

KANTAR

Active Considerer (AC)
Monitor

Australia:
July-December 2022

Report

February 2022

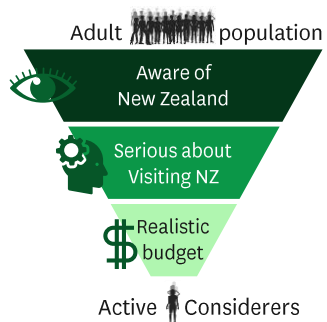


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AC Monitor research specifications

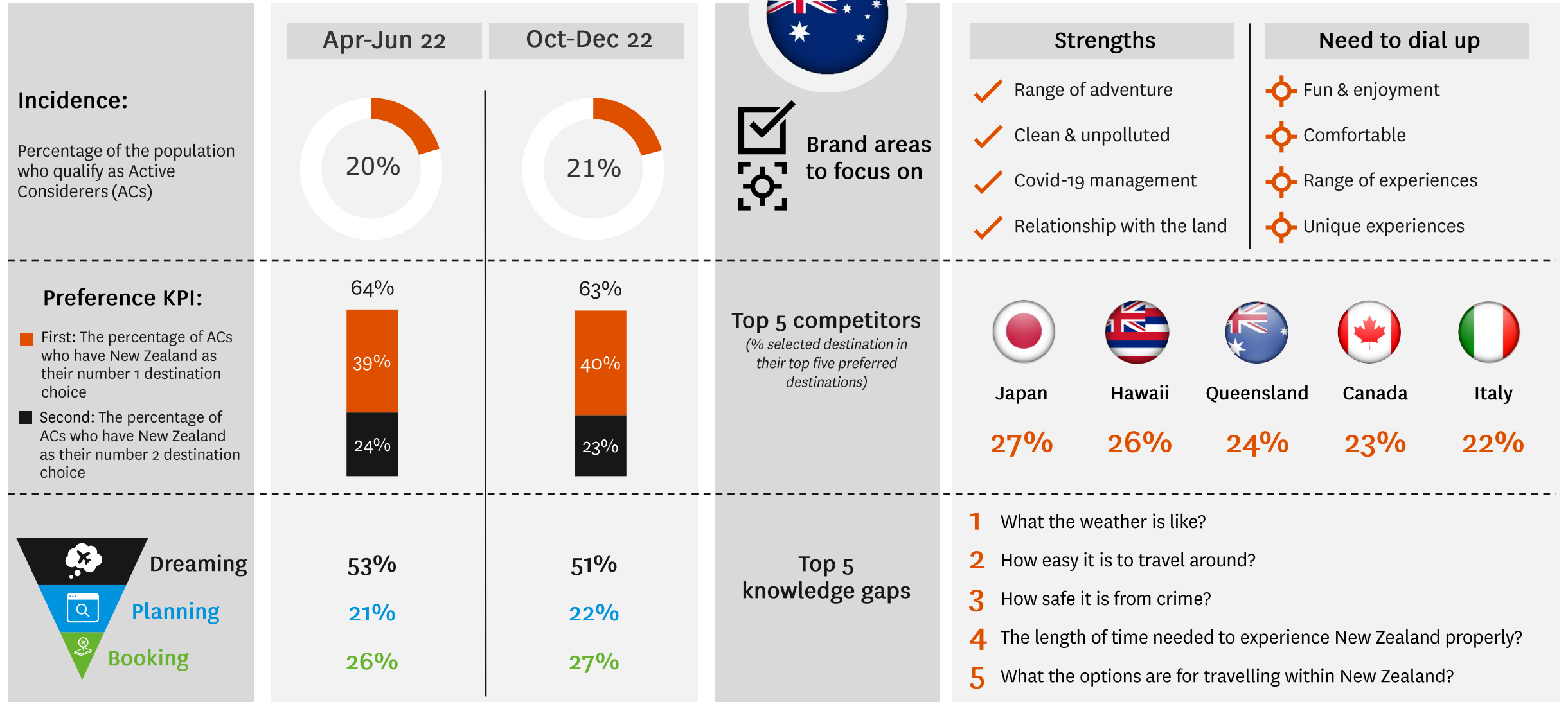


- Kantar conducts a **monthly online survey** on behalf of Tourism New Zealand in the following key markets:
 - Australia, China, Germany, Japan, UK and USA
 - 150 ACs per country each month
 - Standard reporting is of a **six month rolling average** which avoids month-by-month variability and ensures a focus on long term trends in the data
- Kantar conducts a **bi-annual survey** for emerging markets:
 - Canada, India, South Korea and Singapore
 - 300 – 500 ACs per country per wave



- We survey **ACs of New Zealand**
 - ACs are those who are aware of New Zealand, **serious** about visiting and who have a **realistic** budget
- Kantar ensures a representative sample by **weighting** to the age, gender and region distribution of the online population
 - Online population estimates come from Kantar TNS's 2022 market sizing exercise

Performance Dashboard



Key insights

In Australia, the strategic focus is twofold. There is a sizeable opportunity for TNZ to drive arrivals in both short and mid-term to accelerate on the ground recovery. However, the AC pool has shrunk during the pandemic, and thus additional strategic focus needs to be on growing the AC pool

Australia presents a **sizeable immediate opportunity** to drive arrivals, with 3.5 million potential ACs, 27% of whom are ready to book. To convert existing ACs, TNZ's focus should be on **strengthening their preference** for New Zealand and **addressing key concerns** and barriers to booking

The 'If You Seek' brand platform offers an **opportunity to grow preference** by highlighting unique experiences, connection with local culture and people, with these attributes emerging as stronger drivers of preference compared to two years ago

Strategic brand messages should **emphasize New Zealand's competitive strengths** in its pristine nature, wide range of adventure experiences and a unique cultural connection to the land, while strengthening its competitive positioning on natural scenery, safety and being a fun destination to visit

Competitors to focus on are Japan, Hawaii and Queensland; while Tasmania remains a strong competitor, its preference has weakened

To move ACs through the funnel, tactical messages should **address common knowledge gaps** about New Zealand's weather, ease of travel and safety from crime, which is a growing concern

The **AC pool has shrunk** during the pandemic, with the AC incidence dropping from 35% at the end of 2019, to 21% in the last quarter. Thus, a secondary strategic priority is to **identify levers to revive appeal** of New Zealand and grow the AC incidence



AUSTRALIA

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Active Considerer journey funnel – Australia

Active Considerers definition

Active Considerers find New Zealand highly appealing as a vacation destination, would seriously consider visiting in the next three years, see New Zealand as a preferred destination for their next vacation and have a realistic budget for their visit (\$1,500 AUD per person on a holiday to New Zealand).

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

53%



67%

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



83%

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



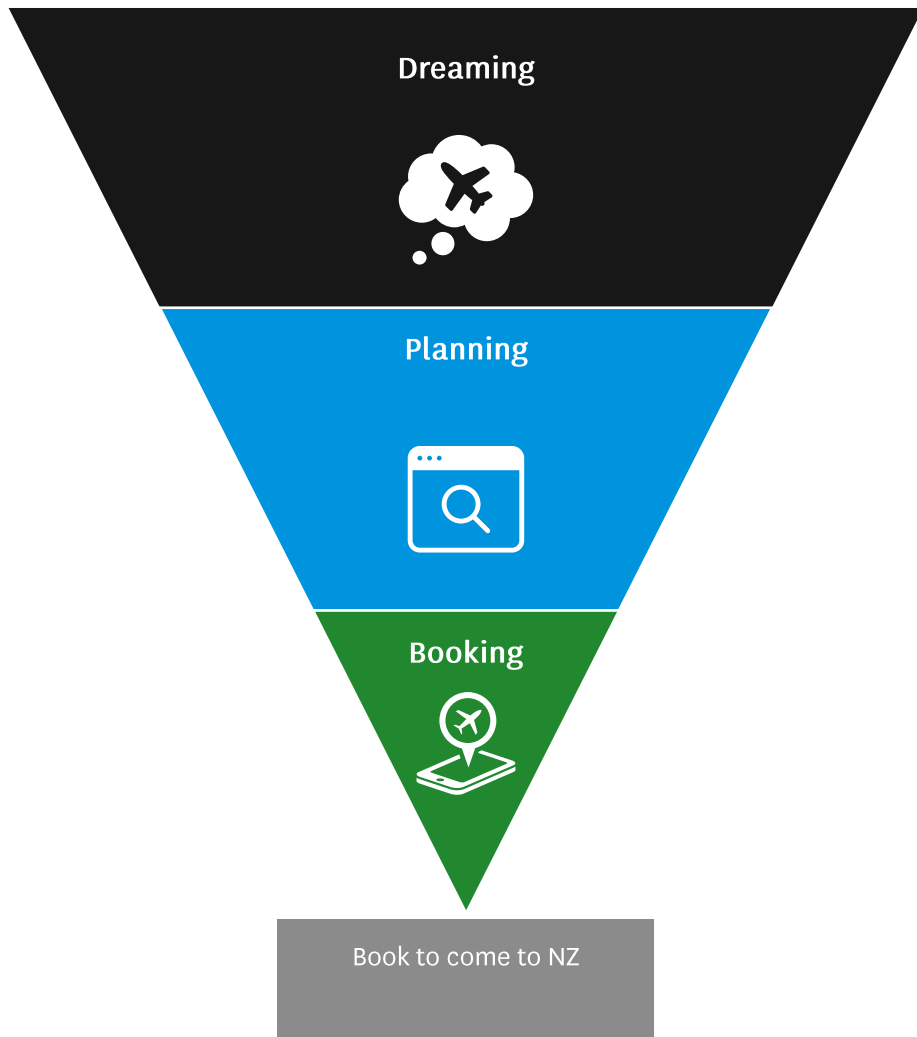
71%

Willing to spend at least \$1,500 AUD per person on a holiday to New Zealand⁽²⁾



Online population, 18-74 years of age⁽¹⁾ (16.9m)

