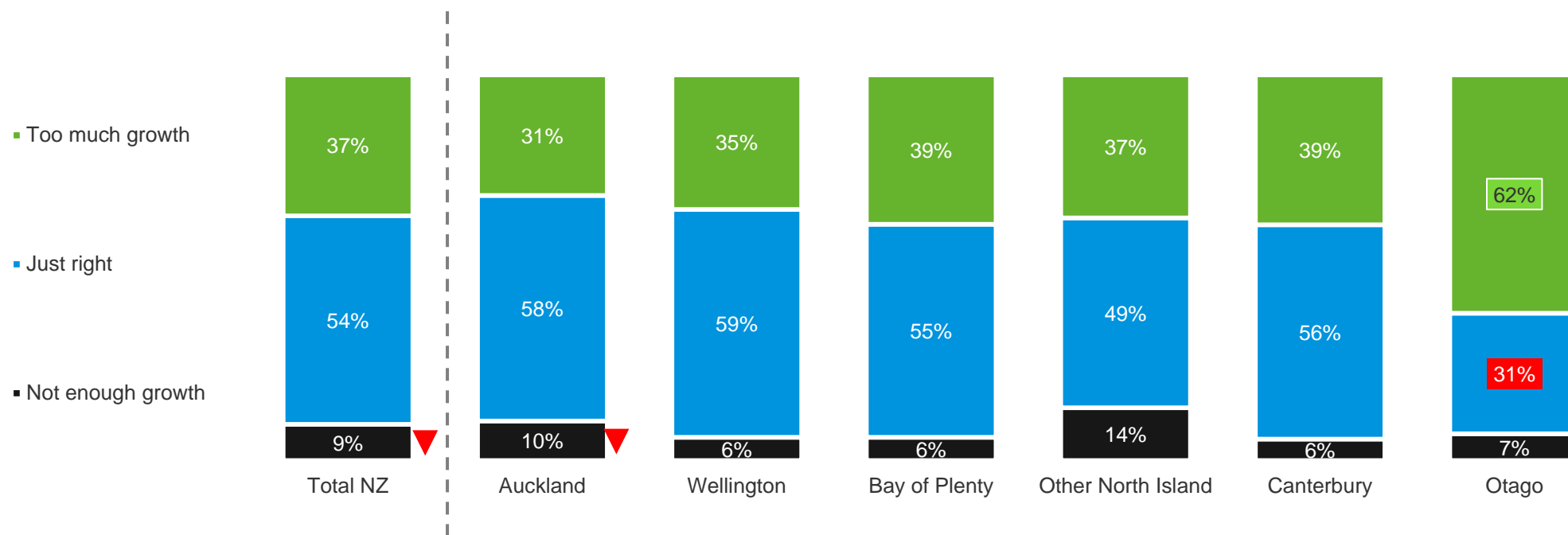
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▲ ▼ Significantly higher / lower than Nov-16 at 95% CL

Auckland residents are least concerned about too much predicted growth, while those living in Otago express the greatest concern

Attitudes towards predicted future growth of annual international visitors – by region

%, Mar-17



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