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India Active Considerer Market

Full report
Tourism New Zealand

May 2022

Fieldwork timings and target audience definition

- Unlike our top six markets, where monitor data is collected monthly, for emerging markets, like India, we take a point-in-time read of the market as required
- The months when fieldwork occurred for each reported quarter is to the right

Target population definition

- In India, our target population, is defined as online population, 18-74 years of age, residing in New Delhi, Bangalore or Mumbai

Active Considerers definition

- Active Considerers see New Zealand as a preferred destination (first or second preference) for their next holiday; would seriously consider visiting in the next three years; and have a realistic budget for their visit.

- In FY21 the definition of Active Considerers (AC) was revised: the minimum spend threshold was increased to **160,000 INR** (it was 120,000 INR until Q4 FY19 inclusive)
- All historical results in this report have been recalculated based on the revised AC definition

Reported quarter	Incidence	Month in which data was collected for that quarter
Q4 FY17	40%	April 2017
Q1 FY18	43%	September 2017
Q3 FY18	41%	March 2018
Q1 FY19	40%	September 2018
Q4 FY19	42%	April 2019
Q1 FY21	27%	September 2020
Q2 FY22	37%	October 2021
Q4 FY22	38%	May 2022

Summary

- The Indian market is an attractive opportunity for New Zealand: there is a stable pool of ACs (38%), equating to approximately 12.3 million people, and a growing preference for New Zealand as a first destination to visit next (64%)
- There is a strong immediate opportunity for conversation: with 63% of ACs stating that they have done enough research and are ready to book their trip
- Australia, Switzerland, and Singapore are the key destinations that New Zealand is competing with amongst Indian AC's
- New Zealand is well positioned to compete with these destinations, but will need to improve relative perceptions that New Zealand is a destination that; embraces visitors, offers quality food and wine, and is affordable
- Half of ACs indicated that they would take a holiday longer than 10 days, which is favourable for New Zealand
- Actively promoting New Zealand's presence on booking channels such as MakeMyTrip.com, Booking.com, and Yatra would be most beneficial for strong conversion at point of booking as these showed to be the preferred booking channels

Key insights

1 The Indian market continues to be an attractive opportunity for TNZ, with 38% of the total population actively considering New Zealand as a holiday destination, the highest of all our key markets. In addition to the large volume of ACs, the Indian market proves to have weathered the global downtrend displayed by other markets. Providing clarity and better foresight on returns on marketing and branding in this market.

Vibrant Adventurers, Spontaneous Explorers, and Passive Passengers are the most common Mindset segments of ACs.

2 New Zealand faces intense competition from European and Asian destinations – Australia remains New Zealand's top competitor, and France and Germany are growing in preference.

To build a competitive edge, New Zealand should leverage its perceptions of having amazing wildlife experiences and providing an escape from the world's troubles. New Zealand should also work to build perceptions of it being a place to enjoy quality food and wine. Especially since tasting local cuisine sits within the top three activities ACs are interested in participating in.

3 Two-thirds of ACs are stating they are in the booking phase of the dreaming/ planning /booking journey to New Zealand.

Additionally, close to 90% of ACs are interested in taking at least a six-day trip for their next overseas trip. Which aligns with common trip duration to New Zealand.

Actively promoting New Zealand's presence on booking channels such as MakeMyTrip.com, Booking.com, and Yatra would be most beneficial for strong conversion at point of purchase.

1 The size and profile of the AC market

Active Considerer journey funnel – India

Online population, 18-74 years of age, residing in New Delhi, Bangalore or Mumbai (32.2m)

79%

Find New Zealand highly appealing as a holiday destination, and…

25.4m

86%

Would seriously consider visiting in the next three years, and…

21.9m

95%

New Zealand is a preferred destination for their next holiday, and…

20.8m

59%

Willing to spend at least INR 160,000 per person on a holiday to New Zealand(1)

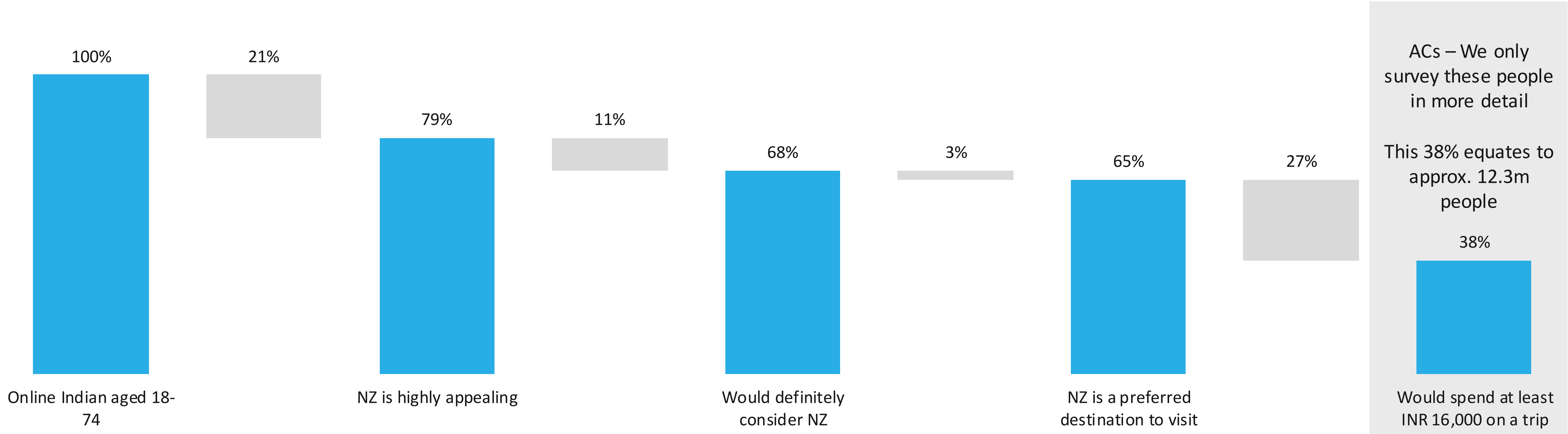
12.3m

Notes:
1. Sample sizes: Total ACs Q4 FY22 n = 1,419; Total population of India 1,340.9

The AC incidence is 38% and stable, equating to approximately 12.3 million people

Qualifying criteria for defining ACs

% Online users aged 18-74 in the target cities | Q4 FY22



Q2 FY22	100%	18%	81%	10%	71% ▲	5%	66% ▲	28%	37% ▲
Q1 FY21	100%	21%	78%	14%	64%	3%	61%	34%	27%

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Notes:
Sample sizes: Q2 FY22 n = 867; Q4 FY22 n = 1,419