Journey funnel to New Zealand - Australia



Active Considerers
(3.5m)

1.8m

Size (%)

51%

0.8m

22%

0.9m

27%

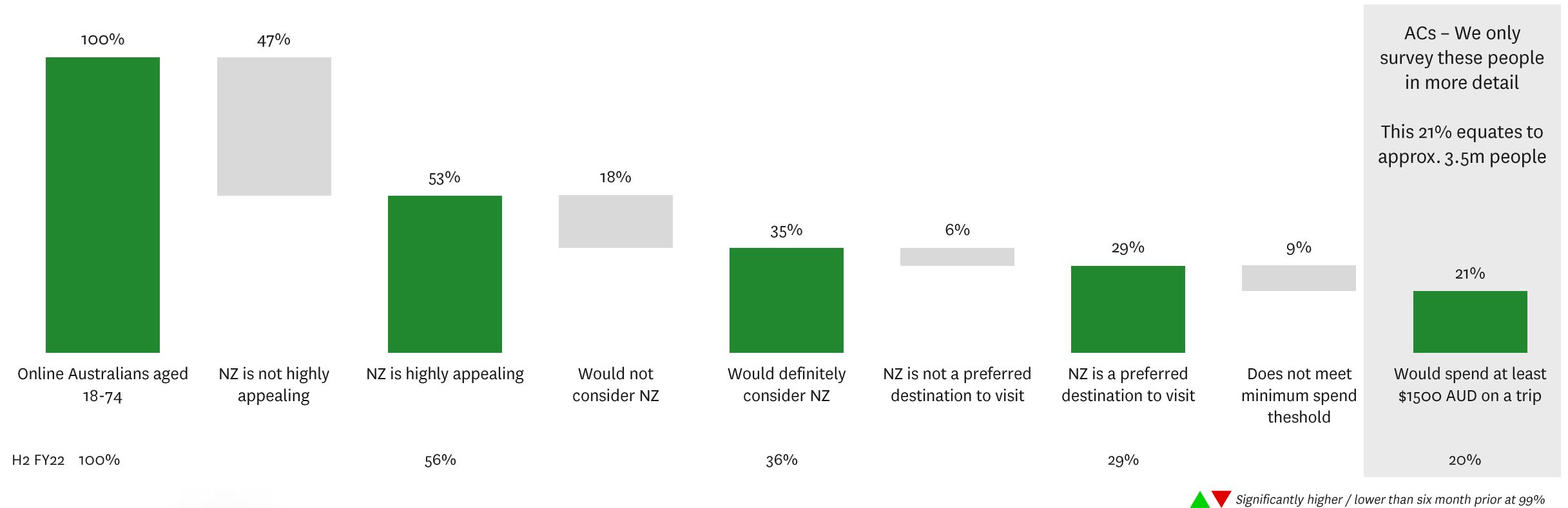
Comments

- ‘Ready to book’ is a claimed state of mind
- 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

Australia presents a sizable opportunity for TNZ, with approximately 3.5 million potential ACs

Qualifying criteria for defining ACs

AC Monitor | Current 6M | % Online users aged 18-74

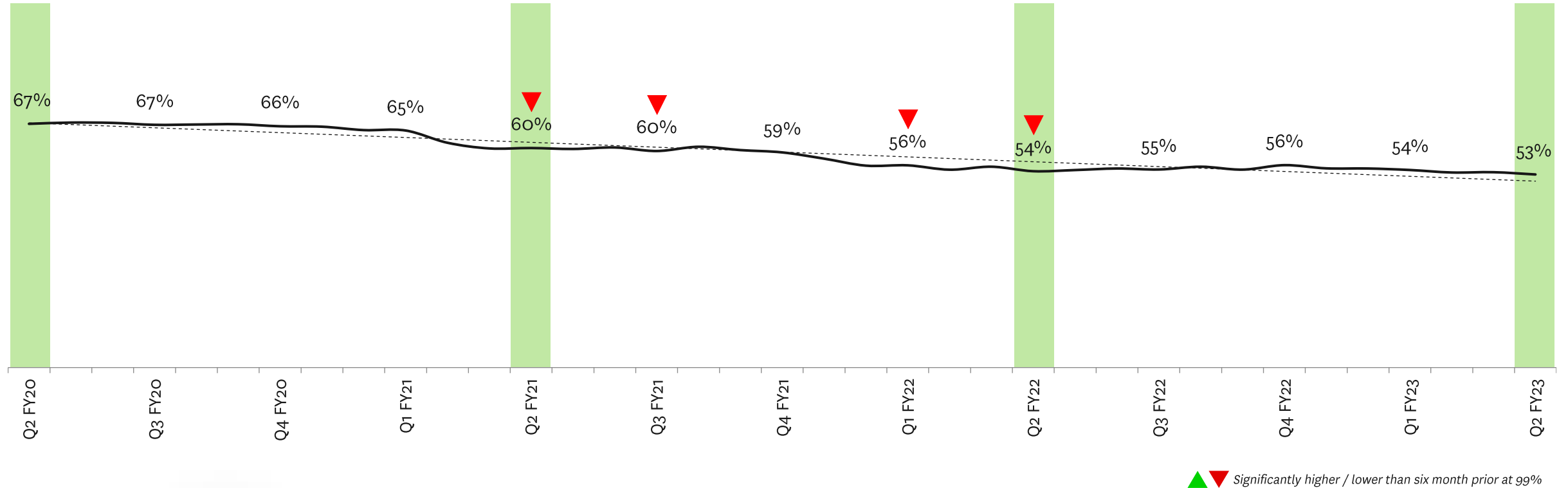


New Zealand's appeal has been shifting downwards since the pandemic, dipping from a high 67% pre-Covid to 53% in the latest quarter

Appeal

AC Monitor | 6MRA | Target online population aged 18-74

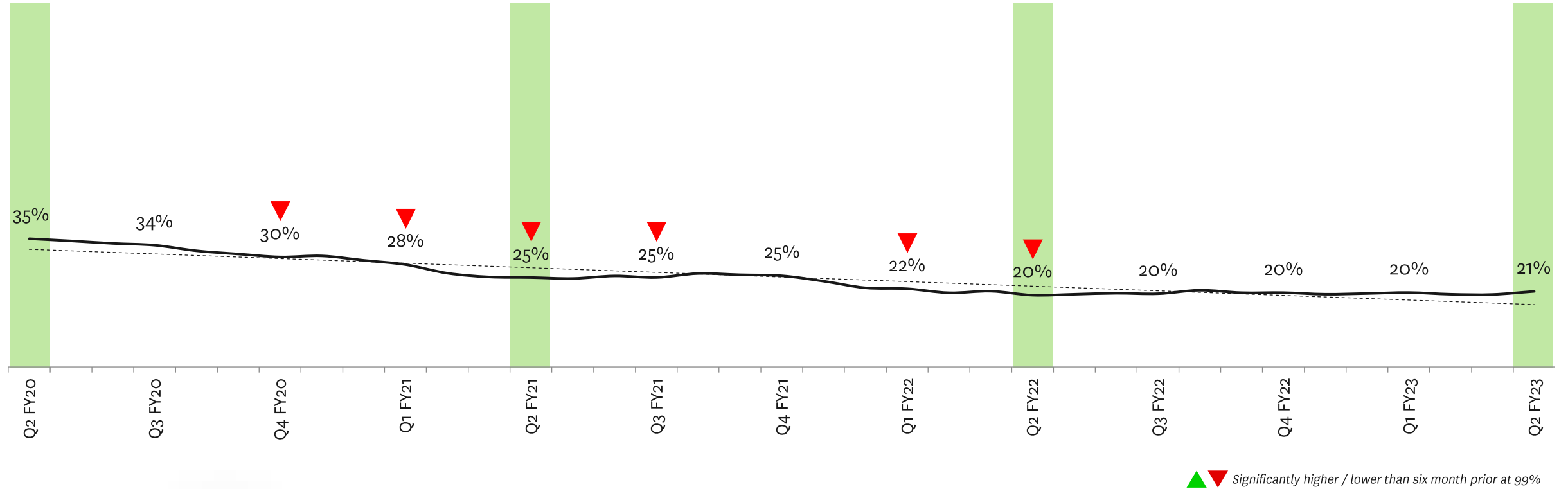
- Appeal is measured among the total online population aged 18 to 74 years old, and is the 'above the funnel' measure
- Appeal measures the emotive connection to the brand, irrespective of the barriers people have in converting their appeal to active consideration and arrivals
- Appeal is likely to be impacted by macro situation, scalable events (i.e., Rugby World Cup, NZ handling of Covid pandemic), and high impact earned mass-reach media TNZ efforts



The incidence of ACs has declined during the pandemic, but has now stabilised at 21%

Incidence of ACs over time

AC Monitor | 6MRA | Target online population aged 18-74



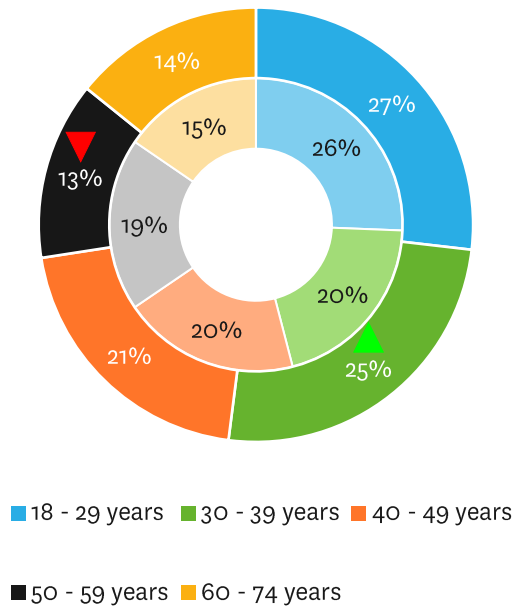
Compared to non-ACs, ACs are more likely to be under 40 yrs. old and males; the priority mindsets, Experienced Connectors and Vibrant Adventurers, make up 34% of the AC pool

Profile of Active Considerer

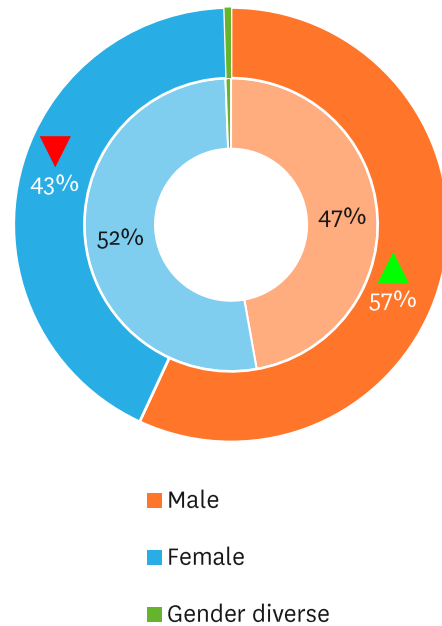
AC Monitor | Current 6M | Active Considerers vs Non-Active Considerers

Outer ring: Australian Active Considerers
Inner ring: Australian non-Active Considerers

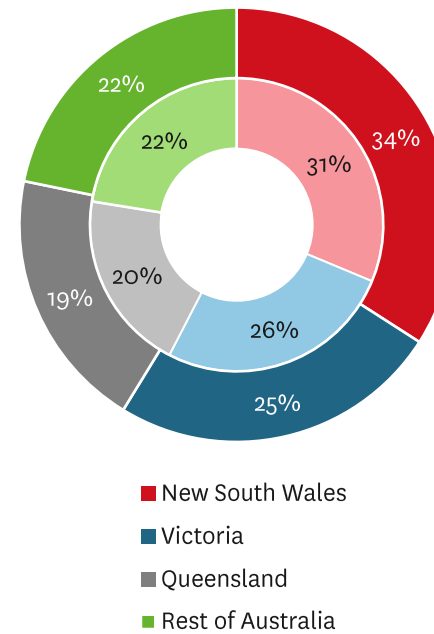
By age segment



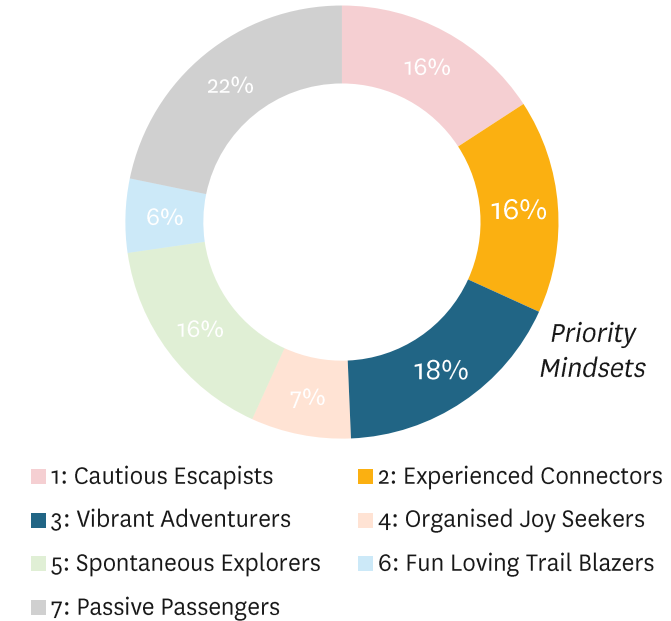
By gender



By region



Mindset Segments

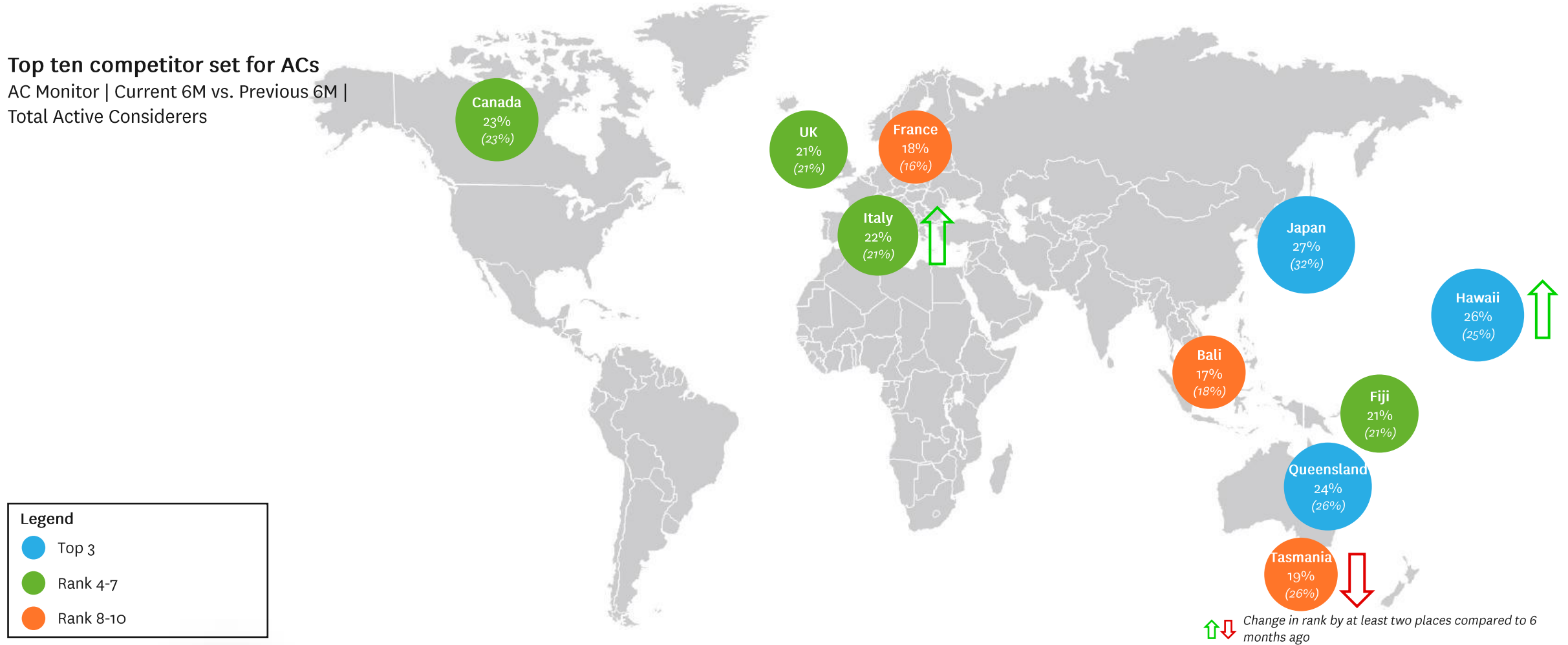


▲ Significantly higher / lower than non-ACs



Japan, Hawaii and Queensland are New Zealand's top competitors in preference, with Tasmania falling from 2nd to 8th place in the preference ranking

Top ten competitor set for ACs
 AC Monitor | Current 6M vs. Previous 6M |
 Total Active Considerers



Legend

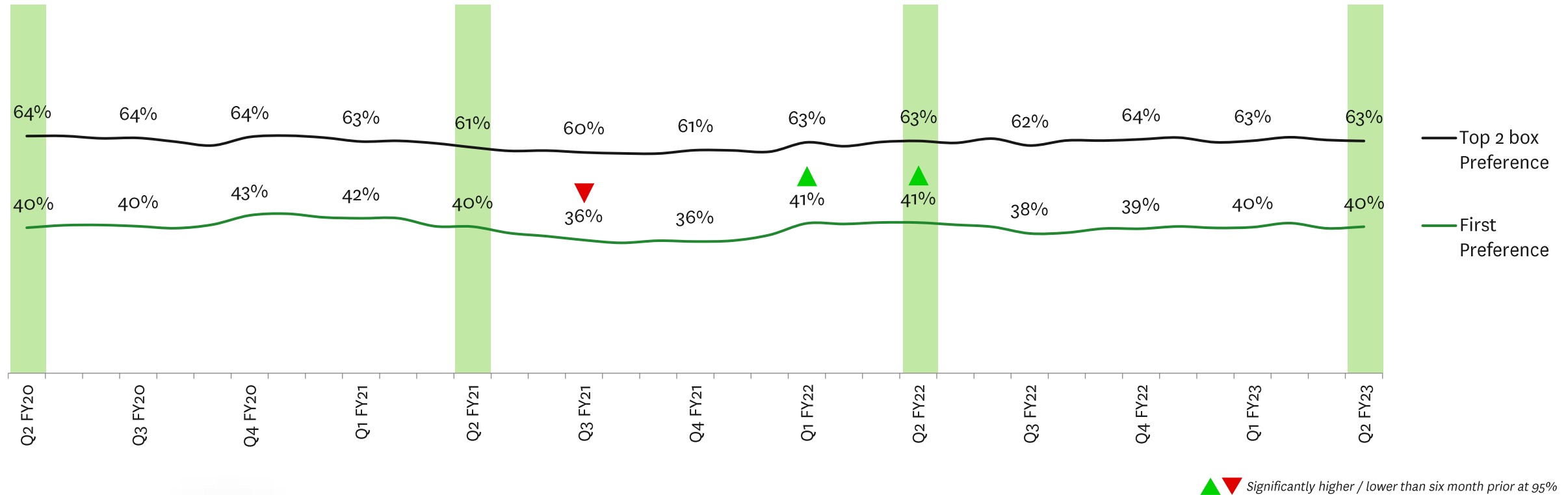
- Blue circle: Top 3
- Green circle: Rank 4-7
- Orange circle: Rank 8-10