▲▼ *Significantly higher / lower than last wave*

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Unlike other markets where we saw declines in incidence of ACs, the metric is stable for India

Q4 FY22	Appeal vs. top six markets % Online users aged 18-74	Sep 21	AC incidence vs. top six markets % Online users aged 18-74	Sep 21	Size of AC pool vs. top six markets Million people	Sep 21
India	79%	81%	38%	37%	12.3m	12.1m
AU	55%	56%	21%	22%	3.3m	3.4m
China	66%	68%	33% ▼	38%	27.4m	31.4m
Germany	57%	58%	10% ▼	11%	5.4m	6.0m
Japan	35% ▼	37%	5%	6%	3.9m	4.0m
UK	52% ▼	55%	12% ▼	14%	4.8m	5.8m
USA	48% ▼	51%	19%	20%	40.5m	42.2m

▲▼ *Significantly higher / lower than last wave*

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Notes:
1. Sample sizes: Q2 FY22 n = 867; Q4 FY22 n = 1,419
2. Source for top 6 markets: AC Monitor | Online users aged 18-74 | Apr21 - Sep21 | Nov21-Apr22,
Australia n = 4,425, 4,692 | China n = 2,531 , 2,951 | Germany n = 9,343 , 10,635 | Japan n = 20,636 , 20,148 | UK n = 8,045 , 10,163 | USA n = 6,122 , 6,263

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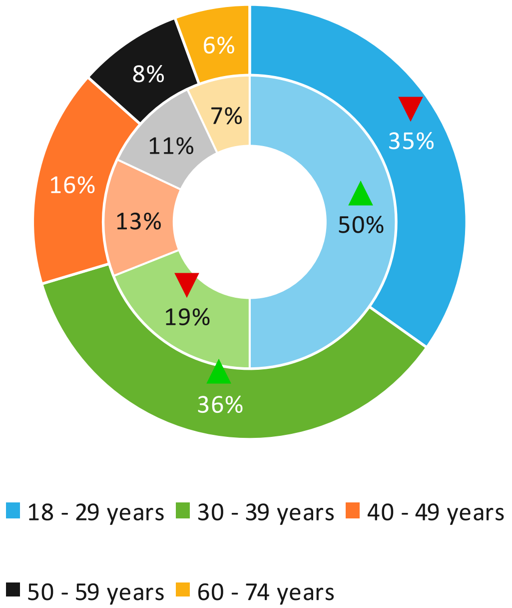
ACs over-index on the 30-39 age group; Passive Passengers, Spontaneous Explorers and Vibrant Adventurers are equally represented within the AC base, accounting for 84% of all ACs