↑ ↓ Change in rank by at least two places compared to 6 months ago

Preference for New Zealand has remained largely stable over time with some fluctuations in first-choice preference during the peak of Covid

New Zealand Preference KPI

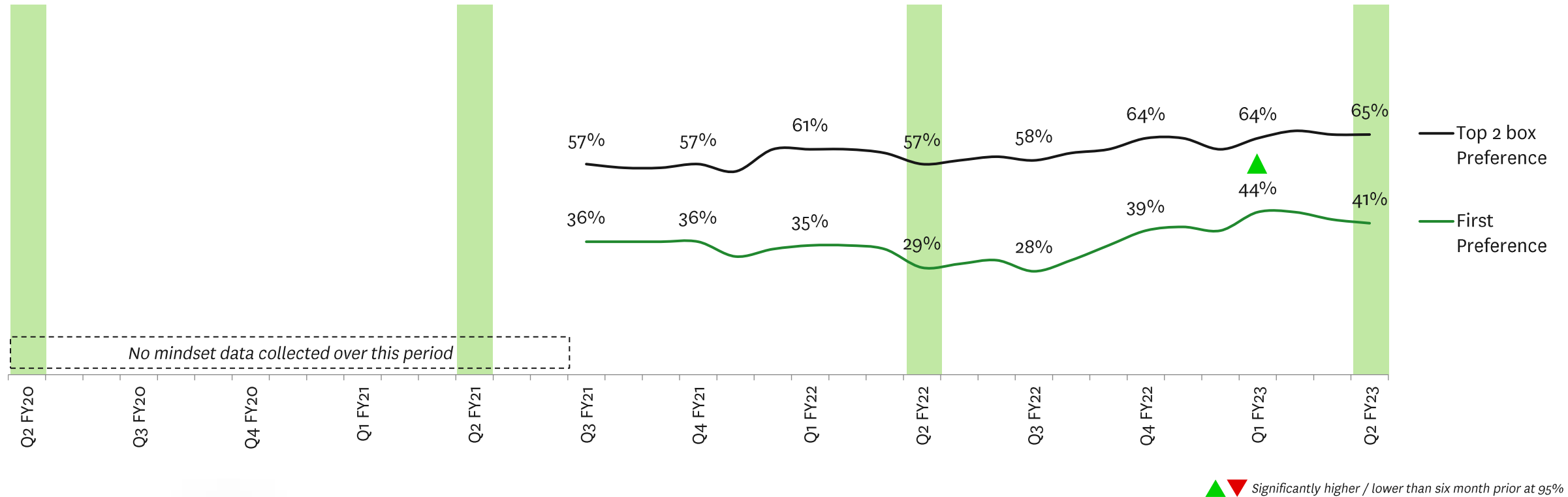
AC Monitor | 6MRA | Total Active Considerers



Among Experienced Connectors, first-choice preference for New Zealand has strengthened in the last year

New Zealand Preference KPI

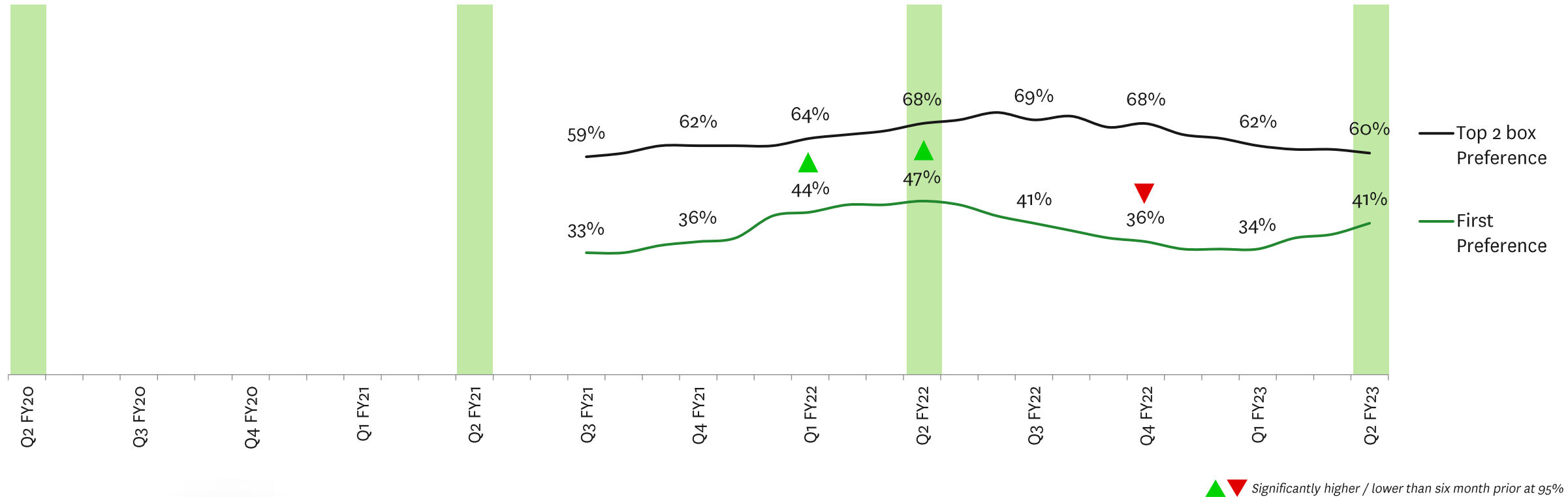
AC Monitor | 6MRA | Experienced Connectors



First-choice preference among Vibrant Adventurers has fluctuated over Covid and is now showing signs of recovery from the latest dip

New Zealand Preference KPI

AC Monitor | 6MRA | Vibrant Adventurers



Context to preference drivers

- When it comes to choosing a travel destination, not all factors are equally important. We use a method called Jaccard's analysis to estimate which destination attributes have most influence over people's preference for New Zealand as a travel destination.
- We also compare New Zealand's performance with performance among competitors (specific to the market) to help us prioritise which areas to focus our marketing efforts on for each of our key markets.
- We typically conduct a brand driver analysis annually for our key markets, the brand driver analysis included in this report is based on the most recent results available: Data from Jan-22 to Dec-22.

Unique experiences, connection with local culture and people emerge as stronger drivers of preference post-pandemic – an opportunity to leverage ‘If You Seek’ platform to grow preference

Top 15 drivers of preference for NZ

AC Monitor | % | 2022 (Jan-Dec 22) | Total Active Considerers | Index (see appendix)

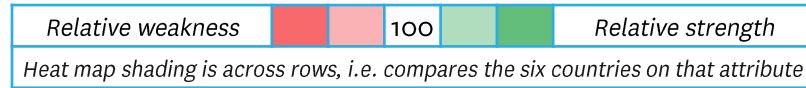
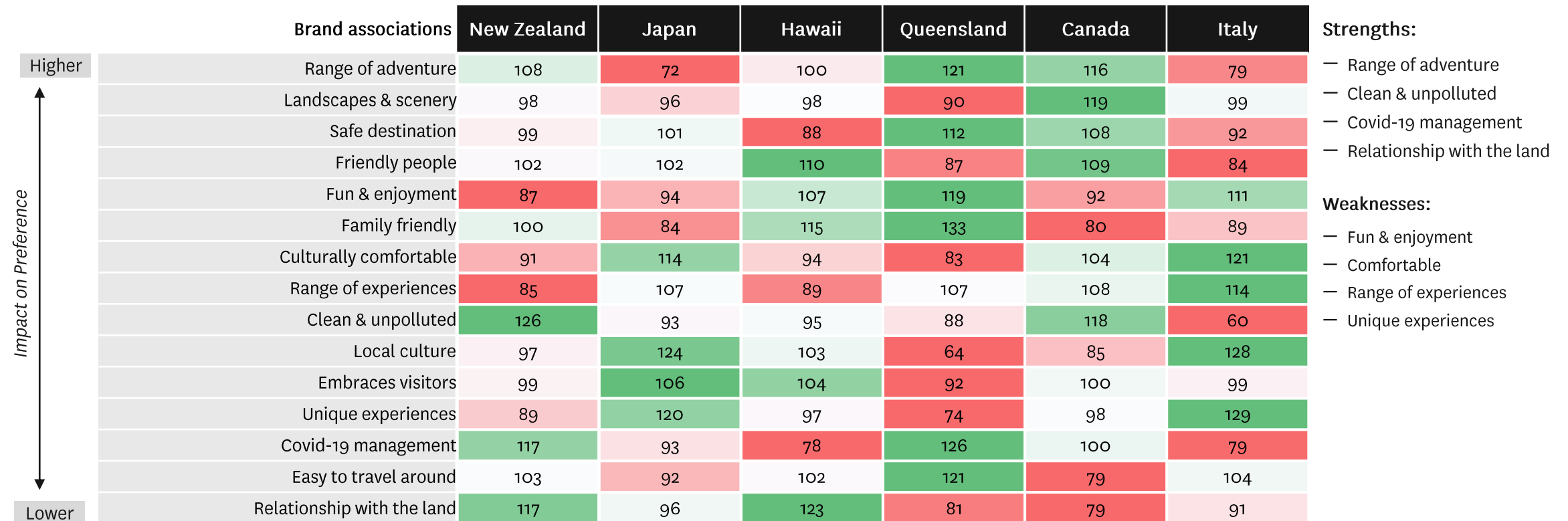
Latest results	2022 rank	2021 rank ⁽¹⁾	2018 rank ⁽¹⁾
Range of adventure	1	4	3
Landscapes & scenery	2	1	1
Safe destination	3	5	4
Friendly people	4 ↑	10	11
Fun & enjoyment	5	7	7
Family friendly	6 ↑	11 ↓	6
Culturally comfortable	7 ↑	15 ↓	9
Range of experiences	8	6	8
Clean & unpolluted	9	8	5
Local culture	10 ↑	20 ↓	15
Embraces visitors	11 ↓	3	*
Unique experiences	12 ↑	23 ↓	17
Covid-19 management	13	*	*
Easy to travel around	14	12	13
Relationship with the land	15	16	*

Latest results	2022 rank	2021 rank ⁽¹⁾	2018 rank ⁽¹⁾
Unique national parks	16	*	*
Quality food & wine	17 ↓	13	10
Relax & refresh	18	17	18
Escape normal life	19	18	19
Indigenous culture	20	*	*
Iconic attractions	21 ↓	9 ↑	14
Affordable to fly to	22	19 ↓	12
Interesting cities	23 ↑	28 ↓	23
Wildlife	24	*	*
History & heritage	25	27	28
All seasons	26	25	26
Escape troubles	27	*	*
Challenging	28 ↓	22	20
Local experiences	29 ↓	24	25
See lots without travelling far	30	29 ↓	21
Affordable activities	31 ↓	26	24

New Zealand's competitive strengths are in its pristine nature, wide range of adventure experiences and a unique cultural connection to the land, but there is room to showcase family friendliness, fun and enjoyment, the range of experiences on offer and ease of travelling around

Relative brand positioning for top 15 drivers of preference

AC Monitor | Current 6M | Total Active Considerers (New Zealand and top five competitors) | Index (see appendix)



Tactical communications need to address knowledge gaps about New Zealand’s weather, how easy it is to travel around and how safe New Zealand is from crime, which is a growing concern

Top ten knowledge gaps

AC Monitor | Current 6M vs. Previous 6M | Total Active Considerers

What do ACs want to know more about before choosing New Zealand?		Now	Six months ago	Pre-Covid ⁽²⁾
1	What the weather is like	41% ▲	29%	*
2	How easy it is to travel around	33%	30%	27%
3	How safe it is from crime	27% ▲	18%	24%
4	The length of time needed to experience New Zealand properly	27%	24%	24%
5	What the options are for travelling within New Zealand	25%	25%	21%
6	How welcoming the locals are	25%	20%	22%
7	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	24%	27%	*
8	How long it takes to travel between the main attractions	24%	23%	22%
9	What / where the recommended things to see and do are	22%	23%	19%
10	Whether I will be able to buy the type of food I like to eat	21% ▲	13%	16%

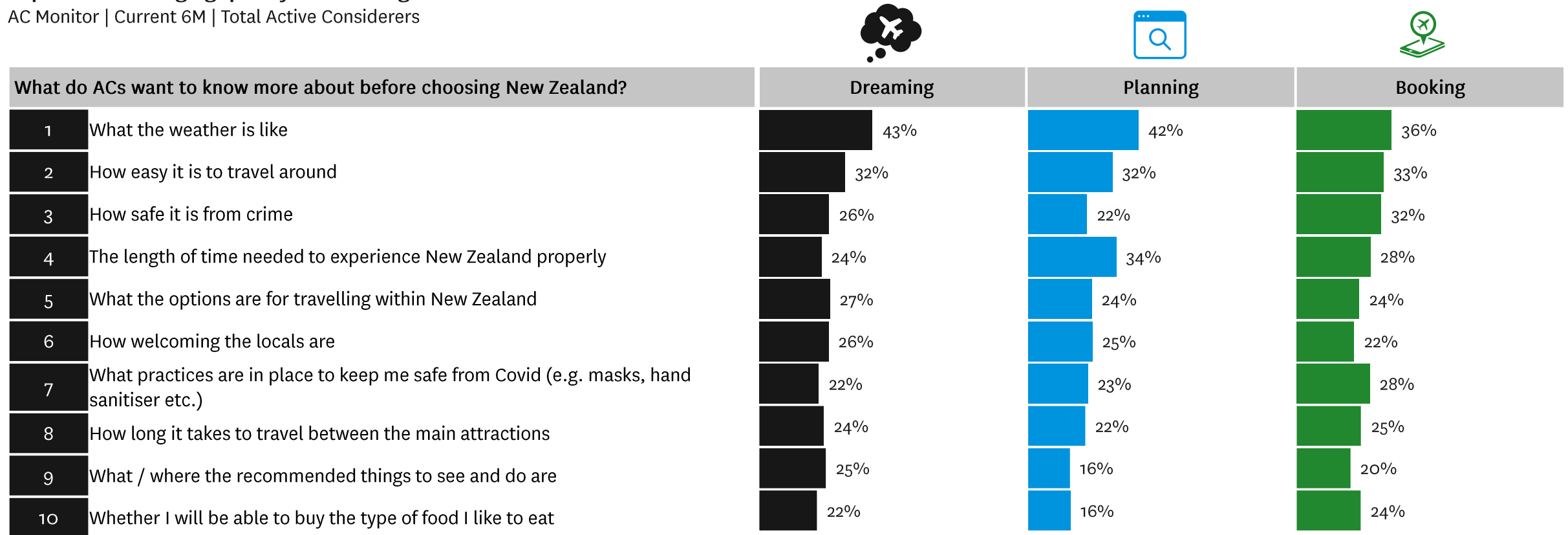
Ranks higher now than six months ago
▲
▼ Significantly higher / lower than six month prior at 95%



There is an opportunity to guide ACs through the funnel with tactical messages that leverage knowledge gaps; dialling up information about the length of time needed to experience New Zealand will help convert planners while information about safety will help convert bookers

Top ten knowledge gaps, by funnel stage

AC Monitor | Current 6M | Total Active Considerers



▲ ▼ Significantly higher / lower than comparison group at 95%

While the top two key knowledge gaps are consistent among the priority mindsets, safety from crime is a growing concern among Vibrant Adventurers

Top ten knowledge gaps, by Priority Mindsets

AC Monitor | Current 6M | Priority mindsets

What do ACs want to know more about before choosing New Zealand?		Experienced Connectors	Vibrant Adventurers
1	What the weather is like	46%	40%
2	How easy it is to travel around	38%	37%
3	How safe it is from crime	22%	32% ▲
4	The length of time needed to experience New Zealand properly	32%	29%
5	What the options are for travelling within New Zealand	26%	22%
6	How welcoming the locals are	22%	33%
7	What practices are in place to keep me safe from Covid (e.g. masks, hand sanitiser etc.)	31%	19%
8	How long it takes to travel between the main attractions	30%	27%
9	What / where the recommended things to see and do are	23%	22%
10	Whether I will be able to buy the type of food I like to eat	21%	20% ▲

▲ ▼ Significantly higher / lower than six months ago at 95%



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Appendix

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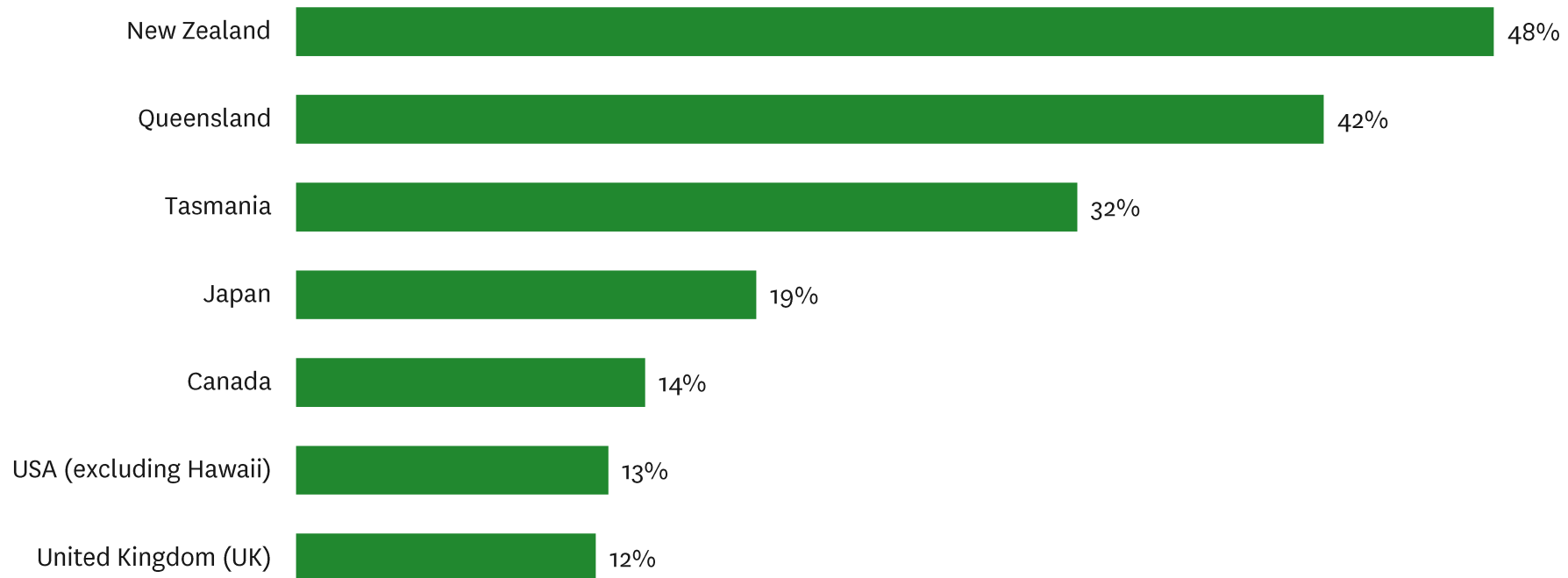