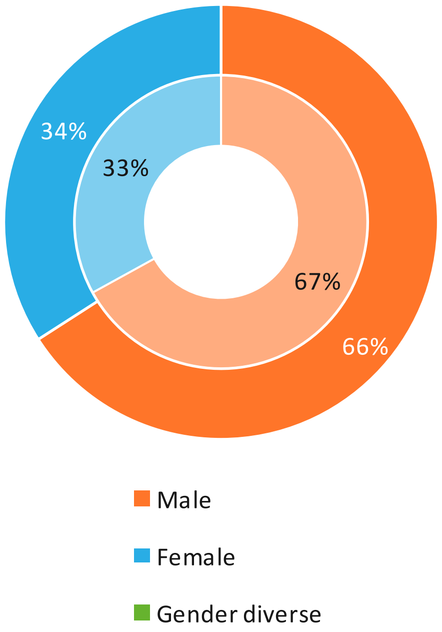
Profile of Active Considerer

% Active Considerers | % Non Active Considerers | Q4 FY22

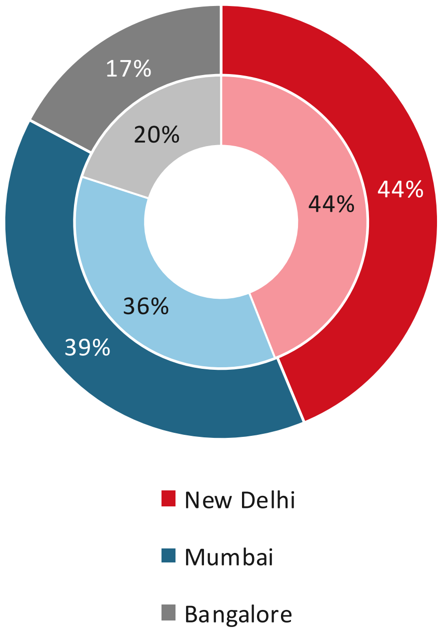
By age segment



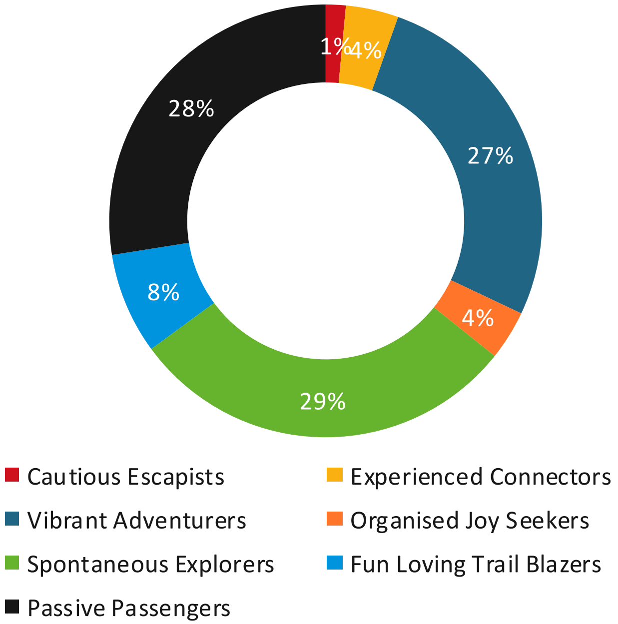
By gender



By region



Mindset Segments



Notes:
1. Sample sizes: ACs n = 555 | Non ACs n = 864

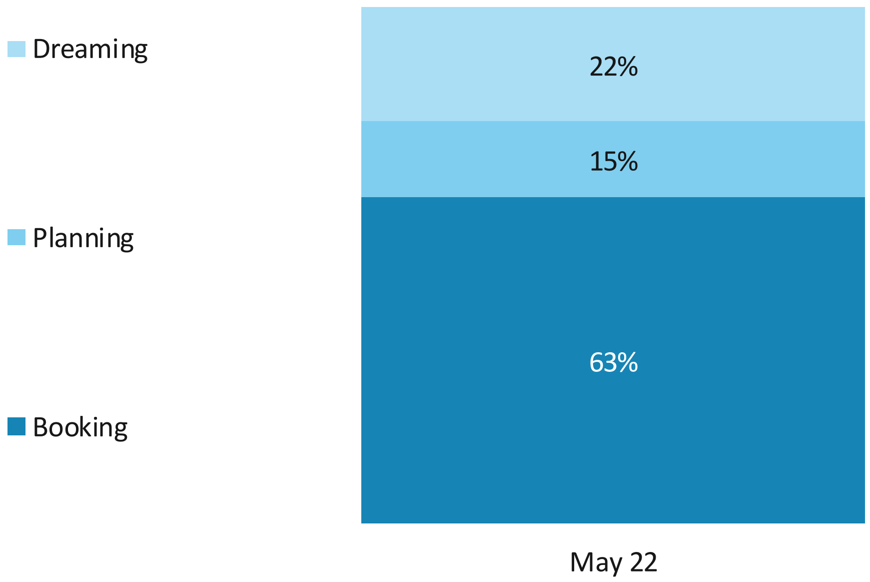
Outer ring: Indian ACs
Inner ring: Indian non-ACs

Significantly higher / lower than comparison at 95%

There is a lot of built up demand among ACs, with 63% of them claiming to have done their research and are ready to book their trip

Journey funnel

% AC | Q4 FY22



Comments

A large proportion of ACs –63% – *claim* to be ready to book. Some useful context:

- 'Ready to book' is a claimed state of mind
- The measure is within an extremely small niche of the population.
- It doesn't mean ACs will book a flight tomorrow, if possible to do so, but that the commitment to visit New Zealand is there, and they feel confident enough to consider it a place they'd book travel to
- A number of extrinsic (e.g. price, availability) and intrinsic (e.g. annual leave) factors need to align to make booking / conversion a reality
- We know that people continue researching and planning after reaching the 'ready to book' stage; it does not mean the end of engagement between consumers and TNZ / industry players
- We see in emerging markets that consumers progress quite quickly through product adoption cycles, where developed markets are more constrained by legacy systems and market inertia, consumers in emerging markets tend to adopt trends and desires relatively quickly (e.g. smartphone use, social media commerce)

Notes:
1. Sample size: India n = 300

2 Desirability of New Zealand as a holiday destination

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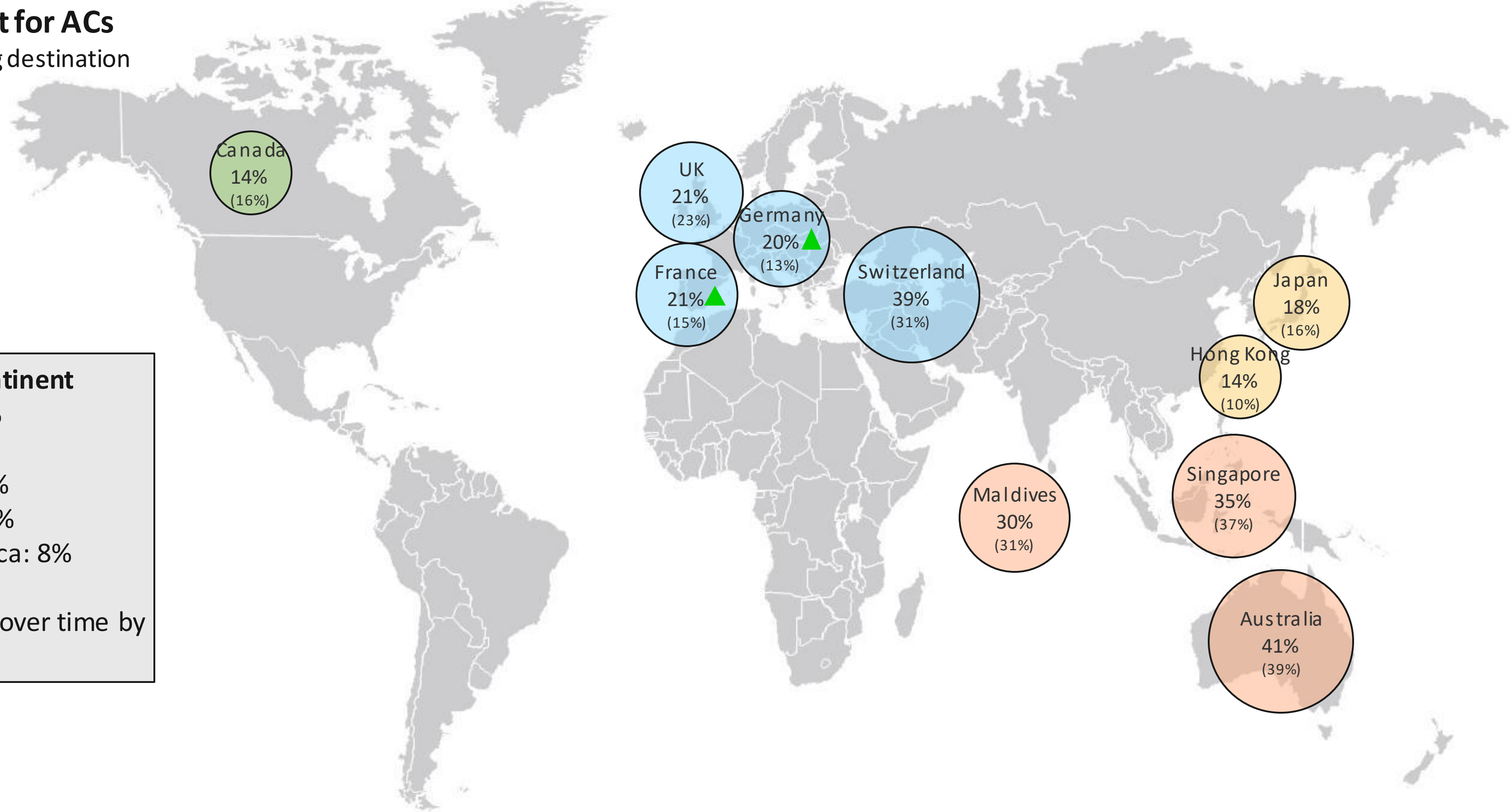
Indian ACs have a wide variety of destination preferences, with Australia, Switzerland, and Singapore being New Zealand's strongest competitors based preference

Top ten competitor set for ACs
% Active Considerers ranking destination in top five | Q4 FY22



Preference by continent
Europe: 76%
Asia: 72%
Oceania: 41%
Americas: 32%
Middle East & Africa: 8%

Note there is no change over time by continent

Notes:
1. Sample sizes: Total ACs Q4 FY22 n = 300
2. Q "Aside from New Zealand, what other four destinations make up your top five preferred destinations to
3. visit for a vacation?"

Significantly higher / lower than comparison at 95%

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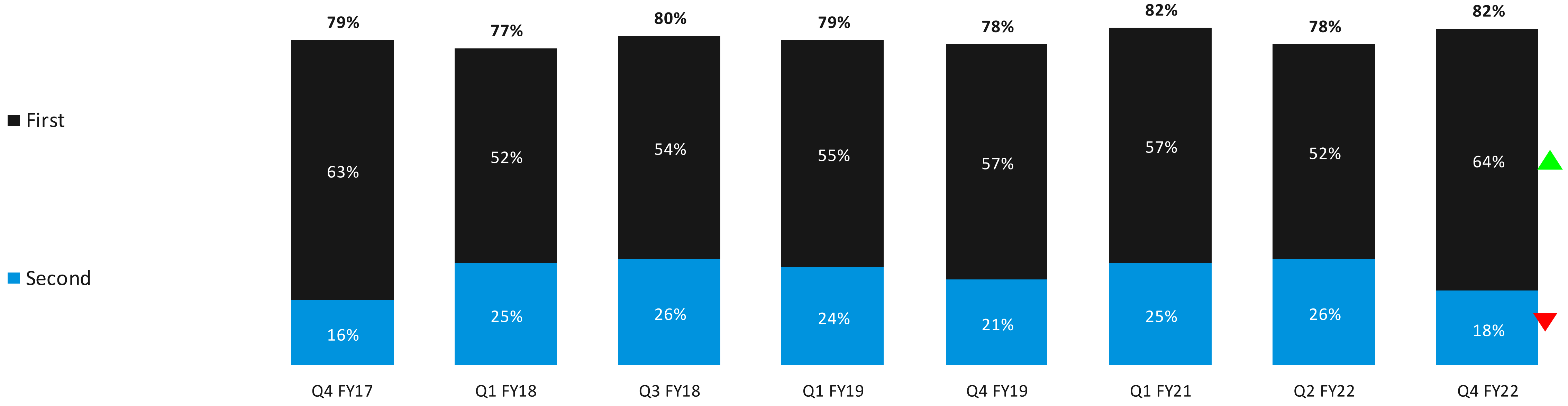
More ACs rank New Zealand as their first preference destination to visit next

compared to Q2 FY22

Preference KPI India over time

% Active Considerers



Significantly higher / lower than last wave at 95%

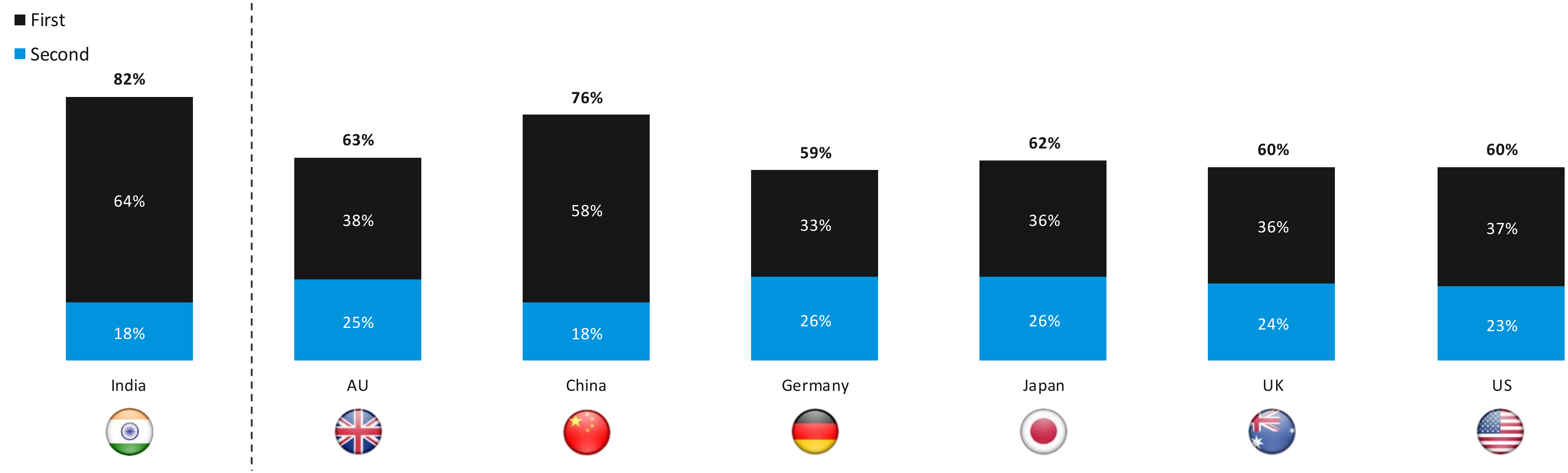
Sample sizes: Q1 FY21 ACs n=300; Q2 FY22 ACs n=300, Q4 FY22 n = 300

Q "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

ACs preference ranking for New Zealand is highest compared to other key ACM markets

Preference KPI vs. top six markets

% Active Considerers | Q4 FY22



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Notes:
1. Sample size: India n = 300
2. Source for top 6 markets: AC Monitor | 6MRA | Total Active Considerers | Nov21-Apr22
Australia n = 900 | China n = 901 | Germany n = 901 | Japan n = 900 | UK n = 900 | USA n = 899
Q "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

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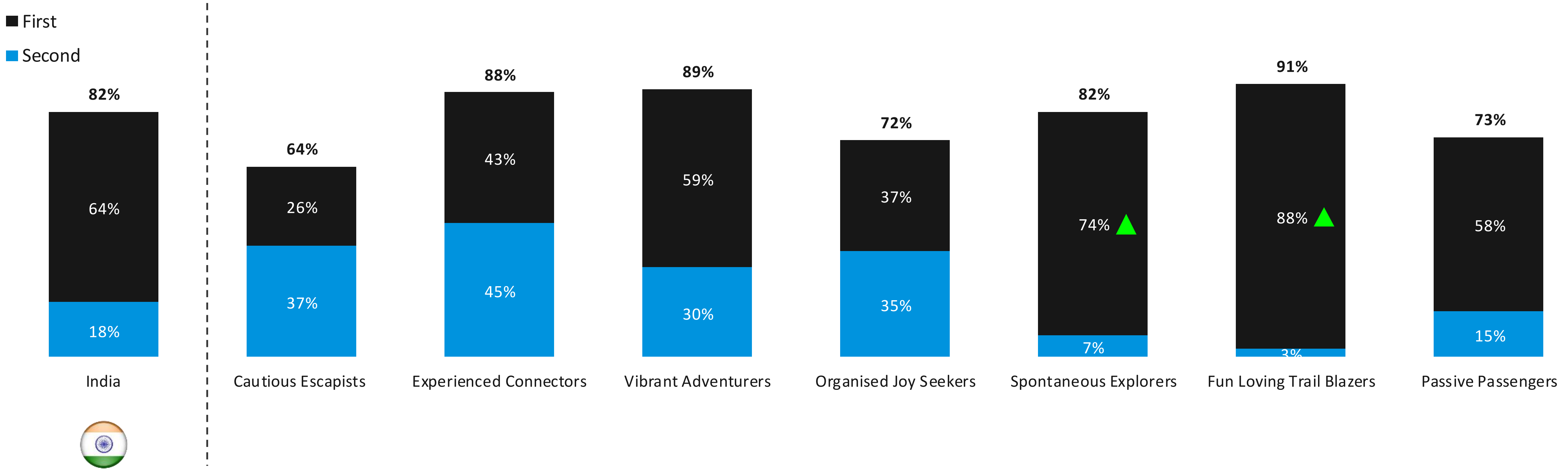
Spontaneous Explorers and Fun Loving Trail Blazers are more likely to rank New Zealand as their first choice compared to other mindsets

Preference KPI vs. top six markets

% Active Considerers | Q4 FY22

SMALL SAMPLE SIZE



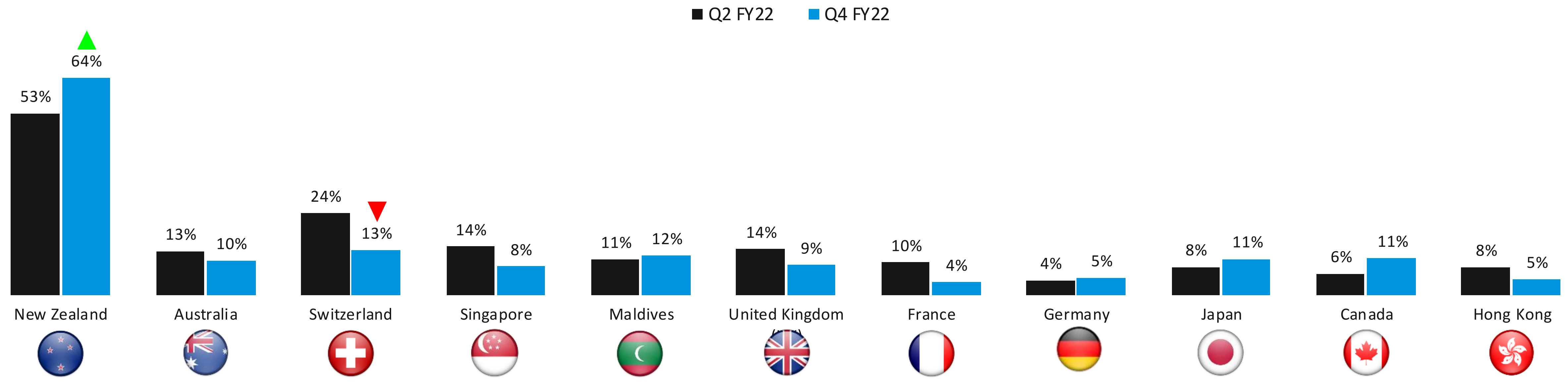
Notes:
1. Sample size: India n = 300 | 9 | 12 | 70 | 10 | 96 | 27 | 76

First choice significantly higher / lower than comparison at 95%

Other than a significant improvement in New Zealand's preference, Switzerland shows a significant decrease, while other destinations remain stable

Preference of destination of interest (top box)

% Active Considerers | Q4 FY22



Preference Top 2 Box

	New Zealand	Australia	Switzerland	Singapore	Maldives	United Kingdom	France	Germany	Japan	Canada	Hong Kong
Q2 FY22	79%	46%	51%	31%	30%	45%	19%	10%	26%	23%	22%
Q4 FY22	82%	47%	46%	35%	34%	27% ▼	14%	14%	36%	21%	15%

▲▼ *Significantly higher / lower than last wave at 95%*

Notes:
1. Top 10 destinations reported only
2. Sample sizes: Total ACs Q1 FY22 n = 300, Q4 FY22 n = 300
3. Scores ordered by 'first preference'
4. Q "Can you please rank those destinations in order of preference where 1 is your most preferred destination?"

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This heat map shows the relative performance of the attributes we measure that drive preference for New Zealand

Our role is to influence how our target audience perceive New Zealand relative to its competitive set; we cannot influence our competitors, we can only influence how New Zealand is seen through our communications.

Relative brand positioning

Index (see appendix) | Total Active Considerers | Brand associations | New Zealand and top five competitors | Q4 FY22

Brand associations	New Zealand	Australia	Switzerland	Singapore	Maldives	UK
Landscapes & scenery	99	106	113	94	106	81
Safe destination	100	92	128	97	94	87
Embraces visitors	92	93	101	102	95	122
Range of adventure	98	115	95	90	91	112
Clean & unpolluted	104	93	109	94	105	91
Fun & enjoyment	105	97	95	110	95	96
Friendly people	104	98	99	99	119	79
Range of experiences	96	102	104	99	98	103
Unique experiences	102	98	108	112	84	95
Comfortable	101	97	88	109	102	104
Escape the troubles of the world	106	101	97	94	99	100
Relax & refresh	100	76	115	85	126	97
Amazing wildlife experiences	110	127	80	116	65	97
Local culture	106	100	97	83	108	102
Quality food & wine	85	103	98	108	100	115
Affordable activities	94	94	76	118	116	108
Local experiences	108	98	96	102	100	91
Iconic attractions	93	111	94	91	96	119

Actions for TNZ:

More focus is needed on boosting our credentials over competitors in terms of:

- Embraces visitors
- Quality food & wine
- Affordable activities
- Iconic attractions

While leveraging our competitive strengths:

- Fun & enjoyment
- A place you can escape the troubles of the world
- Has amazing wildlife experiences
- Local culture
- Local experiences

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Notes:
Q "Which destinations, if any, do you associate with this statement?"

Relative weakness 100 *Relative strength*

Heat map shading is across rows, i.e. compares the six countries on that attribute

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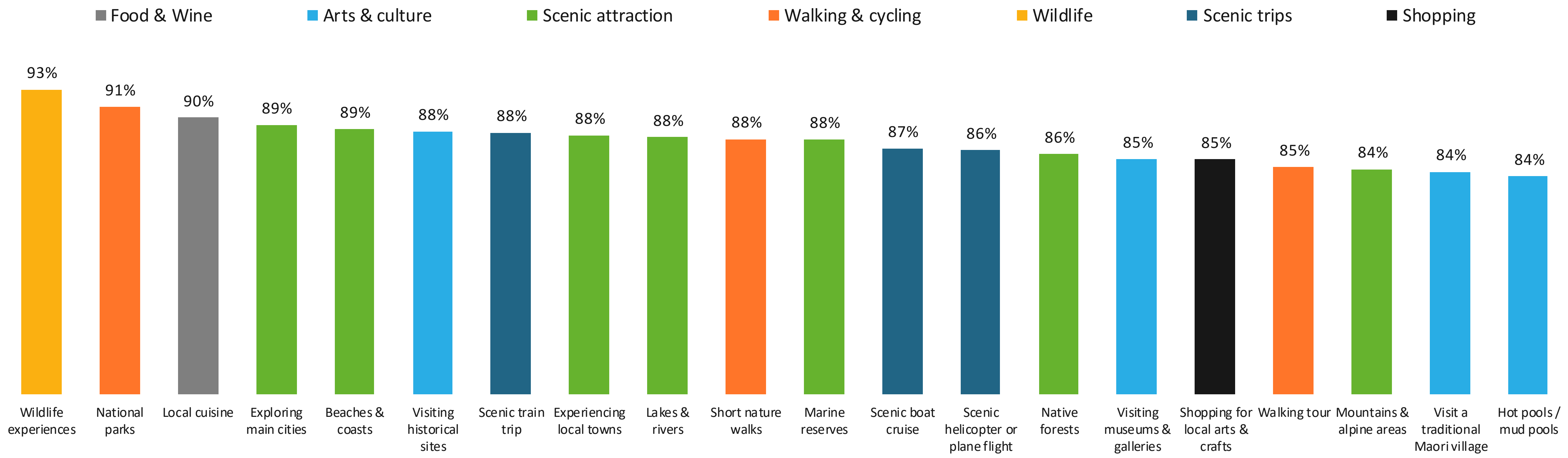
ACs are interested in participating in a wide variety of activities when they holiday in New Zealand

Activities interested in doing in New Zealand (Top 20)

% Active Considerers | Q4 FY22



Notes:
1. Sample size: India n = 300
Q "Which of the following would you be interested in seeing or doing when on holiday in New Zealand?"

3 Covid-19 Section

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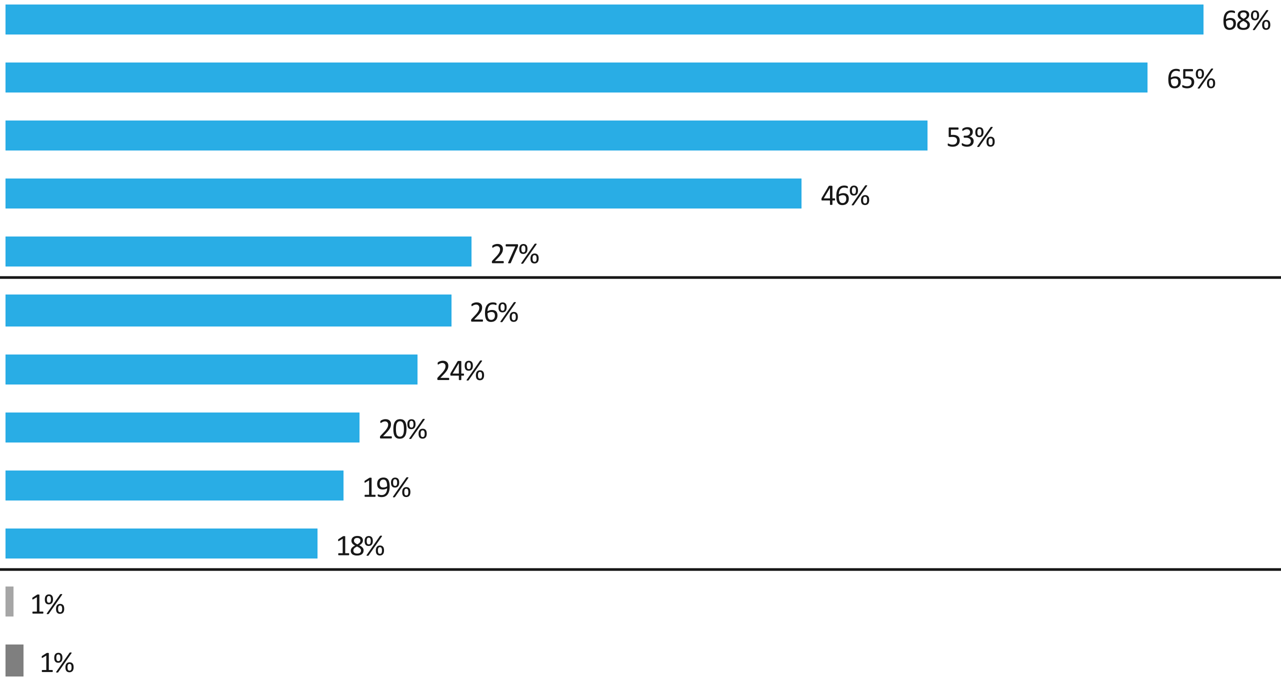
TripAdvisor, National Geographic Traveller, Travel + Leisure, and Outlook Traveller are most used channels to find inspiration for travel

Media channels or influencers used when considering a travel destination

% Active Considerers | Q4 FY22



	Total	Vibrant Adventurers	Spontaneous Explorers	Passive Passengers
TripAdvisor	68%	85% ▲	65%	54% ▼
National Geographic Traveller	65%	79% ▲	57% ▼	60%
Travel + Leisure	53%	42% ▼	54%	65% ▲
Outlook Traveller	46%	53%	41%	45%
Curly Tales	27%	18% ▼	41% ▲	24%
Thrillophilia	26%	14% ▼	34% ▲	33%
Tripoto	24%	12% ▼	35% ▲	29%
Conde Nast Traveller	20%	11% ▼	29% ▲	25%
Larissa Dsa	19%	3% ▼	38% ▲	20%
Bruised Passports (Savi and Vid)	18%	12%	27% ▲	20%
Other	1%	2%		
None	1%			1%

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Notes:
1. Sample size: India n = 300 | 70 | 96 | 76
Q "Which of these media channels or influencers do you follow while considering a travel destination?"

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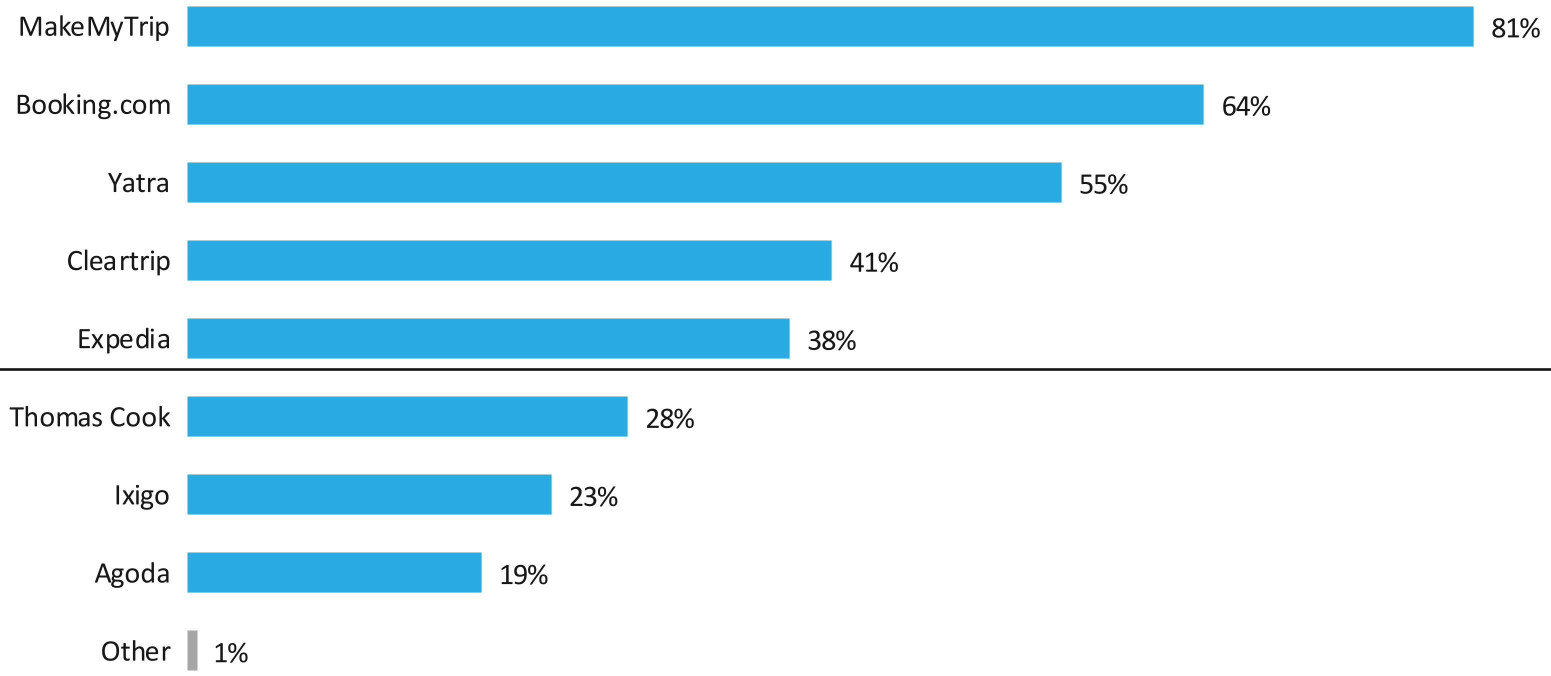
Most ACs prefer to book their travel via MakeMyTrip, Booking.com, or Yatra

Websites channels preferred when booking their next holiday

% Active Considerers | Q4 FY22



	Vibrant Adventurers	Spontaneous Explorers	Passive Passengers
MakeMyTrip	86%	80%	76%
Booking.com	59%	73%	67%
Yatra	36%	65%	64%
Cleartrip	42%	41%	40%
Expedia	42%	40%	31%
Thomas Cook	31%	27%	22%
Ixigo	12%	35%	27%
Agoda	10%	21%	26%
Other	2%		

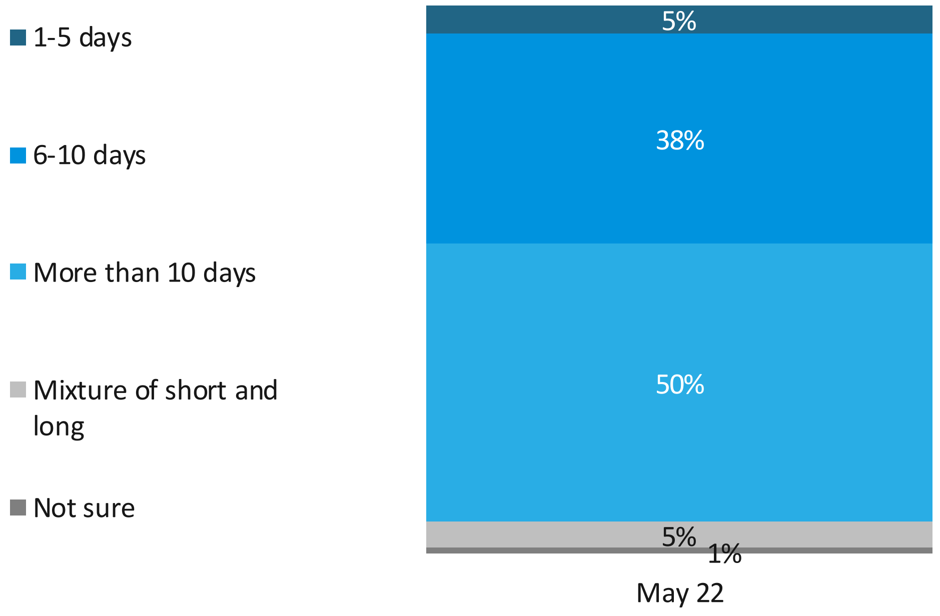
Notes:
1. Sample size: India n = 300

Q "Which of these websites do you prefer to book your next holiday?"

A half of ACs will take a holiday longer than 10 days, with is favourable for New Zealand

Average length of holiday Indian ACs will take in the next 2 years

%AC | Q4 FY22



▲▼ *Significantly higher / lower than previous period*

Notes:

1. Sample size: India n = 300

Q "Thinking about the international holidays you might take over the next 2 years, on average how long do you think each of your holidays will be?"

5 Appendix

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Appendix: brand positioning 'how to'

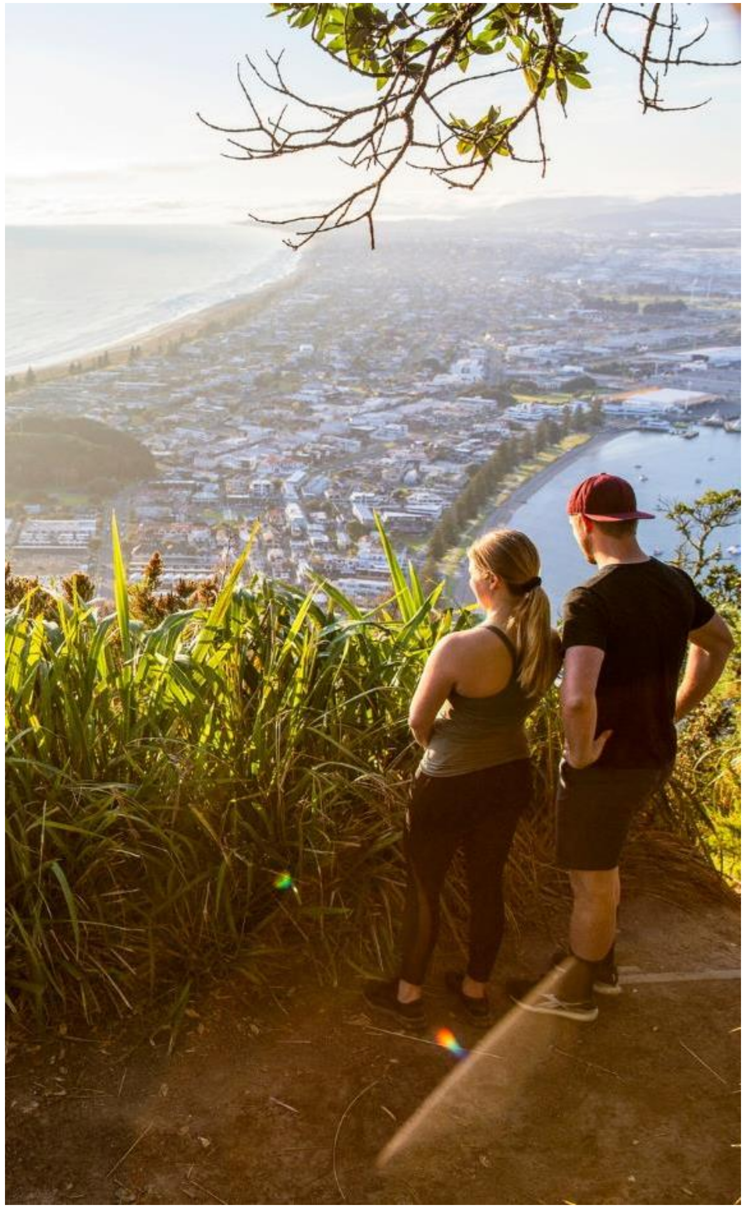
ACs are biased towards New Zealand by design. Because we're already talking to people that really like the idea of visiting New Zealand, New Zealand tends to get rated much more favourably on the brand attributes than competitors do. To better understand relative performance, we need to adjust for this bias and provide an indexed view of performance:

- A score of 100 means performance is in line with expectations after adjusting for bias
- Above 100 indicates a relative strength
- Below 100 indicates a relative weakness

Scores are **relative**, i.e. removing / adding attributes and / or destinations from the analysis would give different scores

Brand associations	New Zealand	Japan	Australia	Taiwan	South Korea	Thailand
Spectacular natural landscapes and scenery						
The locals are friendly and welcoming						
Ideal to relax and refresh						
I would feel safe travelling around this destination						
Things to see and do are affordable						
Affordable to fly to this destination						

- We look at how a given number of competitors perform on a given number of attributes to derive an index that measures expected performance
- It's key to note that the score is relative – any change to the competitor and / or attribute sets will result in a change in the indices
  - For example, when we look at the top 10 versus when we look at the 12 monitor attributes, the scores reported for those same attributes will be different in each attribute set



Full wording for the preference drivers

Wording for the preference drivers

Shorthand	Full wording
Affordable activities	Things to see and do are affordable
Affordable to fly to	It's affordable to fly to this destination
All seasons	Suitable for a holiday all year round
Amazing beaches	Has amazing beaches
Blending in with locals	Ideal for blending in with locals and not being seen as a tourist
Challenging	Ideal for physically and mentally challenging yourself
Clean & unpolluted	The environment there is clean and unpolluted
Comfortable	I'd feel comfortable visiting, despite any cultural differences
Easy to travel around	It's easy to travel around to see and do things
Embraces visitors	A destination that embraces visitors and wants them to enjoy their time there
Excitement	Thinking about visiting makes me feel really excited
Family friendly	Ideal for a family holiday
Friendly people	The locals are friendly and welcoming
Fun & enjoyment	Ideal for having fun and enjoying yourself
History & heritage	Offers opportunities to experience history and heritage
Iconic attractions	Has iconic attractions and landmarks
Interesting cities	Has interesting cities to visit
Landscapes & scenery	Spectacular natural landscapes and scenery
Local culture	Offers opportunities to experience local culture
Local experiences	Offers opportunities to experience how it is to live like a local
Place to escape	Ideal for escaping normal daily life
Popular	A popular destination that lots of people want to visit
Quality food & wine	Offers quality local food and wine experiences
Range of adventure	Offers a wide variety of outdoor & adventure activities
Range of experiences	Offers a wide variety of tourist experiences
Relationship with the land	A destination where the people have a special relationship with the land
Relax & refresh	Ideal to relax and refresh
Safe destination	I would feel safe travelling around this destination
See lots without travelling far	Once there, you can see a lot without having to travel far
Unique experiences	Offers experiences that you can't get anywhere else
Unique wildlife	Opportunities to see local wildlife
Working holiday	Ideal for a longer term working holiday