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New Zealand is most prominent holiday destination recalled from recent advertising, followed by other Australian states

Holiday destinations seen advertised or promoted recently (Prompted Awareness)

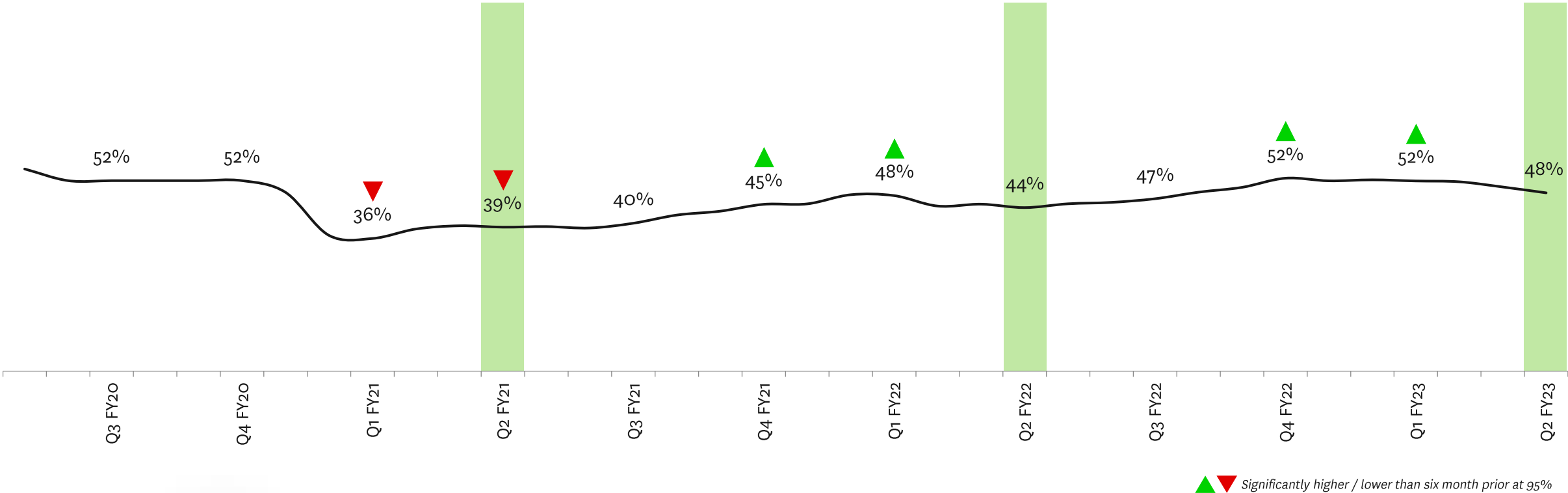
AC Monitor | Current 6M | Total Active Considerers



Advertising awareness for New Zealand has steadily trended back to pre-Covid levels

Seen New Zealand advertised or promoted recently (Prompted Awareness)

AC Monitor | 6MRA | Total Active Considerers



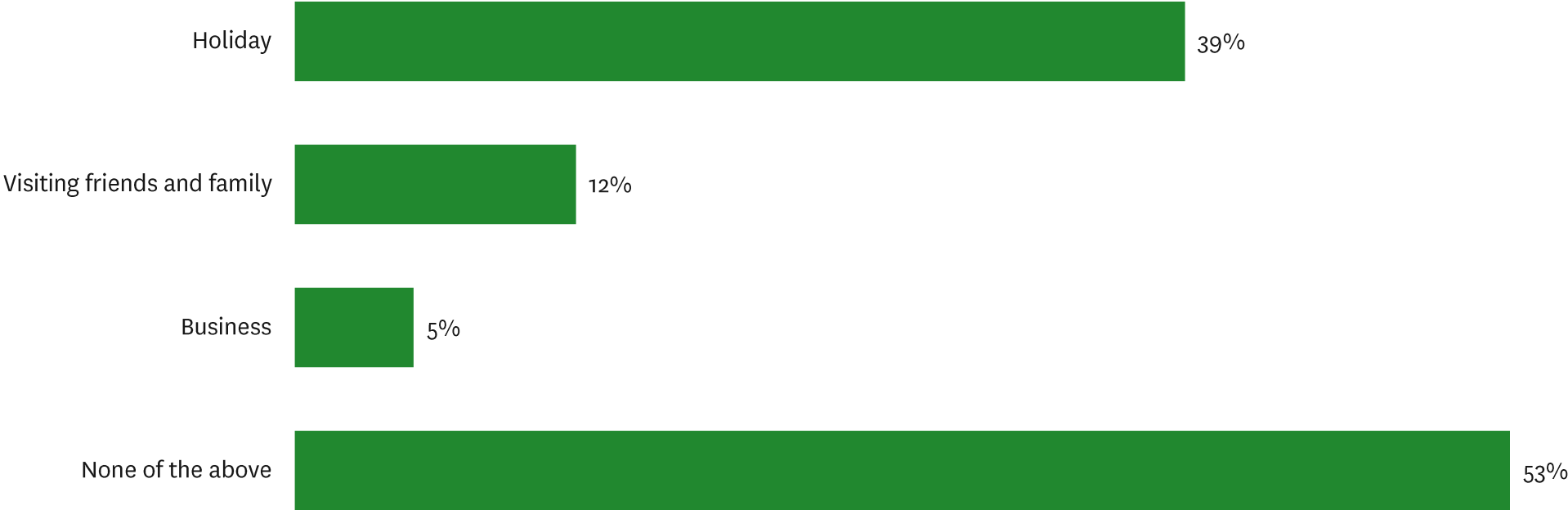
1. Sample size: Q3 FY20- Q2 FY23 (6MRA) n = 300, 300, 300, 751, 1053, 1052, 900, 900, 900, 900, 900
 2. Q "Which of these holiday destinations have you seen advertised or promoted recently?"



Approaching half of Australian non-ACs have previously visited New Zealand, most commonly for a holiday

Reasons for previous visits to New Zealand (if any)

Non-ACs | AC Monitor | Current 6M



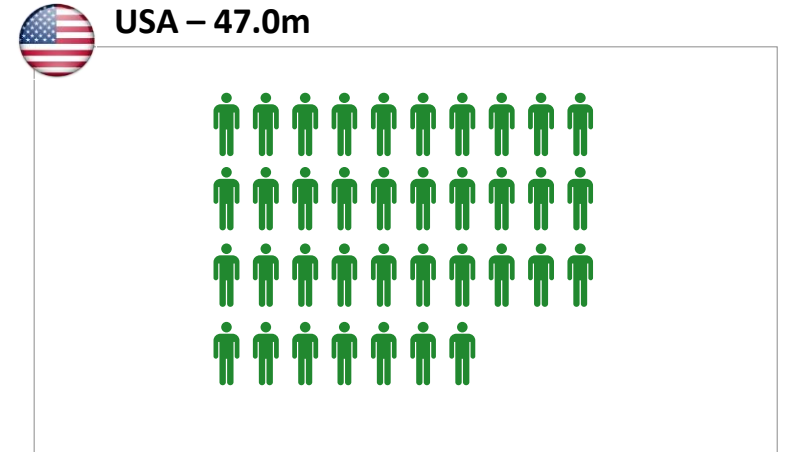
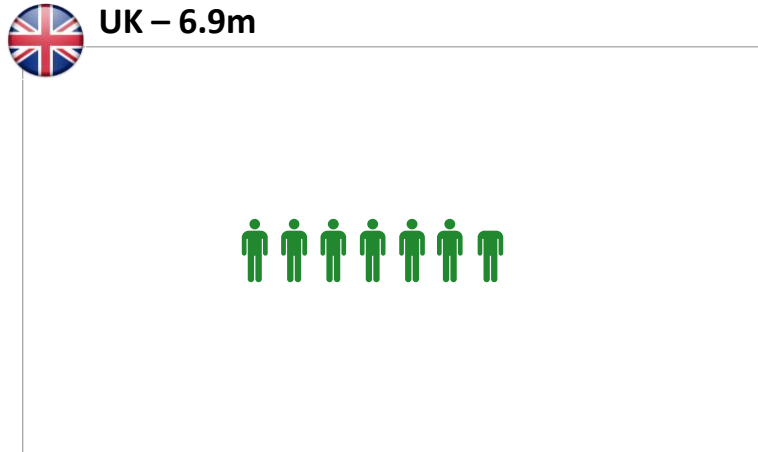
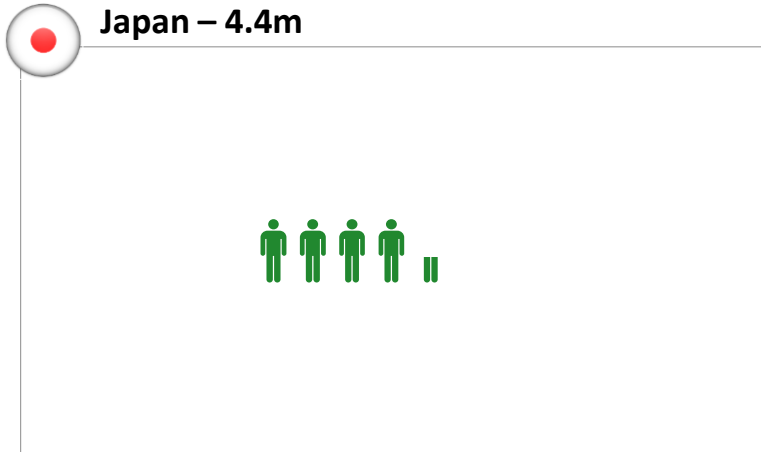
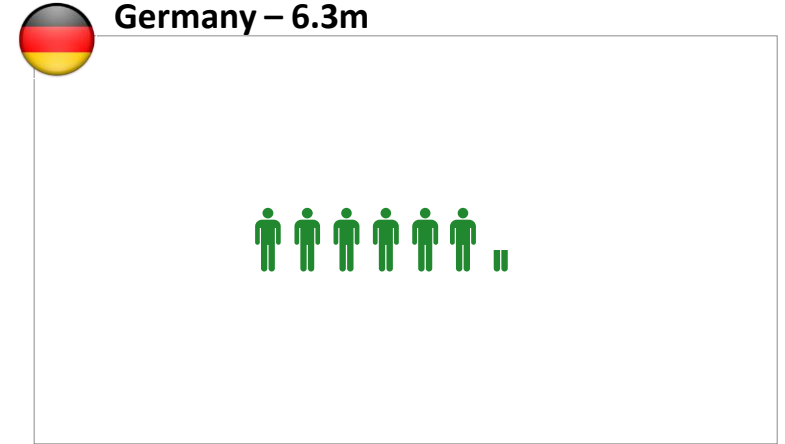
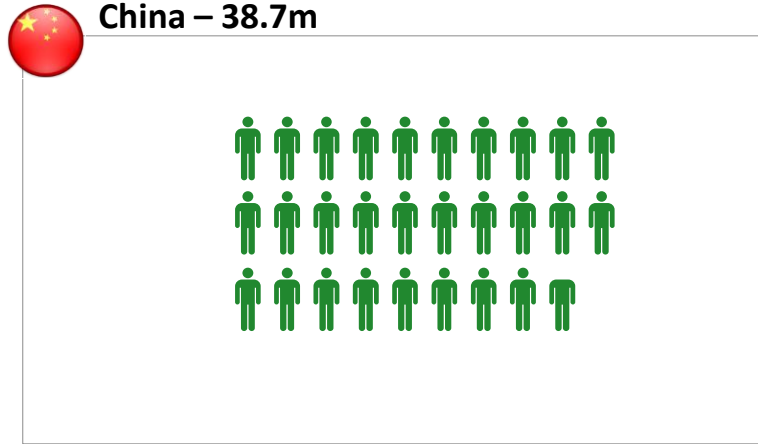
1. Sample sizes: Q2 FY23 n = 3968
2. Q "Have you visited New Zealand for any of the following reasons before?"



Appendix: Market size

 = 1 million ACs

Updated using AC incidence rates for the six months to December 2022

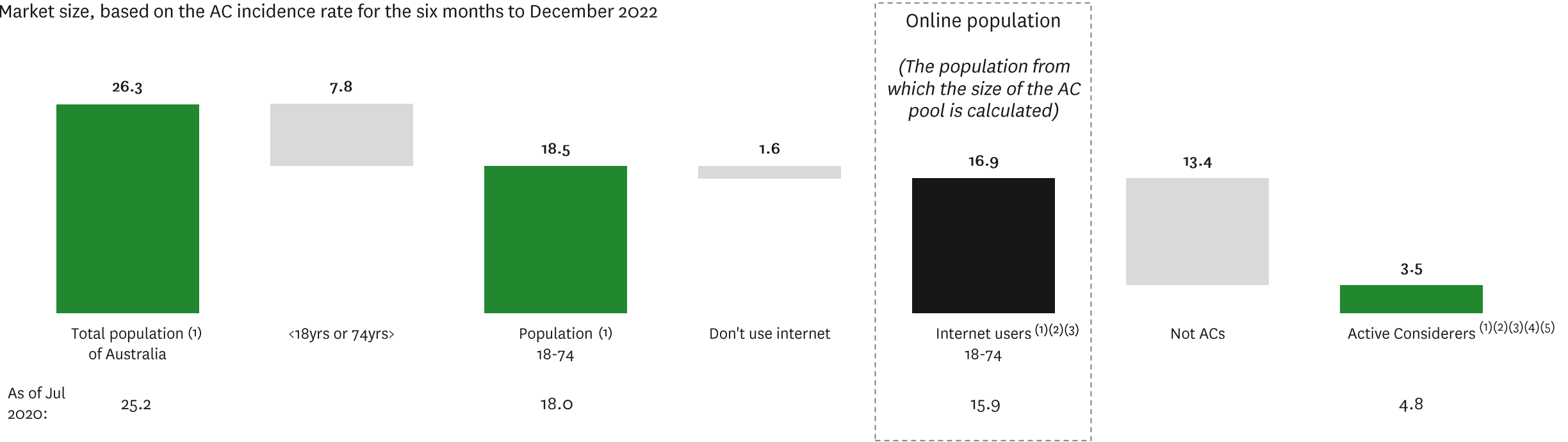


Tier 1 & 2 total = **106.8** million

Australia Market Sizing

Dec 22 | Million people

Market size, based on the AC incidence rate for the six months to December 2022



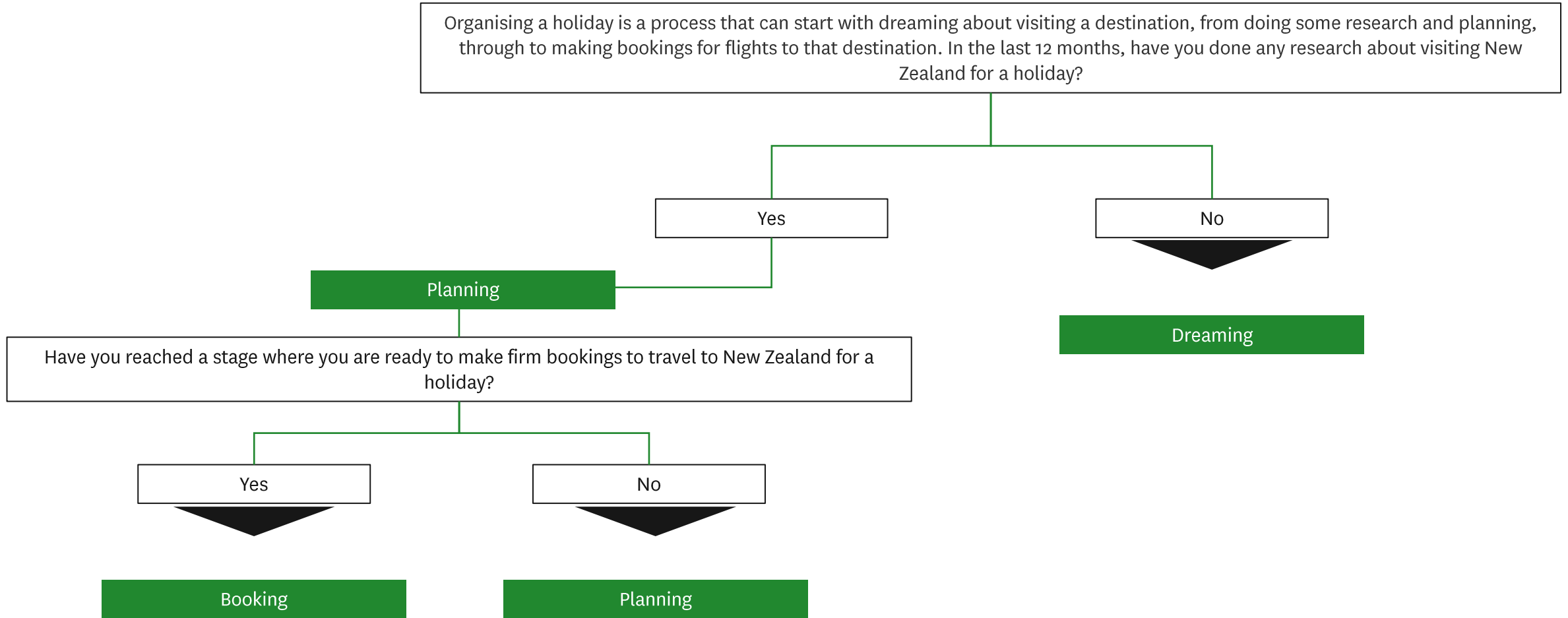
SOURCES/NOTES:

- (1) Australian Bureau of Statistics, Australian Demographic Statistics, Table 8 Estimated resident population, by age and sex; Time period: 30 June 2022; Coverage: All Australian residents
- (2) Australian Bureau of Statistics, Population clock; Time period as at mid January 2023
- (3) Kantar Population Profiler, Internet usage by age; Time period: 2020
- (4) Tourism New Zealand, Active Considerer Monitor Australia; Time period: Jul-Dec 2022, under the latest AC definition
- (5) Kantar Analysis



Appendix: Visitor consideration funnel

We ask two questions to determine where someone is in the visitor consideration funnel ...



Appendix: Brand attribute wording

We ask ACs which of their preferred destinations they associate with a number of statements:

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
Challenging	Ideal for physically and mentally challenging yourself
Clean & unpolluted	The environment there is clean and unpolluted
Culturally comfortable	I'd feel comfortable visiting, despite any cultural differences
Covid-19 management	A destination I feel comfortable visiting due to their management of Covid-19
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
Escape normal life	Ideal for escaping normal daily life
Escape troubles	A place you can escape the troubles of the world
Family friendly	Ideal for a family holiday
Friendly people	The locals are friendly and welcoming
Fun & enjoyment	Ideal for having fun and enjoying yourself
Good value for money ⁽¹⁾	Provides good value for money ⁽¹⁾
History & heritage	Offers opportunities to experience history and heritage

Shorthand	Full wording
Iconic attractions	Has iconic attractions and landmarks
Indigenous culture	Has a unique indigenous culture
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
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 National parks	Has remarkable and unique National parks
Wildlife	Has amazing wildlife experiences



Appendix: Brand positioning ‘how to’

ACs are biased by their predisposition to 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:

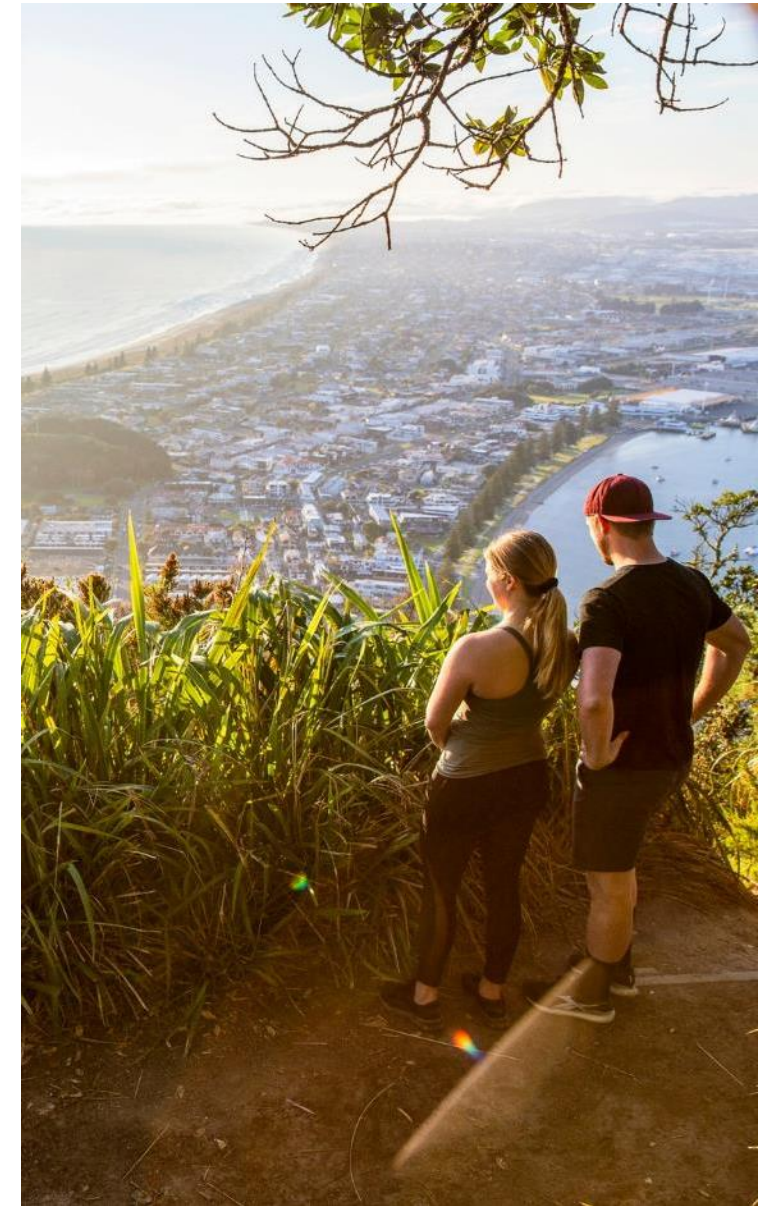
- A score of 100 means performance is in line with expectations after adjusting for bias
- Above 100 indicates a relative strength
- Below 100 indicates a relative weakness

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	Green	Green	White	Red	White	Red
The locals are friendly and welcoming	Red	White	White	White	White	Green
Ideal to relax and refresh	Green	White	White	White	White	White
I would feel safe travelling around this destination	White	White	White	White	White	Red
Things to see and do are affordable	Red	White	White	White	White	Green
Affordable to fly to this destination	Red	White	White	Green	Green	Green

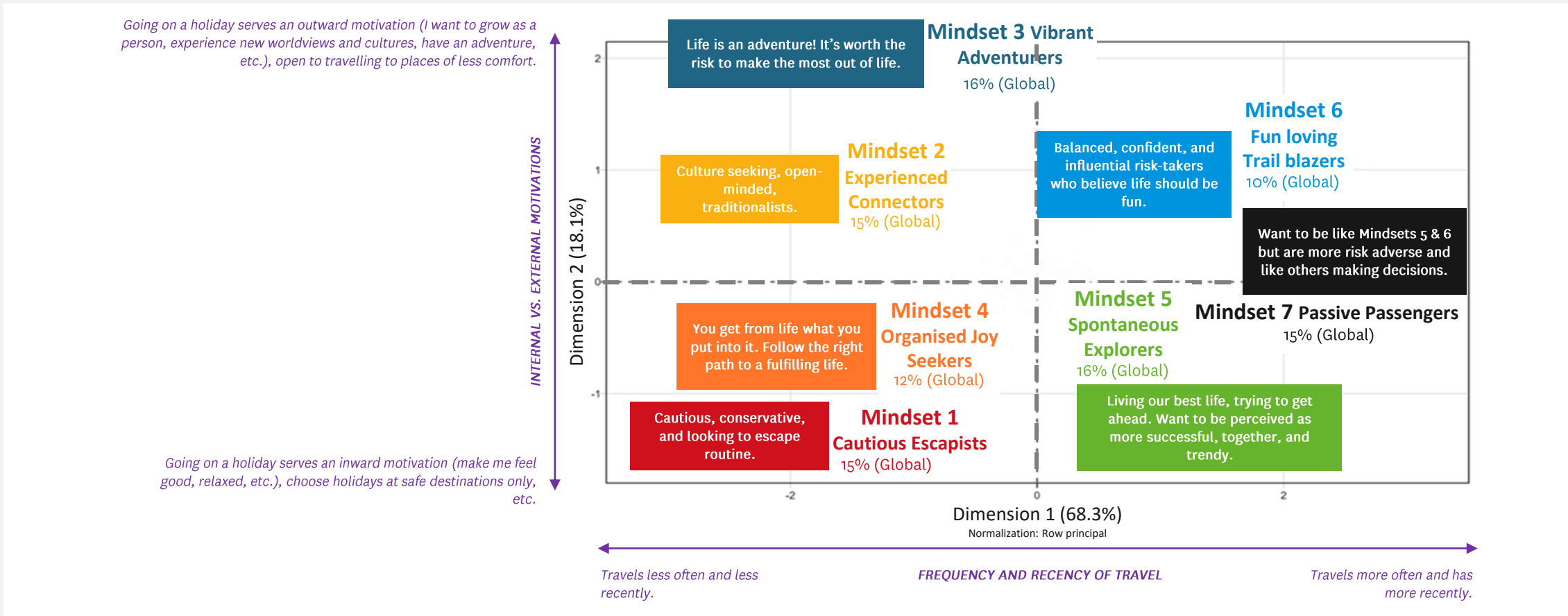
Annotations in the table:

- A horizontal arrow points from the 'Spectacular natural landscapes and scenery' row towards the 'Thailand' column.
- A vertical arrow points from the 'Spectacular natural landscapes and scenery' row down to the 'Affordable to fly to this destination' row.
- Text in the 'Japan' column: "We look at how a given number of competitors perform on a given number of attributes to derive an index that measures expected performance"
- Text in the 'Japan' column: "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"
- Text in the 'Japan' column: "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"



Mindset Introduction

A Visual Representation



Mindset Introduction

Side by side

Australian Priority Mindsets

Mindset 1

Cautious Escapists

These cautious close-to-homers avoid taking unnecessary risks in life, like consistency and predictability and letting others lead. They have concerns about safety and worry about the future. They follow rules and are late adopters and value family stability and thrift. Travel is less important, but they travel to escape routine, feel pampered and connect with others and it gives them a sense of rejuvenation, appreciating and excitement.

Mindset 2

Experienced Connectors

These open-minded traditionalists like to make their own decisions, support their community and prefer to share credit. They value curiosity, authenticity learning and honesty. They travel for a different worldview, to learn new cultures and experience new things while spending time with others. They're confident travellers who like researching and value experience over money. They'll travel 10 hours plus and 2 + weeks for international holidays and feel grateful and appreciative for travel.

Mindset 3

Vibrant Adventurers

These adventurous risk takers like to make the most out of life. They like experimentation and prefer fun and open-minded, colourful settings and value freedom. Travel has a high importance, and they are motivated by uniqueness, adventure, and a different worldview. They like researching and will spend more to get off the beaten track. They're resilient & will sacrifice other things to travel, seeking less common destinations. Travel makes them feel bold and daring.

Mindset 4

Organised Joy Seekers

These self-reliant planners believe they get from life what they put into it. They avoid unnecessary risk and make their own decisions. Valuing duty, family, knowledge and wealth they like to pamper themselves when travelling and spend time with family and friends. They choose safe destinations, enjoy nature, escaping routine, cuisine and prefer to spectate. While they're less frequent travellers travel gives them joy, rejuvenation, freedom, confidence.

Mindset 5

Spontaneous Explorers

These striving leaders are living their best life, getting ahead and want to be perceived as successful, trendy and important. They value adventure, status, wealth, excitement & romance. They travel to reconnect with self & others, explore nature and a different worldview. They tend to be spontaneous, will do a few shorter trips, avoid sightseeing & like packages and guided tours for ease of travel. Amazement, naughty & quirky are feelings they tap into while traveling.

Mindset 6

Fun Loving Trail Blazers

These balanced, confident achievers are open to risk-taking and experimentation and believe life should be fun. They tend to be influential and value wealth, status, excitement as well as tradition, social responsibility, freedom and loved ones. They travel often and to interesting places to meet people, learn cultures and reconnect with themselves and others. Travel gives them a sense of rejuvenation, joy, boldness and confidence.

Mindset 7

Passive Passengers

These idealistic dreamers want to be like Parrots and Penguins but are more risk-averse in life and like it when others make decisions for them While they value status and wealth, they prefer consistency. Something of a less-confident traveller, new is not that important, they like travelling locally and do little research or sightseeing. They tend to follow influencers and consult travel agents. They travel to reflect, grow and connect and feel understood